

**OFFICIAL STATEMENT DATED APRIL 29, 2025**

Rating: See "Rating" herein.  
S&P Global Ratings: AA

**New Issue**

In the opinion of Troutman Pepper Locke LLP, Bond Counsel, based upon an analysis of existing law and assuming, among other matters, compliance with certain covenants, interest on the Bonds is excluded from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "Code"). Interest on the Bonds will not be included in computing the alternative minimum taxable income of individuals. However, interest on the Bonds will be included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. Under existing law, interest on the Bonds is exempt from Massachusetts personal income taxes, and the Bonds are exempt from Massachusetts personal property taxes. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Bonds. See "Tax Exemption" herein. The Bonds will not be designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code.

**NORTHEAST METROPOLITAN REGIONAL VOCATIONAL TECHNICAL SCHOOL DISTRICT,  
MASSACHUSETTS  
\$61,170,000 GENERAL OBLIGATION SCHOOL PROJECT LOAN, CHAPTER 70B BONDS**

**DATED**  
Date of Delivery

**DUE**  
May 15  
(as shown below)

The Bonds are issuable only in fully registered form, registered in the name of Cede & Co., as Bondowner and nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the Bonds. Purchases of the Bonds will be made in book-entry form in the denomination of \$5,000, or any integral multiple thereof. (See "THE BONDS - Book-Entry Transfer System" herein.)

Principal of the Bonds will be payable May 15 of the years in which the Bonds mature. Interest on the Bonds will be payable May 15 and November 15, commencing November 15, 2025. Principal and semiannual interest on the Bonds will be paid by U.S. Bank Trust Company, National Association, Boston, Massachusetts, or its successor, as Paying Agent. So long as DTC or its nominee, Cede & Co., is the Bondowner, such payments will be made directly to such Bondowner. Disbursement of such payments to the DTC Participants is the responsibility of DTC and disbursement of such payments to the Beneficial Owners is the responsibility of the DTC Participants and Indirect Participants, as more fully described herein.

The Bonds will be subject to redemption prior to their stated maturity dates as described herein.

An opinion of Bond Counsel will be delivered with the Bonds to the effect that the Bonds are valid general obligations of the Northeast Metropolitan Regional Vocational Technical School District, Massachusetts, and that the principal of and interest on the Bonds are payable from sums which are annually apportioned by the District among the Cities of Chelsea, Malden, Melrose, Revere, and Woburn (the "Member Cities") and the Towns of North Reading, Reading, Saugus, Stoneham, Wakefield, Winchester and Winthrop (the "Member Towns"), (the Member Cities, together with the Member Towns, are the "Member Municipalities") in accordance with an agreement among them (the "District Agreement"). The District Agreement provides, among other things, that the Member Municipalities will be assessed in each fiscal year for their allocable shares of the principal of and interest on bonds of the District payable in each such fiscal year. Sums so apportioned to, and appropriated by, the Member Municipalities are payable from taxes which may be levied upon all taxable property within each respective Member Municipality, subject to the limit imposed by Chapter 59, Section 21C of the General Laws.

**MATURITIES, AMOUNTS, RATES, YIELDS AND CUSIPS**

Due May 15	Principal Amount	Interest Rate	Yield	CUSIP 664262	Due May 15	Principal Amount	Interest Rate	Yield	CUSIP 664262
2026	\$ 1,040,000	5.00 %	2.95 %	CR1	2039	\$ 1,810,000	5.00 %	3.70 %	DE9
2027	1,010,000	5.00	2.90	CS9	2040	1,900,000	5.00	3.85	DF6
2028	1,060,000	5.00	2.92	CT7	2041	1,995,000	5.00	3.98	DG4
2029	1,110,000	5.00	2.97	CU4	2042	2,095,000	3.25	4.38	DH2
2030	1,170,000	5.00	3.02	CV2	2043	2,165,000	3.25	4.46	DJ8
2031	1,225,000	5.00	3.06	CW0	2044	2,235,000	3.25	4.52	DK5
2032	1,290,000	5.00	3.12	CX8	2045	2,310,000	3.25	4.58	DL3
2033	1,350,000	5.00	3.18	CY6	2046	2,385,000	4.50	4.62	DM1
2034	1,420,000	5.00	3.27	CZ3	2047	2,490,000	4.50	4.65	DN9
2035	1,490,000	5.00	3.35	DA7	2048	2,605,000	4.50	4.70	DP4
2036	1,565,000	5.00	3.44	DB5	2049	2,720,000	4.625	4.75	DQ2
2037	1,645,000	5.00	3.50	DC3	2050	2,845,000	5.00	4.51	DR0
2038	1,725,000	5.00	3.62	DD1	2051	2,990,000	5.00	4.53	DS8

**\$6,435,000 Coupon Rate 5.000% Term Bond Maturing May 15, 2053 Yield @ 4.57% Cusip #664262 DU3**  
**\$7,090,000 Coupon Rate 5.000% Term Bond Maturing May 15, 2055 Yield @ 4.60% Cusip #664262 DW9**

The Bonds are offered subject to the final approving opinion of Troutman Pepper Locke LLP, Boston, Massachusetts, Bond Counsel, as aforesaid, and to certain other conditions referred to herein and in the Notice of Sale. Hilltop Securities Inc., Boston, Massachusetts has acted as Municipal Advisor to the Northeast Metropolitan Regional Vocational Technical School District, Massachusetts, with respect to the Bonds. The Bonds in definitive form will be delivered to DTC, or its custodial agent, on or about May 15, 2025, against payment to the District in federal funds.

**MESIROW FINANCIAL INC.**

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The information and expressions of opinion in this Official Statement are subject to change without notice. Neither the delivery of this Official Statement nor any sale of the Bonds shall, under any circumstances, create any implication that there has been no material change in the affairs of the District since the date of this Preliminary Official Statement.

## SUMMARY STATEMENT

The information set forth below is qualified in its entirety by the information and financial statements appearing elsewhere in the Official Statement.

Date of Sale: Tuesday, April 29, 2025, 11:00 A.M. (Eastern Time).

Location of Sale: Hilltop Securities Inc., 54 Canal Street, 3rd Floor, Boston, Massachusetts 02114.

Issuer: Northeast Metropolitan Regional Vocational Technical School District, Massachusetts.

Issue: \$61,170,000 General Obligation School Project Loan, Chapter 70B Bonds, see "THE BONDS Book-Entry Transfer System" herein.

Official Statement Dated: April 29, 2025.

Dated Date of the Bonds: As of their date of delivery.

Principal Due: Serially May 15, 2026 through May 15, 2051, inclusive, with Term Bonds maturing May 15, 2053 and May 15, 2055, as detailed herein.

Interest Payable: Semi-annually May 15 and November 15 until maturity or redemption prior to maturity, commencing November 15, 2025.

Purpose and Authority: The Bonds are authorized by the District under the provisions of G.L. c.71, §16(n) and G.L. c.70B as detailed herein.

Redemption: The Bonds will be subject to redemption prior to their stated maturity dates as detailed herein.

Security: The Bonds are valid general obligations of the Northeast Metropolitan Regional Vocational Technical School District, Massachusetts, and the principal of and interest on the Bonds are payable from sums which are annually apportioned by the District among the Cities of Chelsea, Malden, Melrose, Revere, and Woburn (the "Member Cities") and the Towns of North Reading, Reading, Saugus, Stoneham, Wakefield, Winchester and Winthrop (the "Member Towns"), (Member Cities, together with the Member Towns are the "Member Municipalities") in accordance with an agreement among them (the "District Agreement"). The District Agreement provides, among other things, that the Member Municipalities will be assessed in each fiscal year for their allocable share of the principal of and interest on bonds of the District payable in each such fiscal year. Sums so apportioned to, and appropriated by, the Member Municipalities are payable from taxes which may be levied upon all taxable property within each respective Member Municipality, subject to the limit imposed by Chapter 59, Section 21C of the General Laws.

Credit Rating: S&P Global Ratings has assigned a rating of AA to the Bonds.

Bond Insurance: The District has not contracted for the issuance of any policy of municipal bond insurance or any other credit enhancement facility.

Basis of Award: Lowest True Interest Cost (TIC), as of the dated date. **BIDS MUST INCLUDE A PREMIUM OF AT LEAST \$240,000.**

Tax Exemption: Refer to "THE BONDS - Tax Exemption" herein and Appendix C, "Proposed Form of Legal Opinion."

Continuing Disclosure: Refer to "THE BONDS - Continuing Disclosure" herein and Appendix D, "Proposed Form of Continuing Disclosure Certificate."

Bank Qualification: The Bonds will not be designated by the District as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

Paying Agent: U.S. Bank Trust Company, National Association, Boston, Massachusetts.

Legal Opinion: Troutman Pepper Locke LLP, Boston, Massachusetts.

Municipal Advisor: Hilltop Securities Inc., Boston, Massachusetts.

Delivery and Payment: It is expected that delivery of the Bonds in book-entry only form will be made to The Depository Trust Company, or to its custodial agent, on or about May 15, 2025, against payment in federal funds.

Issuer Official: Questions concerning the Official Statement should be addressed to: Mr. James T. Picone, Director of Finance, Northeast Metropolitan Regional Vocational Technical School District, Massachusetts telephone (781) 828-5800 x208 or Kristy Tofuri, Senior Vice President, HilltopSecurities, Boston, Massachusetts telephone (617) 619-4414.

## NOTICE OF SALE

### NORTHEAST METROPOLITAN REGIONAL VOCATIONAL TECHNICAL SCHOOL DISTRICT, MASSACHUSETTS \$61,855,000\* GENERAL OBLIGATION SCHOOL PROJECT LOAN, CHAPTER 70B BONDS

The Northeast Metropolitan Regional Vocational Technical School District, Massachusetts (the "District") will receive electronic (as described herein) proposals until 11:00 A.M., Eastern Time, Tuesday, April 29, 2025, for the purchase of the following described General Obligation School Project Loan, Chapter 70B Bonds of the District (the "Bonds"):

\$61,855,000\* General Obligation School Project Loan, Chapter 70B Bonds payable May 15 of the years and in the amounts as follows:

Due May 15	Principal Amount*	Due May 15	Principal Amount*
2026	\$ 960,000	2041	** \$ 1,985,000
2027	1,010,000	2042	** 2,060,000
2028	1,060,000	2043	** 2,145,000
2029	1,115,000	2044	** 2,240,000
2030	1,170,000	2045	** 2,335,000
2031	1,230,000	2046	** 2,440,000
2032	1,290,000	2047	** 2,555,000
2033	1,355,000	2048	** 2,675,000
2034	1,425,000	2049	** 2,805,000
2035	** 1,495,000	2050	** 2,935,000
2036	** 1,570,000	2051	** 3,075,000
2037	** 1,645,000	2052	** 3,220,000
2038	** 1,730,000	2053	** 3,375,000
2039	** 1,815,000	2054	** 3,535,000
2040	** 1,905,000	2055	** 3,700,000

\*Preliminary, subject to change.

\*\*Callable maturities. May be combined into not more than three Term Bonds as described herein.

The Bonds will be dated their date of delivery. Principal of the Bonds will be payable on May 15 of the years in which the Bonds mature. Interest will be payable on May 15 and November 15, until maturity or redemption prior to maturity, commencing November 15, 2025.

The Bonds will be issued by means of a book-entry system with no physical distribution of the Bonds made to the public. One certificate for each maturity of the Bonds will be issued to The Depository Trust Company, New York, New York ("DTC"), and immobilized in its custody. Ownership of the Bonds in principal amounts of \$5,000 or integral multiples thereof, will be evidenced by a book-entry system with transfers of ownership effected on the records of DTC and its Participants pursuant to rules and procedures established by DTC and its Participants. The successful bidder, as a condition to delivery of the Bonds, shall be required to deposit the Bonds with DTC, registered in the name of Cede & Co. Interest and principal on the Bonds will be payable to DTC or its nominee as Registered Owner of the Bonds. Transfer of principal and interest payments to Participants of DTC will be the responsibility of DTC. Transfer of principal and interest payments to Beneficial Owners will be the responsibility of such participants and other nominees of Beneficial Owners. The District will not be responsible or liable for maintaining, supervising or reviewing the records maintained by DTC, its Participants or persons acting through such Participants.

The original Bonds to be immobilized at DTC will be approved by Troutman Pepper Locke LLP, Boston, Massachusetts, whose opinion will be furnished to the purchaser without charge.

The Bonds maturing on and before May 15, 2034 are not subject to redemption prior to their stated maturity dates. Bonds maturing on and after May 15, 2035 are subject to redemption prior to their stated maturity dates, at the option of the District, on and after May 15, 2034 either in whole or in part at any time, and if in part, by lot within a maturity, **at the par amount of the Bonds to be redeemed**, plus accrued interest to the date set for redemption.

For Bonds maturing on and after May 15, 2035, bidders may specify that all of the principal amount of such Bonds in any two or more consecutive years may, in lieu of maturing in each such year, be combined to comprise a term bond, which shall be subject to mandatory redemption or mature at par, as described above, in each of the years and in the principal amounts specified in the foregoing maturity schedule (which is subject to change as described herein). Bidders may specify no more than three term bonds.



Each such term bond shall be subject to mandatory redemption commencing on May 15 of the first year which has been combined to form such term bond and continuing on May 15 in each year thereafter until the stated maturity date of that Bond. The amount redeemed or paid at maturity in any year shall be equal to the principal amount for that year set forth in the schedule contained in the Notice of Sale dated April 22, 2025 relating to the Bonds, as the same may be adjusted following pricing, as described below, plus interest to the redemption date, without premium. Bidders may specify no more than three term bonds.

Principal and semiannual interest on the Bonds will be paid by U.S. Bank Trust Company, National Association, Boston, Massachusetts as Paying Agent. So long as DTC or its nominee, Cede & Co., is the Bondowner, such payments will be made directly to DTC. Disbursement of such payments to the DTC Participants is the responsibility of DTC and disbursements of such payments to the Beneficial Owners is the responsibility of the DTC Participants and the Indirect Participants, as more fully described herein.

### **Bidding Parameters**

Bidders shall state the rate or rates of interest per annum which the Bonds are to bear in a multiple of 1/20 or 1/8 of one percent, but shall not state (a) more than one interest rate for any Bonds having a like maturity, (b) any interest rate which exceeds the interest rate stated for any other Bonds by more than 3 percent or (c) **any coupon in excess of 5.5%. NO BID OF LESS THAN PAR PLUS A PREMIUM OF AT LEAST \$240,000 WILL BE CONSIDERED.**

**The current bond structure does not reflect any premium.** The District reserves the right to change the aggregate principal amount of the Bonds and the maturity schedule after determination of the winning bid by decreasing the principal amount of each maturity by such amounts as may be necessary to (a) produce sufficient funds for the project to be financed with proceeds of the Bonds after taking into account the premium to be received by the District, and (b) restructure annual principal amortization of the Bonds such that the annual debt service payments are approximately level through the same original term. **THE SUCCESSFUL BIDDER MAY NOT WITHDRAW ITS BID OR CHANGE THE INTEREST RATES BID OR THE INITIAL REOFFERING PRICES AS A RESULT OF ANY CHANGES MADE TO THE ANNUAL PRINCIPAL AMOUNTS WITHIN THESE LIMITS.** The dollar amount bid for the Bonds by the winning bidder will be adjusted, if applicable, to reflect changes in the dollar amount of the amortization schedule. Any price that is adjusted will reflect changes in the dollar amount of the underwriter's discount and original issue premium, if any, but will not change the per bond underwriter's discount (net of insurance premium, if any) provided in such bid. Nor will it change the interest rate specified for each maturity. Any such adjustments will be communicated to the winning bidder for the Bonds by 4 p.m. local time on the day of the sale.

Bids must be submitted electronically via Parity in accordance with this Notice of Sale. To the extent any instructions or directions set forth in Parity conflict with this Notice of Sale, the terms of this Notice of Sale shall control. For further information about Parity, potential bidders may contact the Municipal Advisor to the District or I-deal at 40 West 23rd Street, 5th Floor, New York, NY 10010 (212) 404-8102. An electronic bid made in accordance with this Notice of Sale shall be deemed an offer to purchase the Bonds in accordance with the terms provided in this Notice of Sale and shall be binding upon the bidder as if made by a signed and sealed written bid delivered to the District.

As between proposals which comply with this Notice of Sale, the award will be to the bidder who offers to purchase all the Bonds at the lowest net effective interest rate to the District. Such interest rate shall be determined on a true interest cost (TIC) basis, which shall mean that rate which, as of May 15, 2025, discounts semi-annually all future payments on account of principal and interest to the price bid, not including interest accrued, if any, which accrued interest shall be paid by the successful bidder. The award of the Bonds to the winning bidder will not be effective until the bid has been approved by the Treasurer and the School Committee of the District. In the event that two or more bidders submit the same lowest true interest cost for the Bonds, the Treasurer shall determine the successful bidder by lot from among all such proposals.

The right is reserved to reject all bids and to reject any bid not complying with this Notice of Sale and, so far as permitted by law, to waive any irregularity with respect to any proposal.

The Northeast Metropolitan Regional Vocational Technical School District has not contracted for the issuance of any policy of municipal bond insurance for the Bonds. If the Bonds qualify for issuance of any such policy or commitment therefor, any purchase of such insurance or commitment shall be at the sole option and expense of the bidder. Proposals shall not be conditioned upon the issuance of any such policy or commitment. Any failure of the Bonds to be so insured or of any such policy or commitment to be issued shall not in any way relieve the purchaser of its contractual obligations arising from the acceptance of its proposal for the purchase of the Bonds. Should the bidder purchase municipal bond insurance, all expenses associated with such policy or commitment will be borne by the bidder, except for the fee paid to S&P Global Ratings for a rating on the Bonds. Any such fee paid to S&P Global Ratings would be borne by the District.

In order to assist bidders in complying with Rule 15c2-12 (b)(5) promulgated by the Securities and Exchange Commission, the District will undertake to provide annual reports and notices of certain significant events. A description of this undertaking is set forth in the Preliminary Official Statement.

The Bonds will not be designated as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986 as amended (the “Code”).

It shall be a condition to the obligation of the successful bidder to accept delivery of and pay for the Bonds that it shall be furnished, without cost, with (a) the approving opinion of the firm of Troutman Pepper Locke LLP, Boston, Massachusetts, substantially in the form appearing as Appendix C to the Preliminary Official Statement dated April 22, 2025, (b) a certificate in the form satisfactory to Bond Counsel dated as of the date of delivery of the Bonds and receipt of payment therefor to the effect that there is no litigation pending or, to the knowledge of the signers thereof, threatened which affects the validity of the Bonds or the power of the District to levy and collect taxes to pay them, (c) a certificate of the District Treasurer to the effect that, to the best of his knowledge and belief, as of its date and the date of sale the Preliminary Official Statement did not, and as of its date and the date of the delivery of the Bonds, the Final Official Statement did not and does not, contain any untrue statement of a material fact and did not and does not omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading, and (d) a Continuing Disclosure Certificate in the form appearing as Appendix D of the Preliminary Official Statement.

### **Establishment of Issue Price**

The successful bidder shall assist the District in establishing the issue price of the Bonds and shall execute and deliver to the District on the Closing Date an “issue price” or similar certificate, substantially in the applicable form set forth in Exhibit 1 to this Notice of Sale, setting forth the reasonably expected initial offering prices to the public or the sales price of the Bonds together with the supporting pricing wires or equivalent communications, or, if applicable, the amount bid, with such modifications as may be appropriate or necessary, in the reasonable judgment of the successful bidder, the District and Bond Counsel. All actions to be taken by the District under this Notice of Sale to establish the issue price of the Bonds may be taken on behalf of the District by Hilltop Securities Inc. (the “Municipal Advisor”) and any notice or report to be provided to the District may be provided to the Municipal Advisor.

**Competitive Sale Requirements.** If the competitive sale requirements (“competitive sale requirements”) set forth in Treasury Regulation § 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Bonds) have been satisfied, the District will furnish to the successful bidder on the Closing Date a certificate of the Municipal Advisor, which will certify each of the following conditions to be true:

1. the District has disseminated this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
2. all bidders had an equal opportunity to bid;
3. the District received bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
4. the District awarded the sale of the Bonds to the bidder who submitted a firm offer to purchase the Bonds at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

**Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Bonds, as specified in the bid. Unless a bidder notifies the District prior to submitting its bid by contacting the Municipal Advisor, telephone (617) 619-4400, and affirming in writing via email, or in its bid submitted via Parity, that it will NOT be an “underwriter” (as defined below) of the Bonds, by submitting its bid, each bidder shall be deemed to confirm that it has an established industry reputation for underwriting new issuances of municipal bonds. Unless the bidder has notified the District that it will not be an “underwriter” (as defined below) of the Bonds, in submitting a bid, each bidder is deemed to acknowledge that it is an “underwriter” that intends to reoffer the Bonds to the public.**

In the event that the competitive sale requirements are not satisfied, the District shall so advise the successful bidder.

**Failure to Meet the Competitive Sale Requirements – Option A – The Successful Bidder Intends to Reoffer the Bonds to the Public and the 10% Test to Apply.** If the competitive sale requirements are not satisfied and the successful bidder intends to reoffer the Bonds to the public, the Successful Bidder may, at its option, use the first price at which 10% of a maturity of the Bonds (the “10% Test”) is sold to the public as the issue price of that maturity, applied on a maturity-by-maturity basis, of the Bonds. The successful bidder shall advise the Municipal Advisor if any maturity of the Bonds satisfies the 10% Test as of the date and time of the award of the Bonds.

If the competitive sale requirements are not satisfied, then until the 10% Test has been satisfied as to each maturity of the Bonds or all of the Bonds are sold to the public, the successful bidder agrees to promptly report to the Municipal Advisor the prices at which the unsold Bonds of each maturity have been sold to the public, which reporting obligation shall continue, whether or not the Closing Date has occurred, until the 10% Test has been satisfied for each maturity of the Bonds or until all the Bonds of a maturity have been sold. The successful bidder shall be obligated to report each sale of Bonds to the Municipal Advisor until notified in writing by the District or the Municipal Advisor that it no longer needs to do so. If the successful bidder uses Option A the Successful Bidder shall provide to the District on or before the closing date, the certificate attached to this Notice of Sale as Exhibit 1 – Option A.

By submitting a bid and if the competitive sale requirements are not met, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, to report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the successful bidder that either the 10% Test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public, if and for so long as directed by the successful bidder and as set forth in the related pricing wires and (ii) any agreement among underwriters relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the successful bidder or such underwriter that either the 10% Test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public if and for so long as directed by the successful bidder or such underwriter and as set forth in the related pricing wires.

Sales of any Bonds to any person that is a related party to an underwriter shall not constitute sales to the public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

1. “public” means any person other than an underwriter or a related party,
2. “underwriter” means (A) any person, including the Successful Bidder, that agrees pursuant to a written contract with the District (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the public), and
3. a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

Failure to Meet the Competitive Sale Requirements – Option B – The Successful Bidder Intends to Reoffer the Bonds to the Public and Agrees to Hold the Price of Maturities of Bonds for Which the 10% Test in Option A is Not Met as of the Sale Date. The successful bidder may, at its option, notify the Municipal Advisor in writing, which may be by email (the “Hold the Price Notice”), not later than 4:00 p.m. eastern time on the Sale Date, that it has not sold 10% of the maturities of the Bonds listed in the Hold the Price Notice (the “Unsold Maturities”) and that the successful bidder will not offer the Unsold Maturities to any person at a price that is higher than the initial offering price to the public during the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date or (ii) the date on which the successful bidder has sold at least 10% of the applicable Unsold Maturity to the public at a price that is no higher than the initial offering price to the public. If the successful bidder delivers a Hold the Price Notice to the Municipal Advisor, the successful bidder must provide to the Issuer on or before the Closing Date, in addition to the certification described in Option A above, evidence that each underwriter of the Bonds, including underwriters in an underwriting syndicate or selling group, has agreed in writing to hold the price of the Unsold Maturities in the manner described in the preceding sentence.

Failure to Meet the Competitive Sale Requirements and/or the Successful Bidder Does Not Intend to Reoffer the Bonds to the Public – Option C. If the successful bidder has purchased the Bonds for its own account and will not distribute, reoffer or resell the Bonds to the public, then, whether or not the competitive sale requirements were met, the issue price certificate will recite such facts and identify the price or prices at which the purchase of the Bonds was made.

It is anticipated that CUSIP identification numbers will be printed on the Bonds. The District assumes no responsibility for any CUSIP Service Bureau or other charge that may be imposed for the assignment of such numbers.

Additional information concerning the Northeast Metropolitan Regional Vocational Technical School District and the Bonds is contained in the Preliminary Official Statement dated April 22, 2025, to which prospective bidders are directed. The Preliminary Official Statement is provided for informational purposes only and is not a part of this Notice of Sale. Said Preliminary Official Statement is deemed final by the District except for the omission of the reoffering price(s), interest rate(s), delivery date, the identity of the underwriter(s), and any other pertinent terms of the Bonds depending on such matters, but is subject to change without notice to completion or amendment in a Final Official Statement. Copies of the Preliminary Official Statement may be obtained from Hilltop Securities Inc., 54 Canal Street, Boston, Massachusetts 02114 (Telephone: 617-619-4400). Within seven (7) business days following the award of the Bonds in accordance herewith, 5 copies of the Final Official Statement will be available from Hilltop Securities Inc. to the successful bidder for use in reoffering the Bonds. Upon request, additional copies will be provided at the expense of the requester.

The Bonds in definitive form will be delivered to The Depository Trust Company or its custodial agent on or about May 15, 2025 for settlement in federal funds.

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Northeast Metropolitan Regional Vocational Technical School District, Massachusetts  
/s/ James T. Picone, Director of Finance

April 22, 2025

**Issue Price Certificate for Use If the Competitive  
Sale Requirements Are Met  
\$61,855,000\***

**Northeast Metropolitan Regional Vocational Technical School District, Massachusetts  
General Obligation School Project Loan, Chapter 70B Bonds Dated May 15, 2025**

**ISSUE PRICE CERTIFICATE AND RECEIPT**

The undersigned, on behalf of \_\_\_\_\_ (the "Successful Bidder"), hereby certifies as set forth below with respect to the sale of the above-captioned obligations (the "Bonds") of the Northeast Metropolitan Regional Vocational Technical School District, Massachusetts (the "Issuer").

**1. Reasonably Expected Initial Offering Prices.**

(a) As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by the Successful Bidder are the prices listed in Schedule A (the "Expected Offering Prices"). The Expected Offering Prices are the prices for the Maturities of the Bonds used by the Successful Bidder in formulating its bid to purchase the Bonds. Attached as Schedule B is a true and correct copy of the bid provided by the Successful Bidder to purchase the Bonds.

(b) The Successful Bidder was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by the Successful Bidder constituted a firm offer to purchase the Bonds.

**2. Defined Terms.**

(a) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(b) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(c) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is April 29, 2025.

(d) *Underwriter* means (i) any person, including the Successful Bidder, that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

**3. Receipt.**

The Successful Bidder hereby acknowledges receipt from the Issuer of the Bonds and further acknowledges receipt of all certificates, opinions and other documents required to be delivered to the Successful Bidder, before or simultaneously with the delivery of such Bonds, which certificates, opinions and other documents are satisfactory to the Successful Bidder.

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Successful Bidder's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Troutman Pepper Locke LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

Dated: \_\_\_\_\_, 2025

[SUCCESSFUL BIDDER]

By: \_\_\_\_\_

Name:

Title:

\*Preliminary, subject to change.

**SCHEDULE A**  
**EXPECTED OFFERING PRICES**  
**(To be Attached)**

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**SCHEDULE B**  
**COPY OF SUCCESSFUL BIDDER'S BID**  
**(To Be Attached)**

**Issue Price Certificate for Use If the Competitive Sale Requirements Are  
Not Met and the 10% Test to Apply  
\$61,855,000\***

**Northeast Metropolitan Regional Vocational Technical School District, Massachusetts  
General Obligation School Project Loan, Chapter 70B Bonds Dated May 15, 2025  
ISSUE PRICE CERTIFICATE AND RECEIPT**

The undersigned, on behalf of \_\_\_\_\_ (the "Successful Bidder"), on behalf of itself and [NAMES OF OTHER UNDERWRITERS]] hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the "Bonds") by the Northeast Metropolitan Regional Vocational Technical School District, Massachusetts (the "Issuer").

1. **Sale of the Bonds.** As of the date of this certificate, [except as set forth in the following paragraph,] for each Maturity of the Bonds, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in Schedule A.

[Only use the next paragraph if the 10% Test has not been met or all of the Bonds have not been sold for one or more Maturities of Bonds as of the Closing Date.]

For each Maturity of the Bonds as to which no price is listed in Schedule A, as set forth in the Notice of Sale for the Bonds, until at least 10% of each such Maturity of the Bonds is sold to the Public (the "10% Test") or all of the Bonds are sold to the Public, the Successful Bidder agrees to promptly report to the Northeast Metropolitan Regional Vocational Technical School District's Municipal Advisor, Hilltop Securities Inc. (the "Municipal Advisor") the prices at which the unsold Bonds of each Maturity have been sold to the Public, which reporting obligation shall continue after the date hereof until the 10% Test has been satisfied for each Maturity of the Bonds or until all the Bonds of a Maturity have been sold. The Successful Bidder shall continue to report each sale of Bonds to the Municipal Advisor until notified by email or in writing by the Issuer or the Municipal Advisor that it no longer needs to do so.

2. **Defined Terms.**

- (a) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.
- (b) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.
- (c) *Underwriter* means (i) any person, including the Successful Bidder that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

3. **Receipt.** The Successful Bidder hereby acknowledges receipt from the Issuer of the Bonds and further acknowledges receipt of all certificates, opinions and other documents required to be delivered to the Successful Bidder, before or simultaneously with the delivery of such Bonds, which certificates, opinions and other documents are satisfactory to the Successful Bidder.

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Successful Bidder's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Troutman Pepper Locke LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

Dated: \_\_\_\_\_, 2025

[SUCCESSFUL BIDDER]

By: \_\_\_\_\_

Name:

Title:

\*Preliminary, subject to change.

SALE PRICES  
(To be Attached)

SCHEDULE A



**Issue Price Certificate for Use If the Competitive Sale Requirements Are  
Not Met and the Hold the Price Rule Is Used  
\$61,855,000\***

**NORTHEAST METROPOLITAN REGIONAL VOCATIONAL TECHNICAL SCHOOL DISTRICT, MASSACHUSETTS  
General Obligation School Project Loan, Chapter 70B Bonds**

**DATED MAY 15, 2025**

**ISSUE PRICE CERTIFICATE AND RECEIPT**

The undersigned, on behalf of \_\_\_\_\_ (the “Successful Bidder”), on behalf of itself and [NAMES OF OTHER UNDERWRITERS] hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Bonds”) of the Northeast Metropolitan Regional Vocational Technical School District, Massachusetts (the “Issuer”).

1. **Sale of the Bonds.** As of the date of this certificate, [except as set forth in following paragraph,] for each Maturity of the Bonds, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in Schedule A.

[Only use the next paragraph if the 10% Test has not been met as of the Sale Date.]

For each Maturity of the Bonds as to which no price is listed in Schedule A (the “Unsold Maturities”), as set forth in the Notice of Sale for the Bonds, the Successful Bidder and any other Underwriter did not [and will not] reoffer the Unsold Maturities to any person at a price that is higher than the initial offering price to the Public until the earlier of (i) \_\_\_\_\_, 2025 or (ii) the date on which the “Successful Bidder”[Representative] or any other Underwriter sold at least 10% of each Unsold Maturity at a price that is no higher than the initial offering price to the Public.

2. **Defined Terms.**

(a) Maturity means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(b) Public means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(c) Underwriter means (i) any person, including the Successful Bidder, that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

3. **Receipt.** The Successful Bidder hereby acknowledges receipt of the Bonds from the Issuer and further acknowledges receipt of all certificates, opinions and other documents required to be delivered to the Successful Bidder, before or simultaneously with the delivery of such bonds of the Issue, which certificates, opinions and other documents are satisfactory to the Successful Bidder.

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the [Successful Bidder’s] interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Troutman Pepper Locke LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

Dated: \_\_\_\_\_, 2025

[SUCCESSFUL BIDDER]

By: \_\_\_\_\_  
Name:  
Title:

\*Preliminary, subject to change.

**[SCHEDULE A**  
**SALE PRICES**  
**(To be Attached)]**

## OFFICIAL STATEMENT

### NORTHEAST METROPOLITAN REGIONAL VOCATIONAL TECHNICAL SCHOOL DISTRICT, MASSACHUSETTS

#### \$61,170,000 GENERAL OBLIGATION SCHOOL PROJECT LOAN, CHAPTER 70B BONDS

This Official Statement is provided for the purpose of presenting certain information relating to the Northeast Metropolitan Regional Vocational Technical School District, Massachusetts (the "District") in connection with the sale of \$61,170,000 stated principal amount of its General Obligation School Project Loan, Chapter 70B Bonds (the "Bonds"). The information contained herein has been furnished by the District, except information attributed to another source.

### THE BONDS

#### Description of the Bonds

The Bonds will be dated their date of delivery and will bear interest payable semiannually on May 15 and November 15, until maturity or redemption prior to maturity, commencing November 15, 2025. The Bonds shall mature on May 15 of the years and in the principal amounts as set forth on the cover page of this Official Statement.

The Bonds are issuable only in fully registered form registered in the name of Cede & Co., as Bondowner and nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the Bonds. Purchases of the Bonds will be made in book-entry form, in the denomination of \$5,000, or any integral multiple thereof. Purchasers will not receive certificates representing their interests in Bonds purchased. So long as Cede & Co. is the Bondowner, as nominee of DTC, references herein to the Bondowners or Registered Owners shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners (as defined herein) of the Bonds. (See "Book-Entry Transfer System" herein.)

Principal and semiannual interest on the Bonds will be paid by U.S. Bank Trust Company, National Association, Boston, Massachusetts or its successor as Paying Agent. So long as DTC or its nominee, Cede & Co., is the Bondowner, such payments will be made directly to DTC. Disbursement of such payments to the DTC Participants is the responsibility of DTC and disbursement of such payments to the Beneficial Owners is the responsibility of the DTC Participants and the Indirect Participants, as more fully described herein.

#### Redemption Provisions

##### Optional Redemption

Bonds maturing on or prior to May 15, 2034 shall not be subject to redemption prior to their stated maturity dates. Bonds maturing on or after May 15, 2035 shall be subject to redemption prior to maturity, at the option of the District, on or after May 15, 2034, either in whole or in part at any time, and if in part, by lot within a maturity, at the par amount of the Bonds to be redeemed, plus accrued interest to the date set for redemption.

##### Mandatory Redemption

The Bonds maturing May 15, 2053 and May 15, 2055 (the "Term Bonds") are subject to mandatory redemption or maturity on each of the dates and in each of the principal amounts set forth below (the particular portion of such Term Bonds to be redeemed or to mature on the final maturity date to be delivered by lot), at a redemption price of par, plus accrued interest, if any, to the redemption date.

#### **\$6,435,000 Term Bond Maturing May 15, 2053**

<u>May 15</u>	<u>Principal Amount</u>
2052	\$3,140,000
2053*	3,295,000

#### **\$7,090,000 Term Bond Maturing May 15, 2055**

<u>May 15</u>	<u>Principal Amount</u>
2054	\$3,460,000
2055*	3,630,000

\*Final Maturity.

## **Notice of Redemption**

Notice of any redemption of Bonds, prior to their dates of maturity, specifying the Bonds (or the portions thereof) to be redeemed shall be mailed or sent in other manner acceptable to DTC not more than 60 days nor less than 30 days prior to the redemption date. Any failure on the part of DTC to notify the Direct Participants of the redemption or failure on the part of DTC's Participants, Indirect Participants or of a nominee of a Beneficial Owner having received notice from a DTC Participant or otherwise to notify the Beneficial Owners shall not affect the validity of the redemption.

## **Record Date**

The record date for each payment of interest is the last business day of the month preceding the interest payment date provided that, with respect to overdue interest, the Paying Agent may establish a special record date. The special record date may not be more than twenty (20) days before the date set for payment. The Paying Agent will mail notice of a special record date to the Bondowners at least ten (10) days before the special record date.

## **Book-Entry Transfer System**

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Bonds. The Bonds will be issued in fully-registered form registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's Participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a rating from S&P Global Ratings of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of securities deposited with DTC must be made by or through Direct Participants, which will receive a credit for such securities on DTC's records. The ownership interest of each actual purchaser of each security deposited with DTC ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in securities deposited with DTC are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in securities deposited with DTC, except in the event that use of the book-entry system for such securities is discontinued.

To facilitate subsequent transfers, all securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in Beneficial Ownership. DTC has no knowledge of the actual Beneficial Owners of the securities deposited with DTC; DTC's records reflect only the identity of the Direct Participants to whose accounts such securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in the Bonds to be redeemed.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to securities deposited with DTC unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the issuer of such securities or its paying agent as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts such securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on securities deposited with DTC will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the issuer of such securities or its paying agent, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC (nor its nominee), the issuer of such securities or its paying agent, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the issuer of such securities or its paying agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to securities held by it at any time by giving reasonable notice to the issuer of such securities or its paying agent. Under such circumstances, in the event that a successor depository is not obtained, physical certificates are required to be printed and delivered to Beneficial Owners.

The issuer of such securities may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, physical certificates will be printed and delivered to Beneficial Owners.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the accuracy thereof.

## Authorization of the Bonds and Use of Proceeds

The following sets forth the date of District approval, amount authorized, purpose, statutory authorization, principal amount, and net premium to be applied to project costs for the current offering of Bonds:

Date of Authorization	Amount Originally Authorized	Purpose	M.G.L. Chapter Reference	This Issue	Net Premium to be Applied to Project
12/9/21 & 1/25/22	\$ 317,422,620	(1) School	Ch. 71, s. 16(n) and Ch. 70B	\$ 61,170,000	\$ 689,478
				\$ 61,170,000	\$ 689,478

(1) To be reduced by an estimated \$163,383,141 in Massachusetts School Building Authority (MSBA) grant reimbursements. The District has been approved for 76% MSBA reimbursement on eligible project costs. The District has received \$75,317,664 in MSBA grants to date.

## Tax Exemption

In the opinion of Troutman Pepper Locke LLP, Bond Counsel to the District ("Bond Counsel"), based upon an analysis of existing laws, regulations, rulings, and court decisions, and assuming, among other matters, compliance with certain covenants, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). Bond Counsel is of the further opinion that interest on the Bonds will not be included in computing the alternative minimum taxable income of Bondholders who are individuals. However, interest on the Bonds will be included in the "adjusted financial municipal statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. Bond Counsel expresses no opinion regarding any other federal tax consequences arising with respect to the ownership or disposition of, or the accrual or receipt of interest on the Bonds. The Bonds will not be designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code.

The Code imposes various requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Bonds. Failure to comply with these requirements may result in interest on the Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Bonds. The District has covenanted to comply with such requirements to ensure that interest on the Bonds will not be included in federal gross income. The opinion of Bond Counsel assumes compliance with these requirements.

Bond Counsel is also of the opinion that, under existing law, interest on the Bonds is exempt from Massachusetts personal income taxes, and the Bonds are exempt from Massachusetts personal property taxes. Bond Counsel has not opined as to other Massachusetts tax consequences arising with respect to the Bonds. Prospective Bondholders should be aware, however, that the Bonds are included in the measure of Massachusetts estate and inheritance taxes, and the Bonds and the interest thereon are included in the measure of certain Massachusetts corporate excise and franchise taxes. Bond Counsel expresses no opinion as to the taxability of the Bonds or the income therefrom or any other tax consequences arising with respect to the Bonds under the laws of any state other than Massachusetts. A complete copy of the proposed form of opinion of Bond Counsel is set forth in Appendix C hereto.

To the extent the issue price of any maturity of the Bonds is less than the amount to be paid at maturity of such Bonds (excluding amounts stated to be interest and payable at least annually over the term of such Bonds), the difference constitutes "original issue discount," the accrual of which, to the extent properly allocable to each owner thereof, is treated as interest on the Bonds which is excluded from gross income for federal income tax purposes and is exempt from Massachusetts personal income taxes. For this purpose, the issue price of a particular maturity of the Bonds is either the reasonably expected initial offering price to the public or the first price at which a substantial amount of such maturity of the Bonds is sold to the public, as applicable. The original issue discount with respect to any maturity of the Bonds accrues daily over the term to maturity of such Bonds on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Bonds to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Bonds. Bondholders should consult their own tax advisors with respect to the tax consequences of ownership of Bonds with original issue discount, including the treatment of purchasers who do not purchase such Bonds in the original offering to the public at the reasonably expected initial offering price or, if applicable, the first price at which a substantial amount of such Bonds is sold to the public.

Bonds purchased, whether at original issuance or otherwise, for an amount greater than the stated principal amount to be paid at maturity of such Bonds, or, in some cases, at the earlier redemption date of such Bonds ("Premium Bonds"), will be treated as having amortizable bond premium for federal income tax purposes and Massachusetts personal income tax purposes. No deduction is allowable for the amortizable bond premium in the case of obligations, such as the Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, a Bondholder's basis in a Premium Bond will be reduced by the amount of amortizable bond premium properly allocable to such Bondholder. Holders of Premium Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Bonds may adversely affect the value of, or the tax status of interest on, the Bonds.

Although Bond Counsel is of the opinion that interest on the Bonds is excluded from gross income for federal income tax purposes and is exempt from Massachusetts personal income taxes, the ownership or disposition of, or the accrual or receipt of interest on, the Bonds may otherwise affect the federal or state tax liability of a Bondholder. Among other possible consequences of ownership or disposition of, or the accrual or receipt of interest on, the Bonds, the Code requires recipients of certain social security and certain railroad retirement benefits to take into account receipts or accruals of interest on the Bonds in determining the portion of such benefits that are included in gross income. The nature and extent of all such other tax consequences will depend upon the particular tax status of the Bondholder or the Bondholder's other items of income, deduction, or exclusion. Bond Counsel expresses no opinion regarding any such other tax consequences, and Bondholders should consult with their own tax advisors with respect to such consequences.

### **Risk of Future Legislative Changes and/or Court Decisions**

Legislation affecting tax-exempt obligations is regularly considered by the United States Congress and may also be considered by the Massachusetts legislature. Court proceedings may also be filed, the outcome of which could modify the tax treatment of obligations such as the Bonds. There can be no assurance that legislation enacted or proposed, or actions by a court, after the date of issuance of the Bonds will not have an adverse effect on the tax status of interest on the Bonds or the market value or marketability of the Bonds. These adverse effects could result, for example, from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), or repeal (or reduction in the benefit) of the exclusion of interest on the Bonds from gross income for federal or state

income tax purposes for all or certain taxpayers. Additionally, Bondholders should be aware that future legislative actions (including federal income tax reform) may retroactively change the treatment of all or a portion of the interest on the Bonds for federal income tax purposes for all or certain taxpayers. In all such events, the market value of the Bonds may be affected and the ability of Bondholders to sell their Bonds in the secondary market may be reduced. The Bonds are not subject to special mandatory redemption, and the interest rates on the Bonds are not subject to adjustment, in the event of any such change in the tax treatment of interest on the Bonds.

Investors should consult their own financial and tax advisors to analyze the importance of these risks.

## **Security and Remedies**

The Bonds will be general obligations of the District, and, to the extent not paid from the proceeds of the bonds in anticipation of which the Bonds are issued or other sources, will be payable as to both principal and interest from sums which are annually apportioned among the Member Municipalities in accordance with an agreement (the "Agreement") among them. (A copy of the Agreement is available upon request). Sums apportioned to, and appropriated by each Member Municipality for the payment of principal and interest on the Bonds are payable from taxes that may be levied upon all taxable property in each such Member Municipality, subject to the limitations on the property tax levy imposed by G.L. c. 59, §21C (also known as Proposition 2½). To the extent that the sums apportioned to and appropriated by a Member Municipality are not paid when due, the District, through its Treasurer, has the power to borrow in anticipation of any and all unpaid amounts sufficient to pay the principal and interest falling due on the Bonds. No Member Town is liable for payment of the sums apportioned to and assessed upon any other Member Town.

**Full Faith and Credit.** General obligation bonds and notes of a Massachusetts city, town or regional school district constitute a pledge of its full faith and credit. Payment is not limited to a particular fund or revenue source. Except for "qualified bonds" as described below (see "*Serial Bonds and Notes*" under "INDEBTEDNESS-TYPES OF OBLIGATIONS" below) and setoffs of state distributions as described below (see "*State Distributions*" below), no provision is made by the Massachusetts statutes for priorities among bonds and notes and other general obligations, although the use of certain moneys may be restricted.

**Court Proceedings.** Massachusetts cities, towns and regional school districts are subject to suit on their general obligation bonds and notes and courts of competent jurisdiction have power in appropriate proceedings to order payment of a judgment on the bonds or notes from lawfully available funds or, if necessary, to order the city, town or regional school district to take lawful action to obtain the required money, including the raising of it in the next annual tax levy (in the case of a city or town), within the limits prescribed by law. (See "*Tax Limitations*" under "PROPERTY TAXATION" below.) In exercising their discretion as to whether to enter such an order, the courts could take into account all relevant factors including the current operating needs of the city, town or regional school district and the availability and adequacy of other remedies. The Massachusetts Supreme Judicial Court has stated in the past that a judgment against a municipality can be enforced by the taking and sale of the property of any inhabitant. However, there has been no judicial determination as to whether this remedy is constitutional under current due process and equal protection standards.

**State Distributions.** State grants and distributions may in some circumstances be unavailable to pay general obligation bonds and notes of a city, town or regional school district in that the State Treasurer is empowered to deduct from such grants and distributions the amount of any debt service paid on "qualified bonds" (See "*Serial Bonds and Notes*" under "INDEBTEDNESS-TYPES OF OBLIGATIONS" below) and any other sums due and payable by the city, town or regional school district to The Commonwealth of Massachusetts (the "Commonwealth").

If a city, town or regional school district is (or is likely to be) unable to pay principal or interest on its bonds or notes when due, it is required to notify the State Commissioner of Revenue. The Commissioner shall in turn, after verifying the inability, certify the inability to the State Treasurer. The State Treasurer shall pay the due or overdue amount to the paying agent for the bonds or notes, in trust, within three days after the certification or one business day prior to the due date (whichever is later). This payment is limited, however, to the estimated amount otherwise distributable by the Commonwealth to the city, town or regional school district during the remainder of the fiscal year (after the deductions mentioned in the foregoing paragraph). If for any reason any portion of the certified sum has not been paid at the end of the fiscal year, the State Treasurer shall pay it as soon as practicable in the next fiscal year to the extent of the estimated distributions for that fiscal year. The sums so paid shall be charged (with interest and administrative costs) against the distributions to the city, town or regional school district.

The foregoing does not constitute a pledge of the faith and credit of the Commonwealth. The Commonwealth has not agreed to maintain existing levels of state distributions, and the direction to use estimated distributions to pay debt service may be subject to repeal by future legislation. Moreover, adoption of the annual appropriation act has sometimes been delayed beyond the beginning of the fiscal year and estimated distributions which are subject to appropriation may be unavailable to pay local debt service until they are appropriated.

**Bankruptcy.** Enforcement of a claim for payment of principal or interest on general obligation bonds or notes would be subject to the applicable provisions of federal bankruptcy laws and to the provisions of other statutes, if any, hereafter enacted by the Congress or the State legislature extending the time for payment or imposing other constraints upon enforcement insofar as the same may be constitutionally applied. Massachusetts municipalities are not generally authorized by the Massachusetts General Laws to file a petition for bankruptcy under federal bankruptcy laws. In cases involving significant financial difficulties faced by a single city, town or regional school district, however, the Commonwealth has enacted special legislation to permit the appointment of a fiscal overseer, finance control board or, in the most extreme cases, a state receiver. In a limited number of these situations, such special legislation has also authorized the filing of federal bankruptcy proceedings, with the prior approval of the Commonwealth. In each case where such authority was granted, it expired at the termination of the Commonwealth's oversight of the financially distressed city, town or regional school district. To date, no such filings have been approved or made.

### **Opinion of Bond Counsel**

The successful bidder for the Bonds will be furnished the legal opinion of the firm of Troutman Pepper Locke LLP, Boston, Massachusetts ("Bond Counsel"). The opinion will be dated and given on and will speak only as of the date of original delivery of the Bonds to the successful bidder. The opinion will be substantially in the form presented in Appendix C.

Other than as to matters expressly set forth herein as the opinion of Bond Counsel, Bond Counsel is not passing upon and does not assume any responsibility for the accuracy or adequacy of the statements made in this Official Statement and makes no representation that they have independently verified the same.

### **Rating**

S&P Global Ratings has assigned a rating of AA to the Bonds. The rating only reflects the rating agency's views and is subject to revision or withdrawal, which could affect the price and marketability of the Bonds.

### **Municipal Advisory Services of Hilltop Securities Inc.**

Hilltop Securities Inc., Boston, Massachusetts serves as Municipal Advisor to the District.

### **Continuing Disclosure**

In order to assist the underwriters in complying with Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission (the "Rule"), the District will covenant for the benefit of owners of the Bonds to provide certain financial information and operating data relating to the District by not later than 270 days after the end of each fiscal year, and to provide notices of the occurrence of certain significant events. The covenants will be contained in a Continuing Disclosure Certificate, the proposed form of which is provided in Appendix D. The Certificate of the District will be executed by the signers of the Bonds, and incorporated by reference in the Bonds.

For the purpose of the undertaking described above, each of the Cities of Chelsea, Malden, Revere and Woburn, and the Towns of Saugus, Stoneham and Wakefield shall constitute an "Obligated Person" within the meaning of the Rule.

**In the past five years, the District believes it has complied, in all material respects, with its previous undertakings to provide annual reports or notices of significant events in accordance with the Rule.**



## THE DISTRICT

### General

The District was established in 1962 pursuant to Chapter 703 of the Massachusetts Acts of 1962, as amended and supplemented, and an agreement (the "Agreement") as amended, from time to time, among the Cities of Chelsea, Malden, Melrose, Revere, and Woburn (the "Member Cities") and the Towns of North Reading, Reading, Saugus, Stoneham, Wakefield, Winchester and Winthrop (the "Member Towns"), (Member Cities, together with the Member Towns are the "Member Municipalities"), for the purpose of providing academic and vocational technical education in grades nine through twelve, inclusive.

### Governing Bodies and Officers

#### PRINCIPAL EXECUTIVE OFFICERS

Title	Name	Manner of Selection	Term Expires
Superintendent-Director	David DiBarri	Appointed by Committee/5 years	6/30/2028
Deputy Director/Principal	Carla A. Scuzzarella, Ed.D	Appointed by Superintendent/4 years	6/30/2027
Business Manager	James T. Picone	Appointed by Committee/4 years	6/30/2027
Director of Finance	James T. Picone	Appointed by Committee/4 years	6/30/2027
District Counsel	Howard Greenspan	Appointed by Committee	Indefinite

#### DISTRICT SCHOOL COMMITTEE

Name	City/Town	Term Expires
Deborah P. Davis	Woburn	1/1/2026
Judith M. Dymont	North Reading	1/1/2026
Ward Hamilton	Stoneham	1/1/2026
Robert S. McCarthy	Reading	1/1/2026
Peter A. Rossetti, Jr.	Saugus	1/1/2026
Blanca Gancharna	Chelsea	1/1/2026
James J. Holland	Malden	1/1/2026
Larry Means	Stoneham	1/1/2026
Anthony L. Caggiano	Revere	1/1/2026
Brittany A. Carisella	Wakefield	1/1/2026
Brant Snyder	Winchester	1/1/2026
Robert O'Dwyer	Winthrop	1/1/2026

The powers and duties of the District are vested in and exercised by the District School Committee (the "Committee"). The Committee is presently composed of one member elected from each of the Member Municipalities. The Committee annually elects officers from among its membership.

Among other things, the Committee annually adopts a budget for the ensuing fiscal year, including operating and maintenance costs, debt service and other costs. The amount of the budget, after deducting estimated receipts, such as state aid, was previously apportioned to the Member Municipalities in accordance with the Agreement. Certain aspects of the Agreement have been superseded by the State Education Reform Law. See District Finances-Budget Process and Apportionment of All Costs, for a description of the mechanism by which the Member Municipalities previously appropriated their apportioned shares.

## District Enrollments

The table below sets forth the trend in school enrollments for the following school years. The District's facilities have a capacity of approximately 1,250 students. In recent years the District has reconfigured spaces throughout the existing building to add more classroom space. The District has also utilized two modular classrooms to accommodate the rise in enrollment.

### SCHOOL ENROLLMENTS - October 1

	2020	2021	2022	2023	2024
Chelsea	238	241	232	252	253
Malden	152	154	159	179	197
Melrose	44	56	66	72	79
North Reading	34	34	40	40	42
Reading	33	33	31	36	51
Revere	248	253	256	276	276
Saugus	170	153	144	126	117
Stoneham	80	81	70	72	68
Wakefield	100	106	101	101	98
Winchester	11	16	13	6	11
Winthrop	57	63	61	62	58
Woburn	114	117	121	123	131
Totals	1,281	1,307	1,294	1,345	1,381

## District Agreement

Under the District Agreement, the School Committee annually adopts a maintenance and operating budget for the ensuing fiscal year, including operating and maintenance costs, debt service and other capital costs. The amount of the budget, after deducting estimated receipts such as state aid, is apportioned to the Member Municipalities in accordance with the District Agreement. A summary of the District Agreement follows:

### Apportionment of Costs

For the purpose of apportioning assessments levied by the District against the Member Municipalities, costs are divided into two categories: Capital Costs and Operating Costs.

Capital Costs consist of acquiring land and constructing, reconstructing, adding to, and equipping a school building or buildings; remodeling and making extraordinary repairs to a school building or buildings; construction of sewerage systems and sewage treatment and disposal facilities; purchase or use of such sewerage systems with municipalities; leasing, with an option to purchase, of equipment for educational purposes; any other capital projects or acquisitions which the District may be authorized to finance by borrowing; and debt service on bonds or notes of the District used to finance capital costs.

Operating Costs consist of all costs of the District other than Capital Costs.

Each Member Municipality's share of capital and operating costs is determined by computing the ratio which that Municipality's pupil enrollment in the regional district school on October 1 of the year next preceding the year for which the apportionment is determined bears to the total pupil enrollment from all the Member Municipalities in the regional district school on the same date. In the event that enrollment in the regional district school has not been accomplished by October 1 of any such year, capital and operating costs shall be apportioned on the basis of enrollment in grades nine through twelve of pupils residing in each Member Municipality and receiving education at such municipality's expense on October 1 of such year.

## Education Reform

Education Reform legislation passed in 1993 provides that most operating costs shall be apportioned to the Member Municipalities of a regional school district according to a statutory mechanism, notwithstanding any provision to the contrary in the District Agreement. Therefore, it is likely that certain operating costs for future fiscal years will be apportioned on a basis that varies from that provided for in the District Agreement. Capital costs will continue to be apportioned pursuant to the Agreement.

### **Timing of Payment of Apportioned Costs**

Each Member Municipality shall pay to the District in each year its proportionate share of the capital and operating costs. Except as otherwise provided, the annual share of each Member Municipality shall be paid in such amounts at such time that at least the following percentages of such annual share shall be paid on or before the dates indicated, respectively: September 1 (25%), December 1 (50%), April 1 (75%), and June 1 (100%).

### **Amendments**

Any proposal for amendment, except a proposal for amendment providing for the withdrawal of a member municipality may be initiated by a majority vote of all members of the Committee or by a petition signed by at least 10 percent of the registered voters of any one of the Member Municipalities. The secretary of the Committee shall give a notice in writing to the city council of each Member City and to the board of selectmen of each Member Town that a proposal to amend the Agreement has been made and shall enclose a copy of such proposal. The selectmen of each Member Town shall include in the warrant for the next annual or a special town meeting called for the purpose an article stating the proposal or the substance thereof. The city council of each Member City shall vote on the question of accepting the proposal at a regular or special meeting of the council within sixty days following receipt of such notice. Amendments shall take effect upon their acceptance by at least two-thirds of all member municipalities, acceptance by each member town to be at a town meeting and acceptance by each member city to be by a majority vote of all the members of its city council.

### **Admission of Additional Municipalities to the District**

Additional cities or towns may be admitted to the District upon adoption of an amendment of the District Bylaws and upon acceptance by the cities or towns seeking admission of the District Bylaws as so amended and also upon compliance with such provisions of law as may be applicable and such terms as may be set forth in such amendment.

### **Withdrawal of a Member Municipality**

The withdrawal of a Member Municipality from the District may be effected by an amendment to the District Bylaws provided that the city or town seeking to withdraw shall remain liable for any unpaid operating costs which have been certified by the district treasurer to the treasurer of the withdrawing city or town, including the full amount so certified for the year in which such withdrawal takes effect, and that the withdrawing city or town shall remain liable to the District for its share of the indebtedness, other than temporary debt in anticipation of revenue, of the District outstanding at the time of such withdrawal, and for interest thereon, to the same extent and in the same manner as though the city or town had not withdrawn from the District, except that such liability shall be reduced by any amount which such city or town has paid over at the time of withdrawal and which has been applied to the payment of such indebtedness. The withdrawing Member Municipality's annual share of any future installment of principal and interest on obligations outstanding on the effective date of its withdrawal shall be fixed at the percentage prevailing for such Member Municipality at the last annual apportionment made next prior to the effective date of the withdrawal. The remainder of any such installment after subtracting the shares of any Member Municipality which has withdrawn shall be apportioned to the remaining Member Municipality in the manner of cost apportionment described above.

### **Tuition Students**

Students residing outside the District may attend District schools on a space available basis as permitted by G.L. 74. The fiscal 2025 tuition rate for students residing outside of the District is \$21,075.

## Operating and Capital Costs (1)

The following table shows the trend in apportionments to each of the Member Municipalities for operating and capital costs for the current and last four fiscal years. Member Municipality assessments are paid to the District on a scheduled basis throughout the year.

Chelsea			Malden			Melrose			North Reading		
Fiscal Year	Operating and Capital Costs	% of Total	Fiscal Year	Operating and Capital Costs	% of Total	Fiscal Year	Operating and Capital Costs	% of Total	Fiscal Year	Operating and Capital Costs	% of Total
2025	\$ 2,039,983	9.1 %	2025	\$ 2,778,419	12.4 %	2025	\$ 1,619,030	7.2 %	2025	\$ 939,751	4.2 %
2024	1,253,752	7.0	2024	1,969,812	11.0	2024	1,270,738	7.1	2024	798,333	4.4
2023	1,255,248	7.2	2023	1,869,733	10.7	2023	1,050,138	6.0	2023	645,192	3.7
2022	1,002,864	6.5	2022	1,618,957	10.5	2022	754,661	4.9	2022	588,959	3.8
2021	1,216,504	8.1	2021	1,459,986	9.7	2021	767,490	5.1	2021	558,500	3.7

  

Reading			Revere			Saugus			Stoneham		
Fiscal Year	Operating and Capital Costs	% of Total	Fiscal Year	Operating and Capital Costs	% of Total	Fiscal Year	Operating and Capital Costs	% of Total	Fiscal Year	Operating and Capital Costs	% of Total
2025	\$ 858,300	3.8 %	2025	\$ 3,285,660	14.7 %	2025	\$ 2,621,975	11.7 %	2025	\$ 1,650,461	7.4 %
2024	631,268	3.5	2024	2,281,918	12.7	2024	2,620,058	14.6	2024	1,368,936	7.6
2023	639,569	3.7	2023	2,202,229	12.6	2023	2,715,853	15.6	2023	1,534,237	8.8
2022	571,636	3.7	2022	1,818,956	11.8	2022	2,944,794	19.0	2022	1,375,880	8.9
2021	453,782	3.0	2021	1,980,630	13.2	2021	3,045,572	20.3	2021	1,335,229	8.9

  

Wakefield			Winchester			Winthrop			Woburn		
Fiscal Year	Operating and Capital Costs	% of Total	Fiscal Year	Operating and Capital Costs	% of Total	Fiscal Year	Operating and Capital Costs	% of Total	Fiscal Year	Operating and Capital Costs	% of Total
2025	\$ 2,370,610	10.6 %	2025	\$ 143,050	0.6 %	2025	\$ 1,245,687	5.6 %	2025	\$ 2,837,256	12.7 %
2024	2,038,570	11.4	2024	266,832	1.5	2024	1,033,403	5.8	2024	2,416,552	13.5
2023	2,017,068	11.5	2023	309,625	1.8	2023	1,041,127	6.0	2023	2,184,533	12.5
2022	1,732,232	11.2	2022	190,545	1.2	2022	891,675	5.8	2022	1,974,744	12.8
2021	1,431,158	9.5	2021	102,417	0.7	2021	727,150	4.8	2021	1,937,299	12.9

(1) See Appendix B for a description of each member community.

## DISTRICT FINANCES

### Budget Process

The Northeast Metropolitan Regional Vocational School District School Committee annually proposes a tentative operating and maintenance budget for the ensuing year, including therein provision for any installment of principal and interest to become due in such year or any bonds or other evidence of indebtedness of the District and any other capital costs to be apportioned to the Member Municipalities. On or before January 15, the committee submits to the Mayor of each Member City and the Chairman of the Finance Committee of each Member Town a copy of the budget.

Under existing statutes, including Section 16B of Chapter 71 of the General Laws, as amended, and the Regional School District Agreement, the Northeast Metropolitan Regional Vocational School Committee must, in each year, adopt an annual budget for the ensuing fiscal year not later than 45 days prior to the earliest annual Town Meeting of any Member Town or not later than fifteen days prior to the date on which the mayor or the city manager, as the case may be, of any Member City is required by law to submit to the City Council the annual budget, whichever come first, provided that the budget need not be adopted by February 1 (but in no event later than March 31) and apportion the net amount thereof (after deducting available funds, state aid and other revenues to be received and applied to such budget) among the Member Municipalities in accordance with the District Agreement. The budget must include the amounts necessary to maintain the District Schools for the next fiscal year and "amounts required for payment of debt and interest incurred by the District which will be due in the said year". The respective amounts apportioned to the Member Municipalities are presented to each city and the annual town meeting of each town for appropriation. If at least two-thirds of the Member Municipalities appropriate the respective amounts certified to them, the budget is approved and the amounts apportioned to all Member Municipalities shall be raised and paid by them to the District in accordance with the Agreement. In the event that less than two-thirds of the Member Municipalities approve the annual budget by appropriating the full amount apportioned to them, the regional school district school committee shall reconsider, amend and reapportion the budget among the Member Municipalities within 30 days. With the approval of the Commissioner of Education the 30-day period may be extended by 15 days. The amended and reapportioned budget shall then be rectified and resubmitted to the Member Municipalities. Any Member Municipality that has not yet appropriated an amount at least equal to the amount reapportioned and recertified to it shall hold a meeting to act on appropriating the apportioned share recertified to it. If at the end of this process, less than two-thirds of the Member Municipalities have still not appropriated an amount at least equal to the amounts recertified to them, the budget is again recommitted to the regional district school committee for reconsideration, amendment and resubmission to the member cities and towns in accordance with the foregoing procedure.

Sums appropriated by the Member Municipalities to meet their apportioned shares of the District budget are subject to the limitations imposed by G.L. c. 59, §21C (Proposition 2½), except to the extent that a Member Municipality may have voted to exempt all or a portion of such sums from such limitations.

### Limitation of Operating Surplus

The District may retain in a surplus account an amount not in excess of five percent of the current year's budget. Any surplus in excess of that amount shall be returned to the Member Municipalities within forty-five days following receipt by the District Treasurer of the first assessment each year from the member municipalities. The excess and deficiency account balances at the end of fiscal years 2020 through 2024 were as follows:

Fiscal Year	Certified Excess & Deficiency Balance
2024	\$ 5,464,610
2023	1,620,994
2022	1,796,977
2021	3,879,978
2020	2,291,870

## Budget Trends

The following table sets forth the District's budgets for the following fiscal years. The District operates on a June 30 fiscal year.

### ANNUAL BUDGETS

	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025
<b>Revenues:</b>					
CH70	\$ 10,745,350	\$ 11,195,113	\$ 12,768,498	\$ 14,072,974	\$ 15,265,631
Transporation	1,000,000	1,200,000	1,579,950	1,600,000	1,300,000
E&D/Capital	2,000,000	2,000,000	1,700,000	300,000	400,000
Assessment	15,015,717	15,465,903	17,464,552	17,950,172	22,390,182
Total Revenues	<u>\$ 28,761,067</u>	<u>\$ 29,861,016</u>	<u>\$ 33,513,000</u>	<u>\$ 33,923,146</u>	<u>\$ 39,355,813</u>
<b>Expenditures:</b>					
Total Professional Salary	\$ 13,103,425	\$ 14,248,475	\$ 15,584,678	\$ 16,109,638	\$ 17,040,180
Total Support Salary	710,809	745,630	868,543	848,855	872,704
Total Other Salary	1,931,593	1,973,614	2,030,543	2,132,455	2,638,833
Total Contracted Services	11,833,684	11,714,742	11,899,773	11,610,397	12,061,541
Total Supplies and Materials	1,108,424	1,105,424	1,194,131	1,350,069	1,393,072
Total Equipment	73,132	73,132	73,132	134,132	138,132
Total Debt Service	-	-	1,862,200	1,737,600	5,211,350
Total Expenditures	<u>\$ 28,761,067</u>	<u>\$ 29,861,016</u>	<u>\$ 33,513,000</u>	<u>\$ 33,923,146</u>	<u>\$ 39,355,812</u>

Major Sources of Revenues

Assessments - The principal source of revenue for the District is assessments on the Member Municipalities. Assessments are set to fund that portion of the District's operating and capital budget which is not funded by other revenues. The amount and annual growth of District assessments are not limited by Proposition 2 ½ although the assessments will be included in the levy limit for each Member Municipality unless that Member Municipality should vote to exclude it from that limit. See "THE DISTRICT--Apportionment of Costs" and "DISTRICT FINANCES -- Budget Process" for a full discussion of how assessments are set. In fiscal 2024, Member Municipality assessments totaled \$22,390,182.

State Aid - The District receives monthly distributions of state aid for various purposes including state school construction grants, aid for pupil transportation, aid for food services and aid to regional schools. In fiscal years 2019 through 2023 state aid to the General Fund was as follows:

Fiscal Year	State Aid
2024	\$ 15,272,974
2023	13,768,498
2022	12,395,113
2021	11,867,367
2020	11,641,781

Annual Audits

The District has had annual audits prepared by CBIZ CPAs P.C. (formerly Powers and Sullivan). The District's audit for the fiscal year ended June 30, 2024 is attached as Appendix A.

The attached report speaks only as of its date, and only to the matters expressly set forth therein. The auditors have not been engaged to review this Official Statement or to perform audit procedures regarding the post-audit period, nor have the auditors been requested to give their consent to the inclusion of their report in Appendix A. Except as stated in their report, the auditors have not been engaged to verify the financial information set out in Appendix A and are not passing upon and do not assume responsibility for the sufficiency, accuracy or completeness of the financial information presented in that appendix.

Financial Statements

Set forth on the following pages are Governmental Funds Balance Sheets for fiscal year ended June 30, 2024, June 30, 2023, and June 30, 2022 and Statements of Revenues, Expenditures and Changes in Fund Balance (Governmental Funds) for fiscal years ended June 30, 2024, June 30, 2023, June 30, 2022, June 30, 2021, and June 30, 2020. All of the attached financial statements have been extracted from the District's audited financial statements and are combined for purposes of this presentation.

**NORTHEAST METROPOLITAN REGIONAL VOCATIONAL SCHOOL DISTRICT, MASSACHUSETTS**

**Balance Sheet  
Governmental Funds  
June 30, 2024 (1)**

	General	Transportation Stabilization	Capital Projects	Federal Grants	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>						
Cash and Cash Equivalents	\$ 5,995,985	\$ 2,797,733	\$ 78,867,228	\$ -	\$ 6,229,525	\$ 93,890,471
Receivables, Net of Uncollectibles:						
Intergovernmental	7,453	-	5,913,137	-	-	5,920,590
<b>Total Assets</b>	<u>\$ 6,003,438</u>	<u>\$ 2,797,733</u>	<u>\$ 84,780,365</u>	<u>\$ -</u>	<u>\$ 6,229,525</u>	<u>\$ 99,811,061</u>
<b>Liabilities</b>						
Warrants Payable	\$ 88,658	\$ -	\$ 5,381,283	\$ -	\$ 708,480	\$ 6,178,421
Accrued Payroll	1,313,363	-	-	-	70,210	1,383,573
Other Liabilities	31,728	-	-	-	47,637	79,365
Unearned Revenue	29,348	-	-	-	-	29,348
<b>Total Liabilities</b>	<u>1,463,097</u>	<u>-</u>	<u>5,381,283</u>	<u>-</u>	<u>826,327</u>	<u>7,670,707</u>
<b>Fund Balances</b>						
Restricted	215,255	2,797,733	79,399,082	-	5,527,762	87,939,832
Assigned	625,640	-	-	-	-	625,640
Unassigned	3,699,446	-	-	-	(124,564)	3,574,882
<b>Total Fund Balances</b>	<u>4,540,341</u>	<u>2,797,733</u>	<u>79,399,082</u>	<u>-</u>	<u>5,403,198</u>	<u>92,140,354</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$ 6,003,438</u>	<u>\$ 2,797,733</u>	<u>\$ 84,780,365</u>	<u>\$ -</u>	<u>\$ 6,229,525</u>	<u>\$ 99,811,061</u>

(1) Extracted from the audited Financial Statements of the District.



**NORTHEAST METROPOLITAN REGIONAL VOCATIONAL SCHOOL DISTRICT, MASSACHUSETTS**

**Balance Sheet  
Governmental Funds  
June 30, 2023 (1)**

	General	Transportation Stabilization	Capital Projects	Federal Grants	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>						
Cash and Cash Equivalents	\$ 5,116,650	\$ 2,547,528	\$ 31,781,048	\$ 969,202	\$ 1,735,149	\$ 42,149,577
Receivables, Net of Uncollectibles:						
Intergovernmental	10,453	-	862,015	-	-	872,468
<b>Total Assets</b>	<u>\$ 5,127,103</u>	<u>\$ 2,547,528</u>	<u>\$ 32,643,063</u>	<u>\$ 969,202</u>	<u>\$ 1,735,149</u>	<u>\$ 43,022,045</u>
<b>Liabilities</b>						
Warrants Payable	\$ 101,262	\$ -	\$ 2,031,578	\$ 358,057	\$ 60,931	\$ 2,551,828
Accrued Payroll	1,392,032	-	-	93,364	3,745	1,489,141
Other Liabilities	70,781	-	-	39,995	28,487	139,263
Unearned Revenue	29,348	-	-	-	-	29,348
<b>Total Liabilities</b>	<u>1,593,423</u>	<u>-</u>	<u>2,031,578</u>	<u>491,416</u>	<u>93,163</u>	<u>4,209,580</u>
<b>Fund Balances</b>						
Restricted	215,255	2,547,528	30,611,485	477,786	1,879,144	35,731,198
Assigned	1,019,696	-	-	-	-	1,019,696
Unassigned	2,298,729	-	-	-	(237,158)	2,061,571
<b>Total Fund Balances</b>	<u>3,533,680</u>	<u>2,547,528</u>	<u>30,611,485</u>	<u>477,786</u>	<u>1,641,986</u>	<u>38,812,465</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$ 5,127,103</u>	<u>\$ 2,547,528</u>	<u>\$ 32,643,063</u>	<u>\$ 969,202</u>	<u>\$ 1,735,149</u>	<u>\$ 43,022,045</u>

(1) Extracted from the audited Financial Statements of the District.

**NORTHEAST METROPOLITAN REGIONAL VOCATIONAL SCHOOL DISTRICT, MASSACHUSETTS**

**Balance Sheet  
Governmental Funds  
June 30, 2022 (1)**

	General	Transportation Stabilization	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>					
Cash and Cash Equivalents	\$ 7,735,536	\$ 1,665,297	\$ 33,587,695	\$ 2,219,825	\$ 45,208,353
Receivables, Net of Uncollectibles:					
Intergovernmental	-	-	484,184	98,564	582,748
<b>Total Assets</b>	<u>\$ 7,735,536</u>	<u>\$ 1,665,297</u>	<u>\$ 34,071,879</u>	<u>\$ 2,318,389</u>	<u>\$ 45,791,101</u>
<b>Liabilities</b>					
Warrants Payable	\$ 771,657	\$ -	\$ 893,944	\$ 310,276	\$ 1,975,877
Accrued Payroll	1,698,006	-	-	137,014	1,835,020
Other Liabilities	-	-	-	67,287	67,287
Unearned Revenue	29,348	-	-	-	29,348
<b>Total Liabilities</b>	<u>2,499,011</u>	<u>-</u>	<u>893,944</u>	<u>514,577</u>	<u>3,907,532</u>
<b>Fund Balances</b>					
Restricted	215,255	1,665,297	33,177,935	2,166,615	37,225,102
Assigned	2,279,950	-	-	-	2,279,950
Unassigned	2,741,320	-	-	(362,803)	2,378,517
<b>Total Fund Balances</b>	<u>5,236,525</u>	<u>1,665,297</u>	<u>33,177,935</u>	<u>1,803,812</u>	<u>41,883,569</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$ 7,735,536</u>	<u>\$ 1,665,297</u>	<u>\$ 34,071,879</u>	<u>\$ 2,318,389</u>	<u>\$ 45,791,101</u>

(1) Extracted from the audited Financial Statements of the District.

**NORTHEAST METROPOLITAN REGIONAL VOCATIONAL SCHOOL DISTRICT, MASSACHUSETTS**

**Statement of Revenues, Expenditures, and Changes in Fund Balances**

**Governmental Funds**

**For the Year Ended June 30, 2024 (1)**

	General	Transportation Stabilization	Capital Projects	Federal Grants	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>						
Member Town Assessments	\$ 18,263,985	\$ -	\$ -	\$ -	\$ -	\$ 18,263,985
Intergovernmental	14,062,406	-	27,166,759	-	7,267,671	48,496,836
Other Departmental Revenue	359,731	-	-	-	835,471	1,195,202
Investment Income	57,755	-	1,734,589	-	222,551	2,014,895
Intergovernmental - State	-	1,450,205	-	-	-	1,450,205
Intergovernmental - Teachers Retirement	4,233,671	-	-	-	-	4,233,671
<b>Total Revenues</b>	<b>36,977,548</b>	<b>1,450,205</b>	<b>28,901,348</b>	<b>-</b>	<b>8,325,693</b>	<b>75,654,794</b>
<b>EXPENDITURES:</b>						
Current:						
School Committee	185,829	-	-	-	-	185,829
Superintendent	1,168,028	-	-	-	-	1,168,028
Dean of Students	514,222	-	-	-	-	514,222
Business and Finance	482,075	-	-	-	-	482,075
Technology Center	654,767	-	-	-	919	655,686
Principals	1,045,501	-	-	-	-	1,045,501
Regular Day Program	4,045,348	-	-	-	561,548	4,606,896
Chapter 74 Programs	7,179,621	-	-	-	274,398	7,454,019
District-Wide Programs	10,658,617	-	-	-	43,317	10,701,934
Bilingual Education	619,042	-	-	-	-	619,042
Special Education Instruction	1,486,873	-	-	-	-	1,486,873
Library Services	126,673	-	-	-	-	126,673
Guidance Services	1,270,977	-	-	-	-	1,270,977
Miscellaneous expense	112,791	-	-	-	-	112,791
Health Services	193,737	-	-	-	-	193,737
Transportation	1,800,688	-	-	-	-	1,800,688
Food Services	85,539	-	-	-	844,604	930,143
Athletics	616,947	-	-	-	13,325	630,272
Student Body Activities	133,563	-	-	-	219,367	352,930
Safety Program	24,781	-	-	-	-	24,781
Security Monitors	284,157	-	-	-	-	284,157
Buildings and Grounds	2,743,511	-	40,202,886	-	-	42,946,397
Federal and State Grants	-	-	-	-	3,084,789	3,084,789
Debt Service:						
Principal	525,000	-	-	-	-	525,000
Interest	1,212,600	-	-	-	-	1,212,600
<b>Total Expenditures</b>	<b>37,170,887</b>	<b>-</b>	<b>40,202,886</b>	<b>-</b>	<b>5,042,267</b>	<b>82,416,040</b>
 Excess of Revenues Over Expenditures	 (193,339)	 1,450,205	 (11,301,538)	 -	 3,283,426	 (6,761,246)
<b>OTHER FINANCING (USES) SOURCES:</b>						
Issuance of bonds	-	-	59,475,000	-	-	59,475,000
Premium from issuance of bonds	-	-	614,135	-	-	614,135
Transfers In	1,200,000	-	-	-	-	1,200,000
Transfers Out	-	(1,200,000)	-	-	-	(1,200,000)
<b>Total Other Financing (Uses) Sources, Net</b>	<b>1,200,000</b>	<b>(1,200,000)</b>	<b>60,089,135</b>	<b>-</b>	<b>-</b>	<b>60,089,135</b>
 Net Change in Fund Balances	 1,006,661	 250,205	 48,787,597	 -	 3,283,426	 53,327,889
 Fund Balances at 6/30/23, as previously reported	 3,533,680	 2,547,528	 30,611,485	 477,786	 1,641,986	 38,812,465
 Adjustment - Change from Major to Nonmajor Fund	 -	 -	 -	 (477,786)	 477,786	 -
 Fund Balances at 6/30/23, as adjusted	 3,533,680	 2,547,528	 30,611,485	 -	 2,119,772	 38,812,465
 Fund Balances - End of Year	 <u>\$ 4,540,341</u>	 <u>\$ 2,797,733</u>	 <u>\$ 79,399,082</u>	 <u>\$ -</u>	 <u>\$ 5,403,198</u>	 <u>\$ 92,140,354</u>

(1) Extracted from the audited Financial Statements of the District.

**NORTHEAST METROPOLITAN REGIONAL VOCATIONAL SCHOOL DISTRICT, MASSACHUSETTS**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2023 (1)**

	General	Transportation Stabilization	Capital Projects	Federal Grants	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>						
Member Town Assessments	\$ 17,150,749	\$ -	\$ -	\$ -	\$ -	\$ 17,150,749
Intergovernmental	12,763,498	-	9,555,990	2,712,377	1,208,667	26,240,532
Other Departmental Revenue	358,764	-	-	-	925,711	1,284,475
Investment Income	44,333	-	1,253,679	-	152,554	1,450,566
Intergovernmental - State	-	1,302,281	-	-	-	1,302,281
Intergovernmental - Teachers Retirement	3,642,339	-	-	-	-	3,642,339
Total Revenues	33,959,683	1,302,281	10,809,669	2,712,377	2,286,932	51,070,942
<b>EXPENDITURES:</b>						
Current:						
School Committee	203,114	-	-	-	-	203,114
Superintendent	1,101,558	-	-	-	-	1,101,558
Dean of Students	498,702	-	-	-	-	498,702
Business and Finance	443,749	-	-	-	-	443,749
Technology Center	519,670	-	-	-	32,784	552,454
Principals	1,112,036	-	-	-	-	1,112,036
Regular Day Program	4,193,703	-	-	-	554,320	4,748,023
Chapter 74 Programs	7,159,307	-	-	-	199,915	7,359,222
District-Wide Programs	9,721,209	-	-	-	139,984	9,861,193
Bilingual Education	579,711	-	-	-	-	579,711
Special Education Instruction	1,410,319	-	-	-	132,399	1,542,718
Library Services	195,285	-	-	-	-	195,285
Guidance Services	996,304	-	-	-	-	996,304
Miscellaneous expense	107,828	-	-	-	-	107,828
Health Services	102,310	-	-	-	-	102,310
Transportation	1,763,451	-	-	-	-	1,763,451
Food Services	71,501	-	-	-	758,092	829,593
Athletics	621,496	-	-	-	14,658	636,154
Student Body Activities	123,772	-	-	-	152,706	276,478
Safety Program	21,180	-	-	-	-	21,180
Security Monitors	256,616	-	-	-	-	256,616
Buildings and Grounds	2,341,800	-	14,176,119	-	-	16,517,919
Federal and State Grants	-	-	-	2,645,096	53,395	2,698,491
Debt Service:						
Principal	520,000	-	-	-	-	520,000
Interest	1,217,957	-	-	-	-	1,217,957
Total Expenditures	35,282,578	-	14,176,119	2,645,096	2,038,253	54,142,046
Excess of Revenues Over Expenditures	(1,322,895)	1,302,281	(3,366,450)	67,281	248,679	(3,071,104)
<b>OTHER FINANCING (USES) SOURCES:</b>						
Transfers In	1,000,000	579,950	800,000	-	-	2,379,950
Transfers Out	(1,379,950)	(1,000,000)	-	-	-	(2,379,950)
Total Other Financing (Uses) Sources, Net	(379,950)	(420,050)	800,000	-	-	-
Net Change in Fund Balances	(1,702,845)	882,231	(2,566,450)	67,281	248,679	(3,071,104)
Fund Balances - Beginning of Year	5,236,525	1,665,297	33,177,935	410,505	1,393,307	41,883,569
Fund Balances - End of Year	\$ 3,533,680	\$ 2,547,528	\$ 30,611,485	\$ 477,786	\$ 1,641,986	\$ 38,812,465

(1) Extracted from the audited Financial Statements of the District.

**NORTHEAST METROPOLITAN REGIONAL VOCATIONAL SCHOOL DISTRICT, MASSACHUSETTS**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2022 (1)**

	General	Transportation Stabilization	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>NUES:</b>					
umber Town Assessments	\$ 15,465,903	\$ -	\$ -	\$ -	\$ 15,465,903
rgovernmental	11,245,963	-	1,474,802	3,139,387	15,860,152
er Departmental Revenue	344,655	-	-	817,813	1,162,468
estment Income	10,550	-	615,854	193,327	819,731
rgovernmental - State	-	1,144,571	-	-	1,144,571
rgovernmental - Teachers Retirement	3,076,277	-	-	-	3,076,277
ntributions and donations	-	-	-	30,000	30,000
Revenues	<u>30,143,348</u>	<u>1,144,571</u>	<u>2,090,656</u>	<u>4,180,527</u>	<u>37,559,102</u>
<b>NDITURES:</b>					
urrent:					
School Committee	210,349	-	-	-	210,349
Superintendent	919,990	-	-	-	919,990
Dean of Students	483,435	-	-	-	483,435
Business and Finance	387,683	-	-	-	387,683
Technology Center	565,995	-	-	-	565,995
Principals	959,464	-	-	-	959,464
Regular Day Program	3,919,662	-	-	649,092	4,568,754
Chapter 74 Programs	6,439,890	-	-	103,706	6,543,596
District-Wide Programs	9,068,895	-	-	307,367	9,376,262
Bilingual Education	479,187	-	-	-	479,187
Special Education Instruction	1,459,161	-	-	-	1,459,161
Library Services	186,038	-	-	-	186,038
Guidance Services	905,284	-	-	-	905,284
Miscellaneous expense	131,669	-	-	-	131,669
Health Services	98,064	-	-	-	98,064
Transportation	1,738,739	-	-	-	1,738,739
Food Services	76,372	-	-	744,843	821,215
Athletics	553,932	-	-	13,166	567,098
Student Body Activities	104,630	-	-	165,459	270,089
Safety Program	20,683	-	-	-	20,683
Security Monitors	192,670	-	-	-	192,670
Buildings and Grounds	2,363,513	-	3,378,017	-	5,741,530
Federal and State Grants	-	-	-	2,136,357	2,136,357
Expenditures	<u>31,265,305</u>	<u>-</u>	<u>3,378,017</u>	<u>4,119,990</u>	<u>38,763,312</u>
cess of Revenues Over Expenditures	(1,121,957)	1,144,571	(1,287,361)	60,537	(1,204,210)
<b>R FINANCING (USES) SOURCES:</b>					
uance of Bonds	-	-	30,955,000	-	30,955,000
remium from Issuance of Bonds	-	-	1,376,453	-	1,376,453
nsfers In	1,200,000	-	300,000	-	1,500,000
nsfers Out	(300,000)	(1,200,000)	-	-	(1,500,000)
al Other Financing (Uses) Sources, Net	<u>900,000</u>	<u>(1,200,000)</u>	<u>32,631,453</u>	<u>-</u>	<u>32,331,453</u>
range in Fund Balances	(221,957)	(55,429)	31,344,092	60,537	31,127,243
Balances - Beginning of Year	5,458,482	1,720,726	1,833,843	1,743,275	10,756,326
Balances - End of Year	<u>\$ 5,236,525</u>	<u>\$ 1,665,297</u>	<u>\$ 33,177,935</u>	<u>\$ 1,803,812</u>	<u>\$ 41,883,569</u>

tracted from the audited Financial Statements of the District.

**NORTHEAST METROPOLITAN REGIONAL VOCATIONAL SCHOOL DISTRICT, MASSACHUSETTS**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2021 (1)**

	General	Transportation Stabilization	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>					
Member Town Assessments	\$ 15,015,717	\$ -	\$ -	\$ -	\$ 15,015,717
Intergovernmental	10,672,115	-	-	2,503,382	13,175,497
Other Departmental Revenue	295,115	-	-	458,985	754,100
Investment Income	10,033	-	813,186	50,489	873,708
Intergovernmental - State	-	1,457,707	-	71,825	1,529,532
Intergovernmental - Teachers Retirement	5,845,143	-	-	-	5,845,143
Contributions and donations	-	-	-	25,000	25,000
Total Revenues	31,838,123	1,457,707	813,186	3,109,681	37,218,697
<b>EXPENDITURES:</b>					
Current:					
School Committee	218,595	-	-	-	218,595
Superintendent	802,068	-	-	-	802,068
Dean of Students	478,270	-	-	-	478,270
Business and Finance	369,450	-	-	-	369,450
Technology Center	634,215	-	-	1,835	636,050
Principals	864,596	-	-	-	864,596
Regular Day Program	3,687,218	-	-	364,740	4,051,958
Chapter 74 Programs	5,881,991	-	-	42,698	5,924,689
District-Wide Programs	11,608,009	-	-	32,466	11,640,475
Bilingual Education	387,802	-	-	-	387,802
Special Education Instruction	1,272,751	-	-	-	1,272,751
Library Services	78,934	-	-	-	78,934
Guidance Services	946,456	-	-	-	946,456
Miscellaneous expense	118,232	-	-	-	118,232
Health Services	101,711	-	-	-	101,711
Transportation	1,274,008	-	-	-	1,274,008
Food Services	72,162	-	-	359,974	432,136
Athletics	411,905	-	-	924	412,829
Student Body Activities	97,301	-	-	52,334	149,635
Safety Program	17,743	-	-	-	17,743
Security Monitors	146,206	-	-	-	146,206
Buildings and Grounds	2,128,533	-	1,043,932	-	3,172,465
Federal and State Grants	-	-	-	1,928,122	1,928,122
Total Expenditures	31,598,156	-	1,043,932	2,783,093	35,425,181
Excess of Revenues Over Expenditures	239,967	1,457,707	(230,746)	326,588	1,793,516
<b>OTHER FINANCING (USES) SOURCES:</b>					
Transfers In	1,343,973	-	-	538,573	1,882,546
Transfers Out	-	(1,000,000)	-	(882,546)	(1,882,546)
Total Other Financing (Uses) Sources, Net	1,343,973	(1,000,000)	-	(343,973)	-
Net Change in Fund Balances	1,583,940	457,707	(230,746)	(17,385)	1,793,516
Fund Balances - Beginning of Year	3,874,542	1,263,019	2,064,589	1,760,660	8,962,810
Fund Balances - End of Year	\$ 5,458,482	\$ 1,720,726	\$ 1,833,843	\$ 1,743,275	\$ 10,756,326

(1) Extracted from the audited Financial Statements of the District.

**NORTHEAST METROPOLITAN REGIONAL VOCATIONAL SCHOOL DISTRICT, MASSACHUSETTS**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2020 (1)**

	General	Federal and State Grants	Transportation Stabilization	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>						
Member Town Assessments	\$ 14,727,254	\$ -	\$ -	\$ -	\$ -	\$ 14,727,254
Intergovernmental	11,701,825	1,451,456	-	-	361,295	13,514,576
Other Departmental Revenue	333,706	-	-	-	1,093,684	1,427,390
Investment Income	36,965	-	3,611	34,762	-	75,338
Intergovernmental - State	148,680	-	-	-	-	148,680
Intergovernmental - Teachers Retirement	5,309,725	-	-	-	-	5,309,725
Total Revenues	<u>32,258,155</u>	<u>1,451,456</u>	<u>3,611</u>	<u>34,762</u>	<u>1,454,979</u>	<u>35,202,963</u>
<b>EXPENDITURES:</b>						
Current:						
School Committee	153,835	-	-	-	-	153,835
Superintendent	867,606	-	-	-	-	867,606
Dean of Students	451,873	-	-	-	-	451,873
Business and Finance	364,681	-	-	-	-	364,681
Technology Center	621,781	-	-	-	-	621,781
Principals	1,146,183	-	-	-	-	1,146,183
Regular Day Program	3,612,500	-	-	-	464,614	4,077,114
Chapter 74 Programs	5,825,047	-	-	-	71,300	5,896,347
District-Wide Programs	10,904,284	-	-	-	7,350	10,911,634
Bilingual Education	376,282	-	-	-	-	376,282
Special Education Instruction	1,365,024	-	-	-	43,022	1,408,046
Library Services	93,490	-	-	-	-	93,490
Guidance Services	963,023	-	-	-	-	963,023
Miscellaneous	125,370	-	-	-	-	125,370
Health Services	99,776	-	-	-	-	99,776
Transportation	1,535,690	-	-	-	-	1,535,690
Food Services	68,353	-	-	-	533,896	602,249
Athletics	444,838	-	-	-	8,459	453,297
Student Body Activities	98,933	-	-	-	-	98,933
Safety Program	12,757	-	-	-	-	12,757
Security Monitors	181,069	-	-	-	-	181,069
Buildings and Grounds	2,448,263	-	-	-	46,931	2,495,194
Federal and State Grants	-	1,555,873	-	-	-	1,555,873
Total Expenditures	<u>31,760,658</u>	<u>1,555,873</u>	<u>-</u>	<u>-</u>	<u>1,175,572</u>	<u>34,492,103</u>
Excess of Revenues Over Expenditures	497,497	(104,417)	3,611	34,762	279,407	710,860
<b>OTHER FINANCING (USES) SOURCES:</b>						
Transfers In	900,000	-	1,097,303	1,000,000	-	2,997,303
Transfers Out	(2,097,303)	-	(900,000)	-	-	(2,997,303)
Total Other Financing (Uses) Sources, Net	<u>(1,197,303)</u>	<u>-</u>	<u>197,303</u>	<u>1,000,000</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(699,806)	(104,417)	200,914	1,034,762	279,407	710,860
Fund Balances - Beginning of Year	4,574,348	166,314	1,062,105	1,029,827	1,262,209	8,094,803
Fund Balances - End of Year	<u>\$ 3,874,542</u>	<u>\$ 61,897</u>	<u>\$ 1,263,019</u>	<u>\$ 2,064,589</u>	<u>\$ 1,541,616</u>	<u>\$ 8,805,663</u>

(1) Extracted from the audited Financial Statements of the District.

## INDEBTEDNESS

### Authorization Procedure and Limitations

Within seven days after the date on which the District School Committee authorizes the incurring of debt, other than temporary debt in anticipation of revenue to be received from Member Municipalities, the Committee shall cause written notice of the date of said authorization, the amount authorized, and the general purpose or purposes for authorizing such debt, to be given to the board of selectmen of each Member Town and the city council of each Member City. Temporary debt in anticipation of revenue to be received from any source may be authorized by a majority vote of the Committee, without state approval.

The District may issue bonds or notes for acquiring land, for constructing, reconstructing, adding to and equipping school buildings, for remodeling and making extraordinary repairs to such buildings, for sewerage purposes, for purchasing equipment and for constructing, reconstructing and improving outdoor playground, athletic and recreational facilities, roadways and parking areas. Bonds and notes for such purposes are authorized on behalf of the District by vote of the Committee. The debt authorization takes effect after the expiration of sixty days from passage of the vote, unless during that period the debt authorization is disapproved by a town meeting of any Member Town or the city council of any Member City.

Alternatively, in accordance with G.L. c. 71, §14D, a regional school district may vote to conduct a district-wide election to approve the authorization of debt.

### Types of Obligations

General Obligations. Massachusetts cities, towns and regional school districts are authorized to issue general obligation indebtedness of these types:

Serial Bonds and Notes. These are generally required to be payable in annual principal amounts beginning no later than the end of the next fiscal year commencing after the date of issue and ending within the terms permitted by law. A level debt service schedule, or a schedule that provides for a more rapid amortization of principal than level debt service, is permitted. The principal amounts of certain economic development bonds supported by tax increment financing may be payable in equal, diminishing or increasing amounts beginning within 5 years after the date of issue. The maximum terms of serial bonds and notes vary from one year to 40 years, depending on the purpose of the issue. The maximum terms permitted are set forth in the statutes. In addition, for many projects, the maximum term may be determined in accordance with useful life guidelines promulgated by the State Department of Revenue ("DOR"). Serial bonds and notes may be issued for the purposes set forth in the statutes. In addition, serial bonds and notes may be issued for any other public work improvement or asset not specifically listed in the Statutes that has a useful life of at least 5 years. Bonds or notes may be made callable and redeemed prior to their maturity, and a redemption premium may be paid. Refunding bonds or notes may be issued subject to the maximum applicable term measured from the date of the original bonds or notes and must produce present value savings over the debt service of the refunded bonds. Generally, the first required annual payment of principal of the refunding bonds cannot be later than the first principal payment of any of the bonds or notes being refunded thereby, however, principal payments made before the first principal payment of any of the bonds or notes being refunded thereby may be in any amount.

Serial bonds may be issued as "qualified bonds" with the approval of the state Municipal Finance Oversight Board composed of the State Treasurer, the State Auditor, the Attorney General and the Director of Accounts, subject to such conditions and limitations (including restrictions on future indebtedness) as may be required by the Board. Qualified bonds may mature not less than 10 nor more than 30 years from their dates and are not subject to the amortization requirements described above. The State Treasurer is required to pay the debt service on qualified bonds and thereafter to withhold the amount of the debt service paid by the State from state aid or other state payments; administrative costs and any loss of interest income to the State are to be assessed upon the city or town.

Tax Credit Bonds or Notes. Subject to certain provisions and conditions, the officers authorized to issue bonds or notes may designate any duly authorized issue of bonds or notes as "tax credit bonds" to the extent such bonds and notes are otherwise permitted to be issued with federal tax credits or other similar subsidies for all or a portion of the borrowing costs. Tax credit bonds may be made payable without regard to the annual installments required by any other law, and a sinking fund may be established for the payment of such bonds. Any investment that is part of such a sinking fund may mature not later than the date fixed for payment or redemption of the applicable bonds.

Bond Anticipation Notes. These generally must mature within two years of their original dates of issuance but may be refunded from time to time for a period not to exceed ten years from their original dates of issuance, provided that for each year that the notes are refunded beyond the second year they must be paid in part from revenue funds in an amount at least equal to the minimum annual payment that would have been required if the bonds had been issued at the end of the second year. The maximum term of bonds issued to refund bond anticipation notes is measured from the date of the original issue of the notes.

Revenue Anticipation Notes. These are issued to meet current expenses in anticipation of taxes and other revenues. They must mature within one year but, if payable in less than one year, may be refunded from time to time up to one year from the original date of issue.



**Direct Debt Summary (1)**  
**As of June 30, 2024,**  
**Includes the Bonds**

**General Obligation Bonds:**

Outstanding:	\$ 89,385,000
This Issue of Bonds to be dated May 15, 2025	<u>61,170,000</u>
<b>Total Direct Debt after This Issue:</b>	<b><u><u>\$ 150,555,000</u></u></b>

(1) Principal amount only. Excludes lease and installment purchase obligations.

**Annual Debt Service Requirements**

The following table sets forth the required principal and interest payments on outstanding general obligation bonds of the District as of June 30, 2024.

**General Obligation Debt**  
**Debt Service Requirements**  
**As of June 30, 2024**

Fiscal Year	Outstanding		Total Debt Service
	Principal	Interest	
2025	\$ 1,460,000	\$ 3,743,976	\$ 5,203,976
2026	1,625,000	3,678,100	5,303,100
2027	1,665,000	3,596,850	5,261,850
2028	1,735,000	3,513,600	5,248,600
2029	1,825,000	3,426,850	5,251,850
2030	1,915,000	3,335,600	5,250,600
2031	2,010,000	3,239,850	5,249,850
2032	2,110,000	3,139,350	5,249,350
2033	2,215,000	3,033,850	5,248,850
2034	2,330,000	2,923,100	5,253,100
2035	2,440,000	2,806,600	5,246,600
2036	2,555,000	2,693,600	5,248,600
2037	2,675,000	2,575,200	5,250,200
2038	2,800,000	2,451,200	5,251,200
2039	2,930,000	2,321,350	5,251,350
2040	3,045,000	2,204,150	5,249,150
2041	3,165,000	2,082,350	5,247,350
2042	3,295,000	1,955,750	5,250,750
2043	3,430,000	1,823,950	5,253,950
2044	3,565,000	1,686,750	5,251,750
2045	3,705,000	1,544,150	5,249,150
2046	3,850,000	1,395,950	5,245,950
2047	4,010,000	1,241,950	5,251,950
2048	4,165,000	1,081,550	5,246,550
2049	4,320,000	929,950	5,249,950
2050	4,475,000	772,600	5,247,600
2051	4,640,000	609,500	5,249,500
2052	4,810,000	440,300	5,250,300
2053	3,245,000	264,800	3,509,800
2054	3,375,000	135,000	3,510,000
	<u><u>\$ 89,385,000</u></u>	<u><u>\$ 64,647,776</u></u>	<u><u>\$ 154,032,776</u></u>

## Authorized Unissued Debt and Prospective Financing

Following delivery of the Bonds, the District will have approximately \$138.1 million authorized unissued debt in connection with the High School project. The total borrowing authority of the District for this project will be reduced by grant reimbursements expected to be received from the Massachusetts School Building Authority (MSBA) totaling approximately \$163,383,141.

## RETIREMENT PLAN

All District teachers and administrators are members of the Massachusetts Teachers Retirement System. The pensions of teachers and other members of the Massachusetts Teachers Retirement System will be paid by the Commonwealth.

Other District employees are members of the Massachusetts State Employees' Retirement System (MSERS). The District meets its share of costs for the Massachusetts State Employees' Retirement System on a pay-as-you-go basis by contributing annually the additional amount required to provide current benefits as determined by the State Division of Insurance.

The portion of the Massachusetts State Employees' Retirement System collective net pension liability associated with the District is \$6,657,731 as of the most recent measurement date of June 30, 2022. The total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of January 1, 2022, rolled forward to June 30, 2022. The discount rate used to measure the total pension liability was 7.00%.

The contributions by the District to the Massachusetts State Retirement System for recent fiscal years is as follows:

<u>Fiscal Year</u>	<u>Contributory Retirement</u>
2025 (budgeted)	\$536,389
2024	536,389
2023	570,901
2022	527,972
2021	536,389
2020	525,871

## OTHER POST EMPLOYMENT BENEFITS

In addition to providing pension benefits described above, the District provides post-employment health care and life insurance benefits for retired employees through the District's plan. The benefits, benefit levels, employee contributions, and employer contributions are governed by Chapter 32 of the Massachusetts General Laws. As of June 30, 2024, the most recent actuarial valuation date, 179 retirees and 143 active employees meet the eligibility requirements.

The District provides medical, dental, and life insurance to retirees and their covered dependents. All active employees who retire from the District and meet the eligibility criteria will receive these benefits. Retirees contribute various percentages of the cost of each plan, as determined by the District. The District contributes the remainder of the plan costs on a pay-as-you-go basis. The pay-as-you-go cost to the District for such benefits in recent years has been as follows:

<u>Fiscal Year</u>	<u>Benefit Costs</u>
2025 (budgeted)	\$ 625,000
2024	625,000
2023	625,000
2022	625,000
2021	625,000
2020	325,000

The District adopted GASB 74 for the fiscal year ending June 30, 2021 and GASB 75 for the fiscal year ending June 30, 2021. GASB statements 74 and 75 introduce a new actuarial cost method and discount rate as well as new disclosures and methodologies for reporting plan liabilities and OPEB expenses. The OPEB liability reported on the District's balance sheet will increase as GASB statements 74 and 75 require the recognition of liabilities immediately rather than over a 30-year period as allowed under GASB statement 45.

The District most recently had an actuarial valuation study performed by USI Consulting Group, Glastonbury, Connecticut. As of June 30, 2024, the District's reported net OPEB liability was approximately \$38,099,137, assuming a Plan Fiduciary Net Position of \$3,656,331 and a 4.75% discount rate.

The District established a trust fund for the purpose of funding the District's unfunded OPEB liability. The balance in the fund as of the date of June 30, 2024 was \$3,656,331.

**EMPLOYEE RELATIONS**

Pursuant to Chapter 150E of the Massachusetts General Laws, all employees of the District, with the exception of managerial and confidential employees, may bargain with the District through certified unions on questions of wages, hours and other terms and conditions of employment. The following identifies the approximate membership of the bargaining units under which District employees are currently organized.

<u>Bargaining Unit</u>	<u>Number of Employees</u>	<u>Contract Expires</u>
Administrators	10	6/30/2026
Supervisors	7	6/30/2026
Secretaries	13	6/30/2026
Aides/Paraprofessionals	16	6/30/2026
Teachers	130	6/30/2026
Cafeteria	11	6/30/2026
Custodians	10	6/30/2026
Total	197	

**LITIGATION**

In the opinion of the District's management, there is no litigation pending or, to its knowledge threatened, which is likely to result either individually or in the aggregate, in final judgments against the District that would materially affect its financial position.

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NORTHEAST METROPOLITAN REGIONAL VOCATIONAL HIGH SCHOOL DISTRICT, MASSACHUSETTS  
/s/ Mr. James T. Picone, Director of Finance

April 29, 2025

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**NORTHEAST METROPOLITAN REGIONAL  
VOCATIONAL SCHOOL DISTRICT**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED JUNE 30, 2024**

**(With Independent Auditors' Report Thereon)**

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**NORTHEAST METROPOLITAN REGIONAL  
VOCATIONAL SCHOOL DISTRICT**

**FINANCIAL STATEMENTS**

**JUNE 30, 2024**

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## **Independent Auditors' Report**

To the Honorable School Committee  
**Northeast Metropolitan Regional Vocational School District**

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

#### ***Opinions***

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Northeast Metropolitan Regional Vocational School District ("District"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2024, and the respective changes in financial position 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 ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States ("*Government Auditing Standards*"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Northeast Metropolitan Regional Vocational School District 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 District'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.

## ***Auditors' 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 auditors' 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 GAAS 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 GAAS 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 Northeast Metropolitan Regional Vocational School District's 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 Northeast Metropolitan Regional Vocational School District'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 GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated April 16, 2025, on our consideration of the District's 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 District'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 District's internal control over financial reporting and compliance.

*CBIZ CPAs P.C.*

Boston, MA  
April 16, 2025

## *Management's Discussion and Analysis*

# Northeast Metropolitan Regional Vocational School District

## Management's Discussion and Analysis

June 30, 2024

As management of the Northeast Metropolitan Regional Vocational School District (District), we offer readers of these financial statements this narrative overview and analysis of the financial activities for the year ended June 30, 2024. We encourage readers to consider the information presented in this report.

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

This discussion and analysis are intended to serve as an introduction to the Northeast Metropolitan Regional Vocational School District's basic financial statements. These basic financial statements comprise of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

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

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

The *statement of activities* presents information showing how the government's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods (e.g., earned but unused sick leave).

Both of the government-wide financial statements distinguish functions that are principally supported by member town assessments 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 district had no business type activities.

**Fund financial statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements. All of the funds can be divided into two categories: governmental funds and fiduciary funds.

**Governmental funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund statements focus on *near-term inflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the year. Such information may be useful in evaluating a government's near-term financing requirements.

# Northeast Metropolitan Regional Vocational School District

## Management's Discussion and Analysis

June 30, 2024

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The District maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund and other major funds as applicable. Data for certain governmental funds are combined into a single aggregated presentation under the caption *nonmajor governmental funds*.

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

***Fiduciary funds.*** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the District's own programs. The accounting basis used for fiduciary funds is full accrual.

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

### ***Government-wide Financial Analysis***

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. Assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$1.5 million at the close of 2024.

Net position of \$44.8 million reflects its investment in capital assets (e.g., land, buildings, vehicles, and equipment); less any related debt used to acquire those assets that are still outstanding. The District uses these capital assets to provide services to pupils; consequently, these assets are *not* available for future spending. Although the investment in its capital assets is reported net of its related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of net position, \$215,000, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, a deficit of

# Northeast Metropolitan Regional Vocational School District

## Management's Discussion and Analysis

**June 30, 2024**

\$43.5 million, reflects the impact of the \$38.1 million net other postemployment benefit liability and the \$7.7 million net pension liability.

The governmental activities net position increased by \$37.9 million in 2024. The primary reasons behind the net increase include capital grant proceeds from the Massachusetts School Building Authority (MSBA) toward the new building project totaling \$27.2 million, and an increase of \$7.3 million from changes in the District's net other postemployment benefits (OPEB) liability and the amortization of the net related of deferred inflows and outflows of resources. The following tables provide a comparative analysis of the District's government-wide net position and statements of activities. Operating grants and contributions reported an increase of \$3.8 million due mostly to the receipt of \$3.5 million in revenue from the skills capital grant program as well as a \$590,000 increase in the on-behalf revenue recorded for the Massachusetts Teacher's Retirement System (MTRS). Capital grants and contributions increase of \$17.6 million relates to the reimbursements for the school building project from the Massachusetts School Building Authority. The increase in intergovernmental revenue relates to a \$1.3 million dollar increase in chapter 70 aid. The decrease of \$1.9 million in district-wide program expenditures relates to a decrease on \$3.1 million in other postemployment benefit expenses offset by an increase of \$590,000 increase in the on-behalf expenses recorded for the Massachusetts Teacher's Retirement System's payments related to the District's retired teachers. The increase of \$1.2 million in buildings and grounds relates to an increase of capital expenditures related to the new school building project.

	2024	2023
<b>Assets:</b>		
Current assets.....	\$ 99,811,061	\$ 43,022,045
Capital assets.....	58,368,361	20,295,176
<b>Total assets.....</b>	<b>158,179,422</b>	<b>63,317,221</b>
<b>Deferred outflows of resources.....</b>	<b>1,402,522</b>	<b>1,918,912</b>
<b>Liabilities:</b>		
Current liabilities (excluding debt).....	10,223,407	5,521,030
Noncurrent liabilities (excluding debt).....	46,314,155	47,361,391
Current debt.....	1,536,920	603,622
Noncurrent debt.....	89,681,078	31,128,862
<b>Total liabilities.....</b>	<b>147,755,560</b>	<b>84,614,905</b>
<b>Deferred inflows of resources.....</b>	<b>10,305,134</b>	<b>17,002,334</b>
<b>Net position:</b>		
Net investment in capital assets.....	44,771,286	19,174,177
Restricted.....	215,255	215,255
Unrestricted.....	(43,465,291)	(55,770,538)
<b>Total net position.....</b>	<b>\$ 1,521,250</b>	<b>\$ (36,381,106)</b>

# Northeast Metropolitan Regional Vocational School District

## Management's Discussion and Analysis

**June 30, 2024**

	Year Ended	
	2024	2023
<b>Program Revenues:</b>		
Charges for services..... \$	2,080,892	\$ 2,086,881
Operating grants and contributions.....	10,568,794	6,760,977
Capital grants and contributions.....	27,166,759	9,555,990
<b>General Revenues:</b>		
Member town assessments.....	18,263,985	17,150,749
Intergovernmental.....	15,512,611	14,065,779
Unrestricted investment income.....	2,014,895	1,450,566
<b>Total revenues.....</b>	<b>75,607,936</b>	<b>51,070,942</b>
<b>Expenses:</b>		
School committee.....	121,829	261,114
Superintendent.....	1,168,028	1,101,558
Dean of students.....	514,222	498,702
Business and finance.....	482,075	443,749
Technology center.....	655,686	552,454
Principals.....	1,045,501	1,112,036
Regular day program.....	4,606,896	4,748,023
Chapter 74 programs.....	7,460,019	7,366,222
District-wide programs.....	3,508,888	5,444,096
Bilingual education.....	619,042	579,711
Special education instruction.....	1,486,873	1,542,718
Library services.....	126,673	195,285
Guidance services.....	1,315,977	1,005,304
Miscellaneous expense.....	112,791	107,828
Health services.....	193,737	102,310
Transportation.....	1,800,688	1,766,451
Food services.....	930,143	829,593
Athletics.....	630,272	636,154
Student body activities.....	352,930	276,478
Safety program.....	24,781	21,180
Security monitors.....	284,157	256,616
Buildings and grounds.....	4,964,756	2,341,800
Interest.....	2,353,229	1,134,970
Depreciation.....	260,815	228,268
Federal and state grants.....	2,685,572	2,698,491
<b>Total expenses.....</b>	<b>37,705,580</b>	<b>35,251,111</b>
<b>Change in net position.....</b>	<b>37,902,356</b>	<b>15,819,831</b>
<b>Net position, beginning of year.....</b>	<b>(36,381,106)</b>	<b>(52,200,937)</b>
<b>Net position, end of year..... \$</b>	<b>1,521,250</b>	<b>\$ (36,381,106)</b>



# **Northeast Metropolitan Regional Vocational School District**

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

**June 30, 2024**

### ***Financial Analysis of the Governmental Funds***

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

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

As of the end of the current year, governmental funds reported combined ending fund balances of \$92.1 million, an increase of \$53.3 million from the prior year. This increase related mostly to issuance of bonds of \$59.5 million for the new school building project.

The general fund is the chief operating fund. At the end of the current year, unassigned fund balance of the general fund was \$3.7 million, while total fund balance equaled \$4.5 million. Assignments of fund balance consisted of excess and deficiency (E&D) reserves for subsequent year's expenditures of \$400,000 and encumbrances of \$226,000, while \$215,000 was restricted for health insurance. This fund increased by \$1.0 million, due mostly from the \$1.2 million budgeted transfer from the transportation stabilization fund.

The transportation stabilization fund ended the year with a fund balance of \$2.8 million. This fund increased by \$250,000 due to \$1.5 million in state revenue offset by a budgeted transfer out to the general fund of \$1.2 million.

The capital projects fund ended the year with a fund balance of \$79.4 million. This fund increased by \$48.8 million due mostly from the issuance of bonds for \$59.5 million relating to the new school building capital project. This was offset by expenditures exceeding revenue in the current year by \$11.3 million. These expenditures related to construction of the new school building.

The nonmajor funds ended the year with a fund balance of \$5.4 million, an increase of \$3.3 from the prior year. During fiscal year 2024, the federal grants fund that was previously reported as a major fund has been reclassified as a nonmajor fund.

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

The District adopts an annual budget for the general fund. The initial 2024 approved budget for the general fund authorized approximately \$33.9 million in appropriations. Revenues came in \$720,000 over budget and expenditures came in \$760,000 under budget. The District planned to use \$700,000 in E&D for the budget. The net budgetary increase totaled \$1.0 million.

# **Northeast Metropolitan Regional Vocational School District**

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

**June 30, 2024**

### ***Capital Assets***

The District is in the construction phase of constructing a new Regional High School. This project has an estimated cost of \$317 million, of which 76.84% of eligible expenses will be reimbursed by the Massachusetts School Building Authority (MSBA). Under this program, assistance will be paid to support costs and reduce the total debt service of the District. The District recorded a receivable of \$5.9 million from MSBA as of June 30, 2024, representing costs incurred that have not yet been reimbursed.

During the year there was a total of \$42.3 million in construction costs that qualified for capitalization. \$41.9 million related to costs for the new high school construction. The new high school construction costs are funded primarily through bond proceeds and the MSBA reimbursements.

**Debt Administration.** The District issued \$59.5 million of long-term bonds during 2024 related to the new school building construction project. Outstanding long-term debt of the general government, as of June 30, 2024, totaled \$89.4 million. No new debt was issued during the year and \$525,000 in debt principal payments were made.

Please refer to Notes 3 and 5 for further discussion of the capital asset and debt activity.

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

This financial report is designed to provide a general overview of the Northeast Metropolitan Regional Vocational School District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Business Manager, Northeast Metropolitan Regional Vocational School District, 100 Hemlock Road, Wakefield, MA 01880.

## ***Basic Financial Statements***

# Northeast Metropolitan Regional Vocational School District

## Statement of Net Position

As of June 30, 2024

	<i>Primary Government</i>
	<u>Governmental Activities</u>
<b>ASSETS</b>	
<b>CURRENT:</b>	
Cash and cash equivalents..... \$	93,890,471
Receivables, net of allowance for uncollectibles:	
Intergovernmental.....	<u>5,920,590</u>
Total current assets.....	<u>99,811,061</u>
<b>NONCURRENT:</b>	
Capital assets, nondepreciable.....	57,155,739
Capital assets, net of accumulated depreciation.....	<u>1,212,622</u>
Total noncurrent assets.....	<u>58,368,361</u>
<b>TOTAL ASSETS.....</b>	<u>158,179,422</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred outflows related to pensions.....	1,347,936
Deferred outflows related to other postemployment benefits...	<u>54,586</u>
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES.....</b>	<u>1,402,522</u>
<b>LIABILITIES</b>	
<b>CURRENT:</b>	
Warrants payable.....	6,178,421
Accrued payroll.....	1,383,573
Accrued interest.....	2,128,700
Other liabilities.....	79,365
Unearned revenue.....	29,348
Compensated absences.....	424,000
Bonds payable.....	<u>1,536,920</u>
Total current liabilities.....	<u>11,760,327</u>

*See notes to basic financial statements.*

**Northeast Metropolitan Regional Vocational School District**

**Statement of Net Position**

**As of June 30, 2024**

	<u>Primary Government</u>
	<u>Governmental Activities</u>
NONCURRENT:	
Compensated absences.....	534,000
Net pension liability.....	7,681,018
Net other postemployment benefits liability.....	38,099,137
Bonds payable.....	<u>89,681,078</u>
Total noncurrent liabilities.....	<u>135,995,233</u>
TOTAL LIABILITIES.....	<u>147,755,560</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred inflows related to pensions.....	327,452
Deferred inflows related to other postemployment benefits.....	<u>9,977,682</u>
TOTAL DEFERRED INFLOWS OF RESOURCES.....	<u>10,305,134</u>
<b>NET POSITION</b>	
Net investment in capital assets.....	44,771,286
Restricted for:	
Health insurance.....	215,255
Unrestricted.....	<u>(43,465,291)</u>
TOTAL NET POSITION..... \$	<u><u>1,521,250</u></u>

*See notes to basic financial statements.*

# Northeast Metropolitan Regional Vocational School District

## Statement of Activities

Year Ended June 30, 2024

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
<b>Primary Government:</b>					
<i>Governmental Activities:</i>					
School committee.....	\$ 121,829	\$ -	\$ -	\$ -	\$ (121,829)
Superintendent.....	1,168,028	-	-	-	(1,168,028)
Dean of students.....	514,222	-	-	-	(514,222)
Business and finance.....	482,075	-	-	-	(482,075)
Technology center.....	655,686	-	-	-	(655,686)
Principals.....	1,045,501	-	-	-	(1,045,501)
Regular day program.....	4,606,896	521,298	-	-	(4,085,598)
Chapter 74 programs.....	7,460,019	299,172	-	-	(7,160,847)
District-wide programs.....	3,508,888	303,538	4,277,818	-	1,072,468
Bilingual education.....	619,042	-	-	-	(619,042)
Special education instruction.....	1,486,873	-	-	-	(1,486,873)
Library services.....	126,673	-	-	-	(126,673)
Guidance services.....	1,315,977	-	-	-	(1,315,977)
Miscellaneous expense.....	112,791	-	-	-	(112,791)
Health services.....	193,737	-	-	-	(193,737)
Transportation.....	1,800,688	-	-	-	(1,800,688)
Food services.....	930,143	956,884	-	-	26,741
Athletics.....	630,272	-	7,214	-	(623,058)
Student body activities.....	352,930	-	-	-	(352,930)
Safety program.....	24,781	-	-	-	(24,781)
Security monitors.....	284,157	-	-	-	(284,157)
Buildings and grounds.....	4,964,756	-	-	-	(4,964,756)
MSBA Revenue.....	-	-	-	27,166,759	27,166,759
Interest.....	2,353,229	-	-	-	(2,353,229)
Depreciation.....	260,815	-	-	-	(260,815)
Federal and state grants.....	2,685,572	-	6,283,762	-	3,598,190
<b>Total Governmental Activities.....</b>	<b>\$ 37,705,580</b>	<b>\$ 2,080,892</b>	<b>\$ 10,568,794</b>	<b>\$ 27,166,759</b>	<b>\$ 2,110,865</b>

*See notes to basic financial statements.*

# Northeast Metropolitan Regional Vocational School District

## Statement of Activities (Continued)

Year Ended June 30, 2024

	<u>Primary Governmental</u>
	<u>Governmental</u>
	<u>Activities</u>
<b>Changes in net position:</b>	
Net (expense) revenue from previous page.....	\$ <b>2,110,865</b>
<i>General revenues:</i>	
Member town assessments.....	18,263,985
Grants and contributions not restricted to	
specific programs.....	15,512,611
Unrestricted investment income.....	<u>2,014,895</u>
Total general revenues.....	<u>35,791,491</u>
Change in net position.....	37,902,356
<i>Net position:</i>	
Beginning of year.....	<u>(36,381,106)</u>
End of year.....	\$ <u><u>1,521,250</u></u>

*See notes to basic financial statements.*

# Northeast Metropolitan Regional Vocational School District

## Governmental Funds Balance Sheet

**June 30, 2024**

	General	Transportation Stabilization	Capital Projects	Federal Grants	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash and cash equivalents.....	\$ 5,995,985	\$ 2,797,733	\$ 78,867,228	\$ -	\$ 6,229,525	\$ 93,890,471
Receivables, net of uncollectibles:						
Intergovernmental.....	7,453	-	5,913,137	-	-	5,920,590
<b>TOTAL ASSETS.....</b>	<b>\$ 6,003,438</b>	<b>\$ 2,797,733</b>	<b>\$ 84,780,365</b>	<b>\$ -</b>	<b>\$ 6,229,525</b>	<b>\$ 99,811,061</b>
<b>LIABILITIES</b>						
Warrants payable.....	\$ 88,658	\$ -	\$ 5,381,283	\$ -	\$ 708,480	\$ 6,178,421
Accrued payroll.....	1,313,363	-	-	-	70,210	1,383,573
Other liabilities.....	31,728	-	-	-	47,637	79,365
Unearned revenue.....	29,348	-	-	-	-	29,348
<b>TOTAL LIABILITIES.....</b>	<b>1,463,097</b>	<b>-</b>	<b>5,381,283</b>	<b>-</b>	<b>826,327</b>	<b>7,670,707</b>
<b>FUND BALANCES</b>						
Restricted.....	215,255	2,797,733	79,399,082	-	5,527,762	87,939,832
Assigned.....	625,640	-	-	-	-	625,640
Unassigned.....	3,699,446	-	-	-	(124,564)	3,574,882
<b>TOTAL FUND BALANCES.....</b>	<b>4,540,341</b>	<b>2,797,733</b>	<b>79,399,082</b>	<b>-</b>	<b>5,403,198</b>	<b>92,140,354</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES.....</b>	<b>\$ 6,003,438</b>	<b>\$ 2,797,733</b>	<b>\$ 84,780,365</b>	<b>\$ -</b>	<b>\$ 6,229,525</b>	<b>\$ 99,811,061</b>

*See notes to basic financial statements.*



**Northeast Metropolitan Regional Vocational School District**

**Reconciliation of the Governmental Funds Balance Sheet  
Total Fund Balances to the Statement of Net Position**

**June 30, 2024**

Total governmental fund balances.....	\$	92,140,354
Capital assets (net) used in governmental activities are not financial resources and, therefore, are not reported in the funds.....		58,368,361
The statement of net position includes certain deferred inflows of resources and deferred outflows of resources that will be amortized over future periods. In governmental funds, these amounts are not deferred.....		(8,902,612)
In the statement of activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due.....		(2,128,700)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:		
Bonds payable.....	(91,217,998)	
Net pension liability.....	(7,681,018)	
Net other postemployment benefits liability.....	(38,099,137)	
Compensated absences.....	<u>(958,000)</u>	
Net effect of reporting long-term liabilities.....		<u>(137,956,153)</u>
Net position of governmental activities.....	\$	<u>1,521,250</u>

*See notes to basic financial statements.*

**Northeast Metropolitan Regional Vocational School District**

**Governmental Funds**

**Statement of Revenues, Expenditures and Changes in Fund Balances**

**Year Ended June 30, 2024**

	General	Transportation Stabilization	Capital Projects	Federal Grants	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>						
Member town assessments.....	\$ 18,263,985	\$ -	\$ -	\$ -	\$ -	\$ 18,263,985
Intergovernmental.....	14,062,406	-	27,166,759	-	7,267,671	48,496,836
Other departmental revenue.....	359,731	-	-	-	835,471	1,195,202
Investment income.....	57,755	-	1,734,589	-	222,551	2,014,895
Intergovernmental - state.....	-	1,450,205	-	-	-	1,450,205
Intergovernmental - Teachers Retirement.....	4,233,671	-	-	-	-	4,233,671
<b>TOTAL REVENUES.....</b>	<b>36,977,548</b>	<b>1,450,205</b>	<b>28,901,348</b>	<b>-</b>	<b>8,325,693</b>	<b>75,654,794</b>
<b>EXPENDITURES:</b>						
Current:						
School committee.....	185,829	-	-	-	-	185,829
Superintendent.....	1,168,028	-	-	-	-	1,168,028
Dean of students.....	514,222	-	-	-	-	514,222
Business and finance.....	482,075	-	-	-	-	482,075
Technology center.....	654,767	-	-	-	919	655,686
Principals.....	1,045,501	-	-	-	-	1,045,501
Regular day program.....	4,045,348	-	-	-	561,548	4,606,896
Chapter 74 programs.....	7,179,621	-	-	-	274,398	7,454,019
District-wide programs.....	10,658,617	-	-	-	43,317	10,701,934
Bilingual education.....	619,042	-	-	-	-	619,042
Special education instruction.....	1,486,873	-	-	-	-	1,486,873
Library services.....	126,673	-	-	-	-	126,673
Guidance services.....	1,270,977	-	-	-	-	1,270,977
Miscellaneous expense.....	112,791	-	-	-	-	112,791
Health services.....	193,737	-	-	-	-	193,737
Transportation.....	1,800,688	-	-	-	-	1,800,688
Food services.....	85,539	-	-	-	844,604	930,143
Athletics.....	616,947	-	-	-	13,325	630,272
Student body activities.....	133,563	-	-	-	219,367	352,930
Safety program.....	24,781	-	-	-	-	24,781
Security monitor.....	284,157	-	-	-	-	284,157
Buildings and grounds.....	2,743,511	-	40,202,886	-	-	42,946,397
Federal and state grants.....	-	-	-	-	3,084,789	3,084,789
Debt service:						
Principal.....	525,000	-	-	-	-	525,000
Interest.....	1,212,600	-	-	-	-	1,212,600
<b>TOTAL EXPENDITURES.....</b>	<b>37,170,887</b>	<b>-</b>	<b>40,202,886</b>	<b>-</b>	<b>5,042,267</b>	<b>82,416,040</b>

*See notes to basic financial statements.*

**Northeast Metropolitan Regional Vocational School District**

**Governmental Funds  
Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)**

**Year Ended June 30, 2024**

	General	Transportation Stabilization	Capital Projects	Federal Grants	Nonmajor Governmental Funds	Total Governmental Funds
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	(193,339)	1,450,205	(11,301,538)	-	3,283,426	(6,761,246)
<u>OTHER FINANCING SOURCES (USES):</u>						
Issuance of bonds.....	-	-	59,475,000	-	-	59,475,000
Premium from issuance of bonds.....	-	-	614,135	-	-	614,135
Transfers in.....	1,200,000	-	-	-	-	1,200,000
Transfers out.....	-	(1,200,000)	-	-	-	(1,200,000)
TOTAL OTHER FINANCING SOURCES (USES).....	1,200,000	(1,200,000)	60,089,135	-	-	60,089,135
NET CHANGE IN FUND BALANCES.....	1,006,661	250,205	48,787,597	-	3,283,426	53,327,889
FUND BALANCES AT 6/30/23, AS PREVIOUSLY REPORTED.....	3,533,680	2,547,528	30,611,485	477,786	1,641,986	38,812,465
ADJUSTMENT - CHANGE FROM MAJOR TO NONMAJOR FUND.....	-	-	-	(477,786)	477,786	-
FUND BALANCES AT 6/30/23, AS ADJUSTED.....	3,533,680	2,547,528	30,611,485	-	2,119,772	38,812,465
FUND BALANCES AT END OF YEAR.....	\$ 4,540,341	\$ 2,797,733	\$ 79,399,082	\$ -	\$ 5,403,198	\$ 92,140,354

*See notes to basic financial statements.*

# Northeast Metropolitan Regional Vocational School District

## Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities

**Year Ended June 30, 2024**

Net change in fund balances - total governmental funds.....	\$ 53,327,889
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.....	38,334,000
Depreciation expense.....	<u>(260,815)</u>
Net effect of reporting capital assets.....	38,073,185
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.....	(59,475,000)
Premium from issuance of bonds.....	(614,135)
Net amortization of premium from issuance of bonds.....	78,621
Debt service principal payments.....	<u>525,000</u>
Net effect of reporting long-term debt.....	(59,485,514)
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.....	13,000
Net change in accrued interest on long-term debt.....	(1,219,250)
Net change in deferred outflow/(inflow) of resources related to pensions.....	891,814
Net change in net pension liability.....	(1,023,287)
Net change in deferred outflow/(inflow) of resources related to other postemployment benefits.....	5,288,996
Net change in net other postemployment benefits liability.....	<u>2,035,523</u>
Net effect of recording long-term liabilities.....	5,986,796
Change in net position of governmental activities.....	\$ <u>37,902,356</u>

*See notes to basic financial statements.*

**Northeast Metropolitan Regional Vocational School District**

**Fiduciary Funds  
Statement of Fiduciary Net Position**

**June 30, 2024**

	Other Postemployment Benefit Trust Fund	Private Purpose Trust Funds
<b>ASSETS</b>		
Cash and cash equivalents..... \$	36,195	\$ 120,865
Investments:		
U.S. treasury notes.....	517,866	-
Government sponsored enterprises.....	202,659	-
Corporate bonds.....	483,082	-
Equity securities.....	2,017,485	-
Fixed income mutual funds.....	399,044	-
<b>TOTAL ASSETS.....</b>	<b>3,656,331</b>	<b>120,865</b>
<b>LIABILITIES</b>		
Other liabilities.....	-	6
<b>NET POSITION</b>		
Restricted for other postemployment benefits.....	3,656,331	-
Held in trust for other purposes.....	-	120,859
<b>TOTAL NET POSITION..... \$</b>	<b>3,656,331</b>	<b>\$ 120,859</b>

*See notes to basic financial statements.*

# Northeast Metropolitan Regional Vocational School District

## Fiduciary Funds Statement of Changes in Fiduciary Net Position

**Year Ended June 30, 2024**

	Other Postemployment Benefit Trust Fund	Private Purpose Trust Funds
<b><u>ADDITIONS:</u></b>		
Contributions:		
Employer contributions.....	\$ 625,000	\$ -
Employer contributions for other postemployment benefit payments.....	1,776,281	-
Private donations.....	-	85,963
	<hr/>	<hr/>
Total contributions.....	2,401,281	85,963
Investment income.....	<hr/> 275,060	<hr/> 1,608
	<hr/>	<hr/>
TOTAL ADDITIONS.....	2,676,341	87,571
<b><u>DEDUCTIONS:</u></b>		
Administration.....	13,095	-
Other postemployment benefit payments.....	1,776,281	-
Educational scholarships.....	-	61,970
	<hr/>	<hr/>
TOTAL DEDUCTIONS.....	1,789,376	61,970
	<hr/>	<hr/>
NET INCREASE (DECREASE) IN NET POSITION.....	886,965	25,601
NET POSITION AT BEGINNING OF YEAR.....	<hr/> 2,769,366	<hr/> 95,258
	<hr/>	<hr/>
NET POSITION AT END OF YEAR.....	\$ <u>3,656,331</u>	\$ <u>120,859</u>

*See notes to basic financial statements.*

# **Northeast Metropolitan Regional Vocational School District**

## **Notes to Basic Financial Statements**

**Year Ended June 30, 2024**

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

The accompanying basic financial statements of the Northeast Metropolitan Regional Vocational School District (District) 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 District accounting policies are described herein.

#### **A. Reporting Entity**

The District was formed in 1964 pursuant to Chapter 71 of the Massachusetts General Laws (MGL). The District consists of the Cities of Chelsea, Malden, Melrose, North Reading, Reading, Revere, Saugus, Stoneham, Wakefield, Winchester, Winthrop, and Woburn. A twelve-member School Committee (the Committee) governs the District, which consists of elected members from the District for a term of three years.

For financial reporting purposes, the District has included all funds, organizations, agencies, boards, commissions and institutions. The District 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 District 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 District (the primary government) and its component units. The District 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.

*Governmental activities* are primarily supported by member assessments.

##### *Fund Financial Statements*

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

# **Northeast Metropolitan Regional Vocational School District**

## **Notes to Basic Financial Statements**

**Year Ended June 30, 2024**

### *Major Fund Criteria*

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

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

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. 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.

Other items not identifiable as program revenues are reported as general revenues.

The effect of interfund activity has been removed from the government-wide financial statements.



# Northeast Metropolitan Regional Vocational School District

## Notes to Basic Financial Statements

Year Ended June 30, 2024

### Fund Financial Statements

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

Investment income is susceptible to accrual. Other receipts and 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 *transportation stabilization fund* is reported as a major fund. It is used to accumulate resources to offset the cost of school transportation.

The *capital projects fund* is reported as a major fund. It is used to account for the District's new major high school construction project.

The nonmajor governmental funds consist of other special revenue 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 funds* 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.

**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.

# **Northeast Metropolitan Regional Vocational School District**

## **Notes to Basic Financial Statements**

**Year Ended June 30, 2024**

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 under which principal and investment income exclusively benefit individuals, private organizations, or other governments. The District accounts for scholarships in this fund.

### **D. Cash and Investments**

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

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

### **E. Fair Value Measurements**

The District 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 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 and U.S. government obligations are classified as Level 2 because fair values are estimated using pricing models, matrix pricing, or discounted cash flows.

# **Northeast Metropolitan Regional Vocational School District**

## **Notes to Basic Financial Statements**

**Year Ended June 30, 2024**

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 District'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 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.

#### ***Intergovernmental***

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

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

### **G. Inventories**

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

Inventories are recorded as expenditures at the time of purchase. Such inventories represent supplies and therefore not capitalized in the government-wide and fund financial statements.

# Northeast Metropolitan Regional Vocational School District

## Notes to Basic Financial Statements

Year Ended June 30, 2024

### H. Capital Assets

#### *Government-Wide Financial Statements*

Capital assets, which include land, land improvements, buildings, machinery and equipment, are reported in the government-wide financial statements. Capital assets are recorded at historical cost, or at estimated historical cost, if actual historical cost is not available. Donated capital assets are recorded at the estimated fair value at the date of donation.

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

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

<u>Capital Asset Type</u>	<u>Estimated Useful Life (in years)</u>
Buildings.....	40
Improvements.....	20
Machinery and equipment.....	3-15

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 expenditures when incurred. Improvements are capitalized.

#### *Governmental Fund Financial Statements*

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

### I. Deferred Outflows/Inflows of Resources

#### *Government-Wide Financial Statements (Net Position)*

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The District reported deferred outflows of resources related to pensions and other postemployment benefits in this category.

# **Northeast Metropolitan Regional Vocational School District**

## **Notes to Basic Financial Statements**

**Year Ended June 30, 2024**

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

### *Governmental Fund Financial Statements*

In addition to liabilities, the governmental funds balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents assets that have been recorded in the governmental fund financial statements but the revenue is not available and so will *not* be recognized as an inflow of resources (revenue) until it becomes available. The District did not have any elements that qualify for reporting in this category.

### J. 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.

### *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.

### 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 are eliminated from the governmental activities in the statement of net position.

# **Northeast Metropolitan Regional Vocational School District**

## **Notes to Basic Financial Statements**

**Year Ended June 30, 2024**

### *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. Net Position and Fund Balance

#### *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.

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:

“Health insurance” represents restrictions placed on assets to be used for the District’s health insurance costs.

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District’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.

# **Northeast Metropolitan Regional Vocational School District**

## **Notes to Basic Financial Statements**

### **Year Ended June 30, 2024**

“Committed” fund balance includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government’s highest level of decision-making authority. A vote of the School Committee is the highest level of decision-making authority that can 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 District’s intent to be used for specific purposes but are neither restricted nor committed. The business manager has the authority to assign fund balance. Funds are assigned when the District has an obligation to purchase goods or services from the current years’ appropriation.

“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 District’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.

#### **M. Long-term Debt**

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

Long-term debt is reported as liabilities in the government-wide 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 proceeds received in governmental funds for 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.

# **Northeast Metropolitan Regional Vocational School District**

## **Notes to Basic Financial Statements**

**Year Ended June 30, 2024**

### 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 both the Massachusetts State Employee 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. Investment Income

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

### P. Compensated Absences

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

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

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

### *Governmental Fund Financial Statements*

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

### Q. 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.



# **Northeast Metropolitan Regional Vocational School District**

## **Notes to Basic Financial Statements**

**Year Ended June 30, 2024**

### R. Total Column

#### *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 combined balance sheet as "Cash and Cash Equivalents." The deposits of the trust funds are held separately from those of other funds.

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

The Pool meets the criteria of an external investment pool. The Pool is administered by the Massachusetts Municipal Depository Trust (MMDT), which was established by the Treasurer of the Commonwealth who serves as Trustee. The fair value of the position in the Pool is the same as the value of the Pool shares.

#### Custodial Credit Risk – Deposits

Custodial credit risk for deposits is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The District has not formally adopted a policy for custodial credit risk of deposits. At year-end, the carrying amount of deposits totaled \$16,216,443 and the bank balance totaled \$15,668,511. Of the bank balance, \$536,195 was covered by Federal Depository Insurance, \$49,179 was covered by the Depositor's Insurance Fund (DIF), and \$15,083,137 was exposed to custodial credit risk because it was uninsured and uncollateralized.

# Northeast Metropolitan Regional Vocational School District

## Notes to Basic Financial Statements

Year Ended June 30, 2024

### Investments

As of June 30, 2024, the District, including the Other Postemployment Benefits Trust Fund had the following investments:

Investment Type	Fair Value	Maturities			
		Under 1 Year	1-5 Years	6-10 Years	Over 10 Years
<u>Debt securities:</u>					
U.S. treasury notes.....	\$ 517,866	\$ 99,062	\$ 307,468	\$ 111,336	\$ -
Government sponsored enterprises.....	202,659	-	90,818	111,841	-
Corporate bonds.....	483,082	69,116	286,613	127,353	-
Total debt securities.....	1,203,607	\$ 168,178	\$ 684,899	\$ 350,530	\$ -
<u>Other investments:</u>					
Equity securities.....	2,017,485				
Fixed income mutual funds.....	399,044				
MMDT - Cash portfolio.....	77,831,088				
Total investments.....	\$ 81,451,224				

The District participates in MMDT, which maintains a cash portfolio with combined average maturities of approximately 43 days.

### Custodial Credit Risk – Investments

For an investment, this is the risk that, in the event of a failure by the counterparty, the District will not be able to recover the value of its investments or collateral security that are in the possession of an outside party. The District has not formally adopted a policy for custodial credit risk of investments.

### Interest Rate Risk

The District manages its exposure to fair value losses arising from increasing interest rates by limiting investment maturities to no greater than one year.

# Northeast Metropolitan Regional Vocational School District

## Notes to Basic Financial Statements

Year Ended June 30, 2024

### Credit Risk

The District has not adopted a formal investment policy related to credit risk. The District allows investment managers to apply discretion under MGL Chapter 44, Section 55. Investments are made, as a prudent person would be expected to act with discretion and intelligence, to seek reasonable income, preserve capital and, in general, avoid speculative investments. The investment credit ratings of all District investments are as follows:

<u>Quality Rating</u>	<u>U.S. Treasury Notes</u>	<u>Government Sponsored Enterprises</u>	<u>Corporate Bonds</u>
AAA.....	\$ 517,866	\$ 127,618	\$ -
AA+.....	-	75,041	-
AA.....	-	-	19,926
AA-.....	-	-	56,605
A+.....	-	-	185,478
A.....	-	-	137,681
A-.....	-	-	83,392
Total.....	\$ <u>517,866</u>	\$ <u>202,659</u>	\$ <u>483,082</u>

### Concentration of Credit Risk

The District places no limit on the amount that may be invested in any one issuer.

### Fair Value of Investments

The District holds investments that are measured at fair value on a recurring basis. Because investing is not a core part of the District's mission, the District determines that the disclosures related to these investments only need to be disaggregated by major type. The District chooses a tabular format for disclosing the levels within the fair value hierarchy.

# Northeast Metropolitan Regional Vocational School District

## Notes to Basic Financial Statements

**Year Ended June 30, 2024**

The following table presents financial assets at June 30, 2024, that the District measures fair value on a recurring basis, by level, within the fair value hierarchy:

Investment Type	June 30, 2024	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>Investments measured at fair value:</b>				
<u>Debt securities:</u>				
U.S. treasury notes.....	\$ 517,866	\$ -	\$ 517,866	\$ -
Government sponsored enterprises.....	202,659	-	202,659	-
Corporate bonds.....	483,082	-	483,082	-
Total debt securities.....	1,203,607	-	1,203,607	-
<u>Other investments:</u>				
Equity securities.....	2,017,485	2,017,485	-	-
Fixed income mutual funds.....	399,044	399,044	-	-
Total other investments.....	2,416,529	2,416,529	-	-
Total investments measured at fair value.....	3,620,136	\$ 2,416,529	\$ 1,203,607	\$ -
<b>Investments measured at amortized cost:</b>				
MMDT - Cash portfolio.....	77,831,088			
Total investments.....	\$ 81,451,224			

Equity securities and fixed income mutual funds classified as Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. U.S. treasury notes, government sponsored enterprises, and 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' relationship to benchmark quoted prices. Investments classified in Level 3 are valued using significant unobservable inputs. The District does not have any investments in this category.

MMDT cash portfolio investments are valued using amortized cost. Under the amortized cost method, an investment is valued initially at its cost and adjusted for the amount of interest income accrued each day over the term of the investment to account for any difference between the initial cost and the amount payable at its maturity. If amortized cost is determined not to approximate fair value, the value of the portfolio securities will be determined under procedures established by the Advisor.

# Northeast Metropolitan Regional Vocational School District

## Notes to Basic Financial Statements

**Year Ended June 30, 2024**

### NOTE 3 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2024, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities:</b>				
<u>Capital assets not being depreciated:</u>				
Land.....	\$ 50,000	\$ -	\$ -	\$ 50,000
Construction in progress.....	19,124,098	37,981,641	-	57,105,739
 Total capital assets not being depreciated.	 19,174,098	 37,981,641	 -	 57,155,739
 <u>Capital assets being depreciated:</u>				
Buildings and improvements.....	6,475,944	-	-	6,475,944
Machinery, Equipment & Vehicles.....	4,100,522	352,359	-	4,452,881
 Total capital assets being depreciated.....	 10,576,466	 352,359	 -	 10,928,825
 <u>Less accumulated depreciation for:</u>				
Buildings and improvements.....	(5,635,331)	(46,359)	-	(5,681,690)
Machinery, Equipment & Vehicles.....	(3,820,057)	(214,456)	-	(4,034,513)
 Total accumulated depreciation.....	 (9,455,388)	 (260,815)	 -	 (9,716,203)
 Total capital assets being depreciated, net.....	 1,121,078	 91,544	 -	 1,212,622
 Total governmental activities capital assets, net.	 \$ 20,295,176	 \$ 38,073,185	 \$ -	 \$ 58,368,361

Depreciation expense is unallocated and presented as a separate line on the statement of activities.

### NOTE 4 – INTERFUND TRANSFERS

Interfund transfers for the year ended June 30, 2024 consisted of a \$1.2 million budgeted transfer from the transportation stabilization fund to the general fund.

# Northeast Metropolitan Regional Vocational School District

## Notes to Basic Financial Statements

Year Ended June 30, 2024

### NOTE 5 – LONG-TERM DEBT

State law permits the District, under the provisions of Chapter 71, Section 16, to authorize indebtedness for capital acquisition and construction. Furthermore, written notice of the amount of debt authorized and general purpose of the debt must be given to the Select board in each of the member communities comprising the District.

As of June 30, 2024, the District's General obligation bonds issued and outstanding are as follows:

<u>Project</u>	<u>Maturities Through</u>	<u>Original Loan Amount</u>	<u>Interest Rate (%)</u>	<u>Outstanding at June 30, 2024</u>
General obligations:				
Municipal Purpose Bonds of 2022.....	2052	\$ 30,955,000	4.0 - 5.0	\$ 29,910,000
Municipal Purpose Bonds of 2024.....	2054	59,475,000	4.0 - 5.0	59,475,000
Subtotal general obligation bonds payable.....				<u>89,385,000</u>
Add: Unamortized premium on bonds.....				<u>1,832,998</u>
Total Bonds Payable, net.....				<u>\$ 91,217,998</u>

**Northeast Metropolitan Regional Vocational School District**

**Notes to Basic Financial Statements**

**Year Ended June 30, 2024**

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

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025.....	\$ 1,460,000	\$ 3,743,976	\$ 5,203,976
2026.....	1,625,000	3,678,100	5,303,100
2027.....	1,665,000	3,596,850	5,261,850
2028.....	1,735,000	3,513,600	5,248,600
2029.....	1,825,000	3,426,850	5,251,850
2030.....	1,915,000	3,335,600	5,250,600
2031.....	2,010,000	3,239,850	5,249,850
2032.....	2,110,000	3,139,350	5,249,350
2033.....	2,215,000	3,033,850	5,248,850
2034.....	2,330,000	2,923,100	5,253,100
2035.....	2,440,000	2,806,600	5,246,600
2036.....	2,555,000	2,693,600	5,248,600
2037.....	2,675,000	2,575,200	5,250,200
2038.....	2,800,000	2,451,200	5,251,200
2039.....	2,930,000	2,321,350	5,251,350
2040.....	3,045,000	2,204,150	5,249,150
2041.....	3,165,000	2,082,350	5,247,350
2042.....	3,295,000	1,955,750	5,250,750
2043.....	3,430,000	1,823,950	5,253,950
2044.....	3,565,000	1,686,750	5,251,750
2045.....	3,705,000	1,544,150	5,249,150
2046.....	3,850,000	1,395,950	5,245,950
2047.....	4,010,000	1,241,950	5,251,950
2048.....	4,165,000	1,081,550	5,246,550
2049.....	4,320,000	929,950	5,249,950
2050.....	4,475,000	772,600	5,247,600
2051.....	4,640,000	609,500	5,249,500
2052.....	4,810,000	440,300	5,250,300
2053.....	3,245,000	264,800	3,509,800
2054.....	3,375,000	135,000	3,510,000
Total.....	\$ <u>89,385,000</u>	\$ <u>64,647,776</u>	\$ <u>154,032,776</u>

# Northeast Metropolitan Regional Vocational School District

## Notes to Basic Financial Statements

**Year Ended June 30, 2024**

The District is subject to various debt limits by statute and may issue additional general obligation debt under the normal debt limit. At June 30, 2024, the District had authorized and unissued debt relating to the school building project totaling \$199,939,691.

During the year ended June 30, 2024, the following changes occurred in the District's 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 bonds payable.....	\$ 30,435,000	\$ 59,475,000	\$ (525,000)	\$ -	\$ -	\$ 89,385,000	\$ 1,460,000
Add: Unamortized premium on bonds	1,297,484	614,135	(78,621)	-	-	1,832,998	76,920
Total bonds payable.....	31,732,484	60,089,135	(603,621)	-	-	91,217,998	1,536,920
Compensated absences.....	971,000	-	-	389,000	(402,000)	958,000	424,000
Net pension liability.....	4,698,182	-	-	3,173,866	(191,030)	7,681,018	-
Other postemployment benefits.....	48,668,766	-	-	3,406,042	(13,975,671)	38,099,137	-
 Total.....	 \$ 86,070,432	 \$ 60,089,135	 \$ (603,621)	 \$ 6,968,908	 \$ (14,568,701)	 \$ 137,956,153	 \$ 1,960,920

### NOTE 6 – GOVERNMENTAL FUND BALANCE CLASSIFICATIONS

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, establishes a hierarchy for fund balance classifications and the constraints imposed on the uses of those resources. 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 classifications are prepaid items, inventories, and principal (corpus) of an endowment fund.

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 government from its highest level of design making authority.
- Assigned: fund balances that contain self-imposed constraints of the government to be used for a particular purpose.
- Unassigned: fund balances of the general fund that is not constrained for any particular purpose or deficit balances in other funds.



# Northeast Metropolitan Regional Vocational School District

## Notes to Basic Financial Statements

**Year Ended June 30, 2024**

The District'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.

As of June 30, 2024, the governmental fund balances consisted of the following:

	<u>General</u>	<u>Transportation Stabilization</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Restricted for:					
Health Insurance.....	\$ 215,255	\$ -	\$ -	\$ -	\$ 215,255
Transportation Stabilization.....	-	2,797,733	-	-	2,797,733
Capital Project.....	-	-	79,399,082	-	79,399,082
Automotive Technology.....	-	-	-	24,297	24,297
Mass Medicare.....	-	-	-	224,790	224,790
Building Usage.....	-	-	-	87,375	87,375
Adult Education.....	-	-	-	642,837	642,837
School Choice.....	-	-	-	63,655	63,655
Other Vocational Classes.....	-	-	-	241,636	241,636
Summer School.....	-	-	-	5,530	5,530
Culinary Arts.....	-	-	-	40,378	40,378
Student Activity.....	-	-	-	178,597	178,597
State Grants.....	-	-	-	3,377,995	3,377,995
Federal Grants.....	-	-	-	640,672	640,672
Assigned to:					
Chapter 74 programs.....	659	-	-	-	659
District-wide programs.....	224,981	-	-	-	224,981
E&D used for subsequent year's budget...	400,000	-	-	-	400,000
Unassigned.....	<u>3,699,446</u>	<u>-</u>	<u>-</u>	<u>(124,564)</u>	<u>3,574,882</u>
Total Fund Balances.....	\$ <u>4,540,341</u>	\$ <u>2,797,733</u>	\$ <u>79,399,082</u>	\$ <u>5,403,198</u>	\$ <u>92,140,354</u>

# **Northeast Metropolitan Regional Vocational School District**

## **Notes to Basic Financial Statements**

**Year Ended June 30, 2024**

### **NOTE 7 – PENSION PLAN**

#### *Plan Description*

The District is a member of the Massachusetts State Employees' Retirement System (MSERS), a public employee retirement system that administers a cost-sharing multi-employer defined benefit plan covering substantially all employees of the Commonwealth of Massachusetts (Commonwealth) and certain employees of the independent authorities and agencies. Chapter 32 of the MGL assigns authority to establish and amend benefit provisions of the plan. The MSERS is part of the Commonwealth's reporting entity and the audited financial report may be obtained by visiting <http://www.mass.gov/osc/publications-andreports/financial-reports/>.

The District is also a member of the Massachusetts Teachers' Retirement System (MTRS), a cost-sharing multi-employer defined benefit plan. MTRS is managed by the 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 Districts 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 District's teachers and retired teachers to the MTRS. Therefore, the District 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 District does not contribute directly to MTRS, the District does not have a net pension liability regarding MTRS. 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, 2023. The District's portion of the collective pension expense, contributed by the Commonwealth, of \$4,233,671 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 District is \$45,342,882, as of the measurement date.

# **Northeast Metropolitan Regional Vocational School District**

## **Notes to Basic Financial Statements**

**Year Ended June 30, 2024**

### *Contributions*

The general laws governing employer contribution requirements to MSERS are varied and vary among employers to such an extent that there is no uniform contribution method. Consequently, MSERS developed an effective contribution methodology which allocates total actual contributions amongst the employers in a consistent manner (based on an employer's share of total covered payroll). Any differences between the effective contribution and an employer's actual contributions are considered a nonemployer contribution from the Commonwealth. The District's proportionate share of the contribution to MSERS for the measurement period totaled \$773,194. There were no nonemployer contributions.

### *Pension Liabilities*

The portion of the Commonwealth's MSERS collective net pension liability associated with the District is \$7,681,018 as of the Commonwealth's measurement date of June 30, 2023. The total pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of January 1, 2023, rolled forward to June 30, 2023. The discount rate used to measure the total pension liability was 7.00%.

### *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.

**Northeast Metropolitan Regional Vocational School District**

**Notes to Basic Financial Statements**

**Year Ended June 30, 2024**

*Pension Expense*

For the year ended June 30, 2024, the District recognized a net pension expense of \$904,667 in relation to the MSERS. At June 30, 2024, the District reported net deferred outflows/(inflows) of resources related to pensions of \$1,020,484.

The balances of deferred outflows/(inflows) related to MSERS consists of the following:

<u>Deferred Category</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Total</u>
Differences between expected and actual experience.....	\$ 604,254	\$ (327,452)	\$ 276,802
Difference between projected and actual earnings, net.....	457,797	-	457,797
Changes in assumptions.....	<u>285,886</u>	<u>-</u>	<u>285,886</u>
Total deferred outflows/(inflows) of resources.....	\$ <u>1,347,936</u>	\$ <u>(327,452)</u>	\$ <u>1,020,484</u>

The deferred outflows/(inflows) of resources related to MSERS will be recognized in pension expense as follows:

<u>Year ended June 30:</u>	
2025.....	\$ 48,928
2026.....	(509,588)
2027.....	1,256,652
2028.....	<u>224,491</u>
Total deferred outflows/(inflows) of resourc \$	<u>1,020,484</u>

# **Northeast Metropolitan Regional Vocational School District**

## **Notes to Basic Financial Statements**

**Year Ended June 30, 2024**

### *Actuarial Assumptions*

The total pension liability in for the June 30, 2023 measurement date was determined by an actuarial valuation as of January 1, 2023, rolled forward to June 30, 2023. This valuation used the following assumptions:

7.00% investment rate of return.

3.50% interest rate credited to the annuity savings fund.

3.00% cost of living increase on the first \$13,000.

Salary increases are based on analyses of past experience but range from 4.00% to 9.00% depending on group and length of service.

Mortality rates were as follows:

Pre-retirement - reflects RP-2014 Blue Collar Employees Table projected generationally with Scale MP-2020 and set forward 1 year for females.

Post-retirement - reflects RP-2014 Blue Collar Healthy Annuitant Table projected generationally with Scale MP-2020 set forward 1 year for females.

Disability - The mortality rate reflects the post-retirement mortality described above, set forward 1 year.

Experience studies were performed as follows:

Dated February 27, 2014 and encompasses the period January 1, 2006 to December 31, 2011, updated to reflect actual experience from 2012 through 2020 for post-retirement mortality.

### *Investment Policy*

Investment assets of the System are with the Pension Reserves Investment Trust (PRIT) Fund. 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 rates of return are developed for each major asset class. The ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage. Best estimates of geometric rates of return for each major asset class included in the PRIT Fund's target asset allocation as of June 30, 2023 are summarized in the following table.

# Northeast Metropolitan Regional Vocational School District

## Notes to Basic Financial Statements

Year Ended June 30, 2024

<u>Asset Class</u>	<u>Long-Term Expected Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Global equity.....	37.0%	4.9%
Core fixed income.....	15.0%	1.9%
Private equity.....	16.0%	7.4%
Portfolio completion strategies.....	10.0%	3.8%
Real estate.....	10.0%	3.0%
Value added fixed income.....	8.0%	5.1%
Timber/natural resources.....	4.0%	4.3%
Total.....	<u>100.00%</u>	

### *Discount Rate*

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and the Commonwealth's contributions will be made at rates equal to the difference between actuarially determined contribution rates and member rates. Based on those assumptions, the 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 7.00%, as well as what the net position liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	<u>1% Decrease (6.00%)</u>	<u>Current Discount (7.00%)</u>	<u>1% Increase (8.00%)</u>
The District's proportionate share of the net pension liability..... \$	<u>10,549,321</u>	<u>\$ 7,681,018</u>	<u>\$ 5,244,005</u>

### *Changes in Assumptions and Plan Provisions*

None.

**Northeast Metropolitan Regional Vocational School District**

**Notes to Basic Financial Statements**

**Year Ended June 30, 2024**

**NOTE 8 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS**

*Plan Description*

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

*Funding Policy*

Contribution requirements are also negotiated between the District and union representatives. The required contribution is based on a pay-as-you-go financing requirement. The District contributes 50 percent of the cost of current-year premiums for eligible retired plan members and their spouses. Plan members receiving benefits contribute the remaining 50 percent of their premium costs.

The Commonwealth of Massachusetts passed special legislation that has allowed the District to establish the Postemployment Benefit Trust Fund and to enable the District to accumulate funds to pay for its other postemployment benefit (OPEB) liabilities. The District pre-funded future OPEB liabilities totaling \$625,000 by depositing funds into an OPEB trust fund. These funds are reported within the Fiduciary Funds financial statements. As of June 30, 2024, the balance of this fund totaled \$3,656,331.

*Measurement Date*

The net OPEB liability was measured as of June 30, 2024, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of July 1, 2022.

*Employees Covered by Benefit Terms*

The following table represents the Plan’s membership at July 1, 2022:

Active members.....	141
Inactive members currently receiving benefits.....	<u>194</u>
Total.....	<u>335</u>

# Northeast Metropolitan Regional Vocational School District

## Notes to Basic Financial Statements

Year Ended June 30, 2024

### *Components of the net OPEB Liability*

The following table represents the components of the Plan's OPEB liability as of June 30, 2024:

Total OPEB liability.....	\$ 41,755,468
Less: OPEB plan's fiduciary net position.....	<u>(3,656,331)</u>
Net OPEB liability.....	\$ <u>38,099,137</u>

The OPEB plan's fiduciary net position as a percentage of the total OPEB liability.....	8.76%
--	-------

### *Significant Actuarial Assumptions*

The total other postemployment benefit liability in the July 1, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods including the measurement date that was updated to June 30, 2024:

Valuation date.....	July 1, 2022
Actuarial cost method.....	Entry age actuarial cost method.
Discount rate.....	4.75%
Healthcare trend rates.....	6.00% decreasing to 5.00%.
Mortality rates.....	The mortality rates are from the RPH-2014 Total Dataset mortality table projected with projection scale MP-2021.

### *Rate of Return*

For the year ended June 30, 2024, the annual money-weighted rate of return on investments, net of investment expense, was 9.29%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB 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. The Plan's expected



# Northeast Metropolitan Regional Vocational School District

## Notes to Basic Financial Statements

### Year Ended June 30, 2024

future real rate of return of 4.75% is added to the expected inflation of 2.0% to produce the long-term expected nominal rate of return of 6.75%. The District currently invests in fixed income and equity mutual funds.

#### *Sensitivity of the Net Other Postemployment Benefit Liability to Changes in the Discount Rate*

The following table presents the net other postemployment benefit liability and service cost, calculated using the discount rate of 4.75%, as well as what the net other postemployment benefit liability and service cost would be if it were calculated using a discount rate that is 1-percentage-point lower (3.75%) or 1-percentage-point higher (5.75%) than the current rate.

	<u>1% Decrease (3.75%)</u>	<u>Current Discount Rate (4.75%)</u>	<u>1% Increase (5.75%)</u>
Net OPEB liability.....	\$ <u>44,310,580</u>	\$ <u>38,099,137</u>	\$ <u>33,072,274</u>

#### *Sensitivity of the Net Other Postemployment Benefit Liability to Changes in the Healthcare Trend*

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

	<u>1% Decrease</u>	<u>Current Trend</u>	<u>1% Increase</u>
Net OPEB liability.....	\$ <u>32,325,486</u>	\$ <u>38,099,137</u>	\$ <u>45,417,521</u>

#### *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.

# Northeast Metropolitan Regional Vocational School District

## Notes to Basic Financial Statements

**Year Ended June 30, 2024**

### *Changes in the Net OPEB Liability*

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at June 30, 2023.....	\$ 42,904,026	\$ 2,769,366	\$ 40,134,660
Changes for the year:			
Service cost.....	1,579,578	-	1,579,578
Interest.....	1,861,923	-	1,861,923
Differences between expected and actual experience...	-	143,713	(143,713)
Contributions - employer.....	-	2,401,281	(2,401,281)
Net investment income.....	-	118,252	(118,252)
Changes in assumptions and other inputs.....	(2,813,778)	-	(2,813,778)
Benefit payments.....	(1,776,281)	(1,776,281)	-
Net change.....	(1,148,558)	886,965	(2,035,523)
Balances at June 30, 2024.....	\$ <u>41,755,468</u>	\$ <u>3,656,331</u>	\$ <u>38,099,137</u>

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

For the year ended June 30, 2024, the District recognized OPEB expense of \$4,923,238 and reported deferred inflows of resources related to OPEB from the following sources:

Deferred Category	Deferred Outflows of Resources	Deferred Inflows of Resources	Total
Differences between expected and actual experience.....	\$ 54,586	\$ (4,310,069)	\$ (4,255,483)
Difference between projected and actual earnings, net.....	-	(198,284)	(198,284)
Changes in assumptions.....	-	(5,469,329)	(5,469,329)
Total deferred outflows/(inflows) of resources.....	\$ <u>54,586</u>	\$ <u>(9,977,682)</u>	\$ <u>(9,923,096)</u>

# Northeast Metropolitan Regional Vocational School District

## Notes to Basic Financial Statements

### Year Ended June 30, 2024

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

Measurement date year ended June 30:

2025.....	\$ (5,268,070)
2026.....	(2,854,637)
2027.....	(1,624,962)
2028.....	<u>(175,427)</u>
Total.....	\$ <u>(9,923,096)</u>

#### *Changes in Assumptions and Plan Provisions*

The discount rate changed from 4.27% to 4.75%.

#### **NOTE 9 – CONTINGENCIES**

The District participates in a number of federal award programs. Although the grant programs have been audited in accordance with the provisions of the Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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, 2024, cannot be ascertained, management believes any resulting liability should not materially affect the financial position at June 30, 2024.

#### **NOTE 10 – COMMITMENTS**

The District is in the schematic design process of constructing a new Regional High School. This project has an estimated cost of \$317,422,620, of which 76.84% of eligible expenses will be reimbursement by the Massachusetts School Building Authority (MSBA). The project involves site clearing and blasting on the southern portion of the site for an entirely new building with a design enrollment of 1600 students. Once the new building construction is complete, the current High School will be demolished and several playing fields will be constructed for future use for athletics at Northeast Metropolitan

# Northeast Metropolitan Regional Vocational School District

## Notes to Basic Financial Statements

### Year Ended June 30, 2024

Regional Vocational School District and the District communities. The project started during the summer of 2022 with an estimated completion year of 2026.

#### NOTE 11 – CHANGE WITHIN REPORTING ENTITY

During the fiscal year ended June 30, 2024, the District reviewed its fund classifications and determined that the federal grants fund, previously reported as a major fund, no longer meets the criteria for major fund reporting according to Governmental Accounting Standards Board (GASB) Statement #34, *Basic Financial Statements—and Management’s Discussion and Analysis—for State and Local Governments*.

The federal grants fund has been reclassified as a nonmajor fund for the fiscal year ended June 30, 2024. This reclassification is based on the fund’s financial activity, which no longer meets the quantitative thresholds established for major fund reporting. The decision to reclassify was made to provide more accurate and relevant financial information to users of the financial statements.

The effects of this reclassification are reflected in the accompanying financial statements for the fiscal year ended June 30, 2024, in accordance with GASB Statement #100, *Accounting Changes and Error Corrections*. The reclassification did not impact the total net position or change in net position of the District.

	Reporting Units Affected by Adjustments to Beginning Fund Balances	
	Federal Grants	Nonmajor Governmental Funds
June 30, 2023, as previously reported.....	\$ 477,786	\$ 1,641,986
Adjustment - change from major to nonmajor fund.....	<u>(477,786)</u>	<u>477,786</u>
June 30, 2023, as adjusted.....	\$ <u>-</u>	\$ <u>2,119,772</u>

**Northeast Metropolitan Regional Vocational School District**

**Notes to Basic Financial Statements**

**Year Ended June 30, 2024**

**NOTE 12 – IMPLEMENTATION OF NEW GASB PRONOUNCEMENTS**

During 2024, the following GASB pronouncements were implemented:

- GASB Statement #100, *Accounting Changes and Error Corrections*. The financial statements have been updated for this pronouncement.

The following GASB pronouncements will be implemented in the future:

- The GASB issued Statement #101, *Compensated Absences*, which is required to be implemented in 2025.
- The GASB issued Statement #102, *Certain Risk Disclosures*, which is required to be implemented in 2025.
- The GASB Issued Statement #103, *Financial Reporting Model Improvements*, which is required to be implemented in 2026.
- The GASB issued Statement #104, *Disclosure of Certain Capital Assets*, which is required to be implemented in 2026.

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 District. It is used to account for all of the District's financial resources, except those required to be accounted for in another fund.

# Northeast Metropolitan Regional Vocational School District

## General Fund Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual

**Year Ended June 30, 2024**

	Budgeted Amounts				Actual Budgetary Amounts	Amounts Carried Forward To Next Year	Variance to Final Budget
	Amounts Carried Forward From Prior Year	Current Year Initial Budget	Original Budget	Final Budget			
<b>REVENUES:</b>							
Member town assessments.....	\$ -	\$ 17,950,172	\$ 17,950,172	\$ 17,950,172	\$ 18,263,985	\$ -	\$ 313,813
Intergovernmental.....	-	14,072,974	14,072,974	14,072,974	14,062,406	-	(10,568)
Other departmental revenue.....	-	-	-	-	359,731	-	359,731
Investment income.....	-	-	-	-	57,755	-	57,755
TOTAL REVENUES.....	-	32,023,146	32,023,146	32,023,146	32,743,877	-	720,731
<b>EXPENDITURES:</b>							
Current:							
School committee.....	-	215,090	215,090	215,090	185,829	-	29,261
Superintendent.....	-	1,239,950	1,239,950	1,153,344	1,168,028	-	(14,684)
Dean of students.....	-	478,485	478,485	512,222	514,222	-	(2,000)
Business and finance.....	-	468,424	468,424	496,380	482,075	-	14,305
Technology center.....	-	598,677	598,677	658,310	654,767	-	3,543
Principals.....	-	874,895	874,895	993,528	1,045,501	-	(51,973)
Regular day program.....	-	4,285,952	4,285,952	4,166,112	4,045,348	-	120,764
Chapter 74 programs.....	-	7,580,372	7,580,372	7,575,031	7,179,621	659	394,751
District-wide programs.....	-	7,508,954	7,508,954	7,097,461	6,424,946	224,981	447,534
Bilingual education.....	-	612,814	612,814	636,657	619,042	-	17,615
Special education instruction.....	-	1,404,945	1,404,945	1,404,945	1,486,873	-	(81,928)
Library services.....	-	197,363	197,363	134,819	126,673	-	8,146
Guidance services.....	-	1,077,851	1,077,851	1,226,390	1,270,977	-	(44,587)
Miscellaneous expense.....	-	113,062	113,062	113,062	112,791	-	271
Health services.....	-	194,304	194,304	194,304	193,737	-	567
Transportation.....	-	1,777,250	1,777,250	1,777,250	1,800,688	-	(23,438)
Food services.....	-	85,539	85,539	85,539	85,539	-	-
Athletics.....	-	584,217	584,217	620,980	616,947	-	4,033
Student body activities.....	-	170,834	170,834	126,207	133,563	-	(7,356)
Safety program.....	-	20,562	20,562	33,308	24,781	-	8,527
Security monitors.....	-	271,117	271,117	290,457	284,157	-	6,300
Buildings and grounds.....	-	2,424,889	2,424,889	2,674,142	2,743,511	-	(69,369)
Debt service principal.....	-	525,000	525,000	525,000	525,000	-	-
Interest.....	-	1,212,600	1,212,600	1,212,600	1,212,600	-	-
TOTAL EXPENDITURES.....	-	33,923,146	33,923,146	33,923,138	32,937,216	225,640	760,282

*See notes to required supplementary information.*



**Northeast Metropolitan Regional Vocational School District**

**General Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Continued)**

**Year Ended June 30, 2024**

	Budgeted Amounts				Actual Budgetary Amounts	Amounts Carried Forward To Next Year	Variance to Final Budget
	Amounts Carried Forward From Prior Year	Current Year Initial Budget	Original Budget	Final Budget			
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	-	(1,900,000)	(1,900,000)	(1,899,992)	(193,339)	(225,640)	1,481,013
<u>OTHER FINANCING SOURCES (USES):</u>							
Transfers in.....	-	1,200,000	1,200,000	1,200,000	1,200,000	-	-
NET CHANGE IN FUND BALANCE.....	-	(700,000)	(700,000)	(699,992)	1,006,661	(225,640)	1,481,013
FUND BALANCES AT BEGINNING OF YEAR.....	-	3,533,680	3,533,680	3,533,680	3,533,680	-	-
FUND BALANCES AT END OF YEAR..... \$	-	\$ 2,833,680	\$ 2,833,680	\$ 2,833,688	\$ 4,540,341	\$ (225,640)	\$ 1,481,013

*See notes to required supplementary information.*

# *Pension Plan Schedules*

The Schedule of the District's Proportionate Share of the Net Pension Liability for the Massachusetts State Employees Retirement System presents multi-year trend information on the District's net pension liability and related ratios.

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

The Schedule of the Special Funding Amounts of the Net Pension Liability for the Massachusetts Teachers Contributory Retirement System presents multi-year trend information on the liability and expense assumed by the Commonwealth of Massachusetts on behalf of the District along with related ratios.

# Northeast Metropolitan Regional Vocational School District

## Schedule of the District's Proportionate Share of the Net Pension Liability

### Massachusetts State Employees' 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>
June 30, 2024 .....	0.05244%	\$	7,681,018	N/A	N/A	70.71%
June 30, 2023.....	0.04786%		6,657,731	N/A	N/A	71.05%
June 30, 2022.....	0.04502%		4,698,182	N/A	N/A	77.54%
June 30, 2021.....	0.04694%		8,054,507	N/A	N/A	62.48%
June 30, 2020.....	0.04734%		6,927,458	N/A	N/A	66.28%
June 30, 2019.....	0.04974%		6,580,673	N/A	N/A	67.91%
June 30, 2018.....	0.04753%		6,095,345	N/A	N/A	67.21%
June 30, 2017.....	0.04749%		6,547,681	N/A	N/A	63.48%
June 30, 2016.....	0.04523%		5,148,965	N/A	N/A	67.87%
June 30, 2015.....	0.06367%		4,726,849	N/A	N/A	76.32%

N/A = Information not available.

*See notes to required supplementary information.*

# Northeast Metropolitan Regional Vocational School District

## Schedule of the District's Contributions

### Massachusetts State Employees' Retirement System

Year	Actuarially determined contribution (a)	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
June 30, 2024.....	\$ 773,194	\$ (773,194)	\$ -	\$ N/A	N/A
June 30, 2023.....	673,670	(673,670)	-	N/A	N/A
June 30, 2022.....	535,519	(535,519)	-	N/A	N/A
June 30, 2021.....	507,301	(507,301)	-	N/A	N/A
June 30, 2020.....	471,395	(471,395)	-	N/A	N/A
June 30, 2019.....	454,859	(411,344)	43,515	N/A	N/A
June 30, 2018.....	371,579	-	371,579	N/A	N/A
June 30, 2017.....	340,977	-	340,977	N/A	N/A
June 30, 2016.....	283,192	-	283,192	N/A	N/A
June 30, 2015.....	374,516	(33,367)	341,149	N/A	N/A

(a) Massachusetts General Laws governing employer contribution requirements to the System are varied and vary among employers to such an extent that there is no uniform contribution method. Consequently, MSERS developed an effective contribution methodology which allocates total actual contributions amongst the employers in a consistent manner (based on an employer's share of total covered payroll). Any differences between the effective contribution and an employer's actual contributions are considered a nonemployer contribution from the Commonwealth.

N/A = Information not available.

*See notes to required supplementary information.*

# Northeast Metropolitan Regional Vocational School District

## Schedule of the Special Funding Amounts of the Net Pension Liability

### Massachusetts Teachers' Retirement System

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

Year	Commonwealth's 100% Share of the Associated Net Pension Liability	Expense and Revenue Recognized for the Commonwealth's Support	Plan Fiduciary Net Position as a Percentage of the Total Liability
2024.....	\$ 45,342,882	\$ 4,233,671	58.48%
2023.....	44,278,500	3,642,339	57.75%
2022.....	38,335,663	3,076,277	62.03%
2021.....	47,323,604	5,845,143	50.67%
2020.....	43,785,278	5,309,725	53.95%
2019.....	40,453,729	4,099,400	54.84%
2018.....	38,621,261	4,031,013	54.25%
2017.....	37,496,251	3,824,863	52.73%
2016.....	35,826,457	2,905,844	55.38%
2015.....	27,800,463	1,931,432	61.64%

*See notes to required supplementary information.*

# ***Other Postemployment Benefits Plan Schedules***

The Schedule of Changes in the District's Net Other Postemployment Benefit Liability presents multi-year trend information on the District's net other postemployment benefit liability and related ratios.

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

The Schedule of Investment Return presents multi-year trend information on the money-weighted investment return on 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.

# Northeast Metropolitan Regional Vocational School District

## Schedule of Changes in the District's Net OPEB Liability and Related Ratios

### Other Postemployment Benefit Plan

	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024
<b>Total OPEB Liability</b>							
Service Cost.....	\$ 1,737,211	\$ 1,773,398	\$ 2,016,409	\$ 2,472,263	\$ 2,327,744	\$ 1,670,975	\$ 1,579,578
Interest.....	1,767,329	2,072,157	2,058,065	1,401,194	1,560,652	1,735,067	1,861,923
Differences between expected and actual experience.....	-	8,194,753	(877,458)	(9,205,077)	-	(7,872,113)	-
Changes of assumptions.....	(2,194,971)	(402,181)	13,602,712	(4,387,893)	(12,068,323)	(1,706,772)	(2,813,778)
Benefit payments.....	<u>(1,674,395)</u>	<u>(1,895,983)</u>	<u>(2,120,706)</u>	<u>(1,928,658)</u>	<u>(2,048,511)</u>	<u>(1,562,222)</u>	<u>(1,776,281)</u>
Net change in total OPEB liability.....	(364,826)	9,742,144	14,679,022	(11,648,171)	(10,228,438)	(7,735,065)	(1,148,558)
Total OPEB liability - beginning.....	<u>48,459,360</u>	<u>48,094,534</u>	<u>57,836,678</u>	<u>72,515,700</u>	<u>60,867,529</u>	<u>50,639,091</u>	<u>42,904,026</u>
Total OPEB liability - ending (a).....	<u>\$ 48,094,534</u>	<u>\$ 57,836,678</u>	<u>\$ 72,515,700</u>	<u>\$ 60,867,529</u>	<u>\$ 50,639,091</u>	<u>\$ 42,904,026</u>	<u>\$ 41,755,468</u>
<b>Plan fiduciary net position</b>							
Employer contributions.....	\$ 1,674,395	\$ 1,895,983	\$ 2,445,706	\$ 2,553,658	\$ 2,673,511	\$ 2,187,222	\$ 2,401,281
Net investment income.....	27,294	42,902	13,903	145,010	(93,247)	174,041	275,060
Benefit payments.....	(1,674,395)	(1,895,983)	(2,120,706)	(1,928,658)	(2,048,511)	(1,562,222)	(1,776,281)
Administrative expense.....	<u>(16,226)</u>	<u>(18,728)</u>	<u>(957)</u>	<u>(2,096)</u>	<u>(6,939)</u>	<u>(9,923)</u>	<u>(3,172)</u>
Net change in plan fiduciary net position.....	11,068	24,174	337,946	767,914	524,814	789,118	896,888
Plan fiduciary net position - beginning of year.....	<u>304,409</u>	<u>315,477</u>	<u>339,651</u>	<u>677,597</u>	<u>1,445,511</u>	<u>1,970,325</u>	<u>2,759,443</u>
Plan fiduciary net position - end of year (b).....	<u>\$ 315,477</u>	<u>\$ 339,651</u>	<u>\$ 677,597</u>	<u>\$ 1,445,511</u>	<u>\$ 1,970,325</u>	<u>\$ 2,759,443</u>	<u>\$ 3,656,331</u>
<b>Net OPEB liability - ending (a)-(b).....</b>	<u><b>\$ 47,779,057</b></u>	<u><b>\$ 57,497,027</b></u>	<u><b>\$ 71,838,103</b></u>	<u><b>\$ 59,422,018</b></u>	<u><b>\$ 48,668,766</b></u>	<u><b>\$ 40,144,583</b></u>	<u><b>\$ 38,099,137</b></u>
Plan fiduciary net position as a percentage of the total OPEB liability.....	0.66%	0.59%	0.93%	2.37%	3.89%	6.43%	8.76%
Covered-employee payroll.....	\$ 10,215,743	\$ 9,522,000	\$ 9,760,050	\$ 10,161,828	\$ 10,415,873	\$ 11,614,836	\$ 11,905,207
Net OPEB liability as a percentage of covered-employee payroll.....	467.70%	603.83%	736.04%	584.76%	467.26%	345.63%	320.02%

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.*

# Northeast Metropolitan Regional Vocational School District

## Schedule of the District's Contributions

### Other Postemployment Benefit Plan

Year	Actuarially determined contribution (a)	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	Covered- employee payroll	Contributions as a percentage of covered- employee payroll
June 30, 2024.....	\$ 3,156,717	\$ (2,401,281)	\$ 755,436	\$ 11,905,207	20.17%
June 30, 2023.....	3,079,724	(2,187,222)	892,502	11,614,836	18.83%
June 30, 2022.....	3,225,724	(2,673,511)	552,213	10,415,873	25.67%
June 30, 2021.....	3,154,532	(2,553,658)	600,874	10,161,828	25.13%
June 30, 2020.....	3,549,592	(2,445,706)	1,103,886	9,760,050	25.06%
June 30, 2019.....	3,463,114	(3,463,114)	-	9,522,000	36.37%
June 30, 2018.....	1,674,395	(1,674,395)	-	10,344,347	16.19%
June 30, 2017.....	1,457,342	(1,457,342)	-	10,092,046	14.44%

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.

(a) For fiscal years 2017 and 2018 the statuarially determined contribution is used.

*See notes to required supplementary information.*



**Northeast Metropolitan Regional Vocational School District**

**Schedule of Investment Returns**

**Other Postemployment Benefit Plan**

<u>Year</u>	<u>Annual money-weighted rate of return, net of investment expense</u>
June 30, 2024.....	9.29%
June 30, 2023.....	8.61%
June 30, 2022.....	-6.80%
June 30, 2021.....	20.40%
June 30, 2020.....	3.70%
June 30, 2019.....	7.66%
June 30, 2018.....	8.90%

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.*

**Northeast Metropolitan Regional Vocational School District**

**Notes to Required Supplementary Information**

**Year Ended June 30, 2024**

**NOTE A – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. Budgetary Information**

The District adopts a balanced budget that is approved by the Committee. The Superintendent of Schools presents an annual budget to the Committee, which includes estimates of revenues and other financing sources and recommendations of expenditures and other financing uses. The Committee, which has the full authority to amend and/or reject the budget or any line item, adopts the expenditure budget by majority vote. Increases to the budget subsequent to the approval of the annual budget require majority Committee approval.

The majority of appropriations are non-continuing which lapse at the end of each year.

The District adopts an annual budget for the general fund in conformity with the guidelines described above. The initial 2024 approved budget for the general fund authorized \$33.9 million in appropriations

The District's accounting office has the responsibility to ensure that budgetary control is maintained. Budgetary control is exercised through the District's 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, 2024, is presented below:

Net change in fund balance - budgetary basis.....	\$ 1,006,661
<u>Basis of accounting differences:</u>	
Recognition of revenue for on-behalf payments.....	4,233,671
Recognition of expenditures for on-behalf payments.....	<u>(4,233,671)</u>
Net change in fund balance - GAAP basis.....	\$ <u>1,006,661</u>

**Northeast Metropolitan Regional Vocational School District**

**Notes to Required Supplementary Information**

**Year Ended June 30, 2024**

**NOTE B – PENSION PLAN**

Schedule of District's Proportionate Share of the Net Pension Liability of the Massachusetts State Employees' Retirement System

The Schedule of District's Proportionate Share of the Net Pension Liability of the Massachusetts State Employees' Retirement System details the District's proportionate share of the System's net pension liability as both a percentage and a dollar amount, as well as the plan's fiduciary net position as a percentage of the total pension liability.

Schedule of the District's Contributions of the Massachusetts Teachers' Retirement System

The Schedule of the District's Contributions details the actuarially determined and actual contributions paid from the District to the System.

Schedule of the Special Funding Amounts of the Net Pension Liability of the Massachusetts Teachers' Retirement System

The Commonwealth of Massachusetts is a nonemployer contributor and is required by statute to make all actuarially determined employer contributions on behalf of the District which creates a special funding situation. Since the District 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 District; the portion of the collective pension expense as both revenue and pension expense recognized by the District; and the Plan's fiduciary net position as a percentage of the total liability.

Changes in Assumptions and Plan Provisions

None.

# **Northeast Metropolitan Regional Vocational School District**

## **Notes to Required Supplementary Information**

**Year Ended June 30, 2024**

### **NOTE C – OTHER POSTEMPLOYMENT BENEFITS**

The District administers a single-employer defined benefit healthcare plan (the “Plan”). The Plan provides lifetime healthcare insurance for eligible retirees and their spouses through the District’s group health insurance plan, which covers both active and retired members.

#### Schedule of the District’s Proportionate Share of the Net Other Postemployment Benefit Liability

The Schedule of the District’s Proportionate Share of the Net Other Postemployment Benefit Liability details the Plan’s net other postemployment benefit liability (asset) and the covered employee payroll. 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.

#### Schedule of the District’s Contributions

The Schedule of the District’s Contributions includes the District’s annual required contribution to the Plan, along with contributions made in relation to the actuarially determined contribution and the covered employee payroll. The District is not required to fully fund this contribution. It also demonstrates the contributions as a percentage of covered payroll.

#### Schedule of Investment Returns

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

#### Changes in Assumptions and Plan Provisions

The discount rate changed from 4.27% to 4.75%.

**CERTAIN INFORMATION RELATING TO THE  
MUNICIPALITIES OF THE DISTRICT**

The information contained in this Appendix B has been prepared from various public documents and sources. Such information is not guaranteed as to accuracy, completeness or fairness, although the District has no reason to believe that it is materially inaccurate or misleading.

**DEFINITION OF CERTAIN TERMS USED IN APPENDIX B**

**EQUALIZED VALUATION** - In order to determine appropriate relative values for the purposes of certain distributions to and assessments upon cities and towns, the State Commissioner of Revenue makes a biennial redetermination of the cash value of the taxable property in each municipality. This is known as the "equalized valuation".

**FREE CASH** - Under Massachusetts law an amount known as "free cash" is certified as of the beginning of each fiscal year by the State Bureau of Accounts and this, together with certain subsequent tax receipts, is used as the basis for subsequent appropriations from available funds, which are not required to be included in the annual tax levy. Subject to certain adjustments, free cash is surplus revenue less accumulated uncollected and overdue property taxes through the current fiscal year. Surplus revenue and free cash are calculated without regard to any overlay deficit (from tax abatements in excess of the overlay) or revenue deficit (generally a result of non-property tax receipts being less than estimates), both of which are added to the next tax levy.

**OVERLAY RESERVE FOR ABATEMENTS** - A municipality is authorized by law to increase each tax levy by up to five per cent (or a larger amount approved by the State Commissioner of Revenue) for an "overlay" reserve against tax abatements. If abatements are granted in excess of the applicable overlay reserve, the excess (overlay deficit) is added to the next tax levy.

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## PROPERTY TAX LIMITATION

Chapter 59, Section 21C of the General Laws, also known as “Proposition 2½”, imposes two separate limits on the annual tax levy of a city or town.

The primary limitation is that the tax levy cannot exceed 2½ percent of the full and fair cash value. If a city or town exceeds the primary limitation, it must reduce its tax levy by at least 15 percent annually until it is in compliance, provided that the reduction can be reduced in any year to not less than 7½ percent by majority vote of the voters, or to less than 7½ percent by two-thirds vote of the voters.

For cities and towns at or below the primary limit, a secondary limitation is that the tax levy cannot exceed the maximum levy limit for the preceding fiscal year as determined by the State Commissioner of Revenue by more than 2½ percent, subject to exceptions for property added to the tax rolls or property which has had an increase, other than as part of a general revaluation, in its assessed valuation over the prior year's valuation.

This “growth” limit on the tax levy may be exceeded in any year by a majority vote of the voters, but an increase in the secondary or growth limit under this procedure does not permit a tax levy in excess of the primary limitation, since the two limitations apply independently. In addition, if the voters vote to approve taxes in excess of the “growth” limit for the purpose of funding a stabilization fund, such increased amount may only be taken into account for purposes of calculating the maximum levy limit in each subsequent year if the board of selectmen of a town or the city council of a town votes by a two-thirds vote to appropriate such increased amount in such subsequent year to the stabilization fund.

The applicable tax limits may also be reduced in any year by a majority vote of the voters.

The State Commissioner of Revenue may adjust any tax limit “to counterbalance the effects of extraordinary, non-recurring events which occurred during the base year”.

The statute further provides that the voters may exclude from the taxes subject to the tax limits and from the calculation of the maximum tax levy (a) the amount required to pay debt service on bonds and notes issued before November 4, 1980, if the exclusion is approved by a majority vote of the voters, and (b) the amount required to pay debt service on any specific subsequent issue for which similar approval is obtained. Even with voter approval, the holders of the obligations for which unlimited taxes may be assessed do not have a statutory priority or security interest in the portion of the tax levy attributable to such obligations. It should be noted that Massachusetts General Laws Chapter 44, Section 20 requires that the taxes excluded from the levy limit to pay debt service on any such bonds and notes be calculated based on the true interest cost of the issue. Accordingly, the Department of Revenue limits the amount of taxes which may be levied in each year to pay debt service on any such bonds and notes to the amount of such debt service, less a pro rata portion of any original issue premium received by the city or town that was not applied to pay costs of issuance.

Voters may also exclude from the Proposition 2½ limits the amount required to pay specified capital outlay expenditures or for the city or town's apportioned share for certain capital outlay expenditures by a regional governmental unit. In addition, the city council of a city, with the approval of the mayor if required, or the board of selectmen or the town council of a town may vote to exclude from the Proposition 2½ limits taxes raised in lieu of sewer or water charges to pay debt service on bonds or notes issued by the municipality (or by an independent authority, commission or district) for water or sewer purposes, provided that the municipality's sewer or water charges are reduced accordingly.

In addition, Proposition 2½ limits the annual increase in the total assessments on cities and towns by any county, district, authority, the Commonwealth or any other governmental entity (except regional school districts, the MWRA and certain districts for which special legislation provides otherwise) to the sum of (a) 2½ percent of the prior year's assessments and (b) “any increases in costs, charges or fees for services customarily provided locally or for services subscribed to at local option”. Regional water districts, regional sewerage districts and regional veterans districts may exceed these limitations under statutory procedures requiring a two-thirds vote of the district's governing body and either approval of the local appropriating authorities (by two-thirds vote in districts with more than two members or by majority vote in two-member districts) or approval of the registered voters in a local election (in the case of two-member districts). Under Proposition 2½ any State law to take effect on or after January 1, 1981 imposing a direct service or cost obligation on a city or town will become effective only if accepted or voluntarily funded by the city or town or if State funding is provided. Similarly, State rules or regulations imposing additional costs on a city or town or laws granting or increasing local tax exemptions are to take effect only if adequate State appropriations are provided. These statutory provisions do not apply to costs resulting from judicial decisions.

### Initiative Petitions

Various proposals have been made in recent years for legislative amendments to the Massachusetts Constitution to impose limits on state and local taxes. In order to be adopted such amendments must be approved by two successive legislatures and then by the voters at a state election.

## RETIREMENT PLANS

The Massachusetts General Laws provide for the establishment of contributory retirement systems for state employees, for teachers and for county, city and town employees other than teachers. Teachers are assigned to a separate statewide teachers' system and not to the city and town systems. For all employees other than teachers, this law is subject to acceptance in each city and town. Substantially all employees of an accepting city or town are covered. If a town has a population of less than 10,000 when it accepts the statute, its non-teacher employees participate through the county system and its share of the county cost is proportionate to the aggregate annual rate of regular compensation of its covered employees. In addition to the contributory systems, cities and towns provide non-contributory pensions to a limited number of employees, primarily persons who entered service prior to July 1, 1937 and their dependents. The Public Employee Retirement Administration Commission ("PERAC") provides oversight and guidance for and regulates all state and local retirement systems.

The obligations of a city or town, whether direct or through a county system, are contractual legal obligations and are required to be included in the annual tax levy. If a city or town, or the county system of which it is a member, has not established a retirement system funding schedule as described below, the city or town is required to provide for the payment of the portion of its current pension obligations which is not otherwise covered by employee contributions and investment income. "Excess earnings," or earnings on individual employees' retirement accounts in excess of a predetermined rate, are required to be set aside in a pension reserve fund for future, not current, pension liabilities. Cities and towns may voluntarily appropriate to their system's pension reserve fund in any given year up to five percent of the preceding year's tax levy. The aggregate amount in the fund may not exceed ten percent of the equalized valuation of the city or town.

If a city or town, or each member city and town of a county retirement system, has accepted the applicable law, it is required to annually appropriate an amount sufficient to pay not only its current pension obligations, but also a portion of its future pension liability. The portion of each such annual payment allocable to future pension obligations is required to be deposited in the pension reserve fund. The amount of the annual city or town appropriation for each such system is prescribed by a retirement system funding schedule which is periodically reviewed and approved by PERAC. Each system's retirement funding schedule is designed to reduce the unfunded actuarial pension liability of the system to zero by not later than June 30, 2030, with annual increases in the scheduled payment amounts of not more than 4.5 percent. The funding schedule must provide that payments in any year of the schedule are not less than 95 percent of the amount appropriated in the previous fiscal year. City, town and county systems which have an approved retirement funding schedule receive annual pension funding grants from the Commonwealth for the first 16 years of such funding schedule.

Pursuant to recent legislation, a system (other than the state employee's retirement system and the teacher's retirement system) which conduct an actuarial valuation as of January 1, 2009, or later, may establish a revised schedule which reduces the unfunded actuarial liability to zero by not later than June 30, 2040, subject to certain conditions. If the schedule is so extended under such provision and a later updated valuation allows for the development of a revised schedule with reduced payments, the revised schedule shall be adjusted to provide that the appropriation for each year shall not be less than that for such year under the prior schedule, thus providing for a shorter schedule rather than reduced payments.

City, town and county systems may choose to participate in the Pension Reserves Investment Trust Fund (the "PRIT Fund"), which receives additional state funds to offset future pension costs of participating state and local systems. If a local system participates in the PRIT Fund, it must transfer ownership and control of all assets of its system to the Pension Reserves Investment Management Board, which manages the investment and reinvestment of the PRIT Fund. Cities and towns with systems participating in the PRIT Fund continue to be obligated to fund their pension obligations in the manner described above. The additional state appropriations to offset future pension liabilities of state and local systems participating in the PRIT Fund are required to total at least 1.3 percent of state payroll. Such additional state appropriations are deposited in the PRIT Fund and shared by all participating systems in proportion to their interests in the assets of the PRIT Fund as of July 1 for each fiscal year.

Cost-of-living increases for each local retirement system may be granted and funded only by the local system, and only if it has established a funding schedule. Those statutory provisions are subject to acceptance by the local retirement board and approval by the local legislative body, which acceptance may not be revoked.

## CITY OF CHELSEA, MASSACHUSETTS

**General**

The City of Chelsea is located in Middlesex County. It is bordered on the north and east by the City of Revere, on the west by the City of Everett and on the south by the City of Boston and the Mystic River. Chelsea has a population of 40,787 (according to the 2020 Federal Census) and occupies a land area of 2.48 square miles. Incorporated as a town in 1739, and as a city in 1857, Chelsea is governed by a City Council and City Manager form of government.

**Income Levels and Population**

The following table compares the 2020 federal census figures to prior years' averages for the City, the Commonwealth and the United States.

	<u>Chelsea</u>	<u>Massachusetts</u>	<u>United States</u>
Median Age:			
2020	33.3	39.9	38.8
2010	33.2	39.1	37.2
2000	31.3	36.5	35.3
Median Family Income:			
2020	\$ 62,985	\$ 106,526	\$ 80,069
2010	40,487	81,165	51,144
2000	32,130	61,664	50,046
Per Capita Income:			
2020	\$ 26,203	\$ 45,555	\$ 35,384
2010	18,630	33,966	27,334
2000	14,628	25,952	21,587

SOURCE: Federal Bureau of the Census.

**Labor Force, Employment and Unemployment**

According to the Massachusetts Division of Employment and Training preliminary data, in December 2024 the City had a total labor force of 20,956 of which 20,057 were employed and 899 or 4.3% were unemployed as compared with 4.2% for the Commonwealth. The following table sets forth the City's average labor force and unemployment rates for calendar years 2019 through 2023 and the unemployment rates for the Commonwealth and the United States as a whole for the same period.

<u>Year</u>	<u>City of Chelsea</u>		<u>Unemployment Rate</u>	<u>Unemployment Rates</u>	
	<u>Labor Force</u>	<u>Employment</u>		<u>Massachusetts Unemployment Rate</u>	<u>U.S. Unemployment Rate</u>
2023	20,391	19,699	3.4%	3.4%	3.6%
2022	20,343	19,522	4.0	3.8	3.6
2021	20,496	19,060	7.0	5.7	5.4
2020	20,684	18,201	12.0	8.9	8.1
2019	21,003	20,422	2.8	2.9	3.7

SOURCE: Massachusetts Executive Office of Labor and Workforce Development.



## Tax Levy Computation

The following table sets forth the trend in tax levy calculations.

	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025
<b>Gross Amount to be Raised:</b>					
Appropriations	\$ 200,040,688	\$ 209,575,322	\$ 225,609,378	\$ 247,368,775	\$ 261,065,014
Other Local Expenditures	72,622	78,003	247,967	118,900	112,892
State and County Assessments	18,574,879	20,034,337	21,696,506	21,854,447	23,563,286
Overlay Reserve	752,205	1,804,397	3,498,947	4,072,108	2,818,433
Total Gross Amount to be Raised(1)	\$ 219,440,394	\$ 231,492,059	\$ 251,052,798	\$ 273,414,230	\$ 287,559,625
<b>Offsets:</b>					
Estimated Receipts from State(2)	\$ 97,520,507	\$ 107,974,720	\$ 118,845,936	\$ 130,673,524	\$ 137,867,898
Estimated Receipts - Local	41,974,796	42,879,426	45,554,921	48,870,482	52,866,976
Available Funds Appropriated:					
Free Cash	9,542,012	10,124,698	11,185,976	14,445,938	11,265,709
Other Available Funds	5,610,530	167,387	297,461	269,259	973,729
Free Cash & Other Revenue Used to Reduce the Tax Rate	-	-	-	-	-
Total Estimated Receipts	\$ 154,647,845	\$ 161,146,231	\$ 175,884,293	\$ 194,259,203	\$ 202,974,312
Net Amount to be Raised (Tax Levy)	\$ 64,792,549	\$ 70,345,828	\$ 75,168,505	\$ 79,155,027	\$ 84,585,313
Assessed Valuation	\$ 4,256,201,799	\$ 4,786,607,518	\$ 5,287,221,960	\$ 5,778,945,892	\$ 6,160,345,523
Tax Rate per \$1,000:					
Residential	\$ 13.62	\$ 13.25	\$ 12.38	\$ 11.90	\$ 11.51
Commercial/Industrial/Personal	\$ 26.64	\$ 25.72	\$ 24.88	\$ 23.75	\$ 24.03

(1) Includes additional appropriations from taxation voted subsequent to adoption of the annual budget but prior to setting of the tax rate.

(2) Estimated by the State Department of Revenue and required by law to be used in setting the tax rate. Actual state aid payments may vary upward or downward from said estimates, and the state may withhold payments pending receipt of state and county assessments.

## Classification of Properties

The following table sets forth the trend in the City's assessed valuations.

For Fiscal Year	Real Property	Personal Property	Total
2025	\$ 5,869,837,963	\$ 290,507,560	\$ 6,160,345,523
2024	5,498,233,742	280,712,150	5,778,945,892
2023	5,027,311,600	259,910,360	5,287,221,960
2022	4,554,690,908	231,916,610	4,786,607,518
2021	4,095,829,039	160,372,760	4,256,201,799

## Tax Collections

The following table compares the City's net tax collections with its net (gross tax levy less overlay reserve for abatements) tax levies for the shown fiscal years.

For Fiscal Year End	Total Tax Levy	Net Tax Levy (1)	Collected During Fiscal Year Payable(2)		Collections as of June 30, 2024	
			\$ Amount	% of Net	\$ Amount	% of Net
2024	\$ 79,155,027	\$ 75,082,919	\$ 74,581,261	98.0 %	\$ 74,581,261	98.0 %
2023	75,168,505	71,669,558	70,096,129	98.0	70,446,610	98.5
2022	70,345,828	68,541,431	67,856,016	99.0	67,898,087	99.1
2021	64,792,549	64,040,344	63,391,842	99.0	63,598,054	99.3
2020	61,452,521	60,769,574	59,796,120	98.4	59,796,741	98.4

(1) Net after deduction of overlay for abatements.

(2) Actual dollar collections, net of refunds. Does not include abatements or other non-cash credits.

## Tax Levies and Levy Limits

The following table sets forth the trend in the City's tax levies and levy limits under Proposition 2 ½.

	For Fiscal Year				
	2025	2024	2023	2022	2021
Primary Levy Limit (2)	\$154,008,638	\$144,473,647	\$132,180,549	\$119,665,188	\$106,405,045
Prior Fiscal Year Levy Limit	79,219,207	75,293,926	70,353,975	64,806,742	61,485,089
Amended Growth for Prior Fiscal Year	1,451,920	(502)	-	-	-
2.5% Levy Growth	2,016,778	1,882,336	1,758,849	1,620,169	1,537,127
New Growth (3)	1,940,680	2,043,447	3,181,102	3,927,064	1,784,526
Growth Levy Limit	84,628,585	79,219,207	75,293,926	70,353,975	64,806,742
Debt Exclusions	-	-	-	-	-
Capital Expenditure Exclusions	-	-	-	-	-
Other Adjustments	-	-	-	-	-
Tax Levy Limit	84,628,585	79,219,207	75,293,926	70,353,975	64,806,742
Tax Levy	84,585,313	79,155,027	75,168,505	70,345,828	64,792,549
Unused Levy Capacity (4)	\$43,272	\$64,180	\$125,421	\$8,147	\$14,193
Unused Primary Levy Capacity (5)	\$69,380,053	\$65,254,440	\$56,886,623	\$49,311,213	\$41,598,303

(1) Source: Massachusetts Department of Revenue

(2) 2.5% of assessed valuation.

(3) Allowed increase for new valuations (or required reduction) – certified by the Department of Revenue.

(4) Tax Levy Limit less Tax Levy.

(5) Primary Levy Limit Less Growth Levy Limit.

## Budget Trends

The following table sets forth the trend in general fund budgets as approved for the current and past four fiscal years. The budgets summarized below exclude expenditures for "non-operating" or extraordinary items.

### Budget Comparison

	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025
General Government	\$ 5,785,193	\$ 6,418,715	\$ 7,319,186	\$ 8,087,295	\$ 9,332,953
Public Safety	27,479,218	26,959,952	28,530,411	30,246,363	31,238,401
Education	98,053,162	108,506,145	119,542,287	133,803,746	142,399,816
Public Works	7,423,019	7,773,351	8,593,612	9,472,891	10,189,865
Health and Human Services	2,536,957	2,576,537	2,881,287	3,298,281	33,504,262
Employee Benefits	17,649,830	19,154,054	18,790,950	18,958,691	20,349,518
Judgments, Claims, Other	1,590,000	2,390,000	2,494,425	2,596,956	26,479,589
State and County Assessments	18,039,554	20,251,912	21,702,378	22,317,542	22,869,520
Debt Service	2,529,158	2,521,691	2,490,094	2,353,971	2,468,213
Total	<u>\$ 181,086,091</u>	<u>\$ 196,552,357</u>	<u>\$ 212,344,630</u>	<u>\$ 231,135,736</u>	<u>\$ 243,002,137</u>

## Key Debt Ratios

The following table sets forth the ratio of debt to equalized valuation and per capita debt ratios at the end of the five most recent fiscal years. The table considers the principal amount of general obligation bonds of the City of Chelsea only. The table does not deduct anticipated state grant payments applicable to the principal amount of outstanding bonds or debt that may be supported in whole, or part, by non-tax revenues. (See "Direct Debt Summary.")

Fiscal Year End	General Obligation Bonds Outstanding	Population (1)	Equalized Valuation (2)	Per Capita Debt	Ratio Debt To Equalized Valuation
2024	\$ 25,874,835	40,787	\$ 5,133,648,900	\$ 634	0.50 %
2023	29,403,148	40,787	5,133,648,900	721	0.57
2022	33,532,104	40,787	4,225,152,600	822	0.79
2021	33,219,649	40,787	4,225,152,600	814	0.79
2020	35,371,739	40,787	3,534,210,300	867	1.00

(1) Based on a population of 40,787 (2020 Census).

(2) 2018 equalized valuation is used for fiscal years 2020; 2020 equalized valuation is used for fiscal years 2021 and 2022; 2022 equalized valuation is used for fiscal years 2023 and 2024.

## Unassigned General Fund Balance and Free Cash

The following table sets forth the total general fund balance, unassigned general fund balance and certified free cash for the most recent fiscal years:

<u>Fiscal Year</u>	<u>Total General Fund Balance (1)</u>	<u>Unassigned General Fund Balance (1)</u>	<u>Free Cash (July 1)</u>
2024	\$ 82,640,485 (2)	\$ 55,741,935 (2)	\$ 33,834,080
2023	70,768,135	42,512,020	20,227,777
2022	62,806,342	41,942,308	17,095,263
2021	60,621,726	38,161,805	14,886,858
2020	58,581,175	43,432,757	13,363,276

(1) Source: Annual audits. Includes the general and operating stabilization funds but not the school capital, capital, and redevelopment stabilization funds. In recent years, the City has experienced growth in the unassigned general fund due to: the steady expansion in the hospitality sector, generating new hotel excise and meals excise taxes; increased residential investment in new construction reflected by building permit fees; and expansion of the motor vehicle excise tax base. Conservative spending consistently delivers actual expenditures that are lower than budgeted amounts.

## Stabilization Fund

The City currently maintains two Stabilization Funds: a general stabilization fund and a school capital stabilization fund. Monies from these funds may be appropriated by a two-thirds vote of the City Council for any purpose for which the City may legally appropriate funds. Balances as of the end of the most recent fiscal years follow. The general stabilization fund is included in general unassigned fund balance, while the school capital stabilization fund is reported as a capital project fund. In addition to these stabilization funds, the City maintains an OPEB Stabilization Fund (see "Retirement Plan – Other Post-Employment Benefits" for further discussion of this fund).

<u>June 30</u>	<u>General Stabilization Fund Balance</u>	<u>School Capital Fund Balance</u>
2024	\$ 10,107,250	\$ 3,354,086
2023	12,235,412	704,267
2022	16,462,023	691,247
2021	17,045,387	694,443
2020	23,610,904	4,105,390

The general stabilization fund is the reserve for emergency operating funds and is the reserve for capital needs for planned and unplanned significant capital projects. Planned capital projects using general stabilization funds are reported in the annual five-year Capital Improvement Plan. School facility renovation capital needs are projected to require more funds than the City has set aside over the next five years, and so may require use of the General Stabilization Fund.

## Financial Statements

Set forth on the following pages are Governmental Funds Balance Sheets for the fiscal years ended June 30, 2024, June 30, 2023, and June 30, 2022 and Governmental Funds Statements of Revenues, Expenditures and Changes in Fund Balances for the years ended June 30, 2024, June 30, 2023, June 30, 2022, June 30, 2021, and June 30, 2020. Such statements have been extracted from the City's audited financials.

**CITY OF CHELSEA, MASSACHUSETTS**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**JUNE 30, 2024**

	General	ARPA Grant Fund	City Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets:</b>					
Cash and short-term investments	\$ 52,544,510	\$ 26,874,963	\$ 23,264,995	\$ 28,872,583	\$ 131,557,051
Investments	34,739,501	-	-	7,405,734	42,145,235
Receivables, net of allowance for uncollectibles:					
Real estate and personal property taxes	2,411,657	-	-	16,988	2,428,645
Tax, utility and other liens	974,609	-	-	-	974,609
Motor vehicle and other excise taxes	3,327,027	-	-	-	3,327,027
Trash	471,299	-	-	-	471,299
Departmental and other	1,859,110	-	-	764,757	2,623,867
Intergovernmental	-	-	-	8,989,913	8,989,913
Due from other funds	3,684,112	-	-	-	3,684,112
Tax foreclosures	114,626	-	-	-	114,626
<b>Total Assets</b>	<b>100,126,451</b>	<b>26,874,963</b>	<b>23,264,995</b>	<b>46,049,975</b>	<b>196,316,384</b>
<b>Total Deferred Outflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 100,126,451</b>	<b>\$ 26,874,963</b>	<b>\$ 23,264,995</b>	<b>\$ 46,049,975</b>	<b>\$ 196,316,384</b>
<b>Liabilities:</b>					
Warrants and accounts payable	\$ 4,164,978	\$ 1,091,558	\$ 835,617	\$ 4,168,308	\$ 10,260,461
Accrued payroll and withholdings	216,844	-	-	-	216,844
Tax refunds payable	2,826,218	-	-	-	2,826,218
Unearned revenue	-	25,783,405	-	-	25,783,405
Other liabilities	1,510,224	-	-	-	1,510,224
Due to other funds	-	-	-	3,684,112	3,684,112
<b>Total Liabilities</b>	<b>8,718,264</b>	<b>26,874,963</b>	<b>835,617</b>	<b>7,852,420</b>	<b>44,281,264</b>
<b>Deferred Inflows of Resources:</b>					
Unavailable revenues - property taxes	2,021,031	-	-	16,988	2,038,019
Unavailable revenues - excise	3,327,027	-	-	-	3,327,027
Unavailable revenues - other	3,419,644	-	-	-	3,419,644
<b>Total Deferred Inflows of Resources</b>	<b>8,767,702</b>	<b>-</b>	<b>-</b>	<b>16,988</b>	<b>8,784,690</b>
<b>Fund Balances:</b>					
Nonspendable	-	-	-	22,392	22,392
Restricted	-	-	22,729,378	41,318,922	64,048,300
Committed	8,199,367	-	-	-	8,199,367
Assigned	18,699,183	-	-	-	18,699,183
Unassigned	55,741,935	-	(300,000)	(3,160,747)	52,281,188
<b>Total Fund Balances</b>	<b>82,640,485</b>	<b>-</b>	<b>22,429,378</b>	<b>38,180,567</b>	<b>143,250,430</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 100,126,451</b>	<b>\$ 26,874,963</b>	<b>\$ 23,264,995</b>	<b>\$ 46,049,975</b>	<b>\$ 196,316,384</b>

SOURCE: Extracted from the City's audited financial statements.

CITY OF CHELSEA, MASSACHUSETTS  
 BALANCE SHEET - GOVERNMENTAL FUNDS  
 JUNE 30, 2023

	General	ARPA Grant Fund	City Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets:</b>					
Cash and short-term investments	\$ 46,494,704	\$ 34,023,439	\$ 16,853,390	\$ 30,368,610	\$ 127,740,143
Investments	33,112,553	-	-	4,336,350	37,448,903
Receivables, net of allowance for uncollectibles:					
Real estate and personal property taxes	1,053,197	-	-	17,202	1,070,399
Tax, utility and other liens	704,696	-	-	-	704,696
Motor vehicle and other excise taxes	1,939,456	-	-	-	1,939,456
Trash	353,625	-	-	-	353,625
Departmental and other	1,742,599	-	-	959,655	2,702,254
Intergovernmental	-	-	-	3,574,922	3,574,922
Due from other funds	1,273,276	-	-	-	1,273,276
Tax foreclosures	114,626	-	-	-	114,626
<b>Total Assets</b>	<b>86,788,732</b>	<b>34,023,439</b>	<b>16,853,390</b>	<b>39,256,739</b>	<b>176,922,300</b>
<b>Total Deferred Outflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 86,788,732</b>	<b>\$ 34,023,439</b>	<b>\$ 16,853,390</b>	<b>\$ 39,256,739</b>	<b>\$ 176,922,300</b>
<b>Liabilities:</b>					
Warrants and accounts payable	\$ 6,673,880	\$ 597,089	\$ 667,287	\$ 3,301,170	\$ 11,239,426
Accrued payroll and withholdings	293,285	-	-	-	293,285
Tax refunds payable	2,368,014	-	-	-	2,368,014
Unearned revenue	-	33,426,350	-	-	33,426,350
Other liabilities	1,246,264	-	-	-	1,246,264
Due to other funds	-	-	-	1,246,878	1,246,878
<b>Total Liabilities</b>	<b>10,581,443</b>	<b>34,023,439</b>	<b>667,287</b>	<b>4,548,048</b>	<b>49,820,217</b>
<b>Deferred Inflows of Resources:</b>					
Unavailable revenues - property taxes	584,152	-	-	17,202	601,354
Unavailable revenues - excise	1,939,456	-	-	-	1,939,456
Unavailable revenues - other	2,915,546	-	-	-	2,915,546
<b>Total Deferred Inflows of Resources</b>	<b>5,439,154</b>	<b>-</b>	<b>-</b>	<b>17,202</b>	<b>5,456,356</b>
<b>Fund Balances:</b>					
Nonspendable	-	-	-	22,392	22,392
Restricted	-	-	16,486,103	41,054,626	57,540,729
Committed	11,942,150	-	-	-	11,942,150
Assigned	16,313,965	-	-	-	16,313,965
Unassigned	42,512,020	-	(300,000)	(6,385,529)	35,826,491
<b>Total Fund Balances</b>	<b>70,768,135</b>	<b>-</b>	<b>16,186,103</b>	<b>34,691,489</b>	<b>121,645,727</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 86,788,732</b>	<b>\$ 34,023,439</b>	<b>\$ 16,853,390</b>	<b>\$ 39,256,739</b>	<b>\$ 176,922,300</b>

SOURCE: Extracted from the City's audited financial statements.

CITY OF CHELSEA, MASSACHUSETTS  
BALANCE SHEET - GOVERNMENTAL FUNDS  
JUNE 30, 2022

	General	ARPA Grant Fund	City Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets:</b>					
Cash and short-term investments	\$ 48,244,398	\$ 33,190,456	\$ 16,564,793	\$ 27,595,419	\$ 125,595,066
Investments	22,341,197	-	-	4,021,993	26,363,190
Receivables, net of allowance for uncollectibles:					
Real estate and personal property taxes	1,109,963	-	-	18,357	1,128,320
Tax, utility and other liens	551,147	-	-	-	551,147
Motor vehicle and other excise taxes	1,385,969	-	-	-	1,385,969
Trash	294,907	-	-	-	294,907
Departmental and other	1,685,408	-	-	1,004,900	2,690,308
Intergovernmental	-	-	-	4,709,422	4,709,422
Due from other funds	1,351,984	-	-	-	1,351,984
Tax foreclosures	114,626	-	-	-	114,626
<b>Total Assets</b>	<u>77,079,599</u>	<u>33,190,456</u>	<u>16,564,793</u>	<u>37,350,091</u>	<u>164,184,939</u>
<b>Total Deferred Outflows of Resources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Assets and Deferred Outflows of Resources</b>	<u>\$ 77,079,599</u>	<u>\$ 33,190,456</u>	<u>\$ 16,564,793</u>	<u>\$ 37,350,091</u>	<u>\$ 164,184,939</u>
<b>Liabilities:</b>					
Warrants and accounts payable	\$ 5,572,258	\$ 292,824	\$ 1,348,473	\$ 1,793,013	\$ 9,006,568
Accrued payroll and withholdings	575,385	-	-	-	575,385
Tax refunds payable	1,990,395	-	-	-	1,990,395
Unearned revenue	-	32,897,632	-	-	32,897,632
Other liabilities	1,392,268	-	-	-	1,392,268
Due to other funds	-	-	-	1,351,984	1,351,984
<b>Total Liabilities</b>	<u>9,530,306</u>	<u>33,190,456</u>	<u>1,348,473</u>	<u>3,144,997</u>	<u>47,214,232</u>
<b>Deferred Inflows of Resources:</b>					
Unavailable revenues - property taxes	710,894	-	-	18,357	729,251
Unavailable revenues - excise	1,385,969	-	-	-	1,385,969
Unavailable revenues - other	2,646,088	-	-	-	2,646,088
<b>Total Deferred Inflows of Resources</b>	<u>4,742,951</u>	<u>-</u>	<u>-</u>	<u>18,357</u>	<u>4,761,308</u>
<b>Fund Balances:</b>					
Nonspendable	-	-	-	22,392	22,392
Restricted	-	-	15,632,385	39,122,682	54,755,067
Committed	7,084,709	-	-	-	7,084,709
Assigned	13,779,325	-	-	-	13,779,325
Unassigned	41,942,308	-	(416,065)	(4,958,337)	36,567,906
<b>Total Fund Balances</b>	<u>62,806,342</u>	<u>-</u>	<u>15,216,320</u>	<u>34,186,737</u>	<u>112,209,399</u>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<u>\$ 77,079,599</u>	<u>\$ 33,190,456</u>	<u>\$ 16,564,793</u>	<u>\$ 37,350,091</u>	<u>\$ 164,184,939</u>

SOURCE: Extracted from the City's audited financial statements.

## CITY OF CHELSEA, MASSACHUSETTS

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
GOVERNMENTAL FUNDS  
FISCAL YEAR ENDED JUNE 30, 2024**

	General	ARPA Grant Fund	City Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues:</b>					
Real estate and personal property taxes, net	\$ 77,621,345	\$ -	\$ -	\$ -	\$ 77,621,345
Intergovernmental	146,508,614	7,642,946	-	36,782,423	190,933,983
Motor vehicle excise	18,267,657	-	-	-	18,267,657
Meals, room and other excise taxes	3,540,997	-	-	-	3,540,997
Tax and trash liens	616,777	-	-	-	616,777
Payments in lieu of taxes	1,558,867	-	-	-	1,558,867
Community preservation surcharges	-	-	-	957,010	957,010
Charges for services	-	-	-	3,630,423	3,630,423
Trash disposal	2,458,564	-	-	-	2,458,564
Licenses and permits	2,335,751	-	-	-	2,335,751
Departmental and other	2,570,542	-	-	1,609,377	4,179,919
Penalties and interest on taxes	437,552	-	-	-	437,552
Fines and forfeitures	2,865,145	-	-	-	2,865,145
Interest and investment income	6,681,576	-	-	498,453	7,180,029
Contributions and donations	-	-	-	1,465,124	1,465,124
<b>Total Revenues</b>	<b>265,463,387</b>	<b>7,642,946</b>	<b>-</b>	<b>44,942,810</b>	<b>318,049,143</b>
<b>Expenditures:</b>					
<b>Current:</b>					
General government	6,556,628	2,245,329	6,181,767	3,167,874	18,151,598
Public safety	29,620,342	-	677,999	4,696,889	34,995,230
Education	113,852,003	-	-	30,465,776	144,317,779
Public works	8,221,888	1,945,368	4,475,332	2,639,872	17,282,460
Health and human services	1,524,658	-	-	462,523	1,987,181
Culture and recreation	1,340,532	-	-	212,309	1,552,841
Community development	-	3,452,249	25,785	1,679,230	5,157,264
Pension benefits	30,211,216	-	-	-	30,211,216
Employee benefits	20,584,032	-	-	-	20,584,032
Property and liability insurance	1,759,650	-	-	-	1,759,650
Claims and judgments	46,651	-	-	-	46,651
State and county tax assessments	21,353,209	-	-	-	21,353,209
<b>Debt service:</b>					
Principal	1,892,269	-	-	-	1,892,269
Interest expense	718,591	-	-	-	718,591
<b>Total Expenditures</b>	<b>237,681,669</b>	<b>7,642,946</b>	<b>11,360,883</b>	<b>43,324,473</b>	<b>300,009,971</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>27,781,718</b>	<b>-</b>	<b>(11,360,883)</b>	<b>1,618,337</b>	<b>18,039,172</b>
<b>Other Financing Sources (Uses):</b>					
Transfers in	69,259	-	13,988,459	5,850,515	19,908,233
Transfers out	(15,978,627)	-	-	(3,979,774)	(19,958,401)
Issuance of direct debt	-	-	3,615,699	-	3,615,699
<b>Total Other Financing Sources (Uses)</b>	<b>(15,909,368)</b>	<b>-</b>	<b>17,604,158</b>	<b>1,870,741</b>	<b>3,565,531</b>
<b>Net Change in Fund Balance</b>	<b>11,872,350</b>	<b>-</b>	<b>6,243,275</b>	<b>3,489,078</b>	<b>21,604,703</b>
<b>Fund Balances - Beginning</b>	<b>70,768,135</b>	<b>-</b>	<b>16,186,103</b>	<b>34,691,489</b>	<b>121,645,727</b>
<b>Fund Balances - Ending</b>	<b>\$ 82,640,485</b>	<b>\$ -</b>	<b>\$ 22,429,378</b>	<b>\$ 38,180,567</b>	<b>\$ 143,250,430</b>

SOURCE: Extracted from the City's audited financial statements.



## CITY OF CHELSEA, MASSACHUSETTS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
GOVERNMENTAL FUNDS  
FISCAL YEAR ENDED JUNE 30, 2023

	General	ARPA Grant Fund	City Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues:</b>					
Real estate and personal property taxes, net	\$ 72,616,400	\$ -	\$ -	\$ -	\$ 72,616,400
Intergovernmental	131,580,033	5,403,087	-	31,917,129	168,900,249
Motor vehicle excise	14,138,138	-	-	-	14,138,138
Meals, room and other excise taxes	3,810,150	-	-	-	3,810,150
Tax and trash liens	347,580	-	-	-	347,580
Payments in lieu of taxes	1,840,054	-	-	-	1,840,054
Community preservation surcharges	-	-	-	883,545	883,545
Charges for services	-	-	-	3,469,787	3,469,787
Trash disposal	2,453,650	-	-	-	2,453,650
Licenses and permits	2,485,864	-	-	-	2,485,864
Departmental and other	1,947,343	-	-	1,072,184	3,019,527
Penalties and interest on taxes	478,366	-	-	-	478,366
Fines and forfeitures	3,089,036	-	-	-	3,089,036
Interest and investment income	2,820,230	-	-	196,953	3,017,183
Contributions and donations	-	-	-	861,501	861,501
<b>Total Revenues</b>	<b>237,606,844</b>	<b>5,403,087</b>	<b>-</b>	<b>38,401,099</b>	<b>281,411,030</b>
<b>Expenditures:</b>					
<b>Current:</b>					
General government	7,130,201	238,908	3,738,204	4,821,279	15,928,592
Public safety	27,614,827	155,297	1,232,874	4,256,083	33,259,081
Education	101,857,425	1,202,266	2,111,046	22,881,941	128,052,678
Public works	8,970,123	-	1,089,934	7,035,904	17,095,961
Health and human services	1,380,886	-	-	981,201	2,362,087
Culture and recreation	1,113,422	-	15,000	198,645	1,327,067
Community development	-	3,806,616	-	1,597,855	5,404,471
Pension benefits	26,540,916	-	-	-	26,540,916
Employee benefits	17,381,851	-	-	-	17,381,851
Property and liability insurance	1,592,569	-	-	-	1,592,569
Claims and judgements	59,896	-	-	-	59,896
State and county tax assessments	20,118,056	-	-	-	20,118,056
<b>Debt service:</b>					
Principal	1,803,724	-	-	-	1,803,724
Interest expense	700,685	-	-	-	700,685
<b>Total Expenditures</b>	<b>216,264,581</b>	<b>5,403,087</b>	<b>8,187,058</b>	<b>41,772,908</b>	<b>271,627,634</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>21,342,263</b>	<b>-</b>	<b>(8,187,058)</b>	<b>(3,371,809)</b>	<b>9,783,396</b>
<b>Other Financing Sources (Uses):</b>					
Transfers in	64,963	-	9,503,909	3,941,524	13,510,396
Transfers out	(13,445,433)	-	(347,068)	(64,963)	(13,857,464)
<b>Total Other Financing Sources (Uses)</b>	<b>(13,380,470)</b>	<b>-</b>	<b>9,156,841</b>	<b>3,876,561</b>	<b>(347,068)</b>
<b>Net Change in Fund Balance</b>	<b>7,961,793</b>	<b>-</b>	<b>969,783</b>	<b>504,752</b>	<b>9,436,328</b>
<b>Fund Balances - Beginning</b>	<b>62,806,342</b>	<b>-</b>	<b>15,216,320</b>	<b>34,186,737</b>	<b>112,209,399</b>
<b>Fund Balances - Ending</b>	<b>\$ 70,768,135</b>	<b>\$ -</b>	<b>\$ 16,186,103</b>	<b>\$ 34,691,489</b>	<b>\$ 121,645,727</b>

SOURCE: Extracted from the City's audited financial statements.

## CITY OF CHELSEA, MASSACHUSETTS

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
GOVERNMENTAL FUNDS  
FISCAL YEAR ENDED JUNE 30, 2022**

	General	ARPA Grant Fund	City Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues:</b>					
Real estate and personal property taxes, net	\$ 69,692,719	\$ -	\$ -	\$ -	\$ 69,692,719
Intergovernmental	118,763,970	1,493,669	-	35,932,181	156,189,820
Motor vehicle and other excise	13,570,838	-	-	-	13,570,838
Meals and room taxes	2,256,906	-	-	-	2,256,906
Tax and trash liens	591,395	-	-	-	591,395
Payments in lieu of taxes	1,797,798	-	-	-	1,797,798
Community preservation surcharges	-	-	-	831,124	831,124
Charges for services	-	-	-	3,404,659	3,404,659
Trash disposal	2,413,761	-	-	-	2,413,761
Licenses and permits	2,242,333	-	-	-	2,242,333
Departmental and other	1,611,860	-	45,000	1,074,175	2,731,035
Penalties and interest on taxes	397,340	-	-	-	397,340
Fines and forfeitures	2,786,133	-	-	-	2,786,133
Interest and investment income (loss)	121,123	-	-	(15,661)	105,462
Contributions and donations	-	-	-	1,602,331	1,602,331
<b>Total Revenues:</b>	<b>216,246,176</b>	<b>1,493,669</b>	<b>45,000</b>	<b>42,828,809</b>	<b>260,613,654</b>
<b>Expenditures:</b>					
<b>Current:</b>					
General government	6,516,216	-	2,203,815	5,292,691	14,012,722
Public safety	27,091,152	60,589	459,547	4,589,909	32,201,197
Education	98,530,034	-	336,288	23,985,054	122,851,376
Public works	8,770,595	-	3,378,167	2,514,950	14,663,712
Health and human services	1,131,459	306,400	-	1,503,060	2,940,919
Culture and recreation	994,293	-	350,749	101,044	1,446,086
Community development	-	1,126,680	-	4,975,217	6,101,897
Pension benefits	22,849,844	-	-	-	22,849,844
Employee benefits	17,163,840	-	-	-	17,163,840
Property and liability insurance	1,405,917	-	-	-	1,405,917
Claims and judgments	15,627	-	-	-	15,627
State and county tax assessments	19,326,504	-	-	-	19,326,504
<b>Debt service:</b>					
Principal	1,788,081	-	-	-	1,788,081
Interest expense	730,690	-	-	-	730,690
<b>Total Expenditures:</b>	<b>206,314,252</b>	<b>1,493,669</b>	<b>6,728,566</b>	<b>42,961,925</b>	<b>257,498,412</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>9,931,924</b>	<b>-</b>	<b>(6,683,566)</b>	<b>(133,116)</b>	<b>3,115,242</b>
<b>Other Financing Sources (Uses):</b>					
Transfers in	345,026	-	6,007,334	2,085,000	8,437,360
Transfers out	(8,092,334)	-	-	(345,026)	(8,437,360)
Issuance of bonds	-	-	955,000	-	955,000
Issuance of capital lease obligation	-	-	-	2,053,250	2,053,250
<b>Total Other Financing Sources (Uses)</b>	<b>(7,747,308)</b>	<b>-</b>	<b>6,962,334</b>	<b>3,793,224</b>	<b>3,008,250</b>
<b>Net Change in Fund Balance</b>	<b>2,184,616</b>	<b>-</b>	<b>278,768</b>	<b>3,660,108</b>	<b>6,123,492</b>
Fund Balances - Beginning, as restated (see Note IV)	60,621,726	-	14,937,552	30,526,629	106,085,907
Fund Balances - Ending	\$ 62,806,342	\$ -	\$ 15,216,320	\$ 34,186,737	\$ 112,209,399

SOURCE: Extracted from the City's audited financial statements.

CITY OF CHELSEA, MASSACHUSETTS  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
 GOVERNMENTAL FUNDS  
 FISCAL YEAR ENDED JUNE 30, 2021

	General	ARPA Grant Fund	Clark Avenue School Construction	City Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues:</b>						
Real estate and personal property taxes, net	\$ 62,951,565	\$ -	\$ -	\$ -	\$ -	\$ 62,951,565
Intergovernmental	116,791,588	-	2,054,585	-	32,624,443	151,470,616
Motor vehicle and other excise	11,018,032	-	-	-	-	11,018,032
Meals and room taxes	979,881	-	-	-	-	979,881
Tax and trash liens	527,456	-	-	-	-	527,456
Payments in lieu of taxes	2,011,654	-	-	-	-	2,011,654
Community preservation surcharges	-	-	-	-	758,362	758,362
Charges for services	-	-	-	-	3,207,053	3,207,053
Trash disposal	2,178,594	-	-	-	-	2,178,594
Licenses and permits	2,136,103	-	-	-	-	2,136,103
Departmental and other	1,495,030	-	-	-	1,049,441	2,544,471
Penalties and interest on taxes	369,188	-	-	-	-	369,188
Fines and forfeitures	2,612,547	-	-	-	-	2,612,547
Interest and investment income	1,871,300	-	-	-	295,292	2,166,592
Contributions and donations	-	-	-	-	5,977,414	5,977,414
<b>Total Revenues</b>	<b>204,942,938</b>	<b>-</b>	<b>2,054,585</b>	<b>-</b>	<b>43,912,005</b>	<b>250,909,528</b>
<b>Expenditures:</b>						
<b>Current:</b>						
General government	5,221,676	-	-	3,728,476	15,409,588	24,359,740
Public safety	25,546,568	-	-	1,350,565	4,794,447	31,691,580
Education	83,298,195	-	9,531	720,090	21,768,514	105,796,330
Public works	8,889,313	-	-	891,411	2,619,213	12,399,937
Health and human services	1,209,775	-	-	-	865,052	2,074,827
Culture and recreation	886,770	-	-	269,260	465,630	1,621,660
Community development	-	-	-	-	4,955,568	4,955,568
Pension benefits	32,649,219	-	-	-	-	32,649,219
Employee benefits	17,535,504	-	-	-	-	17,535,504
Property and liability insurance	1,368,772	-	-	-	-	1,368,772
Claims and judgments	138,685	-	-	-	-	138,685
State and county tax assessments	17,865,721	-	-	-	-	17,865,721
<b>Debt service:</b>						
Principal	1,860,456	-	-	-	-	1,860,456
Interest expense	668,701	-	-	-	-	668,701
<b>Total Expenditures</b>	<b>197,139,355</b>	<b>-</b>	<b>9,531</b>	<b>6,959,802</b>	<b>50,878,012</b>	<b>254,986,700</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>7,803,583</b>	<b>-</b>	<b>2,045,054</b>	<b>(6,959,802)</b>	<b>(6,966,007)</b>	<b>(4,077,172)</b>
<b>Other Financing Sources (Uses):</b>						
Transfers in	2,719,932	-	-	7,691,840	4,266,124	14,677,896
Transfers out	(8,482,964)	-	-	-	(4,071,796)	(12,554,760)
Issuance of bonds	-	-	-	2,620,000	-	2,620,000
Premiums from issuance of bonds and notes	-	-	-	591,328	-	591,328
<b>Total Other Financing Sources (Uses)</b>	<b>(5,763,032)</b>	<b>-</b>	<b>-</b>	<b>10,903,168</b>	<b>194,328</b>	<b>5,334,464</b>
<b>Net Change in Fund Balance</b>	<b>2,040,551</b>	<b>-</b>	<b>2,045,054</b>	<b>3,943,366</b>	<b>(6,771,679)</b>	<b>1,257,292</b>
Fund Balances - Beginning	58,581,175	-	956,298	10,994,186	34,316,956	104,828,615
Fund Balances - Ending	\$ 60,621,726	\$ -	\$ 2,981,352	\$ 14,937,552	\$ 27,545,277	\$ 106,085,907

SOURCE: Extracted from the City's audited financial statements.

## CITY OF CHELSEA, MASSACHUSETTS

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
GOVERNMENTAL FUNDS - UNAUDITED  
FISCAL YEAR ENDED JUNE 30, 2020 (1)**

	General	Clark Avenue School Construction	City Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues:</b>					
Real estate and personal property taxes, net	\$ 61,031,188	\$ -	\$ -	\$ -	\$ 61,031,188
Intergovernmental	111,676,044	-	-	25,116,058	136,792,102
Motor vehicle and other excise	18,670,715	-	-	-	18,670,715
Meals and room taxes	2,311,685	-	-	-	2,311,685
Tax and trash liens	466,293	-	-	-	466,293
Payments in lieu of taxes	1,857,822	-	-	-	1,857,822
Community preservation surcharges	-	-	-	714,338	714,338
Charges for services	-	-	-	4,392,564	4,392,564
Trash disposal	1,973,782	-	-	-	1,973,782
Licenses and permits	2,207,021	-	-	-	2,207,021
Departmental and other	1,323,964	-	-	1,223,819	2,547,783
Penalties and interest on taxes	268,633	-	-	-	268,633
Fines and forfeitures	2,299,344	-	-	-	2,299,344
Interest and investment income	1,919,555	-	-	355,224	2,274,779
Contributions and donations	-	-	-	1,137,646	1,137,646
<b>Total Revenues</b>	<u>206,006,046</u>	<u>-</u>	<u>-</u>	<u>32,939,649</u>	<u>238,945,695</u>
<b>Expenditures:</b>					
Current:					
General government	5,494,281	-	3,899,056	4,328,826	13,722,163
Public safety	25,190,470	-	1,413,763	6,651,295	33,255,528
Education	81,876,151	159,510	3,323,472	14,883,298	100,242,431
Public works	7,492,598	-	1,635,422	3,417,671	12,545,691
Health and human services	1,499,103	-	-	580,264	2,079,367
Culture and recreation	856,414	-	9,600	99,970	965,984
Community development	-	-	-	1,128,789	1,128,789
Pension benefits	29,169,397	-	-	-	29,169,397
Employee benefits	18,196,636	-	-	-	18,196,636
Property and liability insurance	1,073,793	-	-	-	1,073,793
Claims and judgements	68,821	-	-	-	68,821
State and county tax assessments	17,328,217	-	-	-	17,328,217
Debt service:					
Principal	6,082,313	-	-	-	6,082,313
Interest expense	996,216	-	-	-	996,216
<b>Total Expenditures</b>	<u>195,324,410</u>	<u>159,510</u>	<u>10,281,313</u>	<u>31,090,113</u>	<u>236,855,346</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>10,681,636</u>	<u>(159,510)</u>	<u>(10,281,313)</u>	<u>1,849,536</u>	<u>2,090,349</u>
<b>Other Financing Sources (Uses):</b>					
Transfers in	6,094,777	-	8,815,459	8,389,837	23,300,073
Transfers out	(11,330,221)	-	-	(9,869,912)	(21,200,133)
Issuance of bonds	-	-	820,500	-	820,500
Premiums from issuance of bonds and notes	-	-	44,500	-	44,500
Sale of capital assets	-	-	-	3,770,068	3,770,068
<b>Total Other Financing Sources (Uses)</b>	<u>(5,235,444)</u>	<u>-</u>	<u>9,680,459</u>	<u>2,289,993</u>	<u>6,735,008</u>
<b>Net Change in Fund Balance</b>	5,446,192	(159,510)	(600,854)	4,139,529	8,825,357
Fund Balances - Beginning	<u>53,134,983</u>	<u>1,095,808</u>	<u>11,595,040</u>	<u>30,177,427</u>	<u>96,003,258</u>
Fund Balances - Ending	<u>\$ 58,581,175</u>	<u>\$ 936,298</u>	<u>\$ 10,994,186</u>	<u>\$ 34,316,956</u>	<u>\$ 104,828,615</u>

(1) Extracted from the City's audited financial statements.

## Retirement

The City contributes to the City of Chelsea Contributory Retirement System, established under Chapter 32 of the Massachusetts General Laws. Benefits paid under the plan include an annuity portion funded from amounts contributed by the participants, and a pension portion funded by the City. The participants contribute a percentage of their compensation annually (between 5%-11%), determined by their date of employment and annual compensation. The City pays the entire retirement allowance of certain retirees who are eligible for non-contributory benefits.

There are approximately 415 retired persons or surviving beneficiaries currently receiving pensions under the contributory and non-contributory plans, respectively. The following table lists the annual required contribution of the City to each retirement system for each of the shown fiscal years:

<u>Year Ending</u>	<u>Contributory</u>
June 30, 2025 (budgeted)	\$15,910,927
June 30, 2024	14,994,568
June 30, 2023	14,199,345
June 30, 2022	13,525,298
June 30, 2021	12,840,928
June 30, 2020	12,021,724

The estimated unfunded actuarial liability of the contributory retirement systems on January 1, 2023 was approximately \$39,139,951 assuming an actuarial value of assets of \$262,762,208 and a 7.0% investment rate of return. The City expects to fully fund this liability by fiscal 2028 as shown in the schedule below.

The foregoing data does not include the retirement system costs or liabilities of any larger entity, such as the county, of which the municipality is a constituent part and for which the municipality is assessed a share of expenses. Additional information regarding the Chelsea Contributory Retirement System can be found on: <http://www.mass.gov/perac>.

## Current Funding Schedule

<u>Fiscal Year</u>	<u>Normal Cost</u>	<u>Net 3(8)(c)</u>	<u>Amort. of UAL</u>	<u>Amort. of 2003 ERI</u>	<u>Total Cost</u>	<u>Unfunded Act. Liab.</u>	<u>% Total Cost Increases</u>
2024	5,150,676	350,000	10,439,122	10,290	15,950,088	40,509,849	
2025	5,382,456	350,000	11,097,379	10,753	16,840,589	32,227,331	5.58%
2026	5,624,667	350,000	11,541,275	11,237	17,527,178	22,664,155	4.08%
2027	5,877,777	350,000	12,002,926	11,743	18,242,445	11,958,736	4.08%
2028	6,142,277	350,000		12,271	6,504,548	12,202	(64.34%)
2029	6,418,679	350,000			6,768,679	0	4.06%

Appropriation payments assumed to be made August 1 of each fiscal year.

Normal cost includes assumed expenses of \$1,250,000 and is assumed to increase 4.5% per year.

FY24 appropriation was maintained at the same level as the prior schedule.

SOURCE: January 1, 2023 Chelsea Contributory Retirement System Actuarial Valuation, PERAC.

## Other Post-Employment Benefits

In addition to pension benefits, cities and towns may provide retired employees with health care and life insurance benefits. The portion of the cost of such benefits paid by cities or towns is generally provided on a pay-as-you-go basis. The recent trend in the City's annual contributions for its other post-employment benefits is as follows:

Fiscal Year Ended June 30,		Pay-As-You-Go Cost
2025	(budgeted)	\$ 5,825,779
2024		5,444,653
2023		4,789,882
2022		4,892,029
2021		4,557,637
2020		4,292,011

Under the Governmental Accounting Standards Board ("GASB") Statement Nos. 43 and 45 public sector entities are required to report the future costs of these non-pension, post-employment benefits in their financial statements. These accounting standards do not require pre-funding the payment of these costs as the liability for such costs accrue, but the basis applied by the standards for measurement of costs and liabilities for these benefits is conservative if they continue to be funded on a pay-as-you-go basis and will result in larger yearly cost and liability accruals than if such benefits were pre-funded in a trust fund in the same manner as traditional pension benefits. Cities and towns are authorized to establish such a trust fund for the purpose of pre-funding other post-employment benefits liability.

The City performs actuarial valuations of its non-pension, post-employment benefits liability in accordance with GASB reporting requirements. The City most recently had a roll forward actuarial valuation performed as of June 30, 2021 by Odyssey Advisors, Colchester, Connecticut. An updated valuation is currently underway. As of June 30, 2021 the City's Total OPEB Liability was \$140,249,154 and the plan fiduciary net position was \$3,456,720, resulting in a Net OPEB Liability of \$136,792,434 assuming a 5.74% rate of return. The City's Actuarially Determined Contribution (ADC) is an amount actuarially determined in accordance with the parameters of GASB Statement No. 74/75 which is composed of the service cost and an amortization of the unfunded liability. For the fiscal year ending June 30, 2021, the ADC was \$10,854,095. The City established another post-employment benefits (OPEB) Trust Fund in 2012. The balance of the OPEB stabilization fund as of June 30, 2024 was \$4,161,959.

## LITIGATION

At present there are a number of lawsuits pending in various courts throughout the Commonwealth where the City is a defendant. In the opinion of City management, there is no litigation, either pending or threatened, which is considered likely to result, either individually or in the aggregate, in final judgments against the City that would materially adversely affect its financial position.

## CITY OF MALDEN, MASSACHUSETTS

### General

The City of Malden, Massachusetts (the "City") is located in Middlesex County, five miles northwest of Boston. Originally a section of Charlestown, Malden was established as a town in 1649 and incorporated as a city in 1881. The City has a population of approximately 66,263 and occupies a land area of 5.04 square miles.

### Population Trends

<u>2020</u>	<u>2010</u>	<u>2000</u>	<u>1990</u>	<u>1980</u>
66,263	59,450	56,340	53,884	53,386

SOURCE: Federal Census.

### Income Levels and Population

The following table compares census averages for the City, the Commonwealth, and the United States.

	<u>Malden</u>	<u>Massachusetts</u>	<u>U.S.</u>
<b>Median Age</b>			
2020	35.7	39.9	38.8
2010	36.2	39.1	37.2
2000	35.7	36.5	35.3
1990	33.6	33.6	32.9
<b>Median Family Income</b>			
2020	\$86,006	\$106,526	\$80,069
2010	67,666	81,165	62,982
2000	55,557	61,664	50,046
1990	42,099	44,367	35,225
<b>Per Capita Income</b>			
2020	\$36,752	\$45,555	\$35,384
2010	27,202	33,966	27,334
2000	22,004	25,952	21,587
1990	15,820	17,224	14,420

SOURCE: Federal Census.

### Labor Force, Employment and Unemployment Rate

The following table sets forth the City's average labor force and unemployment rates for each of the calendar years indicated and the unemployment rate for the Commonwealth and the United States as a whole for the same periods.

#### UNEMPLOYMENT RATES

<u>Year</u>	<u>City of Malden</u>		<u>Massachusetts</u> <u>Unemployment Rate</u>		<u>United States</u> <u>Unemployment Rate</u>
	<u>Labor Force</u>	<u>Unemployment Rate</u>			
2023	33,861	3.1 %	3.4 %		3.6 %
2022	33,861	3.5	3.8		3.6
2021	34,040	6.3	5.7		5.4
2020	34,238	11.3	8.9		8.1
2019	34,882	2.5	2.9		3.7

SOURCE: Mass. Executive Office of Labor and Workforce Development, Federal Reserve Bank of Boston and U.S. Bureau of Labor Statistics. Data based upon place of residence, not place of employment.

## Tax Levy Computation

The following table shows the details of the calculation of the tax levies for the following fiscal years:

	Actual				
	2021	2022	2023	2024	2025
Total Appropriations(1)	\$196,417,218	\$202,478,682	\$213,541,986	\$233,878,821	\$235,958,705
Additions:					
State and County Assessments	14,737,583	15,140,137	15,635,038	15,919,987	16,274,565
Overlay Reserve	844,425	778,350	841,360	1,178,953	954,495
Other Additions	84,144	513,368	706,216	169,794	214,039
Total Additions	15,666,152	16,431,855	17,182,614	17,268,734	17,443,099
Gross Amount to be Raised	212,083,370	218,910,537	230,724,600	251,147,554	253,401,804
Deductions:					
Local Estimated Receipts	44,044,244	49,587,552	53,078,250	54,454,836	56,020,786
State Aid:(2)					
Current Year	65,555,074	66,458,587	70,373,513	80,105,817	81,561,940
Available Funds:(3)					
Free Cash	4,200,000	1,141,756	1,778,973	7,322,500	2,561,587
Other	28,514	50,000	125,000	-	200,000.00
Total Deductions	113,827,832	117,237,895	125,355,736	141,883,153	140,344,313
Net Amount to be Raised	\$98,255,538	\$101,672,643	\$105,368,864	\$109,264,402	\$113,057,492

- (1) Includes additional appropriations from taxation voted subsequent to adoption of the annual budget but prior to setting of the tax rate.
- (2) Estimated by the State Department of Revenue and required by law to be used in setting of the tax rate. Actual state aid payments may vary upward or downward from said estimates, and the State may withhold payments pending receipt of State and County assessments. See "Reduction of State Aid" below.
- (3) Transfers from other available funds, including "Free Cash" generally made as an offset to a particular appropriation item.

## Classification of Property

The following is a breakdown of the City's assessed valuation of real estate in fiscal years 2023, 2024 and 2025.

Property Type	2023		2024		2025	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Residential	\$8,672,278,342	88.4 %	\$9,343,818,157	88.9 %	\$10,001,319,336	89.1 %
Commercial	636,670,399	6.5	646,668,317	6.2	680,789,780	6.1
Industrial	257,734,187	2.6	273,161,835	2.6	281,732,822	2.5
Personal	246,313,590	2.5	242,141,130	2.3	255,818,470	2.3
Total Real Estate	\$9,812,996,518	100.0 %	\$10,505,789,439	100.0 %	\$11,219,660,408	100.0 %



## Tax Collections

The table below compares the City's net tax collections with its net (gross tax levy less overlay reserve for abatements) tax levies for the following fiscal years.

Fiscal Year	Gross Tax Levy	Overlay Reserve for Abatements	Net Tax Levy(1)	Collections as of June 30, 2024 (2)	
				Dollar Amount	% of Net Levy
2024	\$ 109,264,402	\$ 1,178,953	\$ 108,085,449	\$ 107,710,210	99.7 %
2023	105,368,864	841,360	104,527,504	104,585,223	100.1
2022	101,672,643	778,350	100,894,293	101,580,418	100.7
2021	98,255,538	844,425	97,411,113	99,012,736	101.6
2020	94,519,948	969,171	93,550,777	93,167,939	99.6

(1) Net after deduction of overlay reserve for abatements.

(2) Actual dollar collections net of refunds. Does not include abatements, proceeds of tax titles or tax possessions attributable to each levy or other non-cash credits.

## Tax Levies and Tax Levy Limits (1)

The following shows the calculation of levy limits for the following fiscal years:

	For Fiscal Year				
	2021	2022	2023	2024	2025
Primary Levy Limit (1)	\$ 224,606,384	\$ 232,078,214	\$ 245,324,913	\$ 262,644,736	\$ 280,491,510
Prior Fiscal Year Levy Limit	94,569,307	98,301,115	101,685,688	105,377,504	109,325,449
Amended Prior Fiscal Year Growth	-	-	-	(77,639)	-
2.5% Levy Growth	2,364,233	2,457,528	2,542,142	2,632,497	2,733,136
Current Fiscal Year New Growth (2)	1,367,575	927,045	1,149,674	1,393,087	1,068,254
Current Fiscal Year Override	-	-	-	-	-
Growth Levy Limit	98,301,115	101,685,688	105,377,504	109,325,449	113,126,839
Debt Exclusions	-	-	-	-	-
Tax Levy Limit	98,301,115	101,685,688	105,377,504	109,325,449	113,126,839
Tax Levy	98,255,538	101,672,643	105,368,864	109,264,402	113,057,492
Unused Levy Capacity (3)	\$ 45,577	\$ 13,045	\$ 8,640	\$ 61,047	\$ 69,347
Unused Primary Levy Capacity (4)	\$ 126,305,269	\$ 130,392,526	\$ 139,947,409	\$ 153,319,287	\$ 167,364,671

Source: Massachusetts Department of Revenue.

(1) 2.5% of assessed valuation.

(2) Allowed increase for new valuations – certified by the Department of Revenue.

(3) Tax Levy Limit less Tax Levy.

(4) Primary Levy Limit less Growth Levy Limit.

## Budget Comparison

The following table lists the City's annual budgets as approved by the City Council. Said budgets do not reflect transfers or supplemental appropriations made during the course of the fiscal year.

	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025
General Government (1)	\$6,238,724	\$8,718,483	\$9,045,413	\$40,802,622	\$40,379,595
Protection of Persons & Property	22,151,941	24,419,266	28,100,317	28,550,041	29,062,215
Department of Public Works	9,914,647	10,814,458	11,423,075	8,328,797	8,511,286
Education	74,200,150	76,057,780	82,133,859	90,967,407	96,381,153
Board of Health	591,107	1,547,205	1,677,381	1,789,634	865,302
Parks & Recreation	672,335	768,615	845,047	941,053	1,029,547
Libraries	1,533,636	1,539,269	1,598,976	1,694,616	1,744,106
Cemetery	370,652	492,796	521,034	551,677	599,878
Debt Service & Interest	7,436,728	7,321,051	7,425,260	8,115,278	7,286,344
Pensions/Workmen's Comp.	13,252,450	14,462,682	15,531,839	15,438,903	20,919,587
Intergovernmental (2)	31,556,666	26,085,272	24,306,818	16,688,206	17,206,920
Total Budget	<u>\$167,919,036</u>	<u>\$172,226,877</u>	<u>\$182,609,019</u>	<u>\$213,868,232</u>	<u>\$223,985,933</u>

(1) Beginning in fiscal year 2024, includes the Unclassified category, previously reported with the Intergovernmental category.

(2) In fiscal years 2020 through 2023 included the Unclassified category, which beginning in fiscal year 2024 is included in the General Government category.

## Key Debt Ratios

Fiscal Year End	General Obligation Bonds Outstanding	Population (2020 Federal Census)	State Equalized Valuation (1)	Per Capita Debt	Debt as a % of Full Valuation
2024	\$ 71,665,232	66,263	\$ 9,978,319,100	\$ 1,082	0.72 %
2023	71,132,184	66,263	9,978,319,100	1,073	0.71
2022	79,589,536	66,263	9,209,316,800	1,201	0.86
2021	69,307,771	66,263	9,209,316,800	1,046	0.75
2020	74,504,882	66,263	7,590,689,100	1,124	0.98

(1) The 2018 equalized valuation is used for fiscal year 2020. The 2020 equalized valuation is used for fiscal years 2021 and 2022. The 2022 equalized valuation is used for fiscal years 2023 and 2024.

## Free Cash

The following table sets forth the trend in the unassigned general fund balance and Free Cash as certified by the Bureau of Accounts for the most recent fiscal years.

Fiscal Year	Unassigned General Fund Balance	Free Cash (July 1)
2024	\$29,588,117	\$27,042,828
2023	22,852,063	20,821,780
2022	23,371,667	23,734,755
2021	18,343,437	18,636,518
2020	20,345,648	18,573,677

## Financial Statements

Set forth on the following pages are Governmental Funds Balance Sheets for fiscal years 2024, 2023, and 2022, and Statement of Revenues, Expenditures and Changes in Fund Balance for fiscal year ending June 30, 2024 through June 30, 2020. Said statements have been extracted from the City's audits and combined for the purpose of this presentation.

**CITY OF MALDEN, MASSACHUSETTS  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
JUNE 30, 2024 (1)**

	General	Capital Projects	ARPA Grant Fund	HOME Grant Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash and short-term investments	\$ 44,446,134	\$ 12,590,145	\$ 18,792,786	\$ 3,125,523	\$ 27,119,759	\$106,074,347
Investments	-	-	-	-	6,985,609	6,985,609
Receivables, net of allowance for uncollectibles						
Real estate and personal property taxes	1,183,693	-	-	-	12,528	1,196,221
Tax title	2,301,364	-	-	-	-	2,301,364
Department and other	1,782,463	-	-	-	-	1,782,463
Leases	1,128,154	-	-	-	-	1,128,154
Loans	-	-	-	38,106,793	6,113,764	44,220,557
Intergovernmental	401,000	-	-	-	2,143,515	2,544,515
Due from other funds	565,032	-	-	-	-	565,032
<b>Total Assets</b>	<b>\$ 51,807,840</b>	<b>\$ 12,590,145</b>	<b>\$ 18,792,786</b>	<b>\$ 41,232,316</b>	<b>\$ 42,375,175</b>	<b>\$166,798,262</b>
<b>Total Deferred Outflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Assets and Deferred Outflows of Resources</b>	<b>51,807,840</b>	<b>12,590,145</b>	<b>18,792,786</b>	<b>41,232,316</b>	<b>42,375,175</b>	<b>166,798,262</b>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>LIABILITIES:</b>						
Warrants and accounts payable	\$ 2,005,933	\$ 131,020	\$ 383,204	\$ -	\$ 1,449,398	\$ 3,969,555
Accrued payroll and withholdings payable	6,479,033	-	-	-	-	6,479,033
Retainage payable	-	-	307,378	-	-	307,378
Unearned revenue	-	-	15,377,799	-	-	15,377,799
Other liabilities	68,736	-	-	-	501	69,237
Due to other funds	-	-	-	-	565,032	565,032
<b>Total Liabilities</b>	<b>8,553,702</b>	<b>131,020</b>	<b>16,068,381</b>	<b>-</b>	<b>2,014,931</b>	<b>26,768,034</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>						
Unavailable revenues - property taxes	\$ 3,485,057	\$ -	\$ -	\$ -	\$ 12,528	\$ 3,497,585
Unavailable revenues - leases	1,128,154	-	-	-	-	1,128,154
Unavailable revenues - other	1,782,463	-	-	-	-	1,782,463
<b>Total Deferred Inflows of Resources</b>	<b>6,395,674</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,528</b>	<b>6,408,202</b>
<b>FUND BALANCES:</b>						
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ 7,147,376	\$ 7,147,376
Restricted	-	12,459,125	2,724,405	41,232,316	34,380,915	90,796,761
Assigned	7,270,347	-	-	-	-	7,270,347
Unassigned	29,588,117	-	-	-	(1,180,575)	28,407,542
<b>Total Fund Balances</b>	<b>36,858,464</b>	<b>12,459,125</b>	<b>2,724,405</b>	<b>41,232,316</b>	<b>40,347,716</b>	<b>133,622,026</b>
<b>Total Liabilities, Deferred Inflows Of Resources, and Fund Balances</b>	<b>\$ 51,807,840</b>	<b>\$ 12,590,145</b>	<b>\$ 18,792,786</b>	<b>\$ 41,232,316</b>	<b>\$ 42,375,175</b>	<b>\$166,798,262</b>

(1) Extracted from audited financial statements of the City.

CITY OF MALDEN, MASSACHUSETTS  
BALANCE SHEET - GOVERNMENTAL FUNDS  
JUNE 30, 2023

	General	Capital Projects	ARPA Grant Fund	HOME Grant Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets:</b>						
Cash and short-term investments	\$ 37,721,660	\$ 11,892,064	\$ 30,892,605	\$ 2,636,235	\$ 23,058,067	\$ 106,200,631
Investments	-	-	-	-	6,841,202	6,841,202
Receivables, net of allowance for uncollectibles:						
Real estate and personal property taxes	1,422,623	-	-	-	14,267	1,436,890
Tax title	1,901,755	-	-	-	-	1,901,755
Departmental and other	1,978,586	-	-	-	-	1,978,586
Leases	1,184,394	-	-	-	-	1,184,394
Loans	-	-	-	36,872,866	2,226,781	39,099,647
Intergovernmental	1,076,147	-	-	-	1,575,505	2,651,652
Due from other funds	538,210	-	-	-	-	538,210
<b>Total Assets</b>	<u>45,823,375</u>	<u>11,892,064</u>	<u>30,892,605</u>	<u>39,509,101</u>	<u>33,715,822</u>	<u>161,832,967</u>
<b>Total Deferred Outflows of Resources</b>	-	-	-	-	-	-
<b>Total Assets and Deferred Outflows of Resources</b>	<u>\$ 45,823,375</u>	<u>\$ 11,892,064</u>	<u>\$ 30,892,605</u>	<u>\$ 39,509,101</u>	<u>\$ 33,715,822</u>	<u>\$ 161,832,967</u>
<b>Liabilities:</b>						
Warrants and accounts payable	\$ 2,204,069	\$ 147,141	\$ 852,392	\$ -	\$ 642,492	\$ 3,846,094
Accrued payroll and withholdings payable	6,418,666	-	-	-	-	6,418,666
Retainage payable	-	125,853	110,765	-	-	236,618
Unearned revenue	-	-	29,929,448	-	-	29,929,448
Other liabilities	1,407,983	-	-	-	10,820	1,418,803
Short term notes payable	-	95,000	-	-	-	95,000
Due to other funds	-	-	-	-	538,210	538,210
<b>Total Liabilities</b>	<u>10,030,718</u>	<u>367,994</u>	<u>30,892,605</u>	<u>-</u>	<u>1,191,522</u>	<u>42,482,839</u>
<b>Deferred Inflows of Resources:</b>						
Unavailable revenues - property taxes	3,324,378	-	-	-	14,267	3,338,645
Unavailable revenues - leases	1,184,394	-	-	-	-	1,184,394
Unavailable revenues - other	1,978,586	-	-	-	-	1,978,586
<b>Total Deferred Inflows of Resources</b>	<u>6,487,358</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,267</u>	<u>6,501,625</u>
<b>Fund Balances:</b>						
Nonspendable	-	-	-	-	6,957,340	6,957,340
Restricted	-	11,524,070	-	39,509,101	25,844,413	76,877,584
Assigned	6,453,236	-	-	-	-	6,453,236
Unassigned	22,852,063	-	-	-	(291,720)	22,560,343
<b>Total Fund Balances</b>	<u>29,305,299</u>	<u>11,524,070</u>	<u>-</u>	<u>39,509,101</u>	<u>32,510,033</u>	<u>112,848,503</u>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<u>\$ 45,823,375</u>	<u>\$ 11,892,064</u>	<u>\$ 30,892,605</u>	<u>\$ 39,509,101</u>	<u>\$ 33,715,822</u>	<u>\$ 161,832,967</u>

Source: Extracted from audited financial statements of the City.

**CITY OF MALDEN, MASSACHUSETTS  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
JUNE 30, 2022 (1)**

	General	Capital Projects	ARPA Grant Fund	HOME Grant Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash and short-term investments	\$ 35,937,661	\$ 10,181,212	\$ 31,548,543	\$ 1,730,388	\$ 19,523,685	\$ 98,921,489
Investments	-	-	-	-	5,804,234	5,804,234
Receivables, net of allowance for uncollectibles						
Real estate and personal property taxes	864,022	-	-	-	5,058	869,080
Tax title	2,085,224	-	-	-	-	2,085,224
Department and other	1,556,148	-	-	-	-	1,556,148
Leases	1,239,203	-	-	-	-	1,239,203
Loans	-	-	-	34,750,406	2,284,385	37,034,791
Intergovernmental	573,000	-	-	-	1,904,432	2,477,432
Due from other funds	801,387	-	-	-	-	801,387
<b>Total Assets</b>	<b>\$ 43,056,645</b>	<b>\$ 10,181,212</b>	<b>\$ 31,548,543</b>	<b>\$ 36,480,794</b>	<b>\$ 29,521,794</b>	<b>\$150,788,988</b>
<b>Total Deferred Outflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Assets and Deferred Outflows of Resources</b>	<b>43,056,645</b>	<b>10,181,212</b>	<b>31,548,543</b>	<b>36,480,794</b>	<b>29,521,794</b>	<b>150,788,988</b>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>LIABILITIES:</b>						
Warrants and accounts payable	\$ 1,840,139	\$ 602,357	\$ 177,905	\$ 1,313,615	\$ 663,609	\$ 4,597,625
Accrued payroll and withholdings payable	5,490,360	-	-	-	-	5,490,360
Retainage payable	-	155,147	591,039	-	36,180	782,366
tax refunds payable	1,418,770	-	-	-	-	1,418,770
Unearned revenue	-	-	30,779,599	-	-	30,779,599
Other liabilities	1,272,850	-	-	-	5,106	1,277,956
Short term notes payable	-	2,712,209	-	-	-	2,712,209
Due to other funds	-	-	-	-	801,387	801,387
<b>Total Liabilities</b>	<b>10,022,119</b>	<b>3,469,713</b>	<b>31,548,543</b>	<b>1,313,615</b>	<b>1,506,282</b>	<b>47,860,272</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>						
Unavailable revenues - property taxes	\$ 2,949,246	\$ -	\$ -	\$ -	\$ 5,058	\$ 2,954,304
Unavailable revenues - leases	1,239,203	-	-	-	-	1,239,203
Unavailable revenues - other	1,556,148	-	-	-	-	1,556,148
<b>Total Deferred Inflows of Resources</b>	<b>5,744,597</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,058</b>	<b>5,749,655</b>
<b>FUND BALANCES:</b>						
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ 6,496,095	\$ 6,496,095
Restricted	-	9,439,932	-	35,167,179	21,683,569	66,290,680
Assigned	3,918,262	-	-	-	-	3,918,262
Unassigned	23,371,667	(2,728,433)	-	-	(169,210)	20,474,024
<b>Total Fund Balances</b>	<b>27,289,929</b>	<b>6,711,499</b>	<b>-</b>	<b>35,167,179</b>	<b>28,010,454</b>	<b>97,179,061</b>
<b>Total Liabilities, Deferred Inflows Of Resources, and Fund Balances</b>	<b>\$ 43,056,645</b>	<b>\$ 10,181,212</b>	<b>\$ 31,548,543</b>	<b>\$ 36,480,794</b>	<b>\$ 29,521,794</b>	<b>\$150,788,988</b>

(1) Extracted from audited financial statements of the City.

**CITY OF MALDEN, MASSACHUSETTS**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2024 (1)**

	General	Capital Projects	ARPA Grant Fund	HOME Grant Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>						
Real estate and personal property taxes, net	\$ 108,124,107	\$ -	\$ -	\$ -	\$ 884,813	\$ 109,008,920
Intergovernmental	94,994,757	-	15,901,429	2,821,304	34,158,002	147,875,492
Tax title	677,310	-	-	-	-	677,310
Motor Vehicle and other excise	8,238,589	-	-	-	-	8,238,589
Licenses and permits	3,421,749	-	-	-	-	3,421,749
Departmental and other	8,233,530	-	-	1,618,232	9,023,081	18,874,843
Penalties and interest on taxes	1,076,396	-	-	-	-	1,076,396
Interest and investment income	3,669,721	-	1,418,165	-	551,723	5,639,609
Contributions and donations	-	-	-	-	949,165	949,165
<b>Total Revenues</b>	<b>\$ 228,436,159</b>	<b>\$ -</b>	<b>\$ 17,319,594</b>	<b>\$ 4,439,536</b>	<b>\$ 45,566,784</b>	<b>\$ 295,762,073</b>
<b>EXPENDITURES</b>						
Current:						
General government	\$ 9,323,274	\$ 145,041	\$ 3,080,090	\$ -	\$ 461,238	\$ 13,009,643
Public Safety	27,801,924	1,904	-	-	6,484,089	34,287,917
Education	90,529,684	417	3,925,226	-	24,504,371	118,959,698
Public works	10,086,966	4,743,288	274,051	-	1,767,536	16,871,841
Health and human services	1,373,765	-	-	-	1,737,805	3,111,570
Culture and recreation	2,983,435	1,062,381	1,646,417	-	3,021,152	8,713,385
Community development	-	-	-	2,716,321	2,935,333	5,651,654
Pension and fringe benefits	55,462,541	-	-	-	-	55,462,541
State and county tax assessments	15,203,098	-	-	-	-	15,203,098
Debt Service:						
Principal	5,734,362	-	-	-	461,000	6,195,362
Interest expense	1,626,509	-	-	-	105,577	1,732,086
<b>Total Expenditures</b>	<b>220,125,558</b>	<b>5,953,031</b>	<b>8,925,784</b>	<b>2,716,321</b>	<b>41,478,101</b>	<b>279,198,795</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>8,310,601</b>	<b>(5,953,031)</b>	<b>8,393,810</b>	<b>1,723,215</b>	<b>4,088,683</b>	<b>16,563,278</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	\$ 100,000	1,051,283	-	-	\$ 4,415,577	\$ 5,566,860
Transfers out	(857,436)	-	(5,669,405)	-	(666,577)	(7,193,418)
Issuance of bonds	-	5,115,000	-	-	-	5,115,000
Premium from issuance of bonds and notes	-	721,803	-	-	-	721,803
<b>Total Other Financing Sources (Uses)</b>	<b>(757,436)</b>	<b>6,888,086</b>	<b>(5,669,405)</b>	<b>-</b>	<b>3,749,000</b>	<b>4,210,245</b>
<b>Special Items:</b>						
Transfer of operations (MRA)	-	-	-	-	-	-
Transfer of operations (NSC)	-	-	-	-	-	-
<b>Total Special Items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>7,553,165</b>	<b>935,055</b>	<b>2,724,405</b>	<b>1,723,215</b>	<b>7,837,683</b>	<b>20,773,523</b>
Fund Balances - Beginning	29,305,299	11,524,070	-	39,509,101	32,510,033	112,848,503
Fund Balances - Ending	<u>\$ 36,858,464</u>	<u>\$ 12,459,125</u>	<u>\$ 2,724,405</u>	<u>\$ 41,232,316</u>	<u>\$ 40,347,716</u>	<u>\$ 133,622,026</u>

(1) Extracted from audited financial statements of the City.

## CITY OF MALDEN, MASSACHUSETTS

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
GOVERNMENTAL FUNDS  
FISCAL YEAR ENDED JUNE 30, 2023**

	General	Capital Projects	ARPA Grant Fund	HOME Grant Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues:</b>						
Real estate and personal property taxes, net	\$ 105,170,308	\$ -	\$ -	\$ -	\$ 848,431	\$ 106,018,739
Intergovernmental	83,894,794	-	6,722,946	3,274,947	28,606,121	122,498,808
Tax title	694,066	-	-	-	-	694,066
Motor vehicle and other excise	7,106,556	-	-	-	-	7,106,556
Licenses and permits	2,680,116	-	-	-	-	2,680,116
Departmental and other	8,658,777	3,700	-	3,317,149	8,086,385	20,066,011
Penalties and interest on taxes	963,438	-	-	-	-	963,438
Interest and investment income	1,881,885	-	1,306,240	-	694,221	3,882,346
Contributions and donations	-	-	-	-	996,793	996,793
<b>Total Revenues</b>	<b>211,049,940</b>	<b>3,700</b>	<b>8,029,186</b>	<b>6,592,096</b>	<b>39,231,951</b>	<b>264,906,873</b>
<b>Expenditures:</b>						
<b>Current:</b>						
General government	9,031,179	47,371	3,846,911	-	504,550	13,430,011
Public safety	26,845,398	1,002	141,280	-	5,902,133	32,889,813
Education	81,268,527	-	-	-	20,237,374	101,505,901
Public works	10,177,183	4,627,313	810,811	-	1,326,056	16,941,363
Health and human services	1,285,006	-	-	-	1,318,749	2,603,755
Culture and recreation	2,697,883	-	1,405,895	-	2,583,399	6,687,177
Community development	-	-	-	2,250,174	2,298,886	4,549,060
Pension and fringe benefits	50,813,424	-	-	-	-	50,813,424
State and county tax assessments	14,898,200	-	-	-	-	14,898,200
<b>Debt service:</b>						
Principal	5,512,727	-	-	-	320,000	5,832,727
Interest expense	1,833,503	-	-	-	116,225	1,949,728
<b>Total Expenditures</b>	<b>204,363,030</b>	<b>4,675,686</b>	<b>6,204,897</b>	<b>2,250,174</b>	<b>34,607,372</b>	<b>252,101,159</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>6,686,910</b>	<b>(4,671,986)</b>	<b>1,824,289</b>	<b>4,341,922</b>	<b>4,624,579</b>	<b>12,805,714</b>
<b>Other Financing Sources (Uses):</b>						
Transfers in	125,000	5,079,557	-	-	300,000	5,504,557
Transfers out	(4,796,540)	-	(1,824,289)	-	(425,000)	(7,045,829)
Issuance of bonds	-	4,405,000	-	-	-	4,405,000
<b>Total Other Financing Sources (Uses)</b>	<b>(4,671,540)</b>	<b>9,484,557</b>	<b>(1,824,289)</b>	<b>-</b>	<b>(125,000)</b>	<b>2,863,728</b>
<b>Net Change in Fund Balance</b>	<b>2,015,370</b>	<b>4,812,571</b>	<b>-</b>	<b>4,341,922</b>	<b>4,499,579</b>	<b>15,669,442</b>
<b>Fund Balances - Beginning</b>	<b>27,289,929</b>	<b>6,711,499</b>	<b>-</b>	<b>35,167,179</b>	<b>28,010,454</b>	<b>97,179,061</b>
<b>Fund Balances - Ending</b>	<b>\$ 29,305,299</b>	<b>\$ 11,524,070</b>	<b>\$ -</b>	<b>\$ 39,509,101</b>	<b>\$ 32,510,033</b>	<b>\$ 112,848,503</b>

(1) Extracted from audited financial statements of the City.

**CITY OF MALDEN, MASSACHUSETTS**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2022 (1)**

	General	Capital Projects	ARPA Grant Fund	HOME Grant Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>						
Real estate and personal property taxes, net	\$100,748,253	\$ -	\$ -	\$ -	\$ 808,577	\$101,556,830
Intergovernmental	76,854,339	-	9,080,500	1,231,534	29,525,635	116,692,008
Tax title	1,196,473	-	-	-	-	1,196,473
Motor Vehicle and other excise	6,982,969	-	-	-	-	6,982,969
Licenses and permits	2,612,885	-	-	-	-	2,612,885
Departmental and other	8,407,269	100	-	1,654,583	6,766,005	16,827,957
Penalties and interest on taxes	842,611	-	-	-	-	842,611
Interest and investment income	153,516	-	60,752	-	219,776	434,044
Contributions and donations	-	-	-	-	291,319	291,319
<b>Total Revenues</b>	<b>\$197,798,315</b>	<b>\$ 100</b>	<b>\$ 9,141,252</b>	<b>\$ 2,886,117</b>	<b>\$ 37,611,312</b>	<b>\$247,437,096</b>
<b>EXPENDITURES</b>						
Current:						
General government	\$ 9,023,126	\$ -	\$ 5,554,220	\$ -	\$ 3,811,367	\$ 18,388,713
Public Safety	25,227,879	26,861	99,295	-	4,885,149	30,239,184
Education	79,835,914	-	-	-	17,442,490	97,278,404
Public works	9,905,943	5,553,309	1,939,700	-	1,643,182	19,042,134
Health and human services	1,171,557	-	-	-	919,201	2,090,758
Culture and recreation	2,444,391	-	-	-	1,887,835	4,332,226
Community development	-	-	-	2,729,671	2,553,527	5,283,198
Pension and fringe benefits	46,223,692	-	-	-	-	46,223,692
State and county tax assessments	14,527,749	-	-	-	-	14,527,749
Debt Service:						
Principal	5,402,851	-	-	-	320,000	5,722,851
Interest expense	1,681,605	-	-	-	126,855	1,808,460
<b>Total Expenditures</b>	<b>195,444,707</b>	<b>5,580,170</b>	<b>7,593,215</b>	<b>2,729,671</b>	<b>33,589,606</b>	<b>244,937,369</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>2,353,608</b>	<b>(5,580,070)</b>	<b>1,548,037</b>	<b>156,446</b>	<b>4,021,706</b>	<b>2,499,727</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	\$ 150,000	434,363	-	-	\$ -	\$ 584,363
Transfers out	(802,828)	-	(1,548,037)	-	(150,000)	(2,500,865)
Issuance of bonds	-	8,270,000	-	-	-	8,270,000
Premium from issuance of bonds and notes	-	809,564	-	-	120,655	930,219
<b>Total Other Financing Sources (Uses)</b>	<b>(652,828)</b>	<b>9,513,927</b>	<b>(1,548,037)</b>	<b>-</b>	<b>(29,345)</b>	<b>7,283,717</b>
<b>Special Items:</b>						
Transfer of operations (MRA)	1,775,420	(753,509)	-	-	3,922,120	4,944,031
Transfer of operations (NSC)	-	-	-	35,010,733	-	35,010,733
<b>Total Special Items</b>	<b>1,775,420</b>	<b>(753,509)</b>	<b>-</b>	<b>35,010,733</b>	<b>3,922,120</b>	<b>39,954,764</b>
<b>Net Change in Fund Balance</b>	<b>3,476,200</b>	<b>3,180,348</b>	<b>-</b>	<b>35,167,179</b>	<b>7,914,481</b>	<b>49,738,208</b>
Fund Balances - Beginning	23,813,729	3,531,151	-	-	20,095,973	47,440,853
Fund Balances - Ending	<u>\$ 27,289,929</u>	<u>\$ 6,711,499</u>	<u>\$ -</u>	<u>\$ 35,167,179</u>	<u>\$ 28,010,454</u>	<u>\$ 97,179,061</u>

(1) Extracted from audited financial statements of the City.



**CITY OF MALDEN, MASSACHUSETTS**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2021 (1)**

	General	Capital Projects	ARPA Grant Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>					
Real estate and personal property taxes, net	\$ 96,198,292	\$ -	\$ -	\$ 775,130	\$ 96,973,422
Intergovernmental	88,999,384	-	41,396	18,402,050	107,442,830
Tax title	58,783	-	-	-	58,783
Motor Vehicle and other excise	6,276,974	-	-	-	6,276,974
Licenses and permits	1,824,842	-	-	-	1,824,842
Departmental and other	6,236,674	98,175	-	6,154,449	12,489,298
Penalties and interest on taxes	872,329	-	-	-	872,329
Interest and investment income	117,715	-	-	1,231,685	1,349,400
Contributions and donations	-	-	-	536,084	536,084
<b>Total Revenues</b>	<b>\$200,584,993</b>	<b>\$ 98,175</b>	<b>\$ 41,396</b>	<b>\$ 27,099,398</b>	<b>\$227,823,962</b>
<b>EXPENDITURES</b>					
Current:					
General government	\$ 7,575,321	\$ 1,026,244	\$ 41,396	\$ 2,259,606	\$ 10,902,567
Public Safety	23,277,028	1,478,741	-	5,508,578	30,264,347
Education	74,768,417	-	-	12,963,197	87,731,614
Public works	7,313,003	1,571,894	-	2,159,156	11,044,053
Health and human services	1,018,937	-	-	930,272	1,949,209
Culture and recreation	2,363,540	-	-	2,110,966	4,474,506
Pension and fringe benefits	58,021,556	-	-	-	58,021,556
State and county tax assessments	14,945,157	-	-	-	14,945,157
Debt Service:					
Principal	5,110,000	-	-	-	5,110,000
Interest expense	1,714,242	-	-	-	1,714,242
<b>Total Expenditures</b>	<b>196,107,201</b>	<b>4,076,879</b>	<b>41,396</b>	<b>25,931,775</b>	<b>226,157,251</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>4,477,792</b>	<b>(3,978,704)</b>	<b>-</b>	<b>1,167,623</b>	<b>1,666,711</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	\$ 602,578	4,200,000	-	\$ 543,000	\$ 5,345,578
Transfers out	(4,829,813)	-	-	(1,065,578)	(5,895,391)
Issuance of refunding bonds	6,245,000	-	-	-	6,245,000
Premium from issuance of refunding bonds	818,608	-	-	-	818,608
Payments to refunding escrow agent	(6,969,463)	-	-	-	(6,969,463)
Issuance of capital leases	-	1,472,217	-	-	1,472,217
<b>Total Other Financing Sources (Uses)</b>	<b>(4,133,090)</b>	<b>5,672,217</b>	<b>-</b>	<b>(522,578)</b>	<b>1,016,549</b>
<b>Net Change in Fund Balance</b>	<b>344,702</b>	<b>1,693,513</b>	<b>-</b>	<b>645,045</b>	<b>2,683,260</b>
Fund Balances - Beginning	23,469,027	1,837,638	-	19,450,928	44,757,593
Fund Balances - Ending	<u>\$ 23,813,729</u>	<u>\$ 3,531,151</u>	<u>\$ -</u>	<u>\$ 20,095,973</u>	<u>\$ 47,440,853</u>

(1) Extracted from audited financial statements of the City.

**CITY OF MALDEN, MASSACHUSETTS**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2020 (1)**

	General	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>				
Real estate and personal property taxes, net	\$ 92,831,201	\$ -	\$ 746,759	\$ 93,577,960
Intergovernmental	86,671,905	-	14,889,905	101,561,810
Tax title	170,194	-	-	170,194
Motor Vehicle and other excise	6,117,492	-	-	6,117,492
Licenses and permits	1,896,851	-	-	1,896,851
Departmental and other	7,022,702	-	3,737,082	10,759,784
Penalties and interest on taxes	557,348	-	-	557,348
Interest and investment income	467,698	-	(65,710)	401,988
Contributions and donations	-	2,258,480	1,532,478	3,790,958
<b>Total Revenues</b>	<b>\$195,735,391</b>	<b>\$ 2,258,480</b>	<b>\$ 20,840,514</b>	<b>\$218,834,385</b>
<b>EXPENDITURES</b>				
Current:				
General government	\$ 7,124,823	\$ 16,514,391	\$ 976,211	\$ 24,615,425
Public Safety	23,113,918	72,177	707,183	23,893,278
Education	76,313,633	-	12,847,117	89,160,750
Public works	7,229,935	2,679,416	2,262,433	12,171,784
Health and human services	1,060,495	-	653,866	1,714,361
Culture and recreation	2,316,730	-	937,905	3,254,635
Pension and fringe benefits	53,235,372	-	-	53,235,372
State and county tax assessments	14,973,610	-	-	14,973,610
Debt Service:				
Principal	5,841,000	-	-	5,841,000
Interest expense	1,957,312	-	-	1,957,312
<b>Total Expenditures</b>	<b>193,166,828</b>	<b>19,265,984</b>	<b>18,384,715</b>	<b>230,817,527</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>2,568,563</b>	<b>(17,007,504)</b>	<b>2,455,799</b>	<b>(11,983,142)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	\$ 36,850	388,315	\$ -	\$ 425,165
Transfers out	-	-	(77,377)	(77,377)
<b>Total Other Financing Sources (Uses)</b>	<b>36,850</b>	<b>388,315</b>	<b>(77,377)</b>	<b>347,788</b>
<b>Net Change in Fund Balance</b>	<b>2,605,413</b>	<b>(16,619,189)</b>	<b>2,378,422</b>	<b>(11,635,354)</b>
Fund Balances - Beginning	20,863,614	18,456,827	16,191,686	55,512,127
Fund Balances - Ending	<b>\$ 23,469,027</b>	<b>\$ 1,837,638</b>	<b>\$ 18,570,108</b>	<b>\$ 43,876,773</b>

(1) Extracted from audited financial statements of the City.

## Retirement

Malden has its own Contributory Retirement System (the "System"), and the estimated unfunded pension benefit obligation for the System as of January 1, 2024 was approximately \$81,638,185. All employees except for teachers are member of the System.

The following table sets forth the City's annual contributions to its retirement system for fiscal years indicated.

<u>Fiscal Year</u>	<u>Contributory</u>	<u>Non Contributory</u>	<u>Total</u>
2024	\$ 15,438,903	\$ -	\$ 15,438,903
2023	14,830,839	-	14,830,839
2022	13,761,682	-	13,761,682
2021	12,381,982	19,468	12,401,450
2020	11,511,161	-	11,511,161

SOURCE: City Auditor.

For further information on the City's Retirement System see Appendix A attached hereto.

## Current Funding Schedule

<u>Fiscal Year</u>	<u>Normal Cost</u>	<u>Unfunded Act. Liab.</u>	<u>Funding Amortization of UAAL</u>	<u>Net 3(8)(c)</u>	<u>Schedule Contribution</u>
2026	3,940,403	78,736,938	12,840,610	367,245	17,148,258
2027	4,117,721	70,344,331	13,097,422	367,245	17,582,388
2028	4,303,019	61,111,075	13,359,370	367,245	18,029,634
2029	4,496,654	50,974,945	13,626,558	367,245	18,490,457
2030	4,699,004	39,869,404	13,899,089	367,245	18,965,338
2031	4,910,459	27,723,311	14,177,071	367,245	19,454,775
2032	5,131,430	14,460,612	14,460,612	367,245	19,959,287
2033	5,362,344	-	-	367,245	5,729,589

Source: January 1, 2024 Actuarial Valuation Report of the Malden Contributory Retirement System, PERAC.

### Other Post-Employment Benefits

In addition to pension benefits, cities and towns may provide retired employees with payments for a portion of their health care and life insurance benefits. The portion of the cost of such benefits paid by cities or towns is generally provided on a pay-as-you-go basis. The approximate pay-as-you-go cost to the City for such benefits in recent years has been as follows:

<u>Fiscal Year</u>	<u>Benefit Costs</u>
2024	\$9,148,364
2023	8,314,621
2022	8,524,182
2021	8,104,253
2020	8,473,849

The Governmental Accounting Standards Board ("GASB") Statement No. 75, "Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions," replaces the requirements of Statement No. 45, "Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions." GASB Statement No. 75 introduces a new actuarial cost method and discount rate as well as new disclosure and methodologies for reporting plan liability and OPEB expenses. It establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expenses/expenditures. Cities and towns may establish a trust fund for the purpose of pre-funding other post-employment benefits liability in the same manner as traditional pension benefits.

The City was required to implement the GASB reporting requirements for other post-employment benefits beginning in fiscal year 2008. The City recognizes that it has a liability to fund Other Post Employment Benefits and Odyssey Advisors, Colchester, CT has completed the updated actuarial study of its obligations. As of June 30, 2022 (measurement date), the City's estimated unfunded liability was approximately \$271,417,830 and the annual Actuarially Determined Contribution (ADC) was \$18,151,287. The City accepted the provisions of M.G.L. Ch.32B, Section 20 in September 2012. The City recently established an OPEB Trust Fund to address this liability.

### LITIGATION

At present there are various cases pending in various courts throughout the Commonwealth where the City of Malden is a defendant. In the opinion of the City Solicitor, there is no litigation, either pending or threatened, that is expected to result in final judgments against the City that would have a materially adverse effect on its financial position.

## CITY OF MELROSE, MASSACHUSETTS

### General

The City of Melrose, Massachusetts (the "City"), incorporated as a town in 1850 and as a city in 1899, is located in Middlesex County. The City is primarily a residential community and a suburb of Boston, which is approximately 7 miles away. It is bordered on the north by the Town of Wakefield, on the south by the City of Malden, on the east by the Town of Saugus and on the west by the Town of Stoneham. It is 4.76 square miles in area and, according to 2010 Federal Census estimates, has a population of 26,983 persons.

### Age and Income Levels

	<u>Melrose</u>	<u>Massachusetts</u>	<u>United States</u>
<b>Median Age:</b>			
2020	40.7	39.9	38.8
2010	41.0	39.1	37.2
2000	39.4	36.5	35.3
1990	34.0	33.6	32.9
<b>Median Family Income:</b>			
2020	\$148,070	\$106,526	\$80,069
2010	105,893	81,165	62,982
2000	78,144	61,664	50,046
1990	53,866	44,367	35,225
<b>Per Capita Income:</b>			
2020	\$56,127	\$45,555	\$35,384
2010	39,873	33,966	27,334
2000	30,347	25,952	21,587
1990	20,202	17,224	14,420

Source: U.S. Department of Commerce, Bureau of the Census.

### Labor Force, Employment and Unemployment Rate

According to the Massachusetts Executive Office of Labor and Workforce Development, in November 2024, the City had a total labor force of 17,023 of whom 16,420 were employed and 603 or 3.5% were unemployed as compared with 3.9% for the Commonwealth.

The following table sets forth the City's average labor force and unemployment rates for calendar years 2019 through 2023 and the unemployment rates for the Commonwealth and the United States for the same period:

<u>Calendar Year</u>	<u>City of Melrose</u>		<u>Massachusetts</u>	<u>United States</u>
	<u>Labor Force</u>	<u>Unemployment Rate</u>	<u>Unemployment Rate</u>	<u>Unemployment Rate</u>
2023	16,607	2.7%	3.4%	3.6%
2022	16,465	2.8	3.8	3.6
2021	16,335	4.3	5.7	5.4
2020	16,019	7.2	8.9	8.1
2019	17,076	2.4	2.9	3.7

Source: Massachusetts Executive Office of Labor and Workforce Development.

## Tax Levy Computation

The following table shows the details of the calculation of the tax levies for the following fiscal years.

	For Fiscal Year				
	2025	2024	2023	2022	2021
Gross Amount to be Raised:					
Appropriations	\$ 130,861,206	\$ 126,178,235	\$ 118,145,503	\$ 113,051,292	\$ 109,415,890
Other Local Expenditures	181,931	70,522	73,083	81,191	108,487
State & County Charges	5,185,016	4,774,018	4,838,455	4,633,937	4,184,070
Overlay Reserve	856,426	528,701	487,208	250,000	647,486
Total Gross Amount to be Raised	\$ 137,084,578	\$ 131,551,477	\$ 123,544,249	\$ 118,016,420	\$ 114,355,933
Less Estimated Receipts & Other Revenue:					
Estimated Receipts from State	\$ 20,363,914	\$ 19,407,008	\$ 16,889,742	\$ 15,289,092	\$ 15,524,305
Estimated Receipts - Local	31,189,923	27,506,752	26,589,336	25,817,306	24,267,020
Available Funds Appropriated:					
Free Cash	5,047,703	7,159,906	5,402,224	5,020,783	4,961,081
Other Available Funds	1,208,600	921,328	699,546	717,583	725,583
Free Cash and Other Revenue Used to Reduce the Tax Rate	-	-	-	-	-
Total Estimated Receipts & Revenue	\$ 57,810,140	\$ 54,994,994	\$ 49,580,848	\$ 46,844,764	\$ 45,477,989
Net Amount to be Raised (Tax Levy)	\$ 79,274,439	\$ 76,556,482	\$ 73,963,400	\$ 71,171,656	\$ 68,877,944
Assessed Valuation (000)	\$ 7,729,420	\$ 7,435,838	\$ 6,856,830	\$ 6,508,565	\$ 6,076,979
Tax Rate per \$1,000:					
Residential/Open Space	\$ 9.90	\$ 9.93	\$ 10.42	\$ 10.57	\$ 10.95
Commercial/Industrial/Personal	\$ 17.75	\$ 17.71	\$ 18.12	\$ 18.03	\$ 18.69

Source: Board of Assessors.

Note: Property tax rates may not be set by the local assessors until they have been approved by the Commissioner of Revenue.

## Classification of Property

The following is a breakdown by classification of the City's assessed valuations for the following fiscal years:

	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Assessed Valuation	% of Total	Assessed Valuation	% of Total	Assessed Valuation	% of Total
Residential	\$ 7,342,445,623	95.0 %	\$ 7,060,349,614	95.0 %	\$ 6,513,661,496	95.0 %
Commercial	198,770,977	2.6	195,641,976	2.6	183,546,364	2.7
Industrial	29,630,910	0.4	28,702,070	0.4	21,730,900	0.3
Personal	158,572,820	2.1	151,144,520	2.0	137,891,480	2.0
Total	\$ 7,729,420,330	100.0 %	\$ 7,435,838,180	100.0 %	\$ 6,856,830,240	100.0 %

## Tax Collections

Fiscal Year	Gross Tax Levy	Overlay Reserve for Abatements	Net Tax Levy (1)	Collected During Fiscal Year Payable	% of Net Collected at Fiscal Year End (2,3)	Collected as of June 30, 2024	% of Net Collected at June 30, 2024 (4)
2024	\$ 76,556,482	\$ 528,701	\$ 76,027,781	\$ 75,667,168	99.5 %	\$ 75,667,168	99.5 %
2023	73,963,400	487,208	73,476,192	73,118,580	99.5	73,554,823	100.1
2022	71,171,856	250,000	70,921,856	70,288,184	99.1	70,662,337	99.6
2021	68,877,944	647,486	68,230,458	66,906,169	98.1	68,355,318	100.2
2020	66,627,306	677,332	65,949,974	64,460,398	97.7	65,885,755	99.9

Source: Board of Assessors as to rates and levies; City Auditor as to collections.

(1) Net of overlay for abatements.

(2) i.e., at the end of the fiscal year for which levied.

(3) Actual collections less refunds but excluding proceeds of tax titles and possessions attributable to that year's levy. Non-cash credits which may be abated later are not included in the amount allowed for refunds here.

(4) Collections for the current fiscal year are comparable to previous fiscal years.

## Tax Levies and Tax Levy Limits (1)

The following shows the calculation of levy limits for the following fiscal years:

	For Fiscal Year				
	2025	2024	2023	2022	2021
Primary Levy Limit (2)	\$ 193,235,508	\$ 185,895,955	\$ 171,420,756	\$ 162,714,131	\$ 151,924,481
Prior Fiscal Year Levy Limit	\$ 74,678,383	\$ 72,103,317	\$ 69,288,556	\$ 66,981,117	\$ 64,738,724
Amended Prior Year Growth	(102)	(244)	-	-	-
2.5% Levy Growth	1,866,957	1,802,577	1,732,214	1,674,528	1,618,468
New Growth (3)	770,138	772,733	1,082,547	632,911	623,925
Overrides	-	-	-	-	-
Growth Levy Limit	77,315,376	74,678,383	72,103,317	69,288,556	66,981,117
Debt Exclusions	1,983,592	1,916,677	1,908,234	1,908,234	1,897,592
Capital Expenditure Exclusions	-	-	-	-	-
Tax Levy Limit	\$ 79,298,968	\$ 76,595,060	\$ 74,011,551	\$ 71,196,790	\$ 68,878,709
Tax Levy	79,274,439	76,556,482	73,963,400	71,171,656	68,877,944
Unused Levy Capacity (4)	\$ 24,529	\$ 38,578	\$ 48,151	\$ 25,134	\$ 765
Unused Primary Levy Capacity (5)	\$ 115,920,132	\$ 111,217,572	\$ 99,317,439	\$ 93,425,575	\$ 84,943,364

(1) Source: Massachusetts Department of Revenue.

(2) 2.5% of assessed valuation.

(3) Allowed increase for new valuations - certified by the Department of Revenue.

(4) Tax Levy Limit less Tax Levy.

(5) Primary Levy Limit less Growth Levy Limit.

## Operating Budget Trends

The following table sets forth the trend in the City's operating budget:

	Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2022	Fiscal 2021
General Government	\$ 5,253,098	\$ 5,177,799	\$ 4,772,816	\$ 4,314,175	\$ 4,043,913
Fixed Costs	17,622,583	16,970,724	15,928,636	15,329,175	14,569,551
Public Safety	11,318,863	11,268,828	10,962,714	10,381,135	10,044,345
Health and Sanitation	2,430,954	2,454,910	2,274,264	2,156,815	2,018,200
Public Works	9,132,343	10,413,321	10,260,965	9,807,884	9,571,676
Education	41,000,000	38,511,659	35,511,659	34,085,441	32,985,441
Northeast Regional Vocational School	1,796,142	1,427,538	1,194,123	898,646	803,490
Culture & Recreation	2,113,595	1,884,783	1,825,786	1,743,690	1,709,238
Pensions	7,366,574	7,355,676	7,039,967	6,650,843	6,396,652
Debt Service	5,955,224	5,307,174	5,084,221	5,230,318	5,916,360
Capital Outlay	151,036	400,929	400,929	402,399	339,094
Totals	<u>\$ 104,140,412</u>	<u>\$ 101,173,341</u>	<u>\$ 95,256,080</u>	<u>\$ 91,000,522</u>	<u>\$ 88,397,961</u>

Source: City Auditor.

## Key Debt Ratios

	As of June 30				
	2024	2023	2022	2021	2020
Amount (1)	\$ 37,978,001	\$ 41,803,610	\$ 46,106,767	\$ 50,613,070	\$ 55,799,238
Per Capita (2)	\$ 1,274	\$ 1,402	\$ 1,546	\$ 1,697	\$ 1,871
Percent of Assessed Valuation (3)	0.51%	0.61%	0.71%	0.83%	0.96%
Percent of Equalized Valuation (4)	0.56%	0.61%	0.74%	0.82%	1.06%
Per Capita as a Percent of Personal Income (2) Per Capita	2.43%	2.43%	3.88%	4.26%	4.69%

(1) Excludes temporary loans, lease purchase obligations, overlapping debt, unfunded pension liability and OPEB.

(2) Source: U.S. Department of Commerce, Bureau of the Census - Latest applicable actuals or estimates.

(3) Source: Board of Assessors - Assessed valuation as of the prior January 1.

(4) Source: Massachusetts Department of Revenue. (Equalized valuation in effect for that fiscal year).

## Unassigned General Fund Balances, Stabilization Funds and Free Cash

The following table sets forth the trend in the City's unassigned general fund balances, stabilization funds and free cash as certified by the Bureau of Accounts:

Year	Unassigned General Fund Balance (1)	Regular Stabilization Fund	Contract Stabilization Fund	Capital Stabilization Fund	Special Education Stabilization Fund	Education Public Safety Substance Abuse Stabilization Fund (3)	Free Cash as of 7/1 (4)
2024	\$ 10,758,360	\$ 4,205,552	\$ 1,536,199	\$ 628,058	\$ 763,589	\$ 750,556	\$ 5,850,996
2023	2,860,493	3,940,673	1,025,776	550,532	750,509	654,985	5,047,711
2022	6,972,722	3,818,794	1,282,483	537,257	498,919 (2)	442,680	7,159,906 (5)
2021	11,282,969	3,530,835	1,133,675	551,919	33,646 (2)	25,357	5,402,224
2020	10,486,840	3,048,137	923,712	590,499	528,979	n/a	5,020,783

(1) Source: Audited Financial Statements.

(2) In May 2021 the City Council voted to appropriate \$499,953 from the Fund to the School Department. Subsequently, in June 2022, the City Council voted to appropriate \$465,000 from Free Cash to replenish the Fund.

(3) Established January 27, 2021. Formerly 'Marijuana Stabilization Fund.

(4) Source: Massachusetts Department of Revenue. Subject to certain adjustments, free cash is surplus revenue less uncollected and overdue property taxes from prior years.

(5) Free Cash increase attributable to higher than budgeted new growth and higher tax lien collections.



### Suits and Claims Stabilization Fund

The City also maintains a Suits and Claims Stabilization Fund. The following table sets forth the trend in the Suits and Claims Stabilization Fund balance.

<u>Fiscal Year</u>	<u>Suits &amp; Claims Stabilization Fund Balance</u>
2024	\$ 529,156
2023	502,407
2022	492,922
2021	488,077
2020	284,761

### Financial Statements

Set forth on the following pages is Governmental Funds Balance Sheets for fiscal years 2024, 2023, and 2022. Also included are Governmental Funds Statements of Revenues, Expenditures and Changes in Fund Balances for fiscal years 2024, 2023, 2022, 2021, and 2020. Said statements were extracted from the City's audited financial statements.

**CITY OF MELROSE, MASSACHUSETTS  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
JUNE 30, 2024**

	General	COVID Grants	City Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents.....	\$ 6,108,340	\$ 1,114,436	\$ -	\$ 6,863,737	\$ 14,086,513
Investments.....	11,405,362	-	-	5,263,147	16,668,509
Receivables, net of uncollectibles:					
Real estate and personal property taxes.....	737,165	-	-	-	737,165
Tax liens.....	361,146	-	-	-	361,146
Motor vehicle and other excise taxes.....	549,273	-	-	-	549,273
User charges.....	100,379	-	-	-	100,379
Departmental and other.....	441,512	-	-	466,504	908,016
Intergovernmental.....	-	641,714	-	901,687	1,543,401
Loans.....	-	-	-	57,472	57,472
Lease receivables.....	1,117,944	-	-	-	1,117,944
Due from other funds.....	4,307,487	-	-	-	4,307,487
<b>TOTAL ASSETS.....</b>	<b>\$ 25,128,608</b>	<b>\$ 1,756,150</b>	<b>\$ -</b>	<b>\$ 13,552,547</b>	<b>\$ 40,437,305</b>
<b>LIABILITIES</b>					
Warrants payable.....	\$ 596,139	\$ -	\$ 930	\$ 321,955	\$ 919,024
Accrued payroll.....	247,166	-	-	-	247,166
Tax refunds payable.....	1,325,617	-	-	-	1,325,617
Due to other funds.....	-	-	4,307,487	-	4,307,487
Other liabilities.....	425,136	-	-	-	425,136
Unearned revenue.....	-	1,756,150	-	-	1,756,150
Notes payable.....	-	-	73,082	-	73,082
<b>TOTAL LIABILITIES.....</b>	<b>2,594,058</b>	<b>1,756,150</b>	<b>4,381,499</b>	<b>321,955</b>	<b>9,053,662</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue.....	1,822,321	-	-	488,534	2,310,855
Deferred inflows related to lease receivables.....	1,117,944	-	-	-	1,117,944
<b>TOTAL DEFERRED INFLOWS OF RESOURCES.....</b>	<b>2,940,265</b>	<b>-</b>	<b>-</b>	<b>488,534</b>	<b>3,428,799</b>
<b>FUND BALANCES</b>					
Nonspendable.....	-	-	-	3,249,508	3,249,508
Restricted.....	-	-	-	9,492,550	9,492,550
Committed.....	4,425,137	-	-	-	4,425,137
Assigned.....	4,410,788	-	-	-	4,410,788
Unassigned.....	10,758,360	-	(4,381,499)	-	6,376,861
<b>TOTAL FUND BALANCES.....</b>	<b>19,594,285</b>	<b>-</b>	<b>(4,381,499)</b>	<b>12,742,058</b>	<b>27,954,844</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES.....</b>	<b>\$ 25,128,608</b>	<b>\$ 1,756,150</b>	<b>\$ -</b>	<b>\$ 13,552,547</b>	<b>\$ 40,437,305</b>

SOURCE: Extracted from the audited financial statements of the City.

**CITY OF MELOSE, MASSACHUSETTS**  
**GOVERNMENTAL FUNDS**  
**BALANCE SHEET**

JUNE 30, 2023

	General	COVID Grants	City Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents.....	\$ 9,254,955	\$ 3,013,727	\$ 4,836,809	\$ 7,850,326	\$ 24,955,817
Investments.....	13,144,042	-	-	4,641,185	17,785,227
Receivables, net of uncollectibles:					
Real estate and personal property taxes.....	670,945	-	-	-	670,945
Tax liens.....	437,772	-	-	-	437,772
Motor vehicle and other excise taxes.....	698,464	-	-	-	698,464
User charges.....	56,452	-	-	-	56,452
Departmental and other.....	425,183	-	-	344,812	769,995
Intergovernmental.....	-	1,634,058	-	21,000	1,655,058
Loans.....	-	-	-	63,002	63,002
Lease receivables.....	1,288,624	-	-	-	1,288,624
<b>TOTAL ASSETS.....</b>	<b>\$ 25,976,437</b>	<b>\$ 4,647,785</b>	<b>\$ 4,836,809</b>	<b>\$ 12,920,325</b>	<b>\$ 48,381,356</b>
<b>LIABILITIES</b>					
Warrants payable.....	\$ 217,122	\$ 208,567	\$ 1,763,163	\$ 8,208	\$ 2,197,060
Accrued payroll.....	277,746	-	-	-	277,746
Tax refunds payable.....	669,925	-	-	-	669,925
Other liabilities.....	346,922	-	-	-	346,922
Unearned revenue.....	-	4,439,218	-	-	4,439,218
Notes payable.....	-	-	6,162,471	-	6,162,471
<b>TOTAL LIABILITIES.....</b>	<b>1,511,715</b>	<b>4,647,785</b>	<b>7,925,634</b>	<b>8,208</b>	<b>14,093,342</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue.....	2,121,662	-	-	365,812	2,487,474
Deferred inflows related to lease receivables.....	1,288,624	-	-	-	1,288,624
<b>TOTAL DEFERRED INFLOWS OF RESOURCES..</b>	<b>3,410,286</b>	<b>-</b>	<b>-</b>	<b>365,812</b>	<b>3,776,098</b>
<b>FUND BALANCES</b>					
Nonspendable.....	-	-	-	3,242,788	3,242,788
Restricted.....	-	-	-	9,303,517	9,303,517
Committed.....	3,878,219	-	-	-	3,878,219
Assigned.....	14,315,724	-	-	-	14,315,724
Unassigned.....	2,860,493	-	(3,088,825)	-	(228,332)
<b>TOTAL FUND BALANCES.....</b>	<b>21,054,436</b>	<b>-</b>	<b>(3,088,825)</b>	<b>12,546,305</b>	<b>30,511,916</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES.....</b>	<b>\$ 25,976,437</b>	<b>\$ 4,647,785</b>	<b>\$ 4,836,809</b>	<b>\$ 12,920,325</b>	<b>\$ 48,381,356</b>

SOURCE: Extracted from the audited financial statements of the City.

**CITY OF MELROSE, MASSACHUSETTS**  
**GOVERNMENTAL FUNDS**  
**BALANCE SHEET**

JUNE 30, 2022

	General	COVID Grants	City Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents.....	\$ 16,389,147	\$ -	\$ 4,345,335	\$ 6,845,367	\$ 27,579,849
Investments.....	6,549,228	-	-	3,690,110	10,239,338
Receivables, net of uncollectibles:					
Real estate and personal property taxes.....	747,998	-	-	-	747,998
Tax liens.....	603,733	-	-	-	603,733
Motor vehicle and other excise taxes.....	736,837	-	-	-	736,837
User charges.....	51,787	-	-	-	51,787
Departmental and other.....	392,552	-	-	315,061	707,613
Intergovernmental.....	484,707	2,550,334	-	30,930	3,065,971
Loans.....	-	-	-	83,542	83,542
Lease receivables.....	1,450,997	-	-	-	1,450,997
Due from other funds.....	403,540	-	-	-	403,540
<b>TOTAL ASSETS.....</b>	<b>\$ 27,810,526</b>	<b>\$ 2,550,334</b>	<b>\$ 4,345,335</b>	<b>\$ 10,965,010</b>	<b>\$ 45,671,205</b>
<b>LIABILITIES</b>					
Warrants payable.....	\$ 130,981	\$ 3,150	\$ 218,854	\$ 28,686	\$ 381,671
Accrued payroll.....	261,051	-	-	-	261,051
Tax refunds payable.....	102,222	-	-	-	102,222
Due to other funds.....	-	403,540	-	-	403,540
Other liabilities.....	391,432	-	-	-	391,432
Unearned revenue.....	-	2,143,644	-	-	2,143,644
Notes payable.....	-	-	1,670,471	-	1,670,471
<b>TOTAL LIABILITIES.....</b>	<b>885,686</b>	<b>2,550,334</b>	<b>1,889,325</b>	<b>28,686</b>	<b>5,354,031</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue.....	2,466,993	-	-	345,991	2,812,984
Deferred inflows related to lease receivables.....	1,450,997	-	-	-	1,450,997
<b>TOTAL DEFERRED INFLOWS OF RESOURCES..</b>	<b>3,917,990</b>	<b>-</b>	<b>-</b>	<b>345,991</b>	<b>4,263,981</b>
<b>FUND BALANCES</b>					
Nonspendable.....	-	-	-	3,235,553	3,235,553
Restricted.....	-	-	2,456,010	7,354,780	9,810,790
Committed.....	3,456,942	-	-	-	3,456,942
Assigned.....	12,577,186	-	-	-	12,577,186
Unassigned.....	6,972,722	-	-	-	6,972,722
<b>TOTAL FUND BALANCES.....</b>	<b>23,006,850</b>	<b>-</b>	<b>2,456,010</b>	<b>10,590,333</b>	<b>36,053,193</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES.....</b>	<b>\$ 27,810,526</b>	<b>\$ 2,550,334</b>	<b>\$ 4,345,335</b>	<b>\$ 10,965,010</b>	<b>\$ 45,671,205</b>

SOURCE: Extracted from the audited financial statements of the City.

**CITY OF MELROSE, MASSACHUSETTS  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
YEAR ENDED JUNE 30, 2024**

	General	COVID Grants	City Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>					
Real estate and personal property taxes, net of tax refunds.....	\$ 75,624,975	\$ -	\$ -	\$ -	\$ 75,624,975
Tax liens.....	363,933	-	-	128,935	492,868
Motor vehicle and other excise taxes.....	5,011,265	-	-	-	5,011,265
Trash disposal.....	1,635,069	-	-	-	1,635,069
Penalties and interest on taxes.....	394,404	-	-	-	394,404
Intergovernmental - Teachers Retirement.....	8,683,037	-	-	-	8,683,037
Intergovernmental - other.....	19,323,050	2,173,607	1,057,786	11,169,077	33,723,520
Departmental and other.....	3,099,385	-	-	9,856,519	12,955,904
Contributions and donations.....	50,000	-	100	303,862	353,962
Investment income.....	1,233,862	-	30,178	471,679	1,735,719
<b>TOTAL REVENUES.....</b>	<b>115,418,980</b>	<b>2,173,607</b>	<b>1,088,064</b>	<b>21,930,072</b>	<b>140,610,723</b>
<b>EXPENDITURES:</b>					
Current:					
General government.....	4,118,577	192,907	9,344,369	3,541,864	17,197,717
Public safety.....	11,282,963	66,600	48,638	1,934,396	13,332,597
Education.....	42,489,245	6,197	-	13,749,148	56,244,590
Public works.....	12,053,828	1,536,711	1,676,951	2,051,528	17,319,018
Community development.....	-	-	-	46,915	46,915
Health and human services.....	1,883,031	56,871	-	1,083,632	3,023,534
Culture and recreation.....	1,986,159	23,782	-	755,414	2,765,355
Pension benefits.....	7,355,676	-	-	-	7,355,676
Pension benefits - Teachers Retirement.....	8,683,037	-	-	-	8,683,037
Employee benefits.....	14,870,326	-	-	-	14,870,326
State and county charges.....	4,523,929	-	-	-	4,523,929
Capital outlay.....	2,119,192	-	-	-	2,119,192
Debt service:					
Principal.....	4,036,069	-	-	-	4,036,069
Interest.....	1,389,304	-	-	-	1,389,304
<b>TOTAL EXPENDITURES.....</b>	<b>116,791,336</b>	<b>1,883,068</b>	<b>11,069,958</b>	<b>23,162,897</b>	<b>152,907,259</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>(1,372,356)</b>	<b>290,539</b>	<b>(9,981,894)</b>	<b>(1,232,825)</b>	<b>(12,296,536)</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Issuance of bonds.....	-	-	7,046,841	1,423,000	8,469,841
Premium from issuance of bonds.....	-	-	845,154	47,010	892,164
Transfers in.....	715,322	509,461	800,000	545,027	2,569,810
Transfers out.....	(803,117)	(800,000)	(2,775)	(586,459)	(2,192,351)
<b>TOTAL OTHER FINANCING SOURCES (USES)...</b>	<b>(87,795)</b>	<b>(290,539)</b>	<b>8,689,220</b>	<b>1,428,578</b>	<b>9,739,464</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>(1,460,151)</b>	<b>-</b>	<b>(1,292,674)</b>	<b>195,753</b>	<b>(2,557,072)</b>
<b>FUND BALANCES AT BEGINNING OF YEAR.....</b>	<b>21,054,436</b>	<b>-</b>	<b>(3,088,825)</b>	<b>12,546,305</b>	<b>30,511,916</b>
<b>FUND BALANCES AT END OF YEAR.....</b>	<b>\$ 19,594,285</b>	<b>\$ -</b>	<b>\$ (4,381,499)</b>	<b>\$ 12,742,058</b>	<b>\$ 27,954,844</b>

SOURCE: Extracted from the audited financial statements of the City.



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

YEAR ENDED JUNE 30, 2023

	General	COVID Grants	City Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>					
Real estate and personal property taxes, net of tax refunds.....	\$ 72,992,836	\$ -	\$ -	\$ -	\$ 72,992,836
Tax liens.....	526,410	-	-	143,036	669,446
Motor vehicle and other excise taxes.....	4,835,178	-	-	-	4,835,178
Trash disposal.....	1,661,805	-	-	-	1,661,805
Penalties and interest on taxes.....	449,696	-	-	-	449,696
Intergovernmental - Teachers Retirement.....	7,380,728	-	-	-	7,380,728
Intergovernmental - other.....	16,629,808	1,875,221	3,197,316	8,036,921	29,739,266
Departmental and other.....	3,245,265	-	4,750	9,586,408	12,836,423
Contributions and donations.....	50,000	-	900	511,768	562,668
Investment income (loss).....	596,126	-	13,528	280,503	890,157
<b>TOTAL REVENUES.....</b>	<b>108,367,852</b>	<b>1,875,221</b>	<b>3,216,494</b>	<b>18,558,636</b>	<b>132,018,203</b>
<b>EXPENDITURES:</b>					
Current:					
General government.....	3,760,726	402,664	8,669,427	1,276,978	14,109,795
Public safety.....	11,818,351	212,522	44,206	2,240,840	14,315,919
Education.....	39,297,610	18,836	-	11,705,785	51,022,231
Public works.....	10,712,920	631,658	547,696	1,042,597	12,934,871
Community development.....	-	-	-	44,066	44,066
Health and human services.....	1,866,925	74,194	-	294,040	2,235,159
Culture and recreation.....	1,865,770	35,347	-	765,523	2,666,640
Pension benefits.....	7,039,967	-	-	-	7,039,967
Pension benefits - Teachers Retirement.....	7,380,728	-	-	-	7,380,728
Employee benefits.....	15,023,743	-	-	-	15,023,743
State and county charges.....	4,425,901	-	-	-	4,425,901
Capital outlay.....	1,446,315	-	-	-	1,446,315
Debt service:					
Principal.....	3,954,837	-	-	-	3,954,837
Interest.....	1,318,778	-	-	-	1,318,778
<b>TOTAL EXPENDITURES.....</b>	<b>109,912,571</b>	<b>1,375,221</b>	<b>9,261,329</b>	<b>17,369,829</b>	<b>137,918,950</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>(1,544,719)</b>	<b>500,000</b>	<b>(6,044,835)</b>	<b>1,188,807</b>	<b>(5,900,747)</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in.....	555,419	-	500,000	1,464,878	2,520,297
Transfers out.....	(963,114)	(500,000)	-	(697,713)	(2,160,827)
<b>TOTAL OTHER FINANCING SOURCES (USES).....</b>	<b>(407,695)</b>	<b>(500,000)</b>	<b>500,000</b>	<b>767,165</b>	<b>359,470</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>(1,952,414)</b>	<b>-</b>	<b>(5,544,835)</b>	<b>1,955,972</b>	<b>(5,541,277)</b>
<b>FUND BALANCES AT BEGINNING OF YEAR.....</b>	<b>23,006,850</b>	<b>-</b>	<b>2,456,010</b>	<b>10,590,333</b>	<b>36,053,193</b>
<b>FUND BALANCES AT END OF YEAR.....</b>	<b>\$ 21,054,436</b>	<b>\$ -</b>	<b>\$ (3,088,825)</b>	<b>\$ 12,546,305</b>	<b>\$ 30,511,916</b>

SOURCE: Extracted from the audited financial statements of the City.

## CITY OF MELROSE, MASSACHUSETTS

## GOVERNMENTAL FUNDS

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2022

	General	COVID Grants	City Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>					
Real estate and personal property taxes, net of tax refunds.....	\$ 71,232,810	\$ -	\$ -	\$ -	\$ 71,232,810
Tax liens.....	716,240	-	-	-	716,240
Motor vehicle and other excise taxes.....	4,275,560	-	-	-	4,275,560
Trash disposal.....	1,718,492	-	-	-	1,718,492
Penalties and interest on taxes.....	465,728	-	-	-	465,728
Intergovernmental - Teachers Retirement.....	6,531,294	-	-	-	6,531,294
Intergovernmental - other.....	15,452,176	3,939,545	1,598,658	7,371,016	28,361,395
Departmental and other.....	3,880,260	-	-	8,025,545	11,905,805
Contributions and donations.....	-	-	-	637,647	637,647
Investment income (loss).....	(112,456)	-	199	64,836	(47,421)
<b>TOTAL REVENUES.....</b>	<b>104,160,104</b>	<b>3,939,545</b>	<b>1,598,857</b>	<b>16,099,044</b>	<b>125,797,550</b>
<b>EXPENDITURES:</b>					
Current:					
General government.....	3,103,843	969,270	1,158,778	963,940	6,195,831
Public safety.....	10,814,207	110,104	1,330,769	2,211,287	14,466,367
Education.....	34,261,173	2,288,161	-	9,681,052	46,230,386
Public works.....	10,488,484	407,450	678,742	1,188,557	12,763,233
Community development.....	-	-	-	44,837	44,837
Health and human services.....	1,721,596	42,644	-	375,576	2,139,816
Culture and recreation.....	1,659,827	10,671	-	1,205,729	2,876,227
Pension benefits.....	6,650,843	-	-	-	6,650,843
Pension benefits - Teachers Retirement.....	6,531,294	-	-	-	6,531,294
Employee benefits.....	13,889,108	-	-	-	13,889,108
State and county charges.....	4,174,541	-	-	-	4,174,541
Capital outlay.....	1,504,663	-	-	-	1,504,663
Debt service:					
Principal.....	3,892,594	-	-	-	3,892,594
Interest.....	1,462,729	-	-	-	1,462,729
<b>TOTAL EXPENDITURES.....</b>	<b>100,154,902</b>	<b>3,828,300</b>	<b>3,168,289</b>	<b>15,670,978</b>	<b>122,822,469</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>4,005,202</b>	<b>111,245</b>	<b>(1,569,432)</b>	<b>428,066</b>	<b>2,975,081</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in.....	647,492	-	3,500,400	497,611	4,645,503
Transfers out.....	(1,812,083)	(111,245)	-	(2,369,406)	(4,292,734)
<b>TOTAL OTHER FINANCING SOURCES (USES).....</b>	<b>(1,164,591)</b>	<b>(111,245)</b>	<b>3,500,400</b>	<b>(1,871,795)</b>	<b>352,769</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>2,840,611</b>	<b>-</b>	<b>1,930,968</b>	<b>(1,443,729)</b>	<b>3,327,850</b>
<b>FUND BALANCES AT BEGINNING OF YEAR.....</b>	<b>20,166,239</b>	<b>-</b>	<b>525,042</b>	<b>12,034,062</b>	<b>32,725,343</b>
<b>FUND BALANCES AT END OF YEAR.....</b>	<b>\$ 23,006,850</b>	<b>\$ -</b>	<b>\$ 2,456,010</b>	<b>\$ 10,590,333</b>	<b>\$ 36,053,193</b>

SOURCE: Extracted from the audited financial statements of the City.

## CITY OF MELROSE, MASSACHUSETTS

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

YEAR ENDED JUNE 30, 2021

	General	COVID Grants	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>				
Real estate and personal property taxes, net of tax refunds.....	\$ 68,511,604	\$ -	\$ -	\$ 68,511,604
Tax liens.....	364,378	-	10,979	375,357
Motor vehicle and other excise taxes.....	4,249,062	-	-	4,249,062
Trash disposal.....	1,677,653	-	-	1,677,653
Penalties and interest on taxes.....	428,861	-	-	428,861
Intergovernmental - Teachers Retirement.....	12,191,456	-	-	12,191,456
Intergovernmental - other.....	15,312,730	4,622,319	6,014,090	25,949,139
Departmental and other.....	3,771,403	-	5,828,815	9,600,218
Contributions and donations.....	50,000	-	370,057	420,057
Investment income.....	226,708	-	1,154,732	1,381,440
<b>TOTAL REVENUES.....</b>	<b>106,783,855</b>	<b>4,622,319</b>	<b>13,378,673</b>	<b>124,784,847</b>
<b>EXPENDITURES:</b>				
Current:				
General government.....	2,895,181	1,288,435	1,167,188	5,350,804
Public safety.....	10,295,879	450,855	2,536,949	13,283,683
Education.....	34,701,662	1,642,471	7,917,685	44,261,818
Public works.....	9,371,617	968,343	1,032,307	11,372,267
Community development.....	-	-	7,030	7,030
Health and human services.....	1,583,451	236,600	544,316	2,364,367
Culture and recreation.....	1,640,860	35,615	556,198	2,232,673
Pension benefits.....	6,396,652	-	-	6,396,652
Pension benefits - Teachers Retirement.....	12,191,456	-	-	12,191,456
Employee benefits.....	13,210,008	-	-	13,210,008
State and county charges.....	4,146,976	-	-	4,146,976
Capital outlay.....	944,290	-	-	944,290
Debt service:				
Principal.....	4,348,409	-	-	4,348,409
Interest.....	1,540,805	-	-	1,540,805
<b>TOTAL EXPENDITURES.....</b>	<b>103,267,246</b>	<b>4,622,319</b>	<b>13,761,673</b>	<b>121,651,238</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>3,516,609</b>	<b>-</b>	<b>(383,000)</b>	<b>3,133,609</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Issuance of refunding bonds.....	2,391,500	-	-	2,391,500
Premium from issuance of refunding bonds.....	308,500	-	-	308,500
Payments to refunded bond escrow agent.....	(2,700,000)	-	-	(2,700,000)
Transfers in.....	614,337	-	1,783,337	2,397,674
Transfers out.....	(211,080)	-	(1,825,825)	(2,036,905)
<b>TOTAL OTHER FINANCING SOURCES (USES).....</b>	<b>403,257</b>	<b>-</b>	<b>(42,488)</b>	<b>360,769</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>3,919,866</b>	<b>-</b>	<b>(425,488)</b>	<b>3,494,378</b>
<b>FUND BALANCES AT BEGINNING OF YEAR.....</b>	<b>16,246,373</b>	<b>-</b>	<b>12,984,592</b>	<b>29,230,965</b>
<b>FUND BALANCES AT END OF YEAR.....</b>	<b>\$ 20,166,239</b>	<b>\$ -</b>	<b>\$ 12,559,104</b>	<b>\$ 32,725,343</b>

SOURCE: Extracted from the audited financial statements of the City.



## CITY OF MELROSE, MASSACHUSETTS

## GOVERNMENTAL FUNDS

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2020

	General	Nonmajor Governmental Funds	Total Governmental Funds
<u>REVENUES:</u>			
Real estate and personal property taxes, net of tax refunds.....	\$ 65,685,481	\$ -	\$ 65,685,481
Tax liens.....	284,934	22,904	307,838
Motor vehicle and other excise taxes.....	3,910,659	-	3,910,659
Trash disposal.....	1,666,710	-	1,666,710
Penalties and interest on taxes.....	289,487	-	289,487
Intergovernmental - Teachers Retirement.....	10,095,000	-	10,095,000
Intergovernmental - other.....	15,335,741	4,625,490	19,961,231
Intergovernmental - COVID-19 relief.....	-	443,067	443,067
Departmental and other.....	3,922,398	8,776,586	12,698,984
Contributions and donations.....	50,000	526,528	576,528
Investment income.....	350,674	163,424	514,098
<b>TOTAL REVENUES.....</b>	<b>101,591,084</b>	<b>14,557,999</b>	<b>116,149,083</b>
<u>EXPENDITURES:</u>			
Current:			
General government.....	2,913,994	1,014,410	3,928,404
Public safety.....	10,112,558	2,521,768	12,634,326
Education.....	33,078,132	8,110,818	41,188,950
Public works.....	9,320,403	1,597,863	10,918,266
Community development.....	-	48,620	48,620
Health and human services.....	1,517,175	464,277	1,981,452
Culture and recreation.....	1,674,448	913,690	2,588,138
COVID-19.....	-	443,067	443,067
Pension benefits.....	5,987,547	-	5,987,547
Pension benefits - Teachers Retirement.....	10,095,000	-	10,095,000
Employee benefits.....	12,466,677	-	12,466,677
State and county charges.....	3,750,166	-	3,750,166
Capital outlay.....	1,276,962	-	1,276,962
Debt service:			
Principal.....	4,029,909	-	4,029,909
Interest.....	1,822,975	-	1,822,975
<b>TOTAL EXPENDITURES.....</b>	<b>98,045,946</b>	<b>15,114,513</b>	<b>113,160,459</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>3,545,138</b>	<b>(556,514)</b>	<b>2,988,624</b>
<u>OTHER FINANCING SOURCES (USES):</u>			
Issuance of bonds.....	-	6,831,000	6,831,000
Premium from issuance of bonds.....	-	587,135	587,135
Transfers in.....	615,272	860,214	1,475,486
Transfers out.....	(298,676)	(818,261)	(1,116,937)
<b>TOTAL OTHER FINANCING SOURCES (USES).....</b>	<b>316,596</b>	<b>7,460,088</b>	<b>7,776,684</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>3,861,734</b>	<b>6,903,574</b>	<b>10,765,308</b>
<b>FUND BALANCES AT BEGINNING OF YEAR.....</b>	<b>12,384,639</b>	<b>6,081,018</b>	<b>18,465,657</b>
<b>FUND BALANCES AT END OF YEAR.....</b>	<b>\$ 16,246,373</b>	<b>\$ 12,984,592</b>	<b>\$ 29,230,965</b>

SOURCE: Extracted from the City's audited financial statements.

## Retirement System

The City contributes to the Melrose Contributory Retirement System ("MCRS"), a cost-sharing multiple-employer defined benefit plan administered by the City of Melrose Contributory Retirement System Board of Trustees. MCRS provides retirement and disability benefits and cost of living adjustments to system members and beneficiaries. The City's eligible employees, except for School Department teaching staff, participate in the system. Instituted in 1937, the MCRS is a member of the Massachusetts Contributory Retirement System and is governed by Chapter 32 of the Massachusetts General Laws. Membership in the plan is mandatory immediately upon the commencement of employment for all permanent, full-time eligible employees, excluding School Department teaching staff. (Teachers are part of the State Teacher's Retirement System to which the City does not contribute).

In addition to the contributory systems, cities and towns provide for noncontributory pensions to a limited number of employees, primarily persons who entered service prior to July 1, 1937 and their dependents. The obligations of a city or town under the contributory pension law, whether direct or through a county system, are contractual legal obligations and are required to be included in the annual tax levy. As of May 31, 2024, the City's contributory system covered the following number of participants:

Active participants, all fully vested	463
Retirees and beneficiaries currently receiving benefits	414
Disabled members	34
Inactive members	<u>328</u>
Total Plan Participants	<u>1,239</u>

On January 1, 2023, the date of the most recent actuarial valuation, the actuarial accrued liability was \$176,180,151 and net assets available for plan benefits totaled \$114,915,574, leaving an estimated unfunded actuarial accrued liability (UAAL) of \$62,768,328, assuming a 7.0% investment return. The total actuarial pension liability represents the estimated valuation of accumulated costs for benefits already earned by, but not yet paid to, pensioners and current employees in MCRS as of the valuation date.

The MCRS funding schedule below shows full funding of the liability by 2039.

Fiscal Year	Unfunded Liability	Net Normal Cost	Funding Amortization of UAAL	Amortization of Recognized Asset Loss/(Gain)	Net 3(8)(c) Payments	Schedule Contribution
2025	62,768,328	2,037,095	5,483,975	-	(3,391)	7,517,679
2026	61,294,258	2,128,764	5,681,398	-	(3,391)	7,806,772
2027	61,007,443	2,224,559	5,885,929	148,537	(3,391)	8,255,633
2028	58,821,086	2,324,664	6,097,822	153,884	(3,391)	8,572,979
2029	62,660,379	2,429,274	6,317,344	897,629	(3,391)	9,640,856
2030	59,326,584	2,538,591	6,544,768	929,944	(3,391)	10,009,912
2031	55,481,503	2,652,828	6,780,380	963,422	(3,391)	10,393,239
2032	51,079,340	2,772,205	7,024,473	998,105	(3,391)	10,791,393
2033	46,070,735	2,896,954	7,277,354	1,034,037	(3,391)	11,204,955
2034	40,402,497	3,027,317	7,539,339	1,071,262	(3,391)	11,634,528
2035	34,017,328	3,163,546	7,810,755	1,109,828	(3,391)	12,080,739
2036	26,853,517	3,305,906	8,091,943	1,149,782	(3,391)	12,544,239
2037	18,844,619	3,454,672	8,383,253	1,191,174	(3,391)	13,025,707
2038	9,919,106	3,610,132	8,685,050	1,234,056	(3,391)	13,525,847
2039	-	3,772,588	-	-	(3,391)	3,769,197

Source: Melrose Retirement System Actuarial Valuation Report as of January 1, 2023.

The annual required contributions made by the City to each retirement system for the current and last five fiscal years are as follows:

<u>Fiscal Year</u>	<u>Contributory</u>	<u>Non-Contributory</u>	<u>Total</u>
2025 (budgeted)	\$7,366,574	\$ -	\$7,366,574
2024 (unaudited)	7,355,676	-	7,355,676
2023	7,039,967	-	7,039,967
2022	6,650,843	-	6,650,843
2021	6,396,652	-	6,396,625
2020	5,987,547	-	5,987,547
2019	5,874,402	-	5,874,402

Source: City Auditor.

Under recent legislation, cost of living adjustments ("COLA") for the MCRS are granted and funded by the Retirement System. Those statutory provisions have been accepted by the Retirement Board with the approval of the City Council, which acceptance may not be revoked.

The foregoing data do not include the retirement system costs or liabilities of any larger entity of which the City is a constituent part and for which it is assessed a share of expenses.

### **Other Post-Employment Benefits**

In addition to pension benefits, cities and towns may provide retired employees with health care and life insurance benefits. The portion of the cost of such benefits paid by cities and towns is generally provided on a pay-as-you-go basis. The pay-as-you-go cost to the City for such benefits in recent years has been as follows:

<u>Fiscal Year</u>	<u>Benefit Costs</u>
2024	\$ 5,957,881
2023	5,752,766
2022	5,249,984
2021	4,452,974
2020	4,456,372

The City provides post-retirement health care and life insurance benefits in accordance with state statutes for all of the City's full-time employees who retire from the City on or after attaining age 55 with at least 10 years of service. Currently, approximately 400 retirees are provided post-retirement health and life insurance benefits. The City pays approximately 80 percent of medical and 75 percent of life insurance premiums for these retirees and their dependents. The City recognizes the cost of providing these benefits by expensing premiums in the year paid (pay-as-you-go method).

The Governmental Accounting Standards Board ("GASB") Statement No. 75, "Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions," replaces the requirements of Statement No. 45, "Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions." GASB Statement No. 75 introduces a new actuarial cost method and discount rate as well as new disclosure and methodologies for reporting plan liability and OPEB expenses. It establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expenses/expenditures. Cities and towns may establish a trust fund for the purpose of pre-funding other post-employment benefits liability in the same manner as traditional pension benefits.

The City was required to implement the GASB reporting requirements for other post-employment benefits beginning in fiscal year 2009. The City of Melrose had its most recent actuarial valuation performed as of June 30, 2024. Assuming a 3.95% rate of return, the City's estimated unfunded actuarial accrued liability related to post-retirement health care and life insurance benefits is approximately \$172 million as of June 30, 2024. The City established a trust fund for the purpose of funding the City's unfunded OPEB liability in fiscal 2014 with an initial appropriation of \$50,000. The balance in the fund at June 30, 2023 was \$1,155,453 (mark-to-market basis). The balance in the fund at June 30, 2024 was \$1,371,121. The City's fiscal 2025 budget appropriated an additional \$72,000 to this fund.

**LITIGATION**

There are various suits pending in which the City is a defendant. In the opinion of the City Solicitor, no litigation is pending, or to his knowledge, threatened, which is likely to result, either individually or in the aggregate, in final judgments against the City that would materially affect its financial position.

## TOWN OF NORTH READING, MASSACHUSETTS

## General

The Town of North Reading is located approximately 16 miles northwest of Boston. It is bordered by Wilmington on the west, Andover and North Andover on the north, Middleton and Lynnfield on the east, and Reading on the south. Incorporated as a town in 1853, North Reading has a population of approximately 15,554 (2020 U.S. Bureau of the Census) and occupies a land area of 13.3 square miles. The Town is governed by an open town meeting and is administered by a five-member Board of Selectmen and a Town Administrator.

## Age, Income and Wealth Levels

The following table compares census averages for the Town, the Commonwealth, and the United States.

	<u>North Reading</u>	<u>Massachusetts</u>	<u>U.S.</u>
<b>Median Age</b>			
2020	43.3	39.9	38.8
2010	42.0	39.1	37.2
2000	37.8	36.5	35.3
1990	34.7	33.6	32.9
<b>Median Family Income</b>			
2020	\$143,398	\$106,526	\$80,069
2010	107,228	81,165	62,982
2000	86,341	61,664	50,046
1990	57,127	44,367	35,225
<b>Per Capita Income</b>			
2020	\$61,227	\$45,555	\$35,384
2010	39,232	33,966	27,334
2000	30,902	25,952	21,587
1990	19,100	17,224	14,420

Source: U.S. Department of Commerce, Bureau of the Census.

## Labor Force, Employment and Unemployment Rate

According to Massachusetts Executive Office of Labor and Workforce Development preliminary data in November 2024, the Town had a total labor force of 9,292 of which 8,975 were employed and 317 or 3.4% were unemployed. The Commonwealth, for the same period, had an unadjusted unemployment rate of 3.9%.

The following table sets forth the Town's average labor force and unemployment rates for each of the following calendar years and the unemployment rate for the Commonwealth and Country as a whole for the same period.

## UNEMPLOYMENT RATES

Year	<u>Town of North Reading</u>			<u>Massachusetts</u>			<u>United States</u>	
	<u>Labor Force</u>	<u>Unemployment Rate</u>		<u>Unemployment Rate</u>			<u>Unemployment Rate</u>	
2023	9,059	2.6	%	3.4	%	3.6	%	
2022	9,026	3.0		3.8		3.6		
2021	8,955	4.6		5.7		5.4		
2020	8,681	7.3		8.9		8.1		
2019	9,037	2.3		2.9		3.6		

SOURCE: Massachusetts Executive Office of Labor and Workforce Development, Federal Reserve Bank of Boston and U.S. Bureau of Labor Statistics. Data based upon place of residence, not place of employment. Monthly data for the Commonwealth are unadjusted.

## Tax Levy Computation

	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025
Total Appropriations(1)	\$81,434,369	\$87,003,837	\$90,479,948	\$99,155,836	\$101,893,982
Additions:					
State and County Assessments	225,174	204,213	159,121	208,956	242,869
Overlay Reserve	387,745	322,013	277,000	381,171	429,789
Other Additions	17,638	263,218	27,988	30,780	47,733
Total Additions	630,557	789,444	464,109	620,907	720,391
Gross Amount to be Raised	82,064,926	87,793,281	90,944,057	99,776,743	102,614,373
Deductions:					
Local Estimated Receipts(2)	11,339,869	12,041,871	13,604,543	13,669,872	16,037,443
State Aid(3):					
Current Year	9,552,023	9,682,449	9,904,302	10,126,748	10,216,509
Available Funds(4):					
Free Cash	3,044,972	3,232,721	4,883,600	10,046,140	6,548,111
Other Available Funds (5)	3,148,075	5,626,232	3,120,510	3,735,602	4,967,055
Total Deductions	27,084,939	30,583,273	31,512,955	37,578,362	37,769,118
Net Amount to be Raised (Tax Levy)	\$54,979,987	\$57,210,008	\$59,431,102	\$62,198,381	\$64,845,255

- (1) Includes additional appropriations from taxation voted subsequent to adoption of the annual budget but prior to setting of the tax rate. Includes water department budget.
- (2) Includes revenues generated by the Hillview Golf Course and the Water Department and appropriated to the Enterprise Fund.
- (3) Estimated by the State Department of Revenue and required by law to be used in setting of the tax rate. Actual state aid payments may vary upward or downward from said estimates, and the State may withhold payments pending receipt of State and County assessments.
- (4) Transfers from federal revenue sharing and other available funds, including "free cash", generally made as an offset to a particular appropriation item.
- (5) This category consists of overlay surplus, chapter 90 funds and various other accounts.

## Classification of Property

The following is a breakdown of the Town's assessed valuation in fiscal years 2023, 2024 and 2025.

Property Type	2023		2024		2025	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Residential	\$ 3,750,844,201	88.3 %	\$ 4,149,482,511	88.1 %	\$ 4,390,635,146	88.4 %
Commercial	258,398,445	6.1	275,845,394	5.9	284,828,399	5.7
Industrial	168,289,000	4.0	179,411,300	3.8	184,195,200	3.7
Personal	70,581,430	1.7	103,692,344	2.2	105,521,584	2.1
Total Real Estate	\$ 4,248,113,076	100.0 %	\$ 4,708,431,549	100.0 %	\$ 4,965,180,329	100.0 %

## Tax Collections

Fiscal Year	Gross Tax Levy	Overlay Reserve for Abatements	Net Tax Levy	Collections During Fiscal Year Payable(1)(2)	
				Dollar Amount	% of Net Levy
2024	\$ 62,198,381	\$ 381,171	\$ 61,817,210	\$ 61,713,529	99.8 %
2023	59,431,102	277,000	59,154,102	58,992,343	99.7
2022	57,210,008	322,013	56,887,995	56,542,972	99.4
2021	54,979,987	387,745	54,592,242	54,230,139	99.3
2020	53,193,751	345,000	52,848,752	52,563,185	99.5

- (1) Actual dollar collections net of refunds. Does not include abatements, proceeds of tax titles or tax possessions attributable to each levy or other non-cash credits.
- (2) Collections for the current fiscal year are comparable to previous fiscal years.

**Unused Levy Capacity (1)**

The table below sets forth the trend in the Town's primary levy limits, maximum levy limits, actual tax levies and unused levy capacity:

	Fiscal Year				
	2025	2024	2023	2022	2021
Primary Levy Limit(1)	\$124,129,508	\$117,710,789	\$106,202,827	\$95,350,014	\$87,939,838
Prior Fiscal Year Levy Limit	56,205,454	53,386,821	51,082,126	48,765,572	46,656,776
Amended Prior Year Growth	-	-	-	335	-
2.5% Levy Growth	1,405,136	1,334,671	1,277,053	1,219,148	1,166,419
New Growth(2)	1,572,894	1,483,962	1,027,642	1,097,071	942,377
Growth Levy Limit	59,183,484	56,205,454	53,386,821	51,082,126	48,765,572
Debt Exclusions	5,697,641	6,031,444	6,050,742	6,139,593	6,268,456
Capital Expenditure Exclusions	-	-	-	-	-
Other Adjustments	-	-	-	-	-
Tax Levy Limit	64,881,125	62,236,898	59,437,563	57,221,719	55,034,028
Tax Levy	64,845,255	62,198,381	59,431,102	57,210,008	54,979,987
Unused Levy Capacity(3)	35,870	38,517	6,461	11,711	54,041
Unused Primary Levy Capacity (4)	64,946,024	61,505,335	52,816,006	44,267,888	39,174,266

(1) 2 ½% of local assessed valuation.

(2) Allowed increase for new valuations (or required reduction) – certified by the Department of Revenue.

(3) Tax Levy Limit less Tax Levy.

(4) Primary Levy Limit Less Growth levy Limit.

**Budget Comparison**

The following table sets forth the trend in operating budgets in recent years as voted at annual town meeting. As such, said budgets reflect neither revenues nor state and county assessments and other mandatory items. Also said budgets do not reflect expenditures authorized for non-recurring (generally capital) purposes under "special" warrant articles or transfers occurring subsequent to the annual town meeting.

	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025
General Government	\$ 3,359,304	\$ 3,821,364	\$ 3,615,138	\$ 3,941,504	\$ 4,530,571
Public Safety	8,402,465	8,609,738	9,042,078	9,215,251	9,398,069
Public Works	3,913,039	4,276,315	4,435,183	4,664,847	4,827,743
Water Enterprise Fund	3,981,344	3,985,759	4,720,106	4,713,031	4,929,948
General Services	1,483,582	1,500,905	1,583,472	1,801,315	1,785,678
Education	32,526,778	34,276,665	35,474,330	36,819,595	39,171,970
Pension and Benefits	12,396,597	12,818,701	13,687,712	14,605,110	15,313,813
Debt Service	7,904,789	7,768,625	7,719,826	7,569,756	7,260,470
Hillview Golf Enterprise Fund	1,531,345	1,618,288	1,647,520	1,810,025	2,111,210
Recreational Enterprise Fund	706,514	636,699	653,621	764,367	796,950
Total	\$ 76,205,757	\$ 79,313,059	\$ 82,578,986	\$ 85,904,801	\$ 90,126,422

**Key Debt Ratios**

<u>Fiscal Year End</u>	<u>General Obligation Bonds Outstanding</u>	<u>Local Assessed Valuation</u>	<u>Per Capita Debt (1)</u>	<u>Debt as a % of Local Valuation</u>
2024	\$ 63,020,000	\$ 4,708,431,549	\$ 4,052	1.34 %
2023	63,100,000	4,248,113,076	4,057	1.49
2022	68,835,000	3,814,000,560	4,426	1.80
2021	68,040,000	3,517,593,511	4,374	1.93
2020	69,905,000	3,409,855,850	4,494	2.05

(1) Based on 2020 US Census population of 15,554.

**Unassigned General Fund Balance and Free Cash**

<u>Fiscal Year End</u>	<u>General Obligation Bonds Outstanding</u>	<u>Local Assessed Valuation</u>	<u>Per Capita Debt (1)</u>	<u>Debt as a % of Local Valuation</u>
2024	\$ 63,020,000	\$ 4,708,431,549	\$ 4,052	1.34 %
2023	63,100,000	4,248,113,076	4,057	1.49
2022	68,835,000	3,814,000,560	4,426	1.80
2021	68,040,000	3,517,593,511	4,374	1.93
2020	69,905,000	3,409,855,850	4,494	2.05

(1) Based on 2020 US Census population of 15,554.

**Stabilization Fund**

The Town maintains a stabilization fund, which is accounted for in the Trust Funds. Funded by appropriations, the Stabilization Fund plus interest income may be appropriated at an annual or special town meeting for any project. The Stabilization Fund balance for the most recent fiscal years are as follows.

<u>June 30,</u>	<u>Stabilization Fund</u>
2024	\$4,907,905
2023	4,399,104
2022	4,034,968
2021	3,781,186
2020	3,618,582

**Financial Statements**

Set forth on the following pages are Governmental Funds Balance Sheets for the fiscal years ended June 30, 2024, June 30, 2023, and June 30, 2022, and Statements of Revenues, Expenditures and Changes in Fund Balances for fiscal years ended June 30, 2024, June 30, 2023, June 30, 2022, June 30, 2021, and June 30, 2020. All of the statements are extracted from the Town's audited financial statements.



## TOWN OF NORTH READING, MASSACHUSETTS

BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2024

	General Fund	ARPA Grant Fund	Sale of Town Owned Land Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>						
Cash and cash equivalents	\$ 36,719,392	\$ 4,194,524	\$ 16,713,480	\$ 2,371,671	\$ 9,287,525	\$ 69,286,592
Investments	-	-	-	-	1,065,105	1,065,105
Receivables, net of allowance for uncollectibles:						
Property taxes	606,259	-	-	-	-	606,259
Tax liens	1,032,471	-	-	-	-	1,032,471
Motor vehicle and other excise	355,117	-	-	-	-	355,117
Intergovernmental	-	-	-	-	665,169	665,169
Departmental and other	163,874	-	-	-	295,076	458,950
Leases	964,770	-	-	-	-	964,770
Tax foreclosures	418,024	-	-	-	-	418,024
<b>Total Assets</b>	<b>40,259,907</b>	<b>4,194,524</b>	<b>16,713,480</b>	<b>2,371,671</b>	<b>11,312,875</b>	<b>74,852,457</b>
<b>Deferred Outflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 40,259,907</b>	<b>\$ 4,194,524</b>	<b>\$ 16,713,480</b>	<b>\$ 2,371,671</b>	<b>\$ 11,312,875</b>	<b>\$ 74,852,457</b>
<b>Liabilities</b>						
Warrants and accounts payable	\$ 352,906	\$ 560,807	\$ -	\$ 117,071	\$ 16,462	\$ 1,047,246
Accrued payroll and withholdings	6,143,865	-	-	-	-	6,143,865
Unearned revenue	-	3,633,717	-	-	-	3,633,717
Other liabilities	513,640	-	-	-	-	513,640
Bond anticipation notes payable	-	-	-	4,288,577	-	4,288,577
<b>Total Liabilities</b>	<b>7,010,411</b>	<b>4,194,524</b>	<b>-</b>	<b>4,405,648</b>	<b>16,462</b>	<b>15,627,045</b>
<b>Deferred Inflows of Resources</b>						
Taxes paid in advance	109,439	-	-	-	-	109,439
Unavailable revenues - property taxes	2,056,754	-	-	-	-	2,056,754
Unavailable revenues - excise taxes	355,117	-	-	-	-	355,117
Unavailable revenues - leases	964,770	-	-	-	-	964,770
Unavailable revenues - other	163,874	-	-	-	295,076	458,950
<b>Total Deferred Inflows of Resources</b>	<b>3,649,954</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>295,076</b>	<b>3,945,030</b>
<b>Fund Balances</b>						
Nonspendable	-	-	-	-	851,267	851,267
Restricted	-	-	16,713,480	2,082,871	10,222,929	29,019,280
Committed	12,671,218	-	-	-	-	12,671,218
Assigned	3,284,730	-	-	-	-	3,284,730
Unassigned	13,643,594	-	-	(4,116,848)	(72,859)	9,453,887
<b>Total Fund Balances</b>	<b>29,599,542</b>	<b>-</b>	<b>16,713,480</b>	<b>(2,033,977)</b>	<b>11,001,337</b>	<b>55,280,382</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 40,259,907</b>	<b>\$ 4,194,524</b>	<b>\$ 16,713,480</b>	<b>\$ 2,371,671</b>	<b>\$ 11,312,875</b>	<b>\$ 74,852,457</b>

SOURCE: Extracted from the Town's audited financial statements.

## TOWN OF NORTH READING, MASSACHUSETTS

Governmental Funds  
Balance Sheet  
June 30, 2023

	General Fund	Sale of Town Owned Land Fund	School Building Fund	ARPA Grant Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>						
Cash and short-term investments	\$ 32,981,041	\$ 16,713,480	\$ -	\$ 4,715,709	\$ 12,806,294	\$ 67,216,524
Investments	-	-	-	-	1,058,662	1,058,662
Receivables:						
Property taxes	629,622	-	-	-	-	629,622
Tax liens	922,679	-	-	-	-	922,679
Excises	364,622	-	-	-	-	364,622
User fees	118,949	-	-	-	604,143	723,092
Leases receivable	1,012,870	-	-	-	-	1,012,870
Due from other funds	7,271	-	-	-	-	7,271
Other assets	8,541	-	-	-	-	8,541
<b>Total Assets</b>	<b>\$ 36,045,595</b>	<b>\$ 16,713,480</b>	<b>\$ -</b>	<b>\$ 4,715,709</b>	<b>\$ 14,469,099</b>	<b>\$ 71,943,883</b>
<b>Liabilities</b>						
Accounts payable	\$ 310,335	\$ -	\$ -	\$ -	\$ 14,993	\$ 325,328
Accrued liabilities	4,927,296	-	-	-	-	4,927,296
Unearned revenue	-	-	-	4,715,709	-	4,715,709
Due to other funds	-	-	7,271	-	-	7,271
Notes payable	-	-	4,484,577	-	1,500,000	5,984,577
Other liabilities	24,354	-	-	-	-	24,354
<b>Total Liabilities</b>	<b>5,261,985</b>	<b>-</b>	<b>4,491,848</b>	<b>4,715,709</b>	<b>1,514,993</b>	<b>15,984,535</b>
<b>Deferred Inflows of Resources</b>						
Unavailable revenues	2,683,738	-	-	-	604,143	3,287,881
Related to leases	1,012,870	-	-	-	-	1,012,870
<b>Total Deferred Inflows of Resources</b>	<b>3,696,608</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>604,143</b>	<b>4,300,751</b>
<b>Fund Balances</b>						
Nonspendable	-	-	-	-	823,767	823,767
Restricted	589,934	16,713,480	-	-	11,838,302	29,141,716
Committed	10,541,207	-	-	-	-	10,541,207
Assigned	4,477,529	-	-	-	-	4,477,529
Unassigned	11,478,332	-	(4,491,848)	-	(312,106)	6,674,378
<b>Total Fund Balances</b>	<b>27,087,002</b>	<b>16,713,480</b>	<b>(4,491,848)</b>	<b>-</b>	<b>12,349,963</b>	<b>51,658,597</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 36,045,595</b>	<b>\$ 16,713,480</b>	<b>\$ -</b>	<b>\$ 4,715,709</b>	<b>\$ 14,469,099</b>	<b>\$ 71,943,883</b>

SOURCE: Extracted from the Town's audited financial statements.

## TOWN OF NORTH READING, MASSACHUSETTS

Governmental Funds  
Balance Sheet  
June 30, 2022

	General Fund	Sale of Town Owned Land Fund	School Building Fund	ARPA Grant Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>						
Cash and short-term investments	\$ 29,307,135	\$ 16,713,480	\$ 50,044	\$ 2,344,630	\$ 11,083,218	\$ 59,498,507
Investments	-	-	-	-	1,046,949	1,046,949
Receivables:						
Property taxes	734,947	-	-	-	-	734,947
Tax liens	1,000,742	-	-	-	-	1,000,742
Excises	516,495	-	-	-	-	516,495
User fees	113,862	-	-	-	422,330	536,192
Intergovernmental	-	-	-	-	688,949	688,949
Leases receivable	1,055,864	-	-	-	-	1,055,864
Other assets	8,035	-	-	-	-	8,035
<b>Total Assets</b>	<b>\$ 32,737,080</b>	<b>\$ 16,713,480</b>	<b>\$ 50,044</b>	<b>\$ 2,344,630</b>	<b>\$ 13,241,446</b>	<b>\$ 65,086,680</b>
<b>Liabilities</b>						
Warrants and accounts payable	\$ 507,394	\$ -	\$ -	\$ -	\$ 732,415	\$ 1,239,809
Accrued liabilities	4,901,626	-	-	-	546	4,902,172
Unearned revenue	-	-	-	2,344,630	-	2,344,630
Notes payable	-	-	4,680,577	-	415,000	5,095,577
Other liabilities	198,611	-	-	-	-	198,611
<b>Total Liabilities</b>	<b>5,607,631</b>	<b>-</b>	<b>4,680,577</b>	<b>2,344,630</b>	<b>1,147,961</b>	<b>13,780,799</b>
<b>Deferred Inflows of Resources</b>						
Unavailable revenues	2,374,081	-	-	-	422,330	2,796,411
Related to leases	1,055,864	-	-	-	-	1,055,864
<b>Total Deferred Inflows of Resources</b>	<b>3,429,945</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>422,330</b>	<b>3,852,275</b>
<b>Fund Balances</b>						
Nonspendable	-	-	-	-	808,517	808,517
Restricted	499,957	16,713,480	-	-	11,668,530	28,881,967
Committed	6,962,653	-	-	-	-	6,962,653
Assigned	5,375,701	-	-	-	-	5,375,701
Unassigned	10,861,193	-	(4,630,533)	-	(805,892)	5,424,768
<b>Total Fund Balances</b>	<b>23,699,504</b>	<b>16,713,480</b>	<b>(4,630,533)</b>	<b>-</b>	<b>11,671,155</b>	<b>47,453,606</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 32,737,080</b>	<b>\$ 16,713,480</b>	<b>\$ 50,044</b>	<b>\$ 2,344,630</b>	<b>\$ 13,241,446</b>	<b>\$ 65,086,680</b>

SOURCE: Extracted from the Town's audited financial statements.

## TOWN OF NORTH READING, MASSACHUSETTS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FISCAL YEAR ENDED JUNE 30, 2024

	General Fund	ARPA Grant Fund	Sale of Town Owned Land Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:						
Property taxes	\$ 61,815,839	\$ -	\$ -	\$ -	\$ -	\$ 61,815,839
Intergovernmental	17,302,406	1,081,992	-	-	5,811,472	24,195,870
Motor vehicle and other excises	3,580,913	-	-	-	-	3,580,913
Licenses and permits	594,860	-	-	-	-	594,860
Penalties and interest on taxes	250,525	-	-	-	-	250,525
Fines and forfeitures	9,848	-	-	-	-	9,848
Departmental and other revenue	2,052,412	-	-	-	4,067,031	6,119,443
Investment income	2,589,148	-	-	-	108,941	2,698,089
Contributions and donations	-	-	-	-	276,576	276,576
Total Revenues	88,195,951	1,081,992	-	-	10,264,020	99,541,963
Expenditures:						
Current:						
General government	3,962,091	-	-	197,650	175,590	4,335,331
Public safety	8,703,977	778,645	-	60,000	544,532	10,087,154
Education	38,358,465	-	-	118,773	5,789,982	44,267,220
Public works	5,982,595	274,847	-	1,230,229	916,356	8,404,027
Health and human services	879,311	-	-	71,742	323,853	1,274,906
Culture and recreation	807,729	28,500	-	576,339	327,481	1,740,049
Pension and fringe benefits	20,671,900	-	-	-	-	20,671,900
State and county assessments	225,884	-	-	-	-	225,884
Debt service:						
Principal	4,750,000	-	-	-	-	4,750,000
Interest	2,542,800	-	-	-	90,379	2,633,179
Total Expenditures	86,884,752	1,081,992	-	2,254,733	8,168,173	98,389,650
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,311,199	-	-	(2,254,733)	2,095,847	1,152,313
Other Financing Sources (Uses):						
Issuance of bonds and notes	-	-	-	3,210,000	-	3,210,000
Premiums from bonds and notes	-	-	-	179,000	66,350	245,350
Transfers in	2,662,752	-	-	658,750	17,099	3,338,601
Transfers out	(953,165)	-	-	(114,967)	(2,859,711)	(3,927,843)
Total Other Financing Sources (Uses)	1,709,587	-	-	3,932,783	(2,776,262)	2,866,108
Net Change in Fund Balances	3,020,786	-	-	1,678,050	(680,415)	4,018,421
FUND BALANCES - Beginning of year, as restated (see Note IV)	26,578,756	-	16,713,480	(3,712,027)	11,681,752	51,261,961
FUND BALANCES - End of year	\$ 29,599,542	\$ -	\$ 16,713,480	\$ (2,033,977)	\$ 11,001,337	\$ 55,280,382

SOURCE: Extracted from the Town's audited financial statements.

## TOWN OF NORTH READING, MASSACHUSETTS

Governmental Funds  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
For the Year Ended June 30, 2023

	General Fund	Sale of Town Owned Land Fund	School Building Fund	ARPA Grant Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues</b>						
Property taxes	\$ 59,490,722	\$ -	\$ -	\$ -	\$ -	\$ 59,490,722
Excises	3,400,618	-	-	-	-	3,400,618
Penalties, interest, and other taxes	1,096,784	-	-	-	-	1,096,784
Charges for services	1,475,917	-	-	-	4,142,241	5,618,158
Intergovernmental	15,949,177	-	-	-	5,124,961	21,074,138
Licenses and permits	704,766	-	-	-	-	704,766
Fines and forfeitures	7,732	-	-	-	-	7,732
Investment income	1,265,486	-	-	-	107,174	1,372,660
Contributions and donations	-	-	-	-	313,864	313,864
Miscellaneous	<u>2,864,707</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>183,997</u>	<u>3,048,704</u>
Total Revenues	86,255,909	-	-	-	9,872,237	96,128,146
<b>Expenditures</b>						
Current:						
General government	3,464,849	-	-	-	45,732	3,510,581
Public safety	8,491,721	-	-	-	755,401	9,247,122
Education	42,732,640	-	57,315	-	5,637,204	48,427,159
Public works	5,747,039	-	-	-	2,008,594	7,755,633
Health and human services	805,010	-	-	-	44,732	849,742
Culture and recreation	709,105	-	-	-	327,659	1,036,764
Employee benefits	13,272,597	-	-	-	-	13,272,597
Debt service:						
Principal	4,663,472	-	-	-	-	4,663,472
Interest	2,697,039	-	-	-	-	2,697,039
Intergovernmental	<u>192,920</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>192,920</u>
Total Expenditures	<u>82,776,392</u>	<u>-</u>	<u>57,315</u>	<u>-</u>	<u>8,819,322</u>	<u>91,653,029</u>
Excess (Deficiency) of Revenues over Expenditures	3,479,517	-	(57,315)	-	1,052,915	4,475,117
<b>Other Financials Sources (Uses)</b>						
Transfers in	1,102,194	-	196,000	-	886,803	2,184,997
Transfers out	<u>(1,194,213)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,260,910)</u>	<u>(2,455,123)</u>
Total Other Financing Sources (Uses)	<u>(92,019)</u>	<u>-</u>	<u>196,000</u>	<u>-</u>	<u>(374,107)</u>	<u>(270,126)</u>
Change in fund balance	3,387,498	-	138,685	-	678,808	4,204,991
Fund Balance, at Beginning of Year	<u>23,699,504</u>	<u>16,713,480</u>	<u>(4,630,533)</u>	<u>-</u>	<u>11,671,155</u>	<u>47,453,606</u>
Fund Balance, at End of Year	<u>\$ 27,087,002</u>	<u>\$ 16,713,480</u>	<u>\$ (4,491,848)</u>	<u>\$ -</u>	<u>\$ 12,349,963</u>	<u>\$ 51,658,597</u>

SOURCE: Extracted from the Town's audited financial statements.

## TOWN OF NORTH READING, MASSACHUSETTS

Governmental Funds  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
For the Year Ended June 30, 2022

	General Fund	Sale of Town Owned Land Fund	School Building Fund	ARPA Grant Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues</b>						
Property taxes	\$ 57,055,721	\$ -	\$ -	\$ -	\$ -	\$ 57,055,721
Excises	3,134,472	-	-	-	-	3,134,472
Penalties, interest, and other taxes	1,039,580	-	-	-	-	1,039,580
Charges for services	1,457,017	-	-	-	3,675,181	5,132,198
Intergovernmental	14,854,194	-	-	26,448	5,880,002	20,760,644
Licenses and permits	761,183	-	-	-	-	761,183
Fines and forfeitures	5,604	-	-	-	-	5,604
Investment income	109,390	-	-	-	33,599	142,989
Contributions & donations	-	-	-	-	173,204	173,204
Miscellaneous	662,789	6,000	-	-	74,395	743,184
<b>Total Revenues</b>	<b>79,079,950</b>	<b>6,000</b>	<b>-</b>	<b>26,448</b>	<b>9,836,381</b>	<b>88,948,779</b>
<b>Expenditures</b>						
Current:						
General government	3,560,048	-	-	26,448	170,960	3,757,456
Public safety	8,225,748	-	-	-	607,540	8,833,288
Education	40,420,669	-	134,310	-	5,224,852	45,779,831
Public works	5,228,402	-	-	-	2,802,589	8,030,991
Health and human services	678,397	-	-	-	25,995	704,392
Culture and recreation	640,484	-	-	-	152,642	793,126
Employee benefits	12,421,376	-	-	-	-	12,421,376
Debt service:						
Principal	4,665,622	-	-	-	-	4,665,622
Interest	2,796,832	-	-	-	-	2,796,832
Intergovernmental	199,453	-	-	-	-	199,453
<b>Total Expenditures</b>	<b>78,837,031</b>	<b>-</b>	<b>134,310</b>	<b>26,448</b>	<b>8,984,578</b>	<b>87,982,367</b>
Excess (Deficiency) of Revenues over Expenditures	242,919	6,000	(134,310)	-	851,803	966,412
<b>Other Findings Sources (Uses)</b>						
Issuance of bonds	-	-	-	-	734,000	734,000
Bond premiums	-	-	-	-	51,000	51,000
Transfers in	3,944,199	-	196,000	-	304,775	4,444,974
Transfers out	(474,324)	(2,893,000)	(59,000)	-	(1,049,916)	(4,476,240)
<b>Total Other Financing Sources (Uses)</b>	<b>3,469,875</b>	<b>(2,893,000)</b>	<b>137,000</b>	<b>-</b>	<b>39,859</b>	<b>753,734</b>
Change in fund balance	3,712,794	(2,887,000)	2,690	-	891,662	1,720,146
Fund Balance, at Beginning of Year, as reclassified and restated	19,986,710	19,600,480	(4,633,223)	-	10,779,493	45,733,460
Fund Balance, at End of Year	\$ 23,699,504	\$ 16,713,480	\$ (4,630,533)	\$ -	\$ 11,671,155	\$ 47,453,606

SOURCE: Extracted from the Town's audited financial statements.



## TOWN OF NORTH READING, MASSACHUSETTS

Governmental Funds  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
For the Year Ended June 30, 2021

	General Fund	Sale of Town Owned Land Fund	School Building Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues</b>					
Property taxes	\$ 54,516,903	\$ -	\$ -	\$ -	\$ 54,516,903
Excises	3,004,436	-	-	-	3,004,436
Penalties, interest, and other taxes	921,073	-	-	-	921,073
Charges for services	1,397,914	-	-	3,273,618	4,671,532
Intergovernmental	14,022,702	-	-	4,669,175	18,691,877
Licenses and permits	686,729	-	-	-	686,729
Fines and forfeitures	3,258	-	-	-	3,258
Investment income	345,480	-	-	127,569	473,049
Contributions & donations	-	-	-	142,030	142,030
Miscellaneous	394,622	3,100	-	68,424	466,146
Total Revenues	75,293,117	3,100	-	8,280,816	83,577,033
<b>Expenditures</b>					
Current:					
General government	3,188,568	-	-	1,165,286	4,353,854
Public safety	7,597,523	-	-	1,037,705	8,635,228
Education	37,845,339	-	27,858	4,422,651	42,295,848
Public works	4,087,312	-	-	2,751,495	6,838,807
Health and human services	680,797	-	-	3,951	684,748
Culture and recreation	680,748	-	-	141,560	822,308
Employee benefits	11,619,795	-	-	-	11,619,795
Debt service:					
Principal	4,724,000	-	-	-	4,724,000
Interest	2,976,046	-	-	-	2,976,046
Intergovernmental	223,255	-	-	-	223,255
Total Expenditures	73,623,383	-	27,858	9,522,648	83,173,889
Excess (Deficiency) of Revenues over Expenditures	1,669,734	3,100	(27,858)	(1,241,832)	403,144
<b>Other Financial Sources (Uses)</b>					
Issuance of bonds	-	-	-	2,249,976	2,249,976
Bond premiums	-	-	-	679,946	679,946
Transfers in	1,748,868	-	253,000	-	2,001,868
Transfers out	(538,340)	-	-	(1,745,668)	(2,284,008)
Total Other Financing Sources (Uses)	1,210,528	-	253,000.00	1,184,254	2,647,782
Change in fund balance	2,880,262	3,100	225,142	(57,578)	3,050,926
Fund Balance, at Beginning of Year, as restated	17,106,448	19,597,380	(4,858,365)	10,009,213	41,854,676
Fund Balance, at End of Year	\$ 19,986,710	\$ 19,600,480	\$ (4,633,223)	\$ 9,951,635	\$ 44,905,602

SOURCE: Extracted from the Town's audited financial statements.

Town of North Reading, Massachusetts  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
Fiscal Year Ended June 30, 2020

	General	Sale of Town Land Special Revenue	School Building Capital Project	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues:</b>					
Property Taxes	\$ 52,666,118	\$ -	\$ -	\$ -	\$ 52,666,118
Tax Liens	107,644	-	-	-	107,644
Excises	3,122,706	-	-	-	3,122,706
Penalties and Interest	195,830	-	-	-	195,830
Licenses and Permits	536,526	-	-	-	536,526
Fees and Other Departmental	248,105	-	-	-	248,105
Intergovernmental	18,408,795	-	-	3,592,022	22,000,817
Charges for Services	1,184,886	-	-	3,558,812	4,743,698
Fines and Forfeits	8,026	-	-	-	8,026
Earnings on Investments	934,783	-	-	22,248	957,031
In Lieu of Taxes	362,392	-	-	-	362,392
Contributions	-	-	-	211,357	211,357
Miscellaneous	178,224	-	-	98,971	277,195
Total Revenues	<u>77,954,035</u>	<u>-</u>	<u>-</u>	<u>7,483,410</u>	<u>85,437,445</u>
<b>Expenditures:</b>					
General Government	3,426,367	-	-	813,109	4,239,476
Public Safety	7,598,773	-	-	492,697	8,091,470
Education	41,352,187	-	36,977	3,687,422	45,076,586
Intergovernmental	230,174	-	-	-	230,174
Highways and Public Works	3,914,132	-	-	1,426,205	5,340,337
Human Services	659,826	-	-	41,494	701,320
Culture and Recreation	681,978	-	-	151,076	833,054
Employee Benefits and Insurance	11,344,004	-	-	-	11,344,004
Debt Service	7,660,806	-	-	-	7,660,806
Capital Outlay	-	-	-	-	-
Total Expenditures	<u>76,868,247</u>	<u>-</u>	<u>36,977</u>	<u>6,612,003</u>	<u>83,517,227</u>
Excess of Revenues Over (Under) Expenditures	<u>1,085,788</u>	<u>-</u>	<u>(36,977)</u>	<u>871,407</u>	<u>1,920,218</u>
<b>Other Financing Sources (Uses):</b>					
Transfers In	1,538,942	-	-	100,000	1,638,942
Transfers (Out)	(341,790)	-	-	(1,062,588)	(1,404,378)
Premium on Issuance of Bond Anticipation Note	-	-	-	76,871	76,871
Total Other Financing Sources (Uses)	<u>1,197,152</u>	<u>-</u>	<u>-</u>	<u>(885,717)</u>	<u>311,435</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>2,282,940</u>	<u>-</u>	<u>(36,977)</u>	<u>(14,310)</u>	<u>2,231,653</u>
Fund Balance, Beginning	<u>14,266,022</u>	<u>19,597,380</u>	<u>(4,821,388)</u>	<u>10,023,523</u>	<u>39,065,537</u>
Fund Balance, Ending	<u>\$ 16,548,962</u>	<u>\$ 19,597,380</u>	<u>\$ (4,858,365)</u>	<u>\$ 10,009,213</u>	<u>\$ 41,297,190</u>

SOURCE: Extracted from the Town's audited financial statements.



## Retirement Plan

The annual required contributions of the Town to the retirement system for the following fiscal years are as follows:

<u>Year Ending</u>	<u>Contributory</u>
June 30, 2025 (budgeted)	\$ 5,552,840
June 30, 2024	5,210,793
June 30, 2023	4,854,543
June 30, 2022	4,553,483
June 30, 2021	4,401,955
June 30, 2020	4,161,014

The estimated unfunded accrued actuarial liability of the Middlesex County Retirement System on January 1, 2024 was \$1,604,416,370 assuming 7.15% discount rate. The Town's portion of such liability is approximately \$51,274,617.

## Middlesex County Retirement Funding Schedule

(1) Fiscal Year Ended June 30	(2) Employer Normal Cost	(3) Amortization of Unfunded Liability	(4) Actuarially Determined Contribution (ADC): (2)+(3)	(5) Total Unfunded Actuarial Accrued Liability at Beginning of Fiscal Year	(6) Percent Increase in ADC
2025	\$31,053,652	\$146,282,625	\$177,336,277	\$1,660,784,076	--
2026	32,199,707	156,663,428	188,863,135	1,625,471,208	6.50%
2027	33,387,667	167,751,572	201,139,239	1,576,700,829	6.50%
2028	34,619,053	179,594,237	214,213,290	1,512,765,784	6.50%
2029	35,895,438	192,241,716	228,137,154	1,431,787,169	6.50%
2030	37,218,458	205,747,611	242,966,069	1,331,698,771	6.50%
2031	38,589,802	220,169,061	258,758,863	1,210,230,191	6.50%
2032	40,011,222	229,807,001	269,818,223	1,064,888,521	4.27%
2033	41,484,533	238,999,281	280,483,814	899,004,634	3.95%
2034	43,011,614	248,559,252	291,570,866	711,579,113	3.95%
2035	44,594,414	258,501,622	303,096,036	500,684,493	3.95%
2036	46,234,953	268,841,687	315,076,640	264,240,008	3.95%
2037	47,935,318	0	47,935,318	0	-84.79%

**Notes:**

Actuarially determined contribution for fiscal year 2025 is set equal to the amount determined with the prior valuation.

Actuarially determined contributions are assumed to be paid in two equal installments on July 1 and December 31.

Item (2) reflects 3.25% growth in payroll and a 0.15% adjustment to total normal cost to reflect the effect of mortality improvements due to the generational mortality assumption.

Item (3) increases at 4% per year beginning in fiscal 2033.

Projected normal cost does not reflect the future impact of pension reform for new hires.

Projected unfunded actuarial accrued liability does not reflect the recognition of deferred investment gains or losses.

Source: January 1, 2024 Actuarial Valuation Report of the Middlesex Retirement System, PERAC.

For additional information see Appendix A.

### Other Post-Employment Benefits

In addition to pension benefits, cities and towns may provide retired employees with health care and life insurance benefits. The portion of the cost of such benefits paid by cities or towns is generally provided on a pay-as-you-go basis. The chart below shows the pay-as-you-go cost to the Town for such health benefits for the following fiscal years:

<u>Year Ending</u>	<u>Contributory</u>
June 30, 2024	\$ 2,371,237
June 30, 2023	2,168,563
June 30, 2022	1,988,215
June 30, 2021	1,912,449
June 30, 2020	1,984,393

The Governmental Accounting Standards Board ("GASB") promulgated accounting standards that require public sector entities to report the future costs of these non-pension, post-employment benefits in their financial statements. These accounting standards do not require pre-funding the payment of these costs as the liability for such costs accrues, but the basis applied by the standards for measurement of costs and liabilities for these benefits is conservative if they continue to be funded on a pay-as-you-go basis and will result in larger yearly cost and liability accruals than if the cost of such benefits were pre-funded in a trust fund in the same manner as traditional pension benefits. Cities and towns that choose to self-insure all or a portion of the cost of the health care benefits they provide to employees and retirees may establish a trust fund for the purpose of paying claims. In addition, cities and towns may establish a trust fund for the purpose of pre-funding other post-employment benefits liability in the same manner as traditional pension benefits.

The Town has performed an actuarial valuation of its non-pension, post-employment benefit ("OPEB") liability. As of June 30, 2023, the total OPEB liability for benefits was \$80,932,196 and the fiduciary net position was \$3,189,544, resulting in a net OPEB liability of \$77,742,652, assuming a 3.71% investment rate of return. The actuarial determined contribution ("ADC") is an amount determined by the actuary pursuant to GASB Statement No. 74/75 which represents a level of funding that, if paid on an ongoing basis, is projected to cover the service cost each year and amortize any unfunded actuarial liabilities. As of June 30, 2022, the ADC was \$6,121,937. The Town has decided to fund non-pension, post-employment benefits with Free Cash. The amount will vary depending on the amount certified or pressing needs in the budget.

The Town established an OPEB Trust Fund in June 2013. The balance in the OPEB Trust Fund was \$3,915,676 as of June 30, 2024.

### LITIGATION

At present there are various cases pending in various courts throughout the Commonwealth where the Town of North Reading is a defendant. In the opinion of the Town, there is no pending or threatened litigation that is likely to result, either individually or in the aggregate, in final judgments against the Town that would materially affect its financial position or its ability to pay its obligations.

## TOWN OF READING, MASSACHUSETTS

## Description

The Town of Reading, incorporated as a town in 1644, is located in Middlesex County. It is bordered on the north by the Town of North Reading, on the south by the Town of Stoneham, on the west by the Town of Wilmington and the City of Woburn, and on the east by the Towns of Lynnfield and Wakefield. The Town occupies a land area of 9.9 square miles and, based on the 2020 Federal Census, has a population of 25,400.

## Age, Income and Wealth Levels

	<u>Reading</u>	<u>Massachusetts</u>	<u>U.S.</u>
Median Age:			
2020	44.7	39.4	38.3
2010	41.6	39.1	37.2
2000	39.1	36.5	35.3
1990	36.1	33.6	32.9
Median Family Income:			
2020	\$132,731	\$81,215	\$62,843
2010	99,130	81,165	51,144
2000	89,076	61,664	50,046
1990	60,921	44,367	35,225
Per Capita Income:			
2020	\$54,345	\$43,761	\$34,103
2010	43,887	33,966	27,334
2000	32,888	25,952	21,587
1990	21,074	17,224	14,420

Source: Federal Census.

## Labor Force, Employment and Unemployment Rate

According to the Massachusetts Executive Office of Labor and Workforce Development, in December 2024, the Town had a total labor force of 14,807 of whom 14,384 were employed and 486 or 3.3% were unemployed as compared to 4.2% for the Commonwealth.

The following table sets forth the Town's average labor force and unemployment rates for calendar years 2019 through 2023 and the unemployment rates for the County and the Commonwealth for the same period:

Calendar Year	Town of Reading		Unemployment Rate			
	Labor Force	Unemployment Rate	Massachusetts		United States	
2023	14,514	2.7 %	3.4	%	3.6	%
2022	14,308	2.8	3.8		3.6	
2021	13,787	4.3	5.7		5.4	
2020	13,787	6.9	8.9		8.1	
2019	14,500	2.1	2.8		3.7	

Source: Massachusetts Executive Office of Labor and Workforce Development. Data based on place of residence, not place of employment.

## Tax Levy Computation

The following table shows the details of the calculation of the tax levies for the following fiscal years:

	Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2022	Fiscal 2021
<b>Gross Amount to be Raised:</b>					
Appropriations	\$ 144,101,755	\$ 139,908,590	\$ 134,424,798	\$ 127,799,412	\$ 121,773,654
Other Amounts to be Raised	324,958	98,225	51,814	67,189	40,890
State Charges	930,739	836,110	780,054	732,499	702,882
Overlay Reserve	748,786	780,984	782,833	784,290	760,076
Total Gross Amount to be Raised	<u>146,106,239</u>	<u>141,623,909</u>	<u>136,039,499</u>	<u>129,383,390</u>	<u>123,277,502</u>
<b>Less Estimated Receipts and Other Revenue:</b>					
Estimated Receipts from State	16,310,589	15,652,427	15,217,697	14,821,349	14,570,888
Estimated Receipts - Local	33,663,807	30,296,638	28,410,554	27,741,305	26,390,304
Available Funds Appropriated:					
Free Cash	5,476,407	5,017,000	6,123,000	3,400,052	2,447,000
Other Available Funds	1,263,297	2,722,874	1,054,563	1,036,963	1,028,382
Total Estimated Receipts and Revenue	<u>\$ 56,714,100</u>	<u>\$ 53,688,939</u>	<u>\$ 50,805,814</u>	<u>\$ 46,999,669</u>	<u>\$ 44,436,574</u>
Net Amount to be Raised (Tax Levy)	<u>\$ 89,392,138</u>	<u>\$ 87,934,970</u>	<u>\$ 85,233,685</u>	<u>\$ 82,383,721</u>	<u>\$ 78,840,928</u>
Property Valuation (000)	\$ 7,832,363	\$ 7,487,349	\$ 6,774,666	\$ 6,199,751	\$ 5,721,036
Residential Tax Rate per \$1,000	\$ 11.39	\$ 11.72	\$ 12.59	\$ 13.33	\$ 13.81
Commercial Tax Rate per \$1,000	\$ 12.67	\$ 12.92	\$ 13.21	\$ 13.55	\$ 14.06

Source: Board of Assessors.

## Classification of Property

The following is a breakdown of the Town's assessed valuation by type of property for the following fiscal years.

	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Assessed Valuation	% of Total	Assessed Valuation	% of Total	Assessed Valuation	% of Total
Residential	\$ 7,338,981,201	93.7 %	\$ 7,016,118,763	93.7 %	\$ 6,325,779,514	93.4 %
Commercial	404,206,124	5.2	388,559,761	5.2	375,200,728	5.5
Industrial	13,137,400	0.2	12,672,000	0.2	12,393,200	0.2
Personal	76,038,340	1.0	69,998,850	0.9	61,292,840	0.9
Total	<u>\$ 7,832,363,065</u>	<u>100.0 %</u>	<u>\$ 7,487,349,374</u>	<u>100.0 %</u>	<u>\$ 6,774,666,282</u>	<u>100.0 %</u>

Source: Board of Assessors.

## Tax Collections

Fiscal Year	Gross Tax Levy	Overlay Reserve for Abatements	Net Tax Levy (1)	% of Net Collected At Fiscal Year End (2)(3)		% of Net Collected At June 30, 2024 (3)(4)	
				Dollar	Percentage	Dollar	Percentage
2024	\$ 87,934,970	\$ 780,984	\$ 87,153,986	\$ 87,034,945	99.9 %	\$ 87,034,945	99.9 %
2023	85,233,685	782,833	84,450,852	83,558,911	98.9	84,690,888	100.3
2022	82,383,721	784,290	81,599,431	81,604,616	100.0	81,907,604	100.4
2021	78,840,928	760,076	78,080,852	77,878,863	99.7	78,287,072	100.3
2020	76,110,687	757,774	75,352,913	75,335,404	100.0	75,692,063	100.5

Source: Board of Assessors as to rates and levies; Town Accountant as to collections.

(1) Net of overlay for abatements.

(2) I.e., at the end of the fiscal year for which levied.

(3) Actual collections less refunds, but excluding proceeds of tax titles and possessions attributable to that year's levy.

Non-cash credits which may be abated later are not included in the amount allowed for refunds here.

(4) Collections for the current fiscal year are comparable to previous fiscal years.

## Tax Levies and Tax Levy Limits (1)

The following shows the calculation of levy limits for the following fiscal years:

	For Fiscal Year				
	2025	2024	2023	2022	2021
Primary Levy Limit (2)	\$ 195,809,077	\$ 187,183,734	\$ 169,366,657	\$ 154,993,795	\$ 143,025,908
Prior Fiscal Year Levy Limit	85,295,755	82,510,951	79,605,148	76,089,241	73,289,696
2.5% Levy Growth	2,132,394	2,062,774	1,990,129	1,902,231	1,832,242
New Growth (3)	692,707	722,030	915,674	1,613,676	967,303
Overrides	-	-	-	-	-
Growth Levy Limit	88,120,856	85,295,755	82,510,951	79,605,148	76,089,241
Debt Exclusions	1,278,420	2,682,705	2,727,408	2,784,926	2,839,442
Capital Expenditure Overrides	-	-	-	-	-
Tax Levy Limit	89,399,276	87,978,460	85,238,359	82,390,074	78,928,683
Tax Levy	89,392,138	87,934,970	85,233,685	82,383,721	78,840,928
Unused Levy Capacity (4)	\$ 7,138	\$ 43,490	\$ 4,674	\$ 6,353	\$ 87,755
Unused Primary Levy Capacity (5)	\$ 107,688,221	\$ 101,887,979	\$ 86,855,706	\$ 75,388,647	\$ 66,936,667

(1) Source: Massachusetts Department of Revenue.

(2) 2.5% of assessed valuation.

(3) Allowed increase for new valuations - certified by the Department of Revenue.

(4) Tax Levy Limit Less Tax Levy.

(5) Primary Levy Limit Less Growth Levy Limit.

## Operating Budget Trends

The following table sets forth the trend in the Town's operating budgets, as voted by Town Meeting and modified by the Finance Committee for fiscal years 2020 through 2024.

	Appropriated FY-25	Appropriated FY-24	Appropriated FY-23	Appropriated FY-22	Appropriated FY-21
General Government & Facilities	11,332,260	10,387,915	9,381,850	9,464,050	9,200,300
Public Safety & Inspections	14,931,617	14,360,976	13,705,350	14,297,425	12,568,700
Education	56,445,811	54,181,623	51,893,363	50,060,998	48,537,663
Public Works	8,797,078	8,216,950	7,938,075	6,463,775	6,337,950
Human Services	552,084	571,350	884,200	816,250	730,250
Culture and Recreation	2,874,850	3,060,075	2,877,450	3,179,900	2,896,045
Employee Benefits	22,350,282	20,682,688	20,082,500	19,108,534	18,416,670
Intergovernmental	2,031,731.00	1,704,355	1,590,000	1,548,150	1,285,377
Debt Service	4,818,738.00	6,066,806	5,983,550	4,762,844	4,993,600
Enterprises:					
Water	7,771,629	7,974,400	8,802,357	7,662,625	6,892,200
Sewer	8,762,366	7,508,425	7,600,710	7,300,075	6,741,450
Storm Water	1,024,625	470,325	891,340	535,378	538,380
PEG	539,000	622,000	626,250	611,500	612,500
Landfill	37,000	37,000	37,000	37,000	37,000
Total	\$ 142,269,071	\$ 135,844,888	\$ 132,293,995	\$ 125,848,504	\$ 119,788,085

Source: Town Accountant

## Key Debt Ratios

	June 30,				
	2024	2023	2022	2021	2020
Amount (1)	\$32,549,120	\$41,273,900	\$42,710,500	\$38,040,900	\$33,144,253
Debt per Capita (2)	\$1,275.54	\$1,617.44	\$1,673.74	\$1,537.50	\$1,339.59
Percent of Assessed Valuation (3)	0.42%	0.61%	0.69%	0.66%	0.64%
Percent of Equalized Valuation (4)	0.50%	0.63%	0.73%	0.65%	0.64%
Amount per Capita as a Percent of Personal Income per Capita (2)	2.33%	2.96%	3.06%	3.50%	3.05%

(1) Excludes temporary loans, lease-purchase obligations, overlapping debt, unfunded pension liability, and other liabilities or contractual obligations not more than 90 days past due.

(2) Source: U.S. Department of Commerce, Bureau of the Census.

(3) Source: Board of Assessors. Assessed valuation as of the prior January 1.

(4) Source: Massachusetts Department of Revenue - Equalized valuation in effect for that fiscal year. (Equalized valuations are established as of January 1 of even-numbered years for the next two fiscal years.)

## Unassigned General Fund Balance and Free Cash

The following table sets forth the trend in the Town's unassigned general fund balances and free cash as certified by the Bureau of Accounts.

Year	Unassigned General Fund Balance as of June 30 (GAAP) (1)	Certified Free Cash
2024	\$25,080,865 (2)	\$ 19,293,779
2023	23,594,699	19,497,062
2022	23,585,160	19,927,025
2021	21,335,505	17,730,185
2020	18,313,633	14,793,050
2019	18,781,232	15,641,661

(1) Source: Audited Financial Statements, except as noted.

(2) Source: Draft Unaudited Financial Statements, preliminary and subject to revision and change.

### Stabilization Fund

The Stabilization Fund balances for the following fiscal years are as follows:

<u>Fiscal Year</u>	<u>Balance</u>
2024	\$ 1,940,114
2023	1,808,301
2022	1,718,224
2021	1,711,121
2020	1,706,976

### Sale of Real Estate Fund

The sale of real estate fund was established by a special home rule petition. The proceeds of the sale of town-owned land are automatically credited to this fund, and interest earned on the fund is credited to the fund. It may be expended by 2/3 vote of town meeting for three purposes:

1. capital projects
2. debt service
3. funding the Town's unfunded pension liability

The Sale of Real Estate Fund balances for the following fiscal years are as follows:

<u>Fiscal Year</u>	<u>Balance</u>
2024	\$ 47,540
2023	44,974
2022	43,221
2021	43,091
2020	26,592

### Financial Statements

Set forth on the following pages are Governmental Funds Balance Sheets for the fiscal years ended June 30, 2024 (unaudited), June 30, 2023, June 30, 2022 and June 30, 2021, and Statements of Revenues, Expenditures and Changes in Fund Balances for fiscal years ended June 30, 2024 (unaudited), June 30, 2023, June 30, 2022, June 30, 2021, June 30, 2020 and June 30, 2019. All of the statements are extracted from the Town's audited financial statements, with the exception of the fiscal 2024 financials, which have been extracted from the Town's draft unaudited financial statements and are preliminary, subject to revision and change.

## TOWN OF READING, MASSACHUSETTS

GOVERNMENTAL FUNDS  
BALANCE SHEETJUNE 30, 2024  
(Unaudited)

	General Fund	ARPA Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>				
Cash and short-term investments	\$ 45,398,182	\$ 1,339,610	\$ 10,983,112	\$ 57,720,904
Investments	650,290	--	7,224,217	7,874,507
Receivables:				
Property taxes	1,330,944	--	--	1,330,944
Excises	167,102	--	--	167,102
Departmental and other	757,362	--	439,689	1,197,051
Intergovernmental	--	--	2,588,331	2,588,331
<b>Total Assets</b>	<u>\$ 48,303,880</u>	<u>\$ 1,339,610</u>	<u>\$ 21,235,349</u>	<u>\$ 70,878,839</u>
<b>Liabilities</b>				
Accounts payable	\$ 3,140,170	\$ 64,851	\$ 1,713,603	\$ 4,918,624
Accrued liabilities	5,967,961	--	197,841	6,165,802
Unearned revenue	--	1,274,759	324,541	1,599,300
Other	404,926	--	--	404,926
<b>Total Liabilities</b>	<u>9,513,057</u>	<u>1,339,610</u>	<u>2,235,985</u>	<u>13,088,652</u>
<b>Deferred Inflows of Resources</b>				
Unavailable revenues	2,011,987	--	53,449	2,065,436
<b>Fund Balances</b>				
Nonspendable	--	--	3,872,303	3,872,303
Restricted	3,461	--	14,910,979	14,914,440
Committed	580,889	--	2,107,073	2,687,962
Assigned	11,113,621	--	--	11,113,621
Unassigned	25,080,865	--	(1,944,440)	23,136,425
<b>Total Fund Balances</b>	<u>36,778,836</u>	<u>--</u>	<u>18,945,915</u>	<u>55,724,751</u>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<u>\$ 48,303,880</u>	<u>\$ 1,339,610</u>	<u>\$ 21,235,349</u>	<u>\$ 70,878,839</u>

SOURCE: Extracted from the Town's draft unaudited financial statements, which are preliminary, subject to revision and change.



## TOWN OF READING, MASSACHUSETTS

## BALANCE SHEET - GOVERNMENTAL FUNDS

JUNE 30, 2023

	General Fund	ARPA Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>				
Cash and short-term investments	\$ 42,168,544	4,807,413	\$ 13,735,528	\$ 60,711,485
Investments	471,435	--	6,580,642	7,052,077
Receivables:				
Property taxes	1,553,973	--	--	1,553,973
Excises	316,247	--	--	316,247
Departmental and other	360,418	--	540,645	901,063
Intergovernmental	--	--	412,827	412,827
Due from other funds	185,206	--	--	185,206
<b>Total Assets</b>	<u>\$ 45,055,823</u>	<u>\$ 4,807,413</u>	<u>\$ 21,269,642</u>	<u>\$ 71,132,878</u>
<b>Liabilities</b>				
Accounts payable	\$ 1,373,854	\$ 43,476	\$ 155,816	\$ 1,573,146
Accrued liabilities	5,670,362	--	138,742	5,809,104
Due to other funds	--	--	185,206	185,206
Unearned revenue	--	4,763,937	283,194	5,047,131
Other	408,387	--	--	408,387
<b>Total Liabilities</b>	<u>7,452,603</u>	<u>4,807,413</u>	<u>762,958</u>	<u>13,022,974</u>
<b>Deferred Inflows of Resources</b>				
Unavailable revenues	2,142,803	--	14,849	2,157,652
<b>Fund Balances</b>				
Nonspendable	--	--	3,779,863	3,779,863
Restricted	6,868	--	17,121,542	17,128,410
Committed	652,000	--	--	652,000
Assigned	11,206,850	--	--	11,206,850
Unassigned	23,594,699	--	(409,570)	23,185,129
<b>Total Fund Balances</b>	<u>35,460,417</u>	<u>--</u>	<u>20,491,835</u>	<u>55,952,252</u>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<u>\$ 45,055,823</u>	<u>\$ 4,807,413</u>	<u>\$ 21,269,642</u>	<u>\$ 71,132,878</u>

SOURCE: Extracted from the Town's audited financial statements.

## TOWN OF READING, MASSACHUSETTS

Governmental Funds  
Balance Sheet  
June 30, 2022

	General <u>Fund</u>	Nonmajor Governmental <u>Funds</u>	Total Governmental <u>Funds</u>
<b>Assets</b>			
Cash and short-term investments	\$ 41,769,064	\$ 24,857,629	\$ 66,626,693
Investments	316,121	5,361,442	5,677,563
Receivables:			
Property taxes	1,330,584	-	1,330,584
Excises	368,337	-	368,337
Departmental and other	584,626	467,156	1,051,782
Intergovernmental	-	325,226	325,226
Total Assets	<u>\$ 44,368,732</u>	<u>\$ 31,011,453</u>	<u>\$ 75,380,185</u>
<b>Liabilities</b>			
Warrants and accounts payable	\$ 1,616,731	\$ 2,502,652	\$ 4,119,383
Accrued liabilities	5,520,790	218,618	5,739,408
Unearned revenue	-	3,959,495	3,959,495
Other	<u>399,027</u>	<u>-</u>	<u>399,027</u>
Total Liabilities	7,536,548	6,680,765	14,217,313
<b>Deferred Inflows of Resources</b>			
Unavailable revenues	2,190,717	14,849	2,205,566
<b>Fund Balances</b>			
Nonspendable	-	3,654,663	3,654,663
Restricted	10,866	20,995,776	21,006,642
Committed	503,000	-	503,000
Assigned	10,542,441	-	10,542,441
Unassigned	<u>23,585,160</u>	<u>(334,600)</u>	<u>23,250,560</u>
Total Fund Balances	<u>34,641,467</u>	<u>24,315,839</u>	<u>58,957,306</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 44,368,732</u>	<u>\$ 31,011,453</u>	<u>\$ 75,380,185</u>

SOURCE: Extracted from the Town's audited financial statements.

## TOWN OF READING, MASSACHUSETTS

Governmental Funds  
Balance Sheet  
June 30, 2021

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>			
Cash and short-term investments	\$ 29,854,719	\$ 9,106,907	\$ 38,961,626
Investments	10,812,154	6,596,116	17,408,270
Receivables:			
Property taxes	1,480,587	-	1,480,587
Excises	353,995	-	353,995
Departmental and other	427,567	519,933	947,500
Intergovernmental	<u>-</u>	<u>325,705</u>	<u>325,705</u>
Total Assets	<u>\$ 42,929,022</u>	<u>\$ 16,548,661</u>	<u>\$ 59,477,683</u>
<b>Liabilities</b>			
Warrants and accounts payable	\$ 1,772,359	\$ 288,207	\$ 2,060,566
Accrued liabilities	4,895,840	201,034	5,096,874
Unearned revenue	-	1,329,291	1,329,291
Other	<u>421,484</u>	<u>-</u>	<u>421,484</u>
Total Liabilities	7,089,683	1,818,532	8,908,215
<b>Deferred Inflows of Resources</b>			
Unavailable revenues	3,423,047	-	3,423,047
<b>Fund Balances</b>			
Nonspendable	-	3,494,013	3,494,013
Restricted	16,818	12,899,906	12,916,724
Committed	503,000	-	503,000
Assigned	10,560,969	-	10,560,969
Unassigned	<u>21,335,505</u>	<u>(1,663,790)</u>	<u>19,671,715</u>
Total Fund Balances	<u>32,416,292</u>	<u>14,730,129</u>	<u>47,146,421</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 42,929,022</u>	<u>\$ 16,548,661</u>	<u>\$ 59,477,683</u>

SOURCE: Extracted from the Town's audited financial statements.

## TOWN OF READING, MASSACHUSETTS

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

**FOR THE YEAR ENDED JUNE 30, 2024**  
**(Unaudited)**

	General Fund	ARPA Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues</b>				
Property taxes	\$ 87,638,388	\$ --	\$ --	\$ 87,638,388
Excises	5,015,265	--	--	5,015,265
Penalties, interest, and other taxes	854,533	--	--	854,533
Departmental	2,434,323	--	7,385,207	9,819,530
Licenses and permits	173,839	--	--	173,839
Fines and forfeitures	104,023	--	--	104,023
Intergovernmental	25,391,848	3,344,178	10,658,697	39,394,723
Investment income	4,097,915	--	842,437	4,940,352
Contributions	--	--	419,885	419,885
Other	190,008	--	131,552	321,560
<b>Total Revenues</b>	<u>125,900,142</u>	<u>3,344,178</u>	<u>19,437,778</u>	<u>148,682,098</u>
<b>Expenditures</b>				
Current:				
General government	5,643,841	3,344,178	2,530,888	11,518,907
Public safety	13,808,473	--	2,130,529	15,939,002
Education	63,866,892	--	13,498,659	77,365,551
Public works	6,797,517	--	2,522,659	9,320,176
Facilities	3,530,056	--	63,947	3,594,003
Health and human services	644,532	--	122,796	767,328
Culture and recreation	2,747,755	--	1,742,818	4,490,573
Employee benefits	20,696,284	--	--	20,696,284
Debt service:				
Principal	5,120,000	--	--	5,120,000
Interest	793,414	--	--	793,414
Intergovernmental	1,707,946	--	--	1,707,946
<b>Total Expenditures</b>	<u>125,356,710</u>	<u>3,344,178</u>	<u>22,612,296</u>	<u>151,313,184</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>543,432</u>	<u>--</u>	<u>(3,174,518)</u>	<u>(2,631,086)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	3,110,008	--	2,200,000	5,310,008
Transfers out	(2,335,021)	--	(571,402)	(2,906,423)
<b>Total Other Financing Sources (Uses)</b>	<u>774,987</u>	<u>--</u>	<u>1,628,598</u>	<u>2,403,585</u>
<b>Change in Fund Balance</b>	<u>1,318,419</u>	<u>--</u>	<u>(1,545,920)</u>	<u>(227,501)</u>
<b>Fund Balances at Beginning of Year</b>	<u>35,460,417</u>	<u>--</u>	<u>20,491,835</u>	<u>55,952,252</u>
<b>Fund Balances at End of Year</b>	<u>\$ 36,778,836</u>	<u>\$ --</u>	<u>\$ 18,945,915</u>	<u>\$ 55,724,751</u>

SOURCE: Extracted from the Town's draft unaudited financial statements, which are preliminary, subject to revision and change.

## TOWN OF READING, MASSACHUSETTS

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

FOR THE YEAR ENDED JUNE 30, 2023

	General Fund	ARPA Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues</b>				
Property taxes	\$ 85,462,823	\$ --	\$ --	\$ 85,462,823
Excises	4,469,850	--	--	4,469,850
Penalties, interest, and other taxes	865,658	--	--	865,658
Departmental	2,353,800	--	7,337,600	9,691,400
Licenses and permits	165,254	--	--	165,254
Fines and forfeitures	73,003	--	--	73,003
Intergovernmental	24,662,239	2,034,031	7,567,347	34,263,617
Investment income	3,087,932	--	442,565	3,530,497
Contributions	--	--	1,599,136	1,599,136
Other	257,991	--	14,354	272,345
<b>Total Revenues</b>	<b>121,398,550</b>	<b>2,034,031</b>	<b>16,961,002</b>	<b>140,393,583</b>
<b>Expenditures</b>				
Current:				
General government	5,544,555	2,034,031	176,860	7,755,446
Public safety	13,363,339	--	3,862,512	17,225,851
Education	63,104,210	--	12,650,380	75,754,590
Public works	6,599,692	--	589,167	7,188,859
Facilities	3,426,113	--	3,182,435	6,608,548
Health and human services	745,321	--	154,339	899,660
Culture and recreation	2,690,117	--	1,036,092	3,726,209
Employee benefits	19,831,666	--	--	19,831,666
Debt service:				
Principal	4,919,000	--	--	4,919,000
Interest	1,067,552	--	--	1,067,552
Intergovernmental	1,698,698	--	--	1,698,698
<b>Total Expenditures</b>	<b>122,990,263</b>	<b>2,034,031</b>	<b>21,651,785</b>	<b>146,676,079</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(1,591,713)</b>	<b>--</b>	<b>(4,690,783)</b>	<b>(6,282,496)</b>
<b>Other Financing Sources (Uses)</b>				
Proceeds of bonds	--	--	730,000	730,000
Premium on issuance of bonds	--	--	20,000	20,000
Transfers in	2,850,663	--	440,000	3,290,663
Transfers out	(440,000)	--	(323,221)	(763,221)
<b>Total Other Financing Sources (Uses)</b>	<b>2,410,663</b>	<b>--</b>	<b>866,779</b>	<b>3,277,442</b>
<b>Change in Fund Balance</b>	<b>818,950</b>	<b>--</b>	<b>(3,824,004)</b>	<b>(3,005,054)</b>
<b>Fund Balance, at Beginning of Year</b>	<b>34,641,467</b>	<b>--</b>	<b>24,315,839</b>	<b>58,957,306</b>
<b>Fund Balance, at End of Year</b>	<b>\$ 35,460,417</b>	<b>\$ --</b>	<b>\$ 20,491,835</b>	<b>\$ 55,952,252</b>

SOURCE: Extracted from the Town's audited financial statements.



## TOWN OF READING, MASSACHUSETTS

Governmental Funds  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
For the Year Ended June 30, 2022

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues</b>			
Property taxes	\$ 82,364,521	\$ -	\$ 82,364,521
Excises	4,367,830	-	4,367,830
Penalties, interest, and other taxes	793,548	-	793,548
Departmental	2,206,996	6,180,359	8,387,355
Licenses and permits	164,383	-	164,383
Fines and forfeitures	54,098	-	54,098
Intergovernmental	23,453,122	8,626,238	32,079,360
Investment income (loss)	330,233	(428,250)	(98,017)
Contributions	-	379,308	379,308
Other	268,760	207,311	476,071
<b>Total Revenues</b>	<b>114,003,491</b>	<b>14,964,966</b>	<b>128,968,457</b>
<b>Expenditures</b>			
Current:			
General government	5,665,460	746,498	6,411,958
Public safety	13,478,756	2,026,477	15,505,233
Education	58,880,552	10,413,344	69,293,896
Public works	5,377,493	619,365	5,996,858
Facilities	3,690,934	2,688,780	6,379,714
Health and human services	687,373	125,538	812,911
Culture and recreation	2,811,422	828,040	3,639,462
Employee benefits	17,636,686	-	17,636,686
Debt service:			
Principal	4,085,000	-	4,085,000
Interest	670,221	-	670,221
Intergovernmental	1,492,914	-	1,492,914
<b>Total Expenditures</b>	<b>114,476,811</b>	<b>17,448,042</b>	<b>131,924,853</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(473,320)	(2,483,076)	(2,956,396)
<b>Other Financing Sources (Uses)</b>			
Proceeds of bonds	-	10,430,000	10,430,000
Premium on issuance of bonds	-	1,856,775	1,856,775
Transfers in	2,812,418	113,923	2,926,341
Transfers out	(113,923)	(331,912)	(445,835)
<b>Total Other Financing Sources (Uses)</b>	<b>2,698,495</b>	<b>12,068,786</b>	<b>14,767,281</b>
Change in Fund Balance	2,225,175	9,585,710	11,810,885
Fund Balances at Beginning of Year	32,416,292	14,730,129	47,146,421
Fund Balance at End of Year	\$ 34,641,467	\$ 24,315,839	\$ 58,957,306

SOURCE: Extracted from the Town's audited financial statements.

## TOWN OF READING, MASSACHUSETTS

Governmental Funds  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
For the Year Ended June 30, 2021

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues</b>			
Property taxes	\$ 78,198,598	\$ -	\$ 78,198,598
Excises	4,274,120	-	4,274,120
Penalties, interest, and other taxes	632,272	-	632,272
Departmental	1,970,384	4,199,635	6,170,019
Licenses and permits	125,637	-	125,637
Fines and forfeitures	29,720	-	29,720
Intergovernmental	22,298,192	6,262,960	28,561,152
Investment income	325,179	852,148	1,177,327
Contributions	-	242,862	242,862
Other	351,762	120,689	472,451
Total Revenues	108,205,864	11,678,294	119,884,158
<b>Expenditures</b>			
Current:			
General government	4,777,683	777,622	5,555,305
Public safety	12,201,487	2,203,342	14,404,829
Education	52,827,515	7,326,675	60,154,190
Public works	5,732,894	1,186,217	6,919,111
Facilities	4,104,082	2,923,588	7,027,670
Health and human services	566,063	146,385	712,448
Culture and recreation	2,631,111	350,313	2,981,424
Employee benefits	17,916,276	-	17,916,276
Debt service:			
Principal	4,155,000	-	4,155,000
Interest	829,858	-	829,858
Intergovernmental	1,405,771	-	1,405,771
Total Expenditures	107,147,740	14,914,142	122,061,882
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,058,124	(3,235,848)	(2,177,724)
<b>Other Financing Sources (Uses)</b>			
Transfers in	2,622,097	-	2,622,097
Transfers out	(18,300)	(141,591)	(159,891)
Total Other Financing Sources (Uses)	2,603,797	(141,591)	2,462,206
Change in Fund Balance	3,661,921	(3,377,439)	284,482
Fund Balances at Beginning of Year, as restated	28,754,371	18,107,568	46,861,939
Fund Balance at End of Year	\$ 32,416,292	\$ 14,730,129	\$ 47,146,421

SOURCE: Extracted from the Town's audited financial statements.

**TOWN OF READING, MASSACHUSETTS**  
**Governmental Funds**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**For the Year Ended June 30, 2020 (1)**

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues</b>			
Property taxes	\$ 75,722,150	\$ -	\$ 75,722,150
Excises	4,101,420	-	4,101,420
Penalties, interest, and other taxes	561,676	-	561,676
Departmental	2,184,187	6,890,955	9,075,142
Licenses and permits	151,265	-	151,265
Fines and forfeitures	86,520	-	86,520
Intergovernmental	20,931,882	4,747,054	25,678,936
Investment income	1,173,465	219,186	1,392,651
Contributions	-	288,988	288,988
Other	176,915	65,881	242,796
Total Revenues	<u>\$ 105,089,480</u>	<u>\$ 12,212,064</u>	<u>\$ 117,301,544</u>
<b>Expenditures</b>			
General government	4,698,054	153,416	4,851,470
Public safety	11,878,628	2,491,221	14,369,849
Education	51,887,507	9,265,805	61,153,312
Public works	5,381,816	1,032,895	6,414,711
Facilities	4,132,103	-	4,132,103
Health and human services	615,395	194,181	809,576
Culture and recreation	2,524,691	760,482	3,285,173
Employee benefits	16,906,209	-	16,906,209
Debt service			-
Principal	3,600,000	-	
Interest	893,862	-	893,862
Intergovernmental	1,197,932	-	1,197,932
Total Expenditures	<u>103,716,197</u>	<u>13,898,000</u>	<u>117,614,197</u>
Excess of revenues over Expenditures	\$ 1,373,283	\$ (1,685,936)	\$ (312,653)
<b>Other Financing Sources (Uses)</b>			
Issuance of bonds	-	5,130,000	5,130,000
Premium on issuance of bonds	60,386	693,000	753,386
Transfers in	2,652,066	-	2,652,066
Transfers out	-	(171,560)	(171,560)
Total Other Financing Sources (Uses)	<u>2,712,452</u>	<u>5,651,440</u>	<u>8,363,892</u>
Net change in fund balances	4,085,735	3,965,504	8,051,239
Fund Balance at Beginning of Year	24,668,636	13,920,098	38,588,734
Fund Balance at End of Year	<u>\$ 28,754,371</u>	<u>\$ 17,885,602</u>	<u>\$ 46,639,973</u>

(1) Extracted from the Town's audited financial statements.



**TOWN OF READING, MASSACHUSETTS**  
**Governmental Funds**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**For the Year Ended June 30, 2019 (1)**

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues</b>			
Property taxes	\$ 73,440,816	\$ -	\$ 73,440,816
Excises	4,518,208	-	4,518,208
Penalties, interest, and other taxes	599,869	-	599,869
Departmental	2,312,514	8,013,675	10,326,189
Licenses and permits	161,819	-	161,819
Fines and forfeitures	101,396	-	101,396
Intergovernmental	20,417,819	4,296,274	24,714,093
Investment income	1,513,149	468,202	1,981,351
Contributions	-	423,045	423,045
Other	212,556	215,136	427,692
Total Revenues	<u>\$ 103,278,146</u>	<u>\$ 13,416,332</u>	<u>\$ 116,694,478</u>
<b>Expenditures</b>			
General government	5,281,210	234,519	5,515,729
Public safety	11,498,415	1,618,751	13,117,166
Education	50,076,779	8,186,252	58,263,031
Public works	4,738,102	848,664	5,586,766
Facilities	3,771,257	-	3,771,257
Health and human services	606,863	243,558	850,421
Culture and recreation	2,514,322	768,991	3,283,313
Employee benefits	16,967,755	-	16,967,755
Debt service	4,478,865	-	4,478,865
Intergovernmental	1,143,082	-	1,143,082
Total Expenditures	<u>101,076,650</u>	<u>11,900,735</u>	<u>112,977,385</u>
Excess of revenues over Expenditures	\$ 2,201,496	\$ 1,515,597	\$ 3,717,093
<b>Other Financing Sources (Uses)</b>			
Transfers in	3,811,642	150,921	3,962,563
Transfers out	(150,921)	(1,331,136)	(1,482,057)
Total Other Financing Sources (Uses)	<u>3,660,721</u>	<u>(1,180,215)</u>	<u>2,480,506</u>
Net change in fund balances	5,862,217	335,382	6,197,599
Fund Balance at Beginning of Year	18,806,419	13,584,716	32,391,135
Fund Balance at End of Year	<u>\$ 24,668,636</u>	<u>\$ 13,920,098</u>	<u>\$ 38,588,734</u>

(1) Extracted from the Town's audited financial statements.

## Retirement System

The Town contributes to the Town of Reading Retirement System (the "System"), a multi-employer, public employee retirement system that acts as the investment and administrative agent for the Town, the Reading Municipal Light Department and the Reading Housing Authority. The System covers substantially all full-time municipal employees except school teachers, whose pensions are covered by the Commonwealth of Massachusetts Teachers' Retirement System to which the Town of Reading does not contribute.

Covered payroll for employees participating in the Town's system for the year ended January 1, 2023 was \$31,726,675. As of January 1, 2023, there were 366 active participants in the system and 344 retirees and beneficiaries. The System is partially funded by employee contributions.

The System participates in PRIT and, as such, shares in the annual appropriation made to PRIT by the Commonwealth. State contributions are based upon the System's net assets in PRIT at the beginning of the fiscal year. As of January 1, 2023, the System's shares in PRIT had a market value of \$180,076,216.

The annual contributions of the Town to the retirement system for the following fiscal years are as follows:

<u>Fiscal Year</u>	<u>Contribution (1)</u>	<u>Non-Contributory</u>
2024	\$ 9,055,500	
2023	8,542,933	-
2022	7,977,971	-
2021	7,542,978	-
2020	6,235,688	-

Source: Town Accountant.

(1) Includes contributions of the Municipal Light Department and excludes those of the Reading Housing Authority.

As of January 1, 2023, the total benefit obligation of the System was \$236,143,181 and net assets available for benefits at actuarial value were \$183,076,216, resulting in an unfunded pension benefit obligation of \$53,066,965, assuming an investment return of 6.75%.

The Town formally accepted all of the provisions of Chapter 697 effective December 28, 1989. Prior to that date, the Town's contributions to the system were actuarially determined using the entry age normal cost method. The contribution level was calculated using a level percent of future payroll to amortize the unfunded actuarial liability over a 40-year period. Thus, prior to the acceptance of Chapter 697, the Town had initiated a contribution level sufficient to fund its unfunded liability. The Reading Municipal Light Department pays its contribution to the System from the employees retirement trust. As of June 30, 2021, the balance in the trust (fair value) was \$6,592,771.

The Town has voted to accept legislation that provides for cost of living adjustments (COLA) for retirees, subject to the approval of the Reading Retirement Board. The statutory provision have been accepted by the Retirement Board, which acceptance may not be revoked. The impact of this legislation is estimated to require an increase in the appropriation to the retirement system of approximately 4.5% per year through 2029.

## Funding Schedule (As of January 1, 2023)

Fiscal Year Ending	Employer Normal Cost	Amortization Payment of UAL	Total Employer Cost	Increase over Prior Year	Unfunded Actuarial Accrued Liability
2024	\$ 2,908,403	\$ 6,147,106	\$ 9,055,509		\$ 53,066,965
2025	2,957,025	6,847,375	9,804,400	8.27%	50,417,080
2026	3,033,410	7,581,813	10,615,223	8.27%	46,878,399
2027	3,117,292	8,375,810	11,493,102	8.27%	42,356,286
2028	3,205,856	9,237,726	12,443,582	8.27%	36,723,980
2029	3,295,715	10,176,951	13,472,666	8.27%	29,837,687
2030	3,400,728	11,186,126	14,586,854	8.27%	21,534,388
2031	3,503,210	12,264,536	15,767,746	8.10%	11,647,519
2032	3,587,539	-	3,587,539	-77.25%	-
2033	3,701,579	-	3,701,579	3.18%	-
2034	3,812,074	-	3,812,074	2.99%	-
2035	3,925,895	-	3,925,895	2.99%	-
2036	4,057,473	-	4,057,473	3.35%	-
2037	4,166,074	-	4,166,074	2.68%	-
2038	4,291,874	-	4,291,874	3.02%	-
2039	4,414,032	-	4,414,032	2.85%	-
2040	4,565,844	-	4,565,844	3.44%	-
2041	4,696,751	-	4,696,751	2.87%	-
2042	4,851,526	-	4,851,526	3.30%	-
2043	4,994,825	-	4,994,825	2.95%	-
2044	5,161,797	-	5,161,797	3.34%	-
2045	5,330,433	-	5,330,433	3.27%	-
2046	5,492,327	-	5,492,327	3.04%	-
2047	5,690,861	-	5,690,861	3.61%	-
2048	5,877,751	-	5,877,751	3.28%	-
2049	6,059,216	-	6,059,216	3.09%	-
2050	6,259,752	-	6,259,752	3.31%	-
2051	6,474,344	-	6,474,344	3.43%	-
2052	6,676,365	-	6,676,365	3.12%	-
2053	6,908,895	-	6,908,895	3.48%	-

Source: January 1, 2023 Actuarial Valuation Report of the Reading Retirement System, PERAC and Actuarial Valuation and Review as prepared by KMS Actuaries.

## Other Post-Employment Benefits

In addition to pension benefits, cities and towns may provide retired employees with health care and life insurance benefits. The Annual Required Contribution (ARC) and the contributions made by the Town (including Enterprise Funds) for such benefits in recent years have been as follows:

<u>Fiscal Year</u>	<u>Annual Required Contribution</u>	<u>Contributions</u>
2024	\$ 5,906,016	\$ 4,488,128
2023	5,731,038	4,425,129
2022	5,697,776	3,895,028
2021	5,528,662	4,047,143
2020	6,108,384	4,356,509

The Governmental Accounting Standards Board ("GASB") promulgated accounting standards that require public sector entities to report the future costs of these non-pension, post-employment benefits in their financial statements. These accounting standards do not require pre-funding the payment of these costs as the liability for such costs accrues, but the basis applied by the standards for measurement of costs and liabilities for these benefits is conservative if they continue to be funded on a pay-as-you-go basis and will result in larger yearly cost and liability accruals than if the cost of such benefits were pre-funded in a trust fund in the same manner as traditional pension benefits. Cities and towns that choose to self-insure all or a portion of the cost of the health care benefits they provide to employees and retirees may establish a trust fund for the purpose of paying claims. In addition, cities and towns may establish a trust fund for the purpose of pre-funding other post-employment benefits liability in the same manner as traditional pension benefits.

The Town was required to implement the GASB reporting requirements for other post-employment benefits beginning in fiscal year 2008. As of June 30, 2023, the Town's unfunded actuarial accrued liability was approximately \$69.534 million assuming a 7.0% investment rate. These totals include water, sewer and the general fund. The Town has accepted Chapter 32B, Section 20 and established an irrevocable trust for OPEB contributions. The balance in the fund as of June 30, 2024 was \$10,964,819 and these proceeds are fully invested in PRIT. The Town's pension liability will be fully funded by 2031. At that point, the Town will be able to contribute more significantly each year to fully fund the liability within a 30-year period.

As of December 2023, Reading Municipal Light Department's unfunded actuarial accrued liability was approximately \$11,069,884.

Municipal Light Department's unfunded actuarial accrued liability was approximately \$4,351,456.

## LITIGATION

At present, there are various suits pending in courts within the Commonwealth in which the Town is a defendant. In the opinion of the Town, there is no litigation pending, or to its knowledge, threatened, which is likely to result, either individually or in the aggregate, in final judgments against the Town materially affecting its financial position.

## CITY OF REVERE, MASSACHUSETTS

**General**

The City of Revere is located on the eastern coast of Massachusetts and is bordered by Boston, Winthrop, and Chelsea on the south, Everett and Malden on the west, Saugus and Lynn on the north, and the Atlantic Ocean on the east. The City has a population of approximately 53,073 (according to the 2020 U.S. Census) and occupies a land area of 5.95 square miles. Settled in 1626 and originally a part of Chelsea, Revere was established as a separate town in 1871 and incorporated as a city in 1915. It is primarily a residential suburb of Boston.

**Income Levels and Population**

	<u>Revere</u>	<u>Massachusetts</u>	<u>United States</u>
<b>Median Family Income</b>			
2020	\$62,568	\$81,215	\$62,843
2010	58,345	81,165	51,144
2000	45,865	61,664	50,046
1990	37,213	44,367	35,225
1980	19,004	21,166	19,908
<b>Per Capita Income</b>			
2020	\$30,587	43,761	\$34,103
2010	25,085	33,966	27,334
2000	19,698	25,952	21,587
1990	14,723	17,224	14,420
1980	6,660	7,459	7,313

Source: U.S. Bureau of the Census.

**Labor Force, Employment and Unemployment Rate**

According to the Massachusetts Executive Office of Labor and Workforce Development, in January 2025, the City had a total labor force of 33,664 of whom 31,970 were employed and 1,694 or 5.0% were unemployed as compared with 4.7% for the Commonwealth.

The following table sets forth the City's average labor force and average annual unemployment rates for calendar years 2019 through 2023 and the unemployment rates for the Commonwealth and the nation as a whole for the same period:

<u>Year</u>	<u>City of Revere</u>			<u>Massachusetts</u> <u>Unemployment</u> <u>Rate</u>	<u>U.S.</u> <u>Unemployment</u> <u>Rate</u>
	<u>Labor Force</u>	<u>Employment</u>	<u>Unemployment</u> <u>Rate</u>		
2023	28,729	27,724	3.5%	3.4%	3.6%
2022	28,680	27,476	4.2	3.8	3.6
2021	28,916	26,826	7.2	5.7	5.4
2020	29,725	25,657	13.7	8.4	6.7
2019	29,727	28,851	2.9	2.8	3.5

Source: Massachusetts Executive Office of Labor and Workforce Development. Data based upon place of residence, not place of employment.

## Economic Development

Recognizing that the City of Revere needs commercial development to ensure a solid tax base, the City has taken an aggressive approach in recent years to expand and diversify its commercial tax base. These efforts have yielded significant success and many continuing prospects for further economic growth. In virtually every corner of the City, economic development is moving forward. The City of Revere has cultivated a robust development pipeline in recent years, allowing both the City and developers to benefit from immense regional demand in the residential and commercial sectors. The City of Revere has become a very desirable location with its ideal access to Boston via its 3 MBTA stations and bus lines and 3-mile crescent beach as well as its proximity to Logan Airport and major highways.

One of the largest mixed-use developments in the Commonwealth. was approved by the Revere City Council in 2018 at the 160-acre Suffolk Downs Racetrack, 52 acres of which are located in Revere. The master planned unit development by the HYM Investment Group, LLC will generate over the next 15-20 years approximately 5.8 million gross square feet of commercial, residential, and civic/recreational space across the Revere portion of the site, with residential uses comprising no more than 50%, and commercial uses no less than 50%. This master planned development will be constructed in 4 phases beginning at Beachmont Square adjacent to the Beachmont T Station, with residential uses to be predominant (80/20 ratio) during this first phase. The total mixed-use project will consist of 2.9 million gross square feet of commercial uses including an Innovation Center, hotels, office buildings, restaurants, and retail and 2.9 million gross square feet of residential uses. Construction of the first phase began in 2021. The first development project, Amaya, broke ground in 2022 and opened in the summer of 2024. Amaya features 475 apartments and 24,000 square feet of ground floor retail. This summer, HYM intends to begin construction on the next phase of the project: a full-service hotel and Portico, a 475-unit development. In addition, the team continues to work on progress along the development's public spaces, including a revamped "Beachmont Square" public space, as well as an outdoor amphitheater, the first major step in developing the Suffolk Downs open space network, which will be 25% of the space in the development.

Also on the horizon is the development of the vacant 34-acre former Wonderland Greyhound Racetrack (the "Wonderland Property"). This site represents a key opportunity for further economic development in the City of Revere given its prime location on Route 1A and ideal access to the adjacent Wonderland T Station and Commuter Rail. The City is currently undertaking a master plan and rezoning of this site to include construction of a new high school to serve approximately 2,450 students. The City acquired the Wonderland Property by eminent domain. CBW Lending, LLC, the former owner of the Wonderland Property filed a lawsuit against the City over the price of the taking of the Wonderland Property by eminent domain. The City is confident that it acquired the Wonderland Property for fair market value. However, there can be no assurance that the City will be successful in any such defense.

The City of Revere is also home to two Amazon delivery stations, one in the City's geographic center, which has been in operation for several years, along with another which opened. In 2018, the closure and sale of the 800,000 sq. ft. former New England Confectionary Company (NECCO) facility paved the way for a now fully operational delivery station that employs over 600 Amazon or third-party delivery staff on site. The 150,000 gsf Squire Road site opened for the holiday season during 2023.

In 2021, the City of Revere advanced planning for the RiverFront District, a long-envisioned opportunity to incorporate significant public waterfront recreational uses into the City's economic development. The City has now completed and adopted a comprehensive Master Plan for this 19-acre site in the most northern sector of Revere's coastline, which calls for the mixed-use residential, recreational, environmental and transportation redevelopment of the public and private properties in this district. This includes a 291- unit mixed-use market-rate residential development as well as public amenities and a Riverwalk. This development opened in late 2024. Public investment to complement this project is well underway. Most importantly, plans for the renovation of Gibson Park, which includes recreational improvements, significant stormwater storage, has been submitted to the state for permitting review, with a goal to begin construction in late 2025. This work is supported by over \$3.3m in local, state and federal dollars, with more dollars expected through various sources in the next year.

Many development projects have been completed or are nearing completion along Revere Beach. Following many years of negotiations with the Commonwealth's Department of Conservation and Recreation and the MBTA and the subsequent designation of Eurovest Development as the master developer of Waterfront Square, the City has largely realized its vision of transforming what had been nearly 9 acres of surface parking lots into a series of dynamic, mixed-use properties. These include the completed projects of Ocean 650 at 650 Ocean Avenue consisting of 230 luxury rental units; The Eliot/Vanguard at 660 Ocean Ave consisting of 194 luxury rental units; a mixed-use development at 500 Ocean Ave consisting of 305 luxury rental units and two restaurants; and the completion of a 172 room Marriott/Spring Hill Suites Hotel with function space and a new restaurant. The latter of these, along with the 172-room Marriott/Spring Hill Suites Hotel at 400 Ocean Ave, include significant commercial components including restaurants, bars, and function facilities adding further to the significant economic activity at this Transit-Oriented Development site.

Both projects have been built adjacent to the pedestrian plaza and bridge that connects the Wonderland T Station to the waterfront. The final two parcels in the Waterfront Square development area are being developed as a 213-unit mixed use residential development at 646 Ocean Ave. and a 230 mixed use residential development at 656 Ocean Ave. 656 Ocean Ave recently obtained occupancy, as did 646 Ocean Ave.

Both the southern and northern ends of Revere Beach are experiencing aggressive development activity as well. including the completion of a 234-unit luxury apartment project at 540 Revere Beach Boulevard called the "Beach House" by Baystone Development. A 145-unit mixed use development at 320 Revere Beach Boulevard also has completed construction, with occupancy issued in 2021. The approximately 3-acre parcel at 580 Revere Beach Boulevard, just north of the Beach House, has been acquired by Mill Creek Residential, which is currently under construction for 357 residential units, with a goal of a 2026 opening.

On the southerly end of Revere Beach, there are several commercial and residential mixed-use projects in various stages of design, permitting and construction. 90 Ocean Ave, a 75-unit residential project, was completed 2021. Adjacent to this site at 50 Ocean Avenue and 21 Revere Beach Boulevard is The Ryder, a 200-unit residential mixed-use project by Gate Residential featuring a dynamic first floor restaurant/bar space.

In addition to the aforementioned developments, there are a number of additional projects that have been completed since 2020, including: 195 residential units at 205 Revere Beach Parkway by Gate Residential; a 162 room Stay bridge Suites/Holiday Inn by XSS Hotels next door at 245 Revere Beach Parkway; a 35 unit mixed use residential development at 43 Nahant Ave.; a new 15,000 sq. ft. East Boston Neighborhood Health Center located at 10 Garofalo Way; a 110-room Avid Hotel at 405 American Legion Highway; a 6 unit mixed use residential building at 7-9 Dehon St.; a 31-unit condominium at 450 American Legion Highway; a 22 unit mixed use residential development at 14 Yeaman Street; a self-service warehouse storage facility at 320 Charger Street; a 52-unit residential development at 571 Revere Street; a 13- unit residential development at 1064 North Shore Road; a 14-unit residential development at 1540 North Shore Road; a 20-unit residential condominium at 1133 North Shore Road; a 18-unit mixed use residential development at 177 Shirley Ave.; a 45-unit mixed use residential development at 180 Shirley Ave.; and an 18 unit mixed use residential development at 57 Shirley Ave; a 36-unit residential development at 257 Washington Ave.; a 43-unit mixed use residential development at 207 Shirley Ave.; a 16-unit residential development at 1510 North Shore Road. .; a 16-unit residential development at 5 Washington Ave.

Also, a number of development projects are currently under construction including: a 114-unit mixed use residential development at 93 Bennington Street; 791 Broadway (48 units); a 71-unit residential condominium at 133 Salem Street; a 30-unit residential development at 810 Washington Ave; a 30 unit residential development at 344 Salem Street; a 12-unit residential development at 333 Lee Burbank Highway; and a 38-unit residential development at 13 Nahant Ave. Additional projects permitted recently include: 1499 North Shore Road (39 units), 110 Ocean Avenue (48 units), 1176 North Shore Road (160-units); 310 units at the Overlook Ridge Master Plan; and Winthrop Avenue (260 units).

On the commercial development horizon, in addition to the over 500,000 sq. ft. of research and development space currently in design at Suffolk Downs, Link Logistics purchased the Global property at 101 Lee Burbank Highway and completed environmental remediation in preparation for a 367,000 sq. ft. technology warehouse and a separate 267,000 sq. ft. technology warehouse, which started construction in late 2024. Link Logistics has also recently permitted a 75,500 square foot Logistics Center at 186 Lee Burbank Highway. In addition to the Suffolk Downs hotel, another hotel was approved in 2024: 125 Squire Road (156-room). Finally, a five-story parking garage was approved on Squire Road in the winter of 2025. The project is planned to hold 582 spaces and will operate as a park-and-fly services, generating nearly \$480k in excise, property, and licensing fees per year.

## Tax Levy Computation

The following table shows the details of the calculation of the tax levies for the following fiscal years:

	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025
<b>GROSS AMOUNT TO BE RAISED:</b>					
Appropriations (1)	\$ 215,231,343	\$ 228,188,612	\$ 241,824,465	\$ 270,809,321	\$ 278,280,860
Local Expenditures	326,356	828,200	1,285,946	668,244	902,334
State & County Charges	13,021,909	15,013,807	17,153,502	18,244,210	18,623,724
Overlay Reserve	840,733	952,710	883,228	1,387,729	1,540,216
<b>Total Gross Amount to be Raised</b>	<b>\$ 229,420,341</b>	<b>\$ 244,983,329</b>	<b>\$ 261,147,141</b>	<b>\$ 291,109,504</b>	<b>\$ 299,347,134</b>
<b>LESS RECEIPTS &amp; OTHER REVENUE:</b>					
Estimated Receipts - State (2)	\$ 83,280,650	\$ 95,128,783	\$ 100,418,019	\$ 114,019,129	\$ 117,730,927
Estimated Receipts - Local	42,939,065	44,594,330	50,800,688	54,739,689	57,506,502
Available Funds Appropriated (3):					
Other Available Funds	2,848,691	1,265,204	907,042	6,001,681	3,661,425
Free Cash	4,754,266	1,945,177	1,398,099	2,641,628	199,000
Other Revenues to Reduce Tax Rate	-	-	-	-	-
<b>Total Estimated Receipts &amp; Revenue</b>	<b>\$ 133,822,672</b>	<b>\$ 142,933,494</b>	<b>\$ 153,523,848</b>	<b>\$ 177,402,127</b>	<b>\$ 179,097,854</b>
<b>NET AMOUNT TO BE RAISED (TAX LEVY)</b>	<b>\$ 95,597,669</b>	<b>\$ 102,049,835</b>	<b>\$ 107,623,293</b>	<b>\$ 113,707,377</b>	<b>\$ 120,249,280</b>

- (1) Includes annual appropriations from taxation voted subsequent to adoption of the annual budget but prior to setting the tax rate.
- (2) Estimated by the State Department of Revenue and required by law to be used in setting of the tax rate. Actual state aid payments may vary upward or downward from said estimates, and the State may withhold (generally quarterly) payments pending receipt of State and County assessments.
- (3) Transfers from available funds, including "Free Cash" (see "Free Cash"), generally made as an offset to a particular appropriation item.

## Classification of Property

The following table sets forth the trend in the City's assessed and equalized valuations.

Fiscal Year	Real Property	Personal Property	Total	Equalized Valuation (1)	Local Assessed Valuation as a Percent of Equalized Valuation
2025	\$ 11,438,978,477	\$ 218,781,253	\$ 11,657,759,730	\$ 12,020,129,000	97.0 %
2024	10,790,909,226	203,949,453	10,994,858,679	9,389,475,300	117.1
2023 (2)	9,742,096,481	179,316,826	9,921,413,307	9,389,475,300	105.7
2022	8,539,944,497	146,981,779	8,686,926,276	7,759,126,900	112.0
2021	7,544,992,013	119,478,448	7,664,470,461	7,759,126,900	98.8

- (1) Valuations are equalized by the State Commissioner of Revenue for purposes of distributions to and assessments upon municipalities.
- (2) Revaluation year.



## Tax Collections

The following table shows the total tax levy, the net tax levy and the amount collected for the last five fiscal years:

Fiscal Year	Tax Rates		Gross Tax Levy	Net Tax Levy(1)	Collected During FY Payable (2)		Collections as of June 30, 2024 (3)	
	Residential	Comm. Ind. Pers.			Dollar Amount	% of Net Levy	Dollar Amount	% of Net Levy
2024	\$ 9.11	\$ 18.10	\$ 113,707,377	\$ 112,319,648	\$ 112,157,159	99.9 %	\$ 112,157,159	99.9 %
2023	9.51	18.98	107,623,293	106,740,065	105,757,689	99.1	105,757,689	99.1
2022	10.40	20.56	102,049,835	101,097,125	103,605,321	102.5	104,457,664	103.3
2021	11.06	21.83	95,597,669	94,756,936	94,762,902	100.0	94,763,974	100.0
2020	11.26	21.88	90,462,324	89,719,542	87,537,748	97.6	89,577,870	99.8

(1) Net after deduction of overlay for abatements.

(2) Actual dollar collections. Does not deduct refunds nor include abatements or other non-cash credits.

(3) Before the end of each fiscal year all delinquent taxes are turned over to tax title. Therefore, further collections are made under Tax Title Redemptions and are no longer categorized by fiscal year or credited back to a specific levy when collected.

## Tax Levies and Tax Levy Limits (1)

The following shows the calculation of levy limits for the following fiscal years:

	For Fiscal Year				
	2025	2024	2023	2022	2021
Primary Levy Limit(2)	\$ 291,443,993	\$ 274,871,467	\$ 248,035,333	\$ 217,173,157	\$ 191,611,762
Prior Fiscal Year Levy Limit	113,715,482	107,656,370	102,073,296	95,665,289	90,539,665
Amended Prior Fiscal Year Growth	-	-	-	-	-
2.5% Levy Growth	2,842,887	2,691,409	2,551,832	2,391,632	2,263,492
New Growth(3)	3,739,280	3,367,703	3,031,242	4,016,375	2,862,132
Overrides	-	-	-	-	-
Growth Levy Limit	120,297,649	113,715,482	107,656,370	102,073,296	95,665,289
Debt Exclusions	-	-	-	-	-
Capital Expenditure Exclusions	-	-	-	-	-
Other Adjustments	-	-	-	-	-
Tax Levy Limit	120,297,649	113,715,482	107,656,370	102,073,296	95,665,289
Tax Levy	120,249,280	113,707,377	107,623,293	102,049,835	95,597,669
Unused Levy Capacity(4)	\$ 48,369	\$ 8,105	\$ 33,077	\$ 23,461	\$ 67,620
Unused Primary Levy Capacity(5)	\$ 171,194,713	\$ 161,164,090	\$ 140,412,040	\$ 115,123,322	\$ 96,014,093

(1) Source: Massachusetts Department of Revenue.

(2) 2.5% of assessed valuation.

(3) Allowed increase for new valuations - certified by the Department of Revenue.

(4) Tax Levy Limit less Tax Levy.

(5) Primary Levy Limit less Tax Levy.

## Operating Budget Trends

The following table sets forth the trend in general fund budgets. The budgets exclude expenditures for "non-operating" or extraordinary items:

	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025
General Management and Support	\$ 52,414,329	\$ 54,770,802	\$ 58,194,053	\$ 62,518,760	\$ 66,045,150
Protection of Persons & Property	25,527,942	26,193,860	28,514,535	31,070,560	32,810,322
Human Services	1,952,299	2,142,483	2,322,791	2,523,850	2,433,149
Services to Property	34,364,426	35,946,485	38,094,264	40,296,663	41,433,053
Culture and Recreational	1,349,179	1,402,468	1,556,603	1,720,614	2,128,484
Total General Government	\$ 115,608,175	\$ 120,456,098	\$ 128,682,246	\$ 138,130,447	\$ 144,850,159
School Department	\$ 94,113,447	\$ 104,522,133 (1)	\$ 111,937,077 (1)	\$ 124,005,564 (1)	\$ 129,570,276 (1)
Total	\$ 209,721,622	\$ 224,978,231	\$ 240,619,323	\$ 262,136,011	\$ 274,420,435

(1) Beginning in fiscal 2022, the school department includes regional vocational assessment, which was previously included in general management and support.

## Key Debt Ratios

	As of June 30,				
	2024	2023	2022	2021	2020
Long-Term Debt Outstanding (1)	\$ 221,795,464	\$ 227,215,285	\$ 185,904,537	\$ 180,252,066	\$ 139,174,261
Per Capita (2)	\$3,567	\$3,654	\$2,989	\$3,483	\$2,689
Percent of Assessed Valuation (3)	2.02 %	2.29 %	2.14 %	2.35 %	1.92 %
Percent of Equalized Valuation (4)	2.36 %	2.42 %	2.40 %	2.32 %	2.28 %
Per Capita as a Percent of Per Capita Income (2)	14.22 %	14.57 %	11.92 %	13.88 %	10.72 %

(1) Excludes overlapping debt, lease and installment purchase obligations and unfunded pension liability.

(2) Source: U.S. Department of Commerce, Bureau of the Census - latest applicable actuals or estimates.

(3) Source: Board of Assessors - assessed valuation as of prior January 1.

(4) Source: Massachusetts Department of Revenue - equalized valuation in effect for that fiscal year (equalized valuations are established for January 1 of each even-numbered year.)

## Unassigned General Fund Balance and Free Cash

The following table sets forth the trend in the unassigned general fund balance and certified free cash for the most recent fiscal years:

Year	Unassigned General Fund Balance	Free Cash (July 1)
2024	\$ 15,994,476	N/A
2023	14,936,687	\$ 3,665,974
2022	16,197,502	5,924,275 (2)
2021	11,997,789 (1)	1,573,554 (3)
2020	16,608,558	1,329,154 (3)
2019	19,362,385	6,303,811

(1) Decrease attributable to minor operational drawdowns in fiscal years 2020 and 2021 as the City worked to address local unemployment conditions and absorbed revenue shortfalls in both local property and local hotel and meal excise taxes.

(2) Fiscal year 2022 increase was attributed to the collection of local receipts that were \$5 million higher than estimated.

(3) The decrease in Free Cash is a direct result of the decreased local receipts due to the pandemic.

**Stabilization Fund**

The trend in Stabilization Fund balance is as follows:

<u>Fiscal Year</u>	<u>June 30</u>
2024	\$ 10,211,686
2023	9,177,416
2022	9,333,931
2021	8,990,923
2020	8,557,300

The City has adopted a policy whereby 15% of land sale proceeds and 15% of annual certified free cash is annually appropriated into the Stabilization Fund.

**Financial Statements**

Set forth on the following pages are Governmental Funds Balance Sheets for fiscal years 2024, 2023, and 2022, and Statements of Revenues, Expenditures and Changes in Fund Balances for the fiscal years 2024, 2023, 2022, 2021, and 2020. These statements were extracted from the City's audited financial statements.

**GOVERNMENTAL FUNDS  
BALANCE SHEET  
JUNE 30, 2024 (1)**

	General	State and Local Recovery Fund (ARPA)	City Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents	\$ 32,060,031	\$ 9,611,551	\$ 6,287,483	\$ 34,648,261	\$ 82,607,326
Investments	16,007,144	-	-	-	16,007,144
Receivables, net of uncollectibles:					
Real estate and personal property taxes	2,717,487	-	-	-	2,717,487
Tax liens	2,273,330	-	-	-	2,273,330
Motor vehicle and other excise taxes	1,468,146	-	-	-	1,468,146
Departmental and other	322,628	-	-	-	322,628
Intergovernmental	-	-	-	2,185,295	2,185,295
Tax foreclosures	322,775	-	-	-	322,775
Due from other funds	699,292	-	-	-	699,292
<b>TOTAL ASSETS</b>	<b>\$ 55,870,833</b>	<b>\$ 9,611,551</b>	<b>\$ 6,287,483</b>	<b>\$ 36,833,556</b>	<b>\$ 108,603,423</b>
<b>LIABILITIES</b>					
Warrants payable	775,186	182,719	2,008,588	1,726,717	4,693,210
Accrued payroll	1,752,306	-	-	198,965	1,951,271
Tax refunds payable	1,548,000	-	-	-	1,548,000
Due to other funds	-	-	-	699,292	699,292
Unearned revenue	-	9,428,832	-	6,400	9,435,232
Notes payable	-	-	-	4,484,522	4,484,522
<b>TOTAL LIABILITIES</b>	<b>\$ 4,075,492</b>	<b>\$ 9,611,551</b>	<b>\$ 2,008,588</b>	<b>\$ 7,115,896</b>	<b>\$ 22,811,527</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenues	7,188,126	-	-	1,319,782	8,507,908
<b>FUND BALANCES</b>					
Restricted	-	-	4,278,895	28,397,878	32,676,773
Assigned	28,612,739	-	-	-	28,612,739
Unassigned	15,994,476	-	-	-	15,994,476
<b>TOTAL FUND BALANCES</b>	<b>\$ 44,607,215</b>	<b>\$ -</b>	<b>\$ 4,278,895</b>	<b>\$ 28,397,878</b>	<b>\$ 77,283,988</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OR RESOURCES, AND FUND BALANCES</b>	<b>\$ 55,870,833</b>	<b>\$ 9,611,551</b>	<b>\$ 6,287,483</b>	<b>\$ 36,833,556</b>	<b>\$ 108,603,423</b>

(1) Extracted from the audited financial statements of the City.

**GOVERNMENTAL FUNDS  
BALANCE SHEET  
JUNE 30, 2023 (1)**

	General	State and Local Recovery Fund (ARPA)	City Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents	\$ 24,542,900	\$ 16,995,974	\$ 20,181,825	\$ 30,251,166	\$ 91,971,865
Investments	14,781,251	-	-	-	14,781,251
Receivables, net of uncollectibles:					
Real estate and personal property taxes	294,848	-	-	-	294,848
Tax liens	5,492,189	-	-	-	5,492,189
Motor vehicle and other excise taxes	1,544,820	-	-	-	1,544,820
Departmental and other	301,539	-	-	-	301,539
Intergovernmental	-	-	-	4,960,402	4,960,402
Tax foreclosures	322,775	-	-	-	322,775
Due from other funds	4,001,657	-	-	-	4,001,657
<b>TOTAL ASSETS</b>	<b>\$ 51,281,979</b>	<b>\$ 16,995,974</b>	<b>\$ 20,181,825</b>	<b>\$ 35,211,568</b>	<b>\$ 123,671,346</b>
<b>LIABILITIES</b>					
Warrants payable	2,659,281	-	2,775,683	2,391,001	7,825,965
Accrued payroll	804,828	-	-	68,021	872,849
Tax refunds payable	968,000	-	-	-	968,000
Due to other funds	-	-	-	4,001,657	4,001,657
Unearned revenue	-	16,995,974	-	6,401	17,002,375
Notes payable	-	-	-	2,360,574	2,360,574
<b>TOTAL LIABILITIES</b>	<b>\$ 4,432,109</b>	<b>\$ 16,995,974</b>	<b>\$ 2,775,683</b>	<b>\$ 8,827,654</b>	<b>\$ 33,031,420</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenues	7,514,256	-	-	-	7,514,256
<b>FUND BALANCES</b>					
Restricted	-	-	17,406,142	27,425,684	44,831,826
Assigned	24,398,927	-	-	-	24,398,927
Unassigned	14,936,687	-	-	(1,041,770)	13,894,917
<b>TOTAL FUND BALANCES</b>	<b>\$ 39,335,614</b>	<b>\$ -</b>	<b>\$ 17,406,142</b>	<b>\$ 26,383,914</b>	<b>\$ 83,125,670</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OR RESOURCES, AND FUND BALANCES</b>	<b>\$ 51,281,979</b>	<b>\$ 16,995,974</b>	<b>\$ 20,181,825</b>	<b>\$ 35,211,568</b>	<b>\$ 123,671,346</b>

(1) Extracted from the audited financial statements of the City.

GOVERNMENTAL FUNDS  
BALANCE SHEET

JUNE 30, 2022 (1)

	General	State and Local Recovery Fund (ARPA)	City Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents.....	\$ 38,292,907	\$ 20,768,659	\$ 37,147,263	\$ 24,233,175	\$ 120,442,004
Investments.....	4,214,739	-	-	-	4,214,739
Receivables, net of uncollectibles:					
Real estate and personal property taxes.....	1,810,720	-	-	-	1,810,720
Tax liens.....	2,080,654	-	-	-	2,080,654
Motor vehicle and other excise taxes.....	1,408,749	-	-	-	1,408,749
Departmental and other.....	288,841	-	-	-	288,841
Intergovernmental.....	-	-	-	4,397,514	4,397,514
Tax foreclosures.....	288,325	-	-	-	288,325
Due from other funds.....	894,241	-	-	-	894,241
<b>TOTAL ASSETS.....</b>	<b>\$ 49,279,176</b>	<b>\$ 20,768,659</b>	<b>\$ 37,147,263</b>	<b>\$ 28,630,689</b>	<b>\$ 135,825,787</b>
<b>LIABILITIES</b>					
Warrants payable.....	\$ 93,769	\$ -	\$ 166,628	\$ 883,157	\$ 1,143,554
Accrued payroll.....	997,660	-	-	124,173	1,121,833
Tax refunds payable.....	851,000	-	-	-	851,000
Due to other funds.....	-	-	-	894,241	894,241
Unearned revenue.....	-	20,768,659	-	1,755,121	22,523,780
Notes payable.....	-	-	-	2,165,505	2,165,505
<b>TOTAL LIABILITIES.....</b>	<b>1,942,429</b>	<b>20,768,659</b>	<b>166,628</b>	<b>5,822,197</b>	<b>28,699,913</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue.....	5,715,390	-	-	147,825	5,863,215
<b>FUND BALANCES</b>					
Restricted.....	-	-	36,980,635	22,660,667	59,641,302
Assigned.....	25,423,855	-	-	-	25,423,855
Unassigned.....	16,197,502	-	-	-	16,197,502
<b>TOTAL FUND BALANCES.....</b>	<b>41,621,357</b>	<b>-</b>	<b>36,980,635</b>	<b>22,660,667</b>	<b>101,262,659</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES.....</b>	<b>\$ 49,279,176</b>	<b>\$ 20,768,659</b>	<b>\$ 37,147,263</b>	<b>\$ 28,630,689</b>	<b>\$ 135,825,787</b>

(1) Extracted from the audited financial statements of the City.

**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**YEAR ENDED JUNE 30, 2024 (1)**

	General	State and Local Recovery Fund (ARPA)	City Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b><u>REVENUES:</u></b>					
Real estate and personal property taxes, net of tax refunds	\$ 109,092,516	\$ -	\$ -	\$ -	\$ 109,092,516
Tax and other liens	1,015,335	-	-	-	1,015,335
Motor vehicle excise taxes	7,691,791	-	-	-	7,691,791
Hotel/motel tax	3,610,657	-	-	-	3,610,657
Meals tax	1,103,456	-	-	-	1,103,456
Charges for services	1,959,942	-	-	2,355,566	4,315,508
Penalties and interest on taxes	715,777	-	-	-	715,777
Payments in lieu of taxes	144,985	-	-	-	144,985
Licenses and permits	4,037,396	-	-	-	4,037,396
Fines and forfeitures	2,210,425	-	-	-	2,210,425
Intergovernmental - Teachers Retirement	19,704,693	-	-	-	19,704,693
Intergovernmental	114,580,440	-	103,687	22,083,613	136,767,740
Intergovernmental - COVID-19 relief	-	7,567,142	-	6,561,606	14,128,748
Departmental and other	19,092	-	-	8,719,236	8,738,328
Contributions and donations	-	-	-	165,676	165,676
Investment income	4,418,383	-	(24)	472,375	4,890,734
<b>TOTAL REVENUES</b>	<b>270,304,888</b>	<b>7,567,142</b>	<b>103,663</b>	<b>40,358,072</b>	<b>318,333,765</b>
<b><u>EXPENDITURES:</u></b>					
Current:					
General government	9,578,134	5,022,490	113,698	7,644,751	22,359,073
Public safety	32,399,027	-	8,674,867	4,777,842	45,851,736
Education	118,350,253	-	-	26,779,897	145,130,150
Public works	3,904,712	-	6,639,074	865,793	11,409,579
Health and human services	2,214,710	-	-	436,674	2,651,384
Trash and recycling	-	-	-	4,438,397	4,438,397
Culture and recreation	1,749,960	-	-	2,218,321	3,968,281
Pension benefits	15,622,436	-	-	-	15,622,436
Pension benefits - Teachers Retirement	19,704,693	-	-	-	19,704,693
Employee benefits	27,990,666	-	-	-	27,990,666
State and county charges	18,247,230	-	-	-	18,247,230
Debt service:					
Principal	5,334,543	-	-	-	5,334,543
Interest	4,499,529	-	-	-	4,499,529
<b>TOTAL EXPENDITURES</b>	<b>259,595,893</b>	<b>5,022,490</b>	<b>15,427,639</b>	<b>47,161,675</b>	<b>327,207,697</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>10,708,995</b>	<b>2,544,652</b>	<b>(15,323,976)</b>	<b>(6,803,603)</b>	<b>(8,873,932)</b>
<b><u>OTHER FINANCING SOURCES (USES):</u></b>					
Issuance of bonds	-	-	2,000,000	2,231,000	4,231,000
Premium from issuance of bonds	-	-	-	19,000	19,000
Transfers in	888,679	-	196,729	7,652,975	8,738,383
Transfers out	(6,326,073)	(2,544,652)	-	(1,085,408)	(9,956,133)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(5,437,394)</b>	<b>(2,544,652)</b>	<b>2,196,729</b>	<b>8,817,567</b>	<b>3,032,250</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>5,271,601</b>	<b>-</b>	<b>(13,127,247)</b>	<b>2,013,964</b>	<b>(5,841,682)</b>
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<b>39,335,614</b>	<b>-</b>	<b>17,406,142</b>	<b>26,383,914</b>	<b>83,125,670</b>
<b>FUND BALANCES AT END OF YEAR</b>	<b>\$ 44,607,215</b>	<b>\$ -</b>	<b>\$ 4,278,895</b>	<b>\$ 28,397,878</b>	<b>\$ 77,283,988</b>

(1) Extracted from the audited financial statements of the City.

**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**YEAR ENDED JUNE 30, 2023 (1)**

	General	State and Local Recovery Fund (ARPA)	City Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>					
Real estate and personal property taxes, net of tax refunds	\$ 105,265,253	\$ -	\$ -	\$ -	\$ 105,265,253
Tax and other liens	951,025	-	-	-	951,025
Motor vehicle excise taxes	6,932,313	-	-	-	6,932,313
Hotel/motel tax	2,961,891	-	-	-	2,961,891
Meals tax	1,028,621	-	-	-	1,028,621
Charges for services	1,719,628	-	-	3,019,443	4,739,071
Penalties and interest on taxes	442,889	-	-	-	442,889
Payments in lieu of taxes	203,653	-	-	-	203,653
Licenses and permits	3,258,648	-	-	-	3,258,648
Fines and forfeitures	2,099,865	-	-	-	2,099,865
Intergovernmental - Teachers Retirement	18,473,947	-	-	-	18,473,947
Intergovernmental	101,120,210	-	1,017,458	26,425,120	128,562,788
Intergovernmental - COVID-19 relief	-	8,927,089	-	5,609,760	14,536,849
Departmental and other	12,211	-	-	8,052,753	8,064,964
Contributions and donations	-	-	-	189,907	189,907
Investment income	3,481,025	-	-	190,889	3,671,914
<b>TOTAL REVENUES</b>	<b>247,951,179</b>	<b>8,927,089</b>	<b>1,017,458</b>	<b>43,487,872</b>	<b>301,383,598</b>
<b>EXPENDITURES:</b>					
Current:					
General government	9,313,611	3,063,960	1,294,569	7,180,776	20,852,916
Public safety	30,064,038	-	2,500,986	4,732,656	37,297,680
Education	109,222,321	-	-	57,269,419	166,491,740
Public works	4,196,129	-	21,970,259	1,585,736	27,752,124
Health and human services	2,070,070	-	-	1,028,438	3,098,508
Trash and recycling	-	-	-	4,624,345	4,624,345
Culture and recreation	1,474,817	-	-	1,378,734	2,853,551
Pension benefits	14,677,549	-	-	-	14,677,549
Pension benefits - Teachers Retirement	18,473,947	-	-	-	18,473,947
Employee benefits	26,748,924	-	-	-	26,748,924
State and county charges	17,730,580	-	-	-	17,730,580
Debt service:					
Principal	5,201,743	-	-	-	5,201,743
Interest	3,187,974	-	-	-	3,187,974
<b>TOTAL EXPENDITURES</b>	<b>242,361,703</b>	<b>3,063,960</b>	<b>25,765,814</b>	<b>77,800,104</b>	<b>348,991,581</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>5,589,476</b>	<b>5,863,129</b>	<b>(24,748,356)</b>	<b>(34,312,232)</b>	<b>(47,607,983)</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Issuance of bonds	-	-	587,500	29,500,000	30,087,500
Premium from issuance of bonds	-	-	662,500	253,244	915,744
Transfers in	260,000	-	3,923,863	8,825,747	13,009,610
Transfers out	(8,135,219)	(5,863,129)	-	(543,512)	(14,541,860)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(7,875,219)</b>	<b>(5,863,129)</b>	<b>5,173,863</b>	<b>38,035,479</b>	<b>29,470,994</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(2,285,743)</b>	<b>-</b>	<b>(19,574,493)</b>	<b>3,723,247</b>	<b>(18,136,989)</b>
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<b>41,621,357</b>	<b>-</b>	<b>36,980,635</b>	<b>22,660,667</b>	<b>101,262,659</b>
<b>FUND BALANCES AT END OF YEAR</b>	<b>\$ 39,335,614</b>	<b>\$ -</b>	<b>\$ 17,406,142</b>	<b>\$ 26,383,914</b>	<b>\$ 83,125,670</b>

(1) Extracted from the audited financial statements of the City.



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

YEAR ENDED JUNE 30, 2022 (1)

	General	State and Local Recovery Fund (ARPA)	City Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>					
Real estate and personal property taxes, net of tax refunds.....	\$ 99,430,468	\$ -	\$ -	\$ -	\$ 99,430,468
Tax and other liens.....	760,245	-	-	-	760,245
Motor vehicle and other excise taxes.....	6,344,687	-	-	-	6,344,687
Hotel/motel tax.....	1,757,032	-	-	-	1,757,032
Meals tax.....	864,367	-	-	-	864,367
Charges for services.....	2,072,807	-	-	2,388,018	4,460,825
Penalties and interest on taxes.....	518,003	-	-	-	518,003
Payments in lieu of taxes.....	250,234	-	-	-	250,234
Licenses and permits.....	6,586,962	-	-	-	6,586,962
Fines and forfeitures.....	1,730,858	-	-	-	1,730,858
Intergovernmental - Teachers Retirement.....	14,054,165	-	-	-	14,054,165
Intergovernmental.....	95,985,519	-	529,998	26,142,289	122,657,806
Intergovernmental - COVID-19 relief.....	-	3,828,206	-	8,269,418	12,097,624
Departmental and other.....	175,891	-	-	7,383,530	7,559,421
Contributions and donations.....	-	-	-	238,085	238,085
Investment income.....	304,530	-	-	10,965	315,495
<b>TOTAL REVENUES.....</b>	<b>230,835,768</b>	<b>3,828,206</b>	<b>529,998</b>	<b>44,432,305</b>	<b>279,626,277</b>
<b>EXPENDITURES:</b>					
Current:					
General government.....	8,902,700	3,828,206	1,828,332	5,699,247	20,258,485
Public safety.....	26,785,990	-	752,989	4,312,439	31,851,418
Education.....	98,490,473	-	226,567	27,391,927	126,108,967
Public works.....	3,096,343	-	4,159,590	2,437,739	9,693,672
Health and human services.....	1,681,236	-	-	1,204,381	2,885,617
Trash and recycling.....	-	-	-	4,510,933	4,510,933
Culture and recreation.....	1,410,431	-	-	551,071	1,961,502
Pension benefits.....	13,817,895	-	-	-	13,817,895
Pension benefits - Teachers Retirement.....	14,054,165	-	-	-	14,054,165
Employee benefits.....	25,852,017	-	-	-	25,852,017
State and county charges.....	14,961,287	-	-	-	14,961,287
Debt service:					
Principal.....	3,779,543	-	-	-	3,779,543
Interest.....	3,573,394	-	-	-	3,573,394
<b>TOTAL EXPENDITURES.....</b>	<b>216,405,474</b>	<b>3,828,206</b>	<b>6,967,478</b>	<b>46,107,737</b>	<b>273,308,895</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>14,430,294</b>	<b>-</b>	<b>(6,437,480)</b>	<b>(1,675,432)</b>	<b>6,317,382</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Issuance of bonds.....	-	-	9,785,000	2,000,000	11,785,000
Premium from issuance of bonds.....	-	-	1,290,000	-	1,290,000
Transfers in.....	500,000	-	239,074	4,956,526	5,695,600
Transfers out.....	(4,901,526)	-	-	(794,074)	(5,695,600)
<b>TOTAL OTHER FINANCING SOURCES (USES).....</b>	<b>(4,401,526)</b>	<b>-</b>	<b>11,314,074</b>	<b>6,162,452</b>	<b>13,075,000</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>10,028,768</b>	<b>-</b>	<b>4,876,594</b>	<b>4,487,020</b>	<b>19,392,382</b>
<b>FUND BALANCES AT BEGINNING OF YEAR.....</b>	<b>31,592,589</b>	<b>-</b>	<b>32,104,041</b>	<b>18,173,647</b>	<b>81,870,277</b>
<b>FUND BALANCES AT END OF YEAR.....</b>	<b>\$ 41,621,357</b>	<b>\$ -</b>	<b>\$ 36,980,635</b>	<b>\$ 22,660,667</b>	<b>\$ 101,262,659</b>

(1) Extracted from the audited financial statements of the City.

**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**YEAR ENDED JUNE 30, 2021 (1)**

	General	City Capital Projects General	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>				
Real estate and personal property taxes, net of tax refunds	\$ 91,831,694	\$ -	\$ -	\$ 91,831,694
Tax and other liens	924,614	-	-	924,614
Motor vehicle excise taxes	6,640,706	-	-	6,640,706
Hotel/motel tax	548,001	-	-	548,001
Meals tax	635,412	-	-	635,412
Charges for services	2,001,470	-	1,757,293	3,758,763
Penalties and interest on taxes	794,419	-	-	794,419
Payments in lieu of taxes	210,693	-	-	210,693
Licenses and permits	1,866,058	-	-	1,866,058
Fines and forfeitures	1,408,944	-	-	1,408,944
Intergovernmental - Teachers Retirement	28,041,049	-	-	28,041,049
Intergovernmental	83,229,832	172,500	19,581,642	102,983,974
Intergovernmental - COVID-19 relief	-	-	10,306,264	10,306,264
Departmental and other	52,768	3,213,415	6,422,531	9,688,714
Investment income	258,532	-	15,578	274,110
<b>TOTAL REVENUES</b>	<b>218,444,192</b>	<b>3,385,915</b>	<b>38,083,308</b>	<b>259,913,415</b>
<b>EXPENDITURES:</b>				
Current:				
General government	7,020,764	1,008,500	9,450,455	17,479,719
Public safety	25,876,849	180,068	5,313,607	31,370,524
Education	89,745,541	-	17,773,634	107,519,175
Public works	3,245,139	2,392,337	4,298,007	9,935,483
Health and human services	1,678,053	-	2,145,232	3,823,285
Trash and recycling	-	-	5,053,960	5,053,960
Culture and recreation	1,086,104	-	696,808	1,782,912
Pension benefits	13,086,427	-	-	13,086,427
Pension benefits - Teachers Retirement	28,041,049	-	-	28,041,049
Employee benefits	25,352,182	-	-	25,352,182
State and county charges	13,558,757	-	-	13,558,757
Debt service:				
Principal	3,874,543	-	-	3,874,543
Interest	2,105,157	-	-	2,105,157
<b>TOTAL EXPENDITURES</b>	<b>214,670,565</b>	<b>3,580,905</b>	<b>44,731,703</b>	<b>262,983,173</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>3,773,627</b>	<b>(194,990)</b>	<b>(6,648,395)</b>	<b>(3,069,758)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Issuance of bonds	-	36,575,000	-	36,575,000
Issuance of refunding bonds	5,490,000	-	-	-
Premium from issuance of bonds	-	3,282,310	176,006	3,458,316
Premium from issuance of refunding bonds	1,110,000	-	-	-
Payments to refunded bond escrow agent	(6,600,000)	-	-	-
Transfers in	796,901	494,425	5,895,962	7,187,288
Transfers out	(5,189,728)	(100,000)	(1,971,279)	(7,261,007)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(4,392,827)</b>	<b>40,251,735</b>	<b>4,100,689</b>	<b>39,959,597</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(619,200)</b>	<b>40,056,745</b>	<b>(2,547,706)</b>	<b>36,889,839</b>
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<b>32,211,789</b>	<b>(7,952,704)</b>	<b>20,721,353</b>	<b>44,980,438</b>
<b>FUND BALANCES AT END OF YEAR</b>	<b>\$ 31,592,589</b>	<b>\$ 32,104,041</b>	<b>\$ 18,173,647</b>	<b>\$ 81,870,277</b>

(1) Extracted from the audited financial statements of the City.

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

YEAR ENDED JUNE 30, 2020

	General	City Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>				
Real estate and personal property taxes, net of tax refunds.....	\$ 89,845,360	\$ -	\$ -	\$ 89,845,360
Tax and other liens.....	1,357,342	-	-	1,357,342
Motor vehicle and other excise taxes.....	5,402,654	-	-	5,402,654
Hotel/motel tax.....	1,816,373	-	-	1,816,373
Meals tax.....	715,005	-	-	715,005
Charges for services.....	1,588,895	-	1,174,288	2,763,183
Penalties and interest on taxes.....	309,592	-	-	309,592
Payments in lieu of taxes.....	245,982	-	-	245,982
Licenses and permits.....	2,740,188	-	-	2,740,188
Fines and forfeitures.....	1,403,607	-	-	1,403,607
Intergovernmental - Teachers Retirement.....	24,042,376	-	-	24,042,376
Intergovernmental.....	82,745,730	-	23,522,476	106,268,206
Intergovernmental - COVID-19 relief.....	-	-	1,382,158	1,382,158
Departmental and other.....	208,085	-	4,489,005	4,697,090
Contributions and donations.....	-	-	158,819	158,819
Investment income.....	998,069	-	137,653	1,135,722
<b>TOTAL REVENUES.....</b>	<b>213,419,258</b>	<b>-</b>	<b>30,864,399</b>	<b>244,283,657</b>
<b>EXPENDITURES:</b>				
Current:				
General government.....	7,844,993	93,769	2,850,658	10,789,420
Public safety.....	24,560,398	210,423	1,596,669	26,367,490
Education.....	88,621,789	-	18,528,046	107,149,835
Public works.....	4,160,603	8,875,455	2,086,089	15,122,147
Health and human services.....	2,113,914	-	623,641	2,737,555
Trash and recycling.....	-	-	4,444,835	4,444,835
Culture and recreation.....	1,265,610	-	562,301	1,827,911
COVID-19.....	-	-	1,382,158	1,382,158
Pension benefits.....	12,229,364	-	-	12,229,364
Pension benefits - Teachers Retirement.....	24,042,376	-	-	24,042,376
Employee benefits.....	24,840,857	-	-	24,840,857
State and county charges.....	12,996,858	-	-	12,996,858
Debt service:				
Principal.....	3,864,543	-	-	3,864,543
Interest.....	2,565,057	-	-	2,565,057
<b>TOTAL EXPENDITURES.....</b>	<b>209,106,362</b>	<b>9,179,647</b>	<b>32,074,397</b>	<b>250,360,406</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>4,312,896</b>	<b>(9,179,647)</b>	<b>(1,209,998)</b>	<b>(6,076,749)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in.....	626,801	1,023,424	6,703,213	8,353,438
Transfers out.....	(6,201,584)	-	(2,151,854)	(8,353,438)
<b>TOTAL OTHER FINANCING SOURCES (USES).....</b>	<b>(5,574,783)</b>	<b>1,023,424</b>	<b>4,551,359</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>(1,261,887)</b>	<b>(8,156,223)</b>	<b>3,341,361</b>	<b>(6,076,749)</b>
<b>FUND BALANCES AT BEGINNING OF YEAR.....</b>	<b>33,473,676</b>	<b>203,519</b>	<b>17,105,054</b>	<b>50,782,249</b>
<b>FUND BALANCES AT END OF YEAR.....</b>	<b>\$ 32,211,789</b>	<b>\$ (7,952,704)</b>	<b>\$ 20,446,415</b>	<b>\$ 44,705,500</b>

(1) Extracted from the audited financial statements of the City.

## Retirement System

The City contributes to the Revere Retirement System ("System"), a single employer, public employee retirement system that acts as the investment and administrative agent for the City. Public school teachers are covered by the Massachusetts Teachers Retirement System (MTRS) to which the City of Revere does not contribute. The System and the MTRS are contributory defined benefit plans covering all City employees and teachers deemed eligible.

Instituted in 1940, the System is a member of the Massachusetts Contributory System and is governed by Chapter 32 of the Massachusetts General Laws, as amended. Membership in the System is mandatory immediately upon the commencement of employment for all permanent, full-time employees. As of January 1, 2023 membership in the System consisted of:

Retired members and survivors	502
Active employees	666
Vested Terminated Members	14
Total	<u>1,182</u>

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. Benefit payments are based upon a member's age, length of credible service, level of compensation and group classification.

As of January 1, 2023, the unfunded actuarial liability of the City's retirement system was \$98,105,350 assuming a 7.0% discount rate. The System's funding policy is governed by Section 22D of Chapter 32 of the Massachusetts General Laws. Accordingly, the minimum contribution the City is required to fund each year is the actuarially determined normal cost plus an amount to amortize the unfunded liability for retirees and active employees by June 30, 2033.

The Commonwealth of Massachusetts currently reimburses the System on a semiannual basis for the portion of benefit payments owing to cost-of-living increases granted after the implementation of Proposition 2 ½, but prior to local acceptance of Chapter 17 of the Acts of 1997.

### Funding Schedule (as of January 1, 2023)

Fiscal Year	Normal Cost	Net 3(8)(c)	Amort. of UAL	Total Cost	Unfunded Act. Liab.	% Total Cost Increase
2024	5,448,018	350,000	11,187,793	16,985,811	101,539,037	
2025	5,693,179	350,000	12,016,135	18,059,314	96,939,758	6.32%
2026	5,949,372	350,000	12,901,291	19,200,663	911,151,744	6.32%
2027	6,217,094	350,000	13,847,051	20,414,145	84,032,334	6.32%
2028	6,496,863	350,000	14,857,455	21,704,319	75,424,912	6.32%
2029	6,789,222	350,000	15,936,809	23,076,032	65,157,675	6.32%
2030	7,094,737	350,000	17,089,700	24,534,437	53,042,284	6.32%
2031	7,414,000	350,000	18,321,013	26,085,013	38,872,420	6.32%
2032	7,747,630	350,000	19,635,956	27,733,586	22,422,209	6.32%
2033	8,096,274	350,000	3,522,168	11,968,442	3,444,514	-56.84%
2034	8,460,606	350,000		8,810,606		-26.38%

All amounts assume payments will be made November 1 of each fiscal year.

Normal cost assumed to increase 4.5% per year.

Assumed expenses of \$1,150,000.

FY24 amount maintained at level of current funding schedule.

Source: January 1, 2023 Actuarial Valuation Report of the Revere Retirement System, PERAC and Actuarial Valuation and Review as prepared by Public Employee Retirement Administration Commission.

**Other Post-Employment Benefits**

In addition to pension benefits, cities and towns may provide retired employees with health care and life insurance benefits. Under the Governmental Accounting Standards Board ("GASB") Statement Nos. 43 and 45, public sector entities are required to report the future costs of these non-pension, post-employment benefits in their financial statements. These accounting standards do not require pre-funding the payment of these costs as the liability for such costs accrue, but the basis applied by the standards for measurement of costs and liabilities for these benefits is conservative if they continue to be funded on a pay-as-you-go basis and will result in larger yearly cost and liability accruals than if such benefits were pre-funded in a trust fund in the same manner as traditional pension benefits. Cities and towns are authorized to establish such a trust fund for the purpose of pre-funding other post-employment benefits liability.

The City was required to implement the GASB reporting requirements for other post-employment benefits beginning in fiscal year 2008. As of June 30, 2023, the total OPEB liability for benefits was \$315,231,487 and the plan fiduciary net position was \$1,673,859, resulting in a net OPEB liability of \$313,557,628, assuming a discount rate of 4.70%. The actuarial determined contribution (ADC) is an amount determined by the actuary pursuant to GASB Statement No. 74/75 which represents a level of funding that, if paid on an ongoing basis, is projected to cover the service cost each year and amortize any unfunded actuarial liabilities. For the fiscal year ending June 30, 2023, the ADC was \$19,883,854.

The City adopted an OPEB liability trust in fiscal 2019. The City has since deposited money into the trust with a current balance of \$1,673,859 as of June 30, 2023. The balance in the fund as of June 30, 2024 was \$2,088,766. The City is working on dedicating revenue streams to fund annually as part of the budget and its financial policies within. Currently, the City contributes \$250,000 each year from free cash to the fund.

**LITIGATION**

At present there are various cases pending in either Suffolk District, Suffolk Superior, or U.S. District Court, where the City of Revere is a defendant. In the opinion of the City Solicitor, none of the pending litigation is likely to result, either individually or in the aggregate, in final judgments against the City that would materially affect its financial position.

However, the case discussed in the "Economic Development" section herein is noted and referenced hereby.

## TOWN OF SAUGUS, MASSACHUSETTS

## General

The Town of Saugus (the "Town") is located in Essex County, about 10 miles north of Boston. It is bordered on the north by Lynnfield, on the east by Lynn, on the south by Revere, on the southwest by Wakefield and on the west by Melrose. Saugus has a population of 28,619 (2020 federal census) and occupies a land area of 11.0 square miles. Incorporated as a town in 1815, Saugus is governed by a Representative Town Meeting and by a five member Board of Selectmen.

## Population and Income

## POPULATION AND INCOME

	<u>Saugus</u>	<u>Massachusetts</u>	<u>U.S.</u>
<b>Median Age:</b>			
2020	45.2	39.9	38.8
2010	43.9	39.1	37.2
2000	41.3	36.5	35.3
1990	36.9	33.6	32.9
<b>Median Family Income:</b>			
2020	\$101,310	\$106,526	\$80,069
2010	71,023	81,165	62,982
2000	65,782	61,664	50,046
1990	48,669	44,367	35,225
<b>Per Capita Income:</b>			
2020	\$41,255	\$45,555	\$35,384
2010	33,402	33,966	27,334
2000	25,524	25,952	21,587
1990	17,781	17,224	14,420

Source: Federal Census.

## Labor Force, Employment and Unemployment Rates

According to the Massachusetts Executive Office of Labor and Workforce Development preliminary data, in December 2024 the Town had a total labor force of 16,718 of which 16,010 were employed and 708 or 4.2% were unemployed as compared with 4.2% for the Commonwealth. The following table sets forth the Town's average labor force and unemployment rates for each of the calendar years 2019 through 2023 and the unemployment rate for the Commonwealth and country as a whole for the same period.

## UNEMPLOYMENT RATES

Year	Town of Saugus		Massachusetts	United States
	Labor Force	Unemployment Rate	Unemployment Rate	Unemployment Rate
2023	16,126	3.5%	3.4%	3.6%
2022	15,957	4.0	3.9	3.6
2021	16,085	6.5	5.7	5.4
2020	15,845	10.4	8.9	8.1
2019	16,356	2.8	2.9	3.7

SOURCE: Massachusetts Executive Office of Labor and Workforce Development, Federal Reserve Bank of Boston and U.S. Bureau of Labor Statistics. Data based upon place of residence, not place of employment.

## Tax Levy Computation

The table below illustrates the manner in which the tax levy was determined for the following fiscal years.

	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024
Total Appropriations(1)	\$105,663,076	\$107,992,070	\$112,285,406	\$119,479,682	\$124,591,583
Additions:					
Other Amounts to be Raised	35,227	35,983	47,308	55,034	63,881
State and County Assessments	4,298,378	4,742,420	4,941,867	6,079,084	6,046,619
Overlay Reserve	615,325	1,608,266	865,238	746,966	745,130
Total Additions	4,948,930	6,386,669	5,854,413	6,881,084	6,855,630
Gross Amount to be Raised	110,612,006	114,378,740	118,139,819	126,360,766	131,447,212
Deductions:					
State Aid(2):					
Current Year	10,874,860	10,908,885	11,246,080	16,424,807	17,509,556
Local Estimated Receipts	23,795,766	23,391,731	23,428,471	23,676,122	22,953,720
Available Funds(3):					
Free Cash	2,799,707	2,143,540	2,360,000	1,919,392	3,191,100
Other Available Funds	772,862	624,101	595,901	455,970	407,187
Total Deductions	38,243,194	37,068,257	37,630,452	42,476,291	44,061,563
Net Amount to be Raised (Tax Levy)	\$72,368,811	\$77,310,482	\$80,509,367	\$83,884,475	\$87,385,650

- (1) Includes additional appropriations from taxation voted subsequent to adoption of the annual budget but prior to setting of the tax rate.
- (2) Estimated by the State Department of Revenue and required by law to be used in setting of the tax rate. Actual state aid payments may vary upward or downward from said estimates, and the State may withhold payments pending receipt of State and County assessments.
- (3) Transfers from available funds, including "Free Cash", generally made as an offset to a particular appropriation item.

## Classification of Property

The following is a breakdown of the Town's assessed valuation in fiscal years 2023 through 2025.

	Fiscal 2024		Fiscal 2023 (1)		Fiscal 2022	
	Assessed Valuation	% of Total	Assessed Valuation	% of Total	Assessed Valuation	% of Total
Residential	\$5,747,620,829	82.9 %	\$5,207,426,438	82.8 %	\$4,694,941,229	82.9 %
Commercial	840,772,204	12.1	755,608,438	12.0	679,460,305	12.0
Industrial	181,779,121	2.6	177,162,024	2.8	158,646,723	2.8
Personal	164,454,930	2.4	149,014,150	2.4	131,861,710	2.3
Total	\$6,934,627,084	100.0 %	\$6,289,211,050	100.0 %	\$5,664,909,967	100.0 %

- (1) Revaluation year.

## Tax Collections

Fiscal Year	Gross Tax Levy	Overlay Reserve for Abatements	Net Tax Levy	Collections During Fiscal Year Payable(1)			Collections as of June 30, 2024 (1)(2)		
				Dollar Amount	% of Net Levy		Dollar Amount	% of Net Levy	
2024	\$ 87,385,650	\$ 745,130	\$ 86,640,520	\$ 86,275,162	99.58	%	\$ 86,275,162	99.58	%
2023	83,884,475	746,966	83,137,509	82,612,472	99.37		82,811,680	99.61	
2022	80,509,367	865,238	79,644,129	79,320,454	99.59		79,516,914	99.84	
2021	77,310,482	1,608,266	75,702,216	75,660,448	99.94		76,554,713	101.13	
2020	72,368,811	615,325	71,753,486	70,422,501	98.15		70,748,539	98.60	

(1) Actual dollar collections net of refunds. Does not include abatements, proceeds of tax titles or tax possessions attributable to each levy or other non-cash credits.

(2) Collections for the current fiscal year are comparable to previous fiscal years.

## Tax Levies and Tax Levy Limits (1)

The following table sets forth the Town's tax levy limits and unused levy capacity for the following fiscal years:

	2025	2024	2023	2022	2021
Primary Levy Limit (2)	\$ 179,265,280	\$ 173,365,677	\$ 157,230,276	\$ 141,622,749	\$ 131,400,387
Prior Fiscal Year Levy Limit	80,401,857	76,874,803	73,485,587	70,854,683	68,007,835
Amended Prior Year Growth	5,883	-	35,550	12,512	-
2.5% Levy Growth	2,010,194	1,921,870	1,838,028	1,771,680	1,700,196
New Growth (3)	580,294	1,605,184	1,515,638	846,712	1,146,652
Overrides	-	-	-	-	-
Growth Levy Limit	82,998,228	80,401,857	76,874,803	73,485,587	70,854,683
Debt Exclusions	7,031,526	7,027,526	7,028,701	7,046,968	6,477,382
Other Adjustmens	-	-	-	-	-
Tax Levy Limit	90,029,754	87,429,383	83,903,504	80,532,555	77,332,065
Tax Levy	89,981,684	87,385,650	83,884,475	80,509,367	77,310,482
Unused Levy Capacity (4)	48,070	43,733	19,029	23,188	21,583
Unused Primary Levy Capacity (5)	\$ 96,267,052	\$ 92,963,820	\$ 80,355,473	\$ 68,137,162	\$ 60,545,704

(1) Source: Massachusetts Department of Revenue.

(2) 2.5% of assessed valuation

(3) Allowed increase for new valuations (or required reduction) – certified by the Department of Revenue.

(4) Tax Levy Limit less Tax Levy.

(5) Primary Levy Limit less Growth Levy Limit.



## Budget Trends

The following table sets forth the trend in operating budgets for fiscal years 2021 through 2025 as voted at annual town meeting. Also said budgets do not reflect expenditures authorized for non-recurring purposes under "special" warrant articles or transfers occurring subsequent to the annual town meeting.

### BUDGET COMPARISON

	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025
Education	\$33,141,545	\$33,300,250	\$34,053,000	\$34,225,433	\$36,833,504
Public Safety	14,470,785	15,446,984	15,156,914	16,562,038	17,669,334
Health and Sanitation	2,429,841	2,963,275	3,243,019	3,269,972	3,408,932
Public Works	2,622,225	2,637,838	2,702,353	2,997,939	3,184,758
Library	718,590	747,444	772,436	846,321	908,770
Debt Service	8,443,207	9,156,914	8,897,467	9,384,780	9,478,119
Pension	7,202,130	7,656,719	8,057,422	8,471,474	5,572,229
General Government	23,825,030	24,786,113	26,679,010	27,462,204	33,270,808
State and County Assessments	4,298,378	4,742,420	5,928,605	6,634,118	6,164,613
Forestry and Parks	560,636	583,767	620,334	729,815	968,085
Other/Enterprise Funds	13,690,423	14,230,413	14,101,068	14,827,972	15,013,473
Capital Outlay	35,000	35,000	35,000	75,000	75,000
Total Budget	<u>\$111,437,790</u>	<u>\$116,287,137</u>	<u>\$120,246,627</u>	<u>\$125,487,066</u>	<u>\$132,547,625</u>

## Key Debt Ratios

Fiscal Year End	General Obligation Bonds Outstanding	Population (1)	Assessed Valuation	Per Capita Debt	Debt as a % of Assessed Valuation
2024	\$153,526,157	28,619	\$7,170,611,202	\$5,364	2.14 %
2023	152,174,750	28,619	6,289,211,050	5,317	2.42
2022	153,102,942	28,619	5,664,909,967	5,350	2.70
2021	158,315,121	28,619	5,256,015,498	5,532	3.01
2020	149,771,565	28,619	5,045,646,931	5,233	2.97

(1) Based on the 2020 Federal Census.

## Unassigned General Fund Balances and Free Cash

The following table presents a summary of the Town's unassigned general fund balances and free cash position for the last five fiscal years:

Fiscal Year	Unassigned General Fund Balance (1)	Free Cash (July 1)
2024	\$ 37,135,818	\$ 16,896,522
2023	28,805,846	12,467,320
2022	18,185,950	8,318,193
2021	14,957,598	4,619,066
2020	14,597,720	4,213,271

(1) Extracted from audited financial statements. Due to the changes in GASB fund balance reporting practices, Unassigned General Fund Balance includes Stabilization Fund Balances.

**Stabilization Fund**

The Town maintains a stabilization fund which is accounted for in the Trust Funds. Funded by an annual appropriation, the stabilization fund plus interest income may be appropriated at a town meeting for any municipal purpose. The following table lists the stabilization fund balances as of the end of the last four fiscal years and the projected balance as of the end of the current fiscal year.

<u>Fiscal Year</u>	<u>Stabilization Fund Balance</u>
2024	\$ 12,206,642
2023	10,899,043
2022	9,724,868
2021	9,600,007
2020	9,361,383

**Financial Statements**

Set forth on the following pages are Governmental Funds Balance Sheets for fiscal years 2024, 2023, and 2022, and Statement of Revenues, Expenditures and Changes in Fund Balance for fiscal year ending June 30, 2024 through June 30, 2020. Said statements were extracted from the Town's audited financial statements.

**Town of Saugus, Massachusetts**  
**Government Funds**  
**Balance Sheet**  
**June 30, 2024 (1)**

	General	School Capital Projects	Town Capital Projects	Town Grants	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash and cash equivalents.....	\$ 18,778,605	\$ 3,816,371	\$ 9,008,601	\$ 8,915,698	\$ 6,259,828	\$ 46,779,103
Investments.....	23,452,465	-	-	-	1,667,223	25,119,688
Receivables, net of uncollectibles:						
Real estate and personal property taxes.....	448,665	-	-	-	-	448,665
Tax liens.....	2,437,820	-	-	-	-	2,437,820
Motor vehicle and other excise taxes.....	652,234	-	-	-	-	652,234
Departmental and other.....	335,557	-	-	-	576,235	911,792
Intergovernmental.....	-	-	-	-	2,310,362	2,310,362
Tax foreclosures.....	539,431	-	-	-	-	539,431
Due from other funds.....	104,129	-	-	-	-	104,129
<b>TOTAL ASSETS.....</b>	<b>\$ 46,748,906</b>	<b>\$ 3,816,371</b>	<b>\$ 9,008,601</b>	<b>\$ 8,915,698</b>	<b>\$ 10,813,648</b>	<b>\$ 79,303,224</b>
<b>LIABILITIES</b>						
Warrants payable.....	\$ 1,083,034	\$ -	\$ 123,265	\$ 93,284	\$ 81,945	\$ 1,381,528
Accrued payroll.....	494,433	-	-	-	-	494,433
Tax refunds payable.....	1,325,535	-	-	-	-	1,325,535
Due to other funds.....	-	-	-	-	104,129	104,129
Other liabilities.....	316,464	-	-	-	152,958	469,422
Unearned revenue.....	-	-	-	8,106,296	-	8,106,296
<b>TOTAL LIABILITIES.....</b>	<b>3,219,466</b>	<b>-</b>	<b>123,265</b>	<b>8,199,580</b>	<b>339,032</b>	<b>11,881,343</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue.....	4,341,504	-	-	-	2,196,262	6,537,766
<b>FUND BALANCES</b>						
Nonspendable.....	-	-	-	-	1,483,235	1,483,235
Restricted.....	-	3,816,371	8,885,336	716,118	6,795,119	20,212,944
Assigned.....	2,052,118	-	-	-	-	2,052,118
Unassigned.....	37,135,818	-	-	-	-	37,135,818
<b>TOTAL FUND BALANCES.....</b>	<b>39,187,936</b>	<b>3,816,371</b>	<b>8,885,336</b>	<b>716,118</b>	<b>8,278,354</b>	<b>60,884,115</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES.....</b>	<b>\$ 46,748,906</b>	<b>\$ 3,816,371</b>	<b>\$ 9,008,601</b>	<b>\$ 8,915,698</b>	<b>\$ 10,813,648</b>	<b>\$ 79,303,224</b>

(1) Extracted from the audited financial statements of the Town.

**Town of Saugus, Massachusetts (1)**  
GOVERNMENTAL FUNDS  
BALANCE SHEET

JUNE 30, 2023

	General	School Capital Projects	Town Capital Projects	Town Grants	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash and cash equivalents.....	\$ 13,774,405	\$ 4,347,941	\$ 6,059,244	\$ 9,168,602	\$ 6,385,729	\$ 39,735,921
Investments.....	18,708,260	-	-	-	1,528,219	20,236,479
Receivables, net of uncollectibles:						
Real estate and personal property taxes.....	352,797	-	-	-	-	352,797
Tax liens.....	2,178,187	-	-	-	-	2,178,187
Motor vehicle and other excise taxes.....	582,614	-	-	-	-	582,614
Departmental and other.....	439,144	-	-	-	416,523	855,667
Intergovernmental.....	-	-	-	-	1,808,809	1,808,809
Tax foreclosures.....	516,739	-	-	-	-	516,739
Due from other funds.....	263,867	-	-	-	-	263,867
<b>TOTAL ASSETS.....</b>	<b>\$ 36,816,013</b>	<b>\$ 4,347,941</b>	<b>\$ 6,059,244</b>	<b>\$ 9,168,602</b>	<b>\$ 10,139,280</b>	<b>\$ 66,531,080</b>
<b>LIABILITIES</b>						
Warrants payable.....	\$ 477,575	\$ -	\$ 254,942	\$ 15,849	\$ 323,593	\$ 1,071,959
Accrued payroll.....	371,349	-	-	-	-	371,349
Tax refunds payable.....	1,202,737	-	-	-	-	1,202,737
Due to other funds.....	-	-	-	-	263,867	263,867
Other liabilities.....	230,444	-	-	-	158,660	389,104
Unearned revenue.....	-	-	-	8,477,296	-	8,477,296
<b>TOTAL LIABILITIES.....</b>	<b>2,282,105</b>	<b>-</b>	<b>254,942</b>	<b>8,493,145</b>	<b>746,120</b>	<b>11,776,312</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue.....	3,806,478	-	-	-	1,680,349	5,486,827
<b>FUND BALANCES</b>						
Nonspendable.....	-	-	-	-	1,396,833	1,396,833
Restricted.....	-	4,347,941	5,804,302	675,457	6,315,978	17,143,678
Assigned.....	1,921,584	-	-	-	-	1,921,584
Unassigned.....	28,805,846	-	-	-	-	28,805,846
<b>TOTAL FUND BALANCES.....</b>	<b>30,727,430</b>	<b>4,347,941</b>	<b>5,804,302</b>	<b>675,457</b>	<b>7,712,811</b>	<b>49,267,941</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES.....</b>	<b>\$ 36,816,013</b>	<b>\$ 4,347,941</b>	<b>\$ 6,059,244</b>	<b>\$ 9,168,602</b>	<b>\$ 10,139,280</b>	<b>\$ 66,531,080</b>

(1) Extracted from the audited financial statements of the Town.

## Town of Saugus, Massachusetts (1)

GOVERNMENTAL FUNDS  
BALANCE SHEET

JUNE 30, 2022

	General	School Capital Projects	Town Capital Projects	Town Grants	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash and cash equivalents.....	\$ 10,062,764	\$ 4,988,462	\$ 4,061,522	\$ 5,007,564	\$ 5,748,801	\$ 29,869,113
Investments.....	13,741,009	-	-	-	1,429,506	15,170,515
Receivables, net of uncollectibles:						
Real estate and personal property taxes.....	444,690	-	-	-	-	444,690
Tax liens.....	2,022,102	-	-	-	-	2,022,102
Motor vehicle and other excise taxes.....	532,916	-	-	-	-	532,916
Departmental and other.....	411,990	-	-	-	359,554	771,544
Intergovernmental.....	37,926	-	-	227,914	568,980	834,820
Tax foreclosures.....	509,965	-	-	-	-	509,965
<b>TOTAL ASSETS.....</b>	<b>\$ 27,763,362</b>	<b>\$ 4,988,462</b>	<b>\$ 4,061,522</b>	<b>\$ 5,235,478</b>	<b>\$ 8,106,841</b>	<b>\$ 50,155,665</b>
<b>LIABILITIES</b>						
Warrants payable.....	\$ 637,905	\$ 14,387	\$ 80,608	\$ 303,045	\$ 375,258	\$ 1,411,203
Accrued payroll.....	370,856	-	-	-	-	370,856
Tax refunds payable.....	2,898,759	-	-	-	-	2,898,759
Other liabilities.....	276,122	-	-	-	160,681	436,803
Unearned revenue.....	-	-	-	4,238,648	-	4,238,648
Notes payable.....	-	-	2,000,000	-	-	2,000,000
<b>TOTAL LIABILITIES.....</b>	<b>4,183,642</b>	<b>14,387</b>	<b>2,080,608</b>	<b>4,541,693</b>	<b>535,939</b>	<b>11,356,269</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue.....	3,722,661	-	-	-	926,151	4,648,812
<b>FUND BALANCES</b>						
Nonspendable.....	-	-	-	-	1,372,870	1,372,870
Restricted.....	-	4,974,075	1,980,914	693,785	5,271,881	12,920,655
Assigned.....	1,671,109	-	-	-	-	1,671,109
Unassigned.....	18,185,950	-	-	-	-	18,185,950
<b>TOTAL FUND BALANCES.....</b>	<b>19,857,059</b>	<b>4,974,075</b>	<b>1,980,914</b>	<b>693,785</b>	<b>6,644,751</b>	<b>34,150,584</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES.....</b>	<b>\$ 27,763,362</b>	<b>\$ 4,988,462</b>	<b>\$ 4,061,522</b>	<b>\$ 5,235,478</b>	<b>\$ 8,106,841</b>	<b>\$ 50,155,665</b>

(1) Extracted from the audited financial statements of the Town.

**Town of Saugus, Massachusetts**  
**Government Funds**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**For the Year Ended June 30, 2024 (1)**

	General	School Capital Projects	Town Capital Projects	Town Grants	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>						
Real estate and personal property taxes, net of tax refunds.....	\$ 85,651,889	\$ -	\$ -	\$ -	\$ -	\$ 85,651,889
Tax liens.....	559,706	-	-	-	-	559,706
Motor vehicle and other excise taxes.....	4,957,206	-	-	-	-	4,957,206
Hotel/motel tax.....	851,192	-	-	-	-	851,192
Meals tax.....	1,299,506	-	-	-	-	1,299,506
Charges for services.....	-	-	-	-	1,329,740	1,329,740
Penalties and interest on taxes.....	338,646	-	-	-	-	338,646
Fees and rentals.....	364,557	-	-	-	-	364,557
Payments in lieu of taxes.....	108,544	-	-	-	-	108,544
Licenses and permits.....	1,352,619	-	-	-	-	1,352,619
Fines and forfeitures.....	237,173	-	-	-	-	237,173
Intergovernmental - Teachers Retirement.....	5,734,859	-	-	-	-	5,734,859
Intergovernmental.....	17,462,425	-	940,070	1,221,496	8,354,350	27,978,341
Departmental and other.....	661,395	-	-	-	1,930,946	2,592,341
Contributions and donations.....	-	-	-	21,000	295,884	316,884
Investment income.....	2,771,566	-	-	21,233	18,893	2,811,692
<b>TOTAL REVENUES.....</b>	<b>122,351,283</b>	<b>-</b>	<b>940,070</b>	<b>1,263,729</b>	<b>11,929,813</b>	<b>136,484,895</b>
<b>EXPENDITURES:</b>						
Current:						
General government.....	4,012,645	-	997,259	3,769	282,523	5,296,196
Public safety.....	16,578,038	-	596,227	249,835	2,304,766	19,728,866
Education.....	34,717,093	531,570	-	409,123	7,962,742	43,620,528
Public works.....	4,440,358	-	711,272	42,880	689,923	5,884,433
Trash removal and recycling.....	2,311,308	-	-	-	-	2,311,308
Health and human services.....	825,146	-	-	67,897	58,138	951,181
Culture and recreation.....	965,467	-	94,278	78,639	220,558	1,358,942
Pension benefits.....	8,471,484	-	-	-	-	8,471,484
Pension benefits - Teachers Retirement.....	5,734,859	-	-	-	-	5,734,859
Property and liability insurance.....	1,601,573	-	-	-	-	1,601,573
Employee benefits.....	18,140,952	-	-	-	-	18,140,952
State and county charges.....	5,864,434	-	-	-	-	5,864,434
Debt service:						
Principal.....	4,584,800	-	-	-	-	4,584,800
Interest.....	4,601,040	-	-	-	-	4,601,040
<b>TOTAL EXPENDITURES.....</b>	<b>112,849,197</b>	<b>531,570</b>	<b>2,399,036</b>	<b>852,143</b>	<b>11,518,650</b>	<b>128,150,596</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>9,502,086</b>	<b>(531,570)</b>	<b>(1,458,966)</b>	<b>411,586</b>	<b>411,163</b>	<b>8,334,299</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Issuance of bonds.....	-	-	3,890,000	-	-	3,890,000
Premium from issuance of bonds.....	-	-	150,000	-	-	150,000
Transfers in.....	-	-	500,000	75	154,380	654,455
Transfers out.....	(1,041,580)	-	-	(371,000)	-	(1,412,580)
<b>TOTAL OTHER FINANCING SOURCES (USES).....</b>	<b>(1,041,580)</b>	<b>-</b>	<b>4,540,000</b>	<b>(370,925)</b>	<b>154,380</b>	<b>3,281,875</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>8,460,506</b>	<b>(531,570)</b>	<b>3,081,034</b>	<b>40,661</b>	<b>565,543</b>	<b>11,616,174</b>
<b>FUND BALANCES AT BEGINNING OF YEAR.....</b>	<b>30,727,430</b>	<b>4,347,941</b>	<b>5,804,302</b>	<b>675,457</b>	<b>7,712,811</b>	<b>49,267,941</b>
<b>FUND BALANCES AT END OF YEAR.....</b>	<b>\$ 39,187,936</b>	<b>\$ 3,816,371</b>	<b>\$ 8,885,336</b>	<b>\$ 716,118</b>	<b>\$ 8,278,354</b>	<b>\$ 60,884,115</b>

(1) Extracted from the audited financial statements of the Town.



## Town of Saugus, Massachusetts (1)

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

YEAR ENDED JUNE 30, 2023

	General	School Capital Projects	Town Capital Projects	Town Grants	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>						
Real estate and personal property taxes, net of tax refunds.....	\$ 84,522,559	\$ -	\$ -	\$ -	\$ -	\$ 84,522,559
Tax liens.....	681,308	-	-	-	-	681,308
Motor vehicle and other excise taxes.....	4,562,316	-	-	-	-	4,562,316
Hotel/motel tax.....	804,511	-	-	-	-	804,511
Meals tax.....	1,176,262	-	-	-	-	1,176,262
Charges for services.....	-	-	-	-	1,262,422	1,262,422
Penalties and interest on taxes.....	414,346	-	-	-	-	414,346
Fees and rentals.....	367,103	-	-	-	-	367,103
Payments in lieu of taxes.....	169,321	-	-	-	-	169,321
Licenses and permits.....	2,714,878	-	-	-	-	2,714,878
Fines and forfeitures.....	308,472	-	-	-	-	308,472
Intergovernmental - Teachers Retirement.....	5,284,792	-	-	-	-	5,284,792
Intergovernmental.....	14,786,744	-	93,227	1,105,990	8,039,748	24,025,709
Departmental and other.....	908,312	-	-	-	1,908,468	2,816,780
Contributions and donations.....	-	-	220,000	28,000	318,694	566,694
Investment income.....	1,545,977	-	-	4,072	9,332	1,559,381
<b>TOTAL REVENUES.....</b>	<b>118,246,901</b>	<b>-</b>	<b>313,227</b>	<b>1,139,062</b>	<b>11,538,664</b>	<b>131,236,854</b>
<b>EXPENDITURES:</b>						
Current:						
General government.....	3,410,413	-	826,073	318,722	218,262	4,773,470
Public safety.....	16,017,994	-	302,090	281,979	1,992,062	18,594,125
Education.....	33,391,688	626,134	830,615	377,543	6,990,330	42,216,310
Public works.....	3,339,170	-	550,406	23,004	1,049,208	4,961,788
Trash removal and recycling.....	2,284,740	-	-	-	-	2,284,740
Health and human services.....	784,523	-	-	74,326	46,424	905,273
Culture and recreation.....	929,255	-	-	80,816	174,318	1,184,389
Pension benefits.....	8,057,442	-	-	-	-	8,057,442
Pension benefits - Teachers Retirement.....	5,284,792	-	-	-	-	5,284,792
Property and liability insurance.....	1,421,720	-	-	-	-	1,421,720
Employee benefits.....	17,426,097	-	-	-	-	17,426,097
State and county charges.....	5,609,947	-	-	-	-	5,609,947
Debt service:						
Principal.....	4,143,900	-	-	-	-	4,143,900
Interest.....	4,617,374	-	-	-	-	4,617,374
<b>TOTAL EXPENDITURES.....</b>	<b>106,719,055</b>	<b>626,134</b>	<b>2,509,184</b>	<b>1,156,390</b>	<b>10,470,604</b>	<b>121,481,367</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>11,527,846</b>	<b>(626,134)</b>	<b>(2,195,957)</b>	<b>(18,328)</b>	<b>1,068,060</b>	<b>9,755,487</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Issuance of bonds.....	-	-	5,255,000	-	-	5,255,000
Premium from issuance of bonds.....	-	-	375,000	-	-	375,000
Transfers in.....	-	-	566,100	-	-	566,100
Transfers out.....	(657,475)	-	(176,755)	-	-	(834,230)
<b>TOTAL OTHER FINANCING SOURCES (USES).....</b>	<b>(657,475)</b>	<b>-</b>	<b>6,019,345</b>	<b>-</b>	<b>-</b>	<b>5,361,870</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>10,870,371</b>	<b>(626,134)</b>	<b>3,823,388</b>	<b>(18,328)</b>	<b>1,068,060</b>	<b>15,117,357</b>
<b>FUND BALANCES AT BEGINNING OF YEAR.....</b>	<b>19,857,059</b>	<b>4,974,075</b>	<b>1,980,914</b>	<b>693,785</b>	<b>6,844,751</b>	<b>34,150,584</b>
<b>FUND BALANCES AT END OF YEAR.....</b>	<b>\$ 30,727,430</b>	<b>\$ 4,347,941</b>	<b>\$ 5,804,302</b>	<b>\$ 675,457</b>	<b>\$ 7,712,811</b>	<b>\$ 49,267,941</b>

(1) Extracted from the audited financial statements of the Town.

**Town of Saugus, Massachusetts (1)**  
**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**YEAR ENDED JUNE 30, 2022**

	General	School Capital Projects	Town Capital Projects	Town Grants	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>						
Real estate and personal property taxes, net of tax refunds.....	\$ 78,527,763	\$ -	\$ -	\$ -	\$ -	\$ 78,527,763
Tax liens.....	991,446	-	-	-	-	991,446
Motor vehicle and other excise taxes.....	4,554,942	-	-	-	-	4,554,942
Hotel/motel tax.....	612,755	-	-	-	-	612,755
Meals tax.....	1,124,510	-	-	-	-	1,124,510
Charges for services.....	-	-	-	-	952,686	952,686
Penalties and interest on taxes.....	603,716	-	-	-	-	603,716
Fees and rentals.....	547,772	-	-	-	-	547,772
Payments in lieu of taxes.....	78,229	-	-	-	-	78,229
Licenses and permits.....	2,711,773	-	-	-	-	2,711,773
Fines and forfeitures.....	234,723	-	-	-	-	234,723
Intergovernmental - Teachers Retirement.....	4,773,419	-	-	-	-	4,773,419
Intergovernmental.....	11,634,469	-	597,991	2,088,629	6,338,054	20,659,143
Departmental and other.....	693,585	-	-	-	2,226,140	2,919,725
Contributions and donations.....	-	-	-	60,000	224,844	284,844
Investment income (loss).....	(82,524)	-	-	12,845	24,770	(44,909)
<b>TOTAL REVENUES.....</b>	<b>107,006,578</b>	<b>-</b>	<b>597,991</b>	<b>2,161,474</b>	<b>9,766,494</b>	<b>119,532,537</b>
<b>EXPENDITURES:</b>						
Current:						
General government.....	2,555,663	-	774,638	1,069,995	311,655	4,711,951
Public safety.....	15,385,887	-	-	653,229	2,227,025	18,266,141
Education.....	33,962,531	7,162,182	-	-	6,008,956	47,133,669
Public works.....	4,422,676	-	207,481	242,693	559,537	5,432,387
Trash removal and recycling.....	2,345,445	-	-	-	-	2,345,445
Health and human services.....	711,677	-	-	80,003	44,679	836,359
Culture and recreation.....	870,930	-	-	49,383	162,231	1,082,544
Pension benefits.....	7,656,719	-	-	-	-	7,656,719
Pension benefits - Teachers Retirement.....	4,773,419	-	-	-	-	4,773,419
Property and liability insurance.....	1,264,128	-	-	-	-	1,264,128
Employee benefits.....	15,848,126	-	-	-	-	15,848,126
State and county charges.....	5,330,515	-	-	-	-	5,330,515
Debt service:						
Principal.....	4,066,400	-	-	-	-	4,066,400
Interest.....	4,969,764	-	-	-	-	4,969,764
<b>TOTAL EXPENDITURES.....</b>	<b>104,163,880</b>	<b>7,162,182</b>	<b>982,119</b>	<b>2,095,303</b>	<b>9,314,083</b>	<b>123,717,567</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>2,842,698</b>	<b>(7,162,182)</b>	<b>(384,128)</b>	<b>66,171</b>	<b>452,411</b>	<b>(4,185,030)</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in.....	-	-	420,000	54,392	103,401	577,793
Transfers out.....	(585,142)	-	-	-	-	(585,142)
<b>TOTAL OTHER FINANCING SOURCES (USES).....</b>	<b>(585,142)</b>	<b>-</b>	<b>420,000</b>	<b>54,392</b>	<b>103,401</b>	<b>(7,349)</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>2,257,556</b>	<b>(7,162,182)</b>	<b>35,872</b>	<b>120,563</b>	<b>555,812</b>	<b>(4,192,379)</b>
<b>FUND BALANCES AT BEGINNING OF YEAR.....</b>	<b>17,599,503</b>	<b>12,136,257</b>	<b>1,945,042</b>	<b>573,222</b>	<b>6,088,939</b>	<b>38,342,963</b>
<b>FUND BALANCES AT END OF YEAR.....</b>	<b>\$ 19,857,059</b>	<b>\$ 4,974,075</b>	<b>\$ 1,980,914</b>	<b>\$ 693,785</b>	<b>\$ 6,644,751</b>	<b>\$ 34,150,584</b>

(1) Extracted from the audited financial statements of the Town.



**Town of Saugus, Massachusetts**  
**GOVERNMENTAL FUNDS**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2021

	General	School Capital Projects	Town Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>					
Real estate and personal property taxes, net of tax refunds.....	\$ 74,927,239	\$ -	\$ -	\$ -	\$ 74,927,239
Tax liens.....	389,133	-	-	-	389,133
Motor vehicle and other excise taxes.....	4,706,993	-	-	-	4,706,993
Hotel/motel tax.....	400,297	-	-	-	400,297
Meals tax.....	897,472	-	-	-	897,472
Charges for services.....	-	-	-	540,497	540,497
Penalties and interest on taxes.....	406,172	-	-	-	406,172
Fees and rentals.....	545,044	-	-	-	545,044
Payments in lieu of taxes.....	77,757	-	-	-	77,757
Licenses and permits.....	1,539,416	-	-	-	1,539,416
Fines and forfeitures.....	292,916	-	-	-	292,916
Intergovernmental - School Building Authority.....	-	7,220,729	-	-	7,220,729
Intergovernmental - Teachers Retirement.....	9,347,133	-	-	-	9,347,133
Intergovernmental.....	10,521,832	-	118,586	7,279,976	17,920,394
Departmental and other.....	716,925	-	22,831	1,678,447	2,418,203
Contributions and donations.....	-	-	-	253,082	253,082
Investment income.....	535,354	-	-	1,943	537,297
<b>TOTAL REVENUES.....</b>	<b>105,303,683</b>	<b>7,220,729</b>	<b>141,417</b>	<b>9,753,945</b>	<b>122,419,774</b>
<b>EXPENDITURES:</b>					
Current:					
General government.....	2,663,561	-	949,504	2,333,601	5,946,666
Public safety.....	14,480,194	-	247,353	2,144,208	16,871,755
Education.....	32,572,362	35,874,487	14,647	4,028,034	72,489,530
Public works.....	3,413,658	-	410,303	649,859	4,473,820
Trash removal and recycling.....	2,333,681	-	-	-	2,333,681
Health and human services.....	716,595	-	-	57,049	773,644
Culture and recreation.....	1,133,222	-	6,237	107,524	1,246,983
Pension benefits.....	7,202,130	-	-	-	7,202,130
Pension benefits - Teachers Retirement.....	9,347,133	-	-	-	9,347,133
Property and liability insurance.....	1,114,674	-	-	-	1,114,674
Employee benefits.....	16,017,833	-	-	-	16,017,833
State and county charges.....	4,749,080	-	-	-	4,749,080
Debt service:					
Principal.....	3,081,000	-	-	-	3,081,000
Interest.....	5,208,685	-	-	-	5,208,685
<b>TOTAL EXPENDITURES.....</b>	<b>104,033,808</b>	<b>35,874,487</b>	<b>1,628,044</b>	<b>9,320,275</b>	<b>150,856,614</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>1,269,875</b>	<b>(28,653,758)</b>	<b>(1,486,627)</b>	<b>433,670</b>	<b>(28,436,840)</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Issuance of bonds.....	-	13,020,000	20,000	-	13,040,000
Issuance of refunding bonds - current refunding.....	717,200	-	-	-	717,200
Premium from issuance of bonds.....	-	388,907	173,225	-	562,132
Premium from issuance of refunding bonds - current refunding.....	97,800	-	-	-	97,800
Payments to refunded bond escrow agent - current refunding.....	(815,000)	-	-	-	(815,000)
Transfers in.....	-	-	378,500	30,000	408,500
Transfers out.....	(488,757)	-	-	(33,500)	(522,257)
<b>TOTAL OTHER FINANCING SOURCES (USES).....</b>	<b>(488,757)</b>	<b>13,408,907</b>	<b>571,725</b>	<b>(3,500)</b>	<b>13,488,375</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>781,118</b>	<b>(15,244,851)</b>	<b>(914,902)</b>	<b>430,170</b>	<b>(14,948,465)</b>
<b>FUND BALANCES AT BEGINNING OF YEAR (AS REVISED).....</b>	<b>16,818,385</b>	<b>27,381,108</b>	<b>2,859,944</b>	<b>6,231,991</b>	<b>53,291,428</b>
<b>FUND BALANCES AT END OF YEAR.....</b>	<b>\$ 17,599,503</b>	<b>\$ 12,136,257</b>	<b>\$ 1,945,042</b>	<b>\$ 6,662,161</b>	<b>\$ 38,342,963</b>

(1) Extracted from the audited financial statements of the Town.

**Town of Saugus, Massachusetts**  
**Governmental Funds**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**For the Year Ended June 30, 2020 (1)**

	General	School Capital Projects	Town Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>					
Real estate and personal property taxes, net of tax refunds.....	\$ 70,503,317	\$ -	\$ -	\$ -	\$ 70,503,317
Tax liens.....	564,776	-	-	-	564,776
Motor vehicle and other excise taxes.....	4,172,084	-	-	-	4,172,084
Hotel/motel tax.....	576,710	-	-	-	576,710
Meals tax.....	962,899	-	-	-	962,899
Charges for services.....	-	-	-	1,262,511	1,262,511
Penalties and interest on taxes.....	220,749	-	-	-	220,749
Fees and rentals.....	564,479	-	-	-	564,479
Payments in lieu of taxes.....	72,484	-	-	-	72,484
Licenses and permits.....	1,057,351	-	-	-	1,057,351
Fines and forfeitures.....	265,720	-	-	-	265,720
Intergovernmental - School Building Authority.....	-	34,092,889	-	-	34,092,889
Intergovernmental - Teachers Retirement.....	8,196,495	-	-	-	8,196,495
Intergovernmental.....	11,027,298	-	33,331	4,340,447	15,401,076
Intergovernmental - COVID-19 relief.....	-	-	-	249,607	249,607
Departmental and other.....	626,484	-	-	92,556	719,040
Contributions and donations.....	-	-	225,000	231,331	456,331
Investment income.....	1,297,034	-	-	19,939	1,316,973
<b>TOTAL REVENUES.....</b>	<b>100,107,880</b>	<b>34,092,889</b>	<b>258,331</b>	<b>6,196,391</b>	<b>140,655,491</b>
<b>EXPENDITURES:</b>					
Current:					
General government.....	2,248,441	-	1,248,399	135,386	3,632,226
Public safety.....	13,703,661	-	8,877	336,849	14,049,387
Education.....	32,230,698	73,146,280	30,000	4,051,074	109,458,052
Public works.....	3,090,706	-	1,547,411	1,073,275	5,711,392
Trash removal and recycling.....	1,959,495	-	-	-	1,959,495
Health and human services.....	676,592	-	-	112,208	788,800
Culture and recreation.....	1,086,488	-	-	227,774	1,314,262
COVID-19.....	-	-	-	249,607	249,607
Pension benefits.....	6,951,113	-	-	-	6,951,113
Pension benefits - Teachers Retirement.....	8,196,495	-	-	-	8,196,495
Property and liability insurance.....	802,500	-	-	-	802,500
Employee benefits.....	15,492,201	-	-	-	15,492,201
State and county charges.....	4,533,866	-	-	-	4,533,866
Debt service:					
Principal.....	2,685,000	-	-	-	2,685,000
Interest.....	3,161,122	-	-	-	3,161,122
<b>TOTAL EXPENDITURES.....</b>	<b>96,818,378</b>	<b>73,146,280</b>	<b>2,834,687</b>	<b>6,186,173</b>	<b>178,985,518</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>3,289,502</b>	<b>(39,053,391)</b>	<b>(2,576,356)</b>	<b>10,218</b>	<b>(38,330,027)</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Issuance of bonds.....	-	39,862,000	2,047,000	-	41,909,000
Premium from issuance of bonds.....	-	2,764,000	310,000	-	3,074,000
Transfers in.....	-	-	6,589	35,000	41,589
Transfers out.....	(41,589)	-	-	(2,508,146)	(2,549,735)
<b>TOTAL OTHER FINANCING SOURCES (USES)...</b>	<b>(41,589)</b>	<b>42,626,000</b>	<b>2,363,589</b>	<b>(2,473,146)</b>	<b>42,474,854</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>3,247,913</b>	<b>3,572,609</b>	<b>(212,767)</b>	<b>(2,462,928)</b>	<b>4,144,827</b>
<b>FUND BALANCES AT BEGINNING OF YEAR.....</b>	<b>13,570,472</b>	<b>23,808,499</b>	<b>3,072,711</b>	<b>8,694,919</b>	<b>49,146,601</b>
<b>FUND BALANCES AT END OF YEAR.....</b>	<b>\$ 16,818,385</b>	<b>\$ 27,381,108</b>	<b>\$ 2,859,944</b>	<b>\$ 6,231,991</b>	<b>\$ 53,291,428</b>

(1) Extracted from the audited financial statements of the Town.

## Retirement System

The annual required contributions of the Town to the Saugus Retirement System for the following years were as follows:

<u>Year Ending</u>	<u>Contributory</u>
June 30, 2025	\$ 5,572,229 (budgeted)(1)
June 30, 2024	8,471,474
June 30, 2023	8,057,422
June 30, 2022	7,656,719
June 30, 2021	7,202,130
June 30, 2020	6,951,113

(1) Reduction attributed to new funding schedule voted by the Retirement Board for fiscal 2025 through 2029.

The unfunded pension benefit obligation of the contributory retirement system on January 1, 2023, assuming a 7.00% rate of return, was \$14,620,032.

### Funding Schedule (As of January 1, 2023)

<u>Fiscal Year</u>	<u>Normal Cost</u>	<u>Net 3(8)(c)</u>	<u>Amort. of UAL</u>	<u>Amort. of 2002 ERI</u>	<u>Total Cost</u>	<u>Unfunded Act. Liab.</u>	<u>% Change</u>
2024	2,839,131	40,000	5,568,056	254,393	8,701,581	15,131,733	
2025	2,966,892	40,000	2,446,165	262,025	5,715,082	10,115,033	-34.3%
2026	3,100,402	40,000	2,544,012	269,886	5,954,300	7,996,998	4.2%
2027	3,239,921	40,000	2,645,772	277,982	6,203,675	5,620,391	4.2%
2028	3,385,717	40,000	2,751,603	286,322	6,463,642	2,962,783	4.2%
2029	3,538,074	40,000			3,578,074	0	-44.6%

Notes: All amounts assume payments will be made November 15 of each fiscal year.

Amortization of unfunded liability on 4.0% annual increasing basis to FY28.

FY24 normal cost includes expenses of \$750,000 and is assumed to increase 4.5% per year.

FY24 appropriation was maintained at the same level as prior schedule.

Source: January 1, 2023 Actuarial Valuation Report of the Saugus Retirement System and PERAC.

### Other Post-Employment Benefits

In addition to pension benefits, cities and towns may provide retired employees with health care and life insurance benefits. The portion of the cost of such benefits paid by cities or towns is generally provided on a pay-as-you-go basis.

<u>Fiscal Year</u>	<u>Annual OPEB Cost</u>	<u>Contributions Made</u>
2024	\$ 6,566,525	\$ 5,996,520
2023	6,632,854	6,056,613
2022	6,050,847	5,832,897
2021	6,716,321	6,498,371
2020	6,298,716	6,246,428

The Governmental Accounting Standards Board ("GASB") promulgated accounting standards that require public sector entities to report the future costs of these non-pension, post-employment benefits in their financial statements. These accounting standards do not require pre-funding the payment of these costs as the liability for such costs accrues, but the basis applied by the standards for measurement of costs and liabilities for these benefits is conservative if they continue to be funded on a pay-as-you-go basis and will result in larger yearly cost and liability accruals than if the cost of such benefits were pre-funded in a trust fund in the same manner as traditional pension benefits. Cities and towns that choose to self-insure all or a portion of the cost of the health care benefits they provide to employees and retirees may establish a trust fund for the purpose of paying claims. In addition, cities and towns may establish a trust fund for the purpose of pre-funding other post-employment benefits liability in the same manner as traditional pension benefits.

The Town was required to implement the GASB reporting requirements for other post-employment benefits beginning in fiscal year 2008. The Town hired Odyssey Advisor for the actuarial valuation of its liability. As of June 30, 2024, the Town had a net OPEB accrued liability of approximately \$128,349,667 assuming a discount rate of 6.28% with an estimated annual service cost of \$3,069,396. The Town established an irrevocable OPEB Trust Fund which had a balance of \$3,333,914 as of June 30, 2024.

### LITIGATION

At present there are several cases pending in various courts throughout the Commonwealth where the Town of Saugus is a defendant. In the opinion of the Town, none of the pending litigation is likely to result, either individually or in the aggregate, in final judgments against the Town that would materially affect its financial position.

## TOWN OF STONEHAM, MASSACHUSETTS

**General**

The Town provides general governmental services for the territory within its boundaries, including police and fire protection, public education in grades Pre-K - 12, a library, water and sewer services, streets, parks and recreation. The Massachusetts Water Resources Authority provides certain sewage disposal services for the Town, while the Massachusetts Bay Transportation Authority provides bus service. The Northeast Metropolitan Regional Vocational Technical School District provides vocational education in grades 9 to 12 while the Stoneham Housing Authority provides approximately 281 housing units for eligible low income family, elderly and handicapped persons.

**Age, Income and Wealth Levels**

The following table presents the most recent federal census figures for the Town of Stoneham, the Commonwealth and the United States.

	<u>Stoneham</u>	<u>Massachusetts</u>	<u>United States</u>
<b>Median Age:</b>			
2020	43.9	39.9	38.8
2010	44.3	39.1	37.2
2000	40.6	36.5	35.3
1990	36.4	33.6	32.9
<b>Median Family Income:</b>			
2020	\$ 135,849	\$ 106,526	\$ 80,069
2010	98,182	81,165	62,982
2000	71,334	61,664	50,046
1990	56,605	44,367	35,224
<b>Per Capita Income:</b>			
2020	\$ 51,962	\$ 45,555	\$ 35,384
2010	36,437	33,966	27,334
2000	27,599	25,952	21,587
1990	18,220	17,224	14,420

Source: Federal Census.

**Labor Force, Employment and Unemployment Rate**

According to Massachusetts Executive Office of Labor and Workforce Development preliminary data, in December 2024 the Town had a total labor force of 14,599, of whom 14,112 were employed and 487 or 3.3% were unemployed, as compared with 4.2% for the Commonwealth.

The following table sets forth the Town's average labor force and unemployment rates for calendar years 2019 through 2023 and the unemployment rates for the Commonwealth of Massachusetts and the United States for the same period:

Year	Town of Stoneham		Unemployment Rate	
	Labor Force	Unemployment Rate	Massachusetts	United States
2023	14,253	2.8 %	3.4 %	3.6 %
2022	14,172	3.1	3.8	3.6
2021	14,075	4.7	5.7	5.4
2020	13,798	7.6	8.9	8.1
2019	13,647	2.4	2.9	3.5

Source: Massachusetts Executive Office of Labor and Workforce Development. Data based upon place of residence and not place of employment.

**Tax Levy Computation**

The following table illustrates the manner in which the tax levy was determined for the last five fiscal years:

	For Fiscal Year				
	2025	2024	2023	2022	2021
Gross Amount to be Raised:					
Appropriations	\$ 102,476,727	\$ 96,688,800	\$ 92,425,607	\$ 83,330,024	\$ 80,583,244
Other Local Expenditures	56,625	48,904	43,887	38,569	26,996
State and County Charges	4,536,377	4,090,323	3,658,760	2,986,353	2,523,819
Overlay Reserve (1)	234,169	369,337	334,361	240,284	227,440
Total Gross Amount to be Raised	<u>\$ 107,303,898</u>	<u>\$ 101,197,364</u>	<u>\$ 96,462,615</u>	<u>\$ 86,595,230</u>	<u>\$ 83,361,499</u>
Less Estimated Receipts & Other Revenue:					
Estimated Receipts from State (2)	\$ 13,394,709	\$ 12,925,554	\$ 11,726,417	\$ 10,625,077	\$ 11,094,026
Estimated Receipts - Local	21,789,123	20,408,503	19,436,261	18,935,362	16,861,792
Available Funds Appropriated:					
Free Cash	3,572,282	1,876,644	1,550,990	1,255,210	1,472,000
Other Available Funds	780,016	415,000	40,000	40,000	40,500
Total Estimated Receipts and Revenues	<u>\$ 39,536,130</u>	<u>\$ 35,625,701</u>	<u>\$ 32,753,668</u>	<u>\$ 30,855,649</u>	<u>\$ 29,468,318</u>
Net Amount to be Raised (Tax Levy)	<u>\$ 67,767,768</u>	<u>\$ 65,571,663</u>	<u>\$ 63,708,947</u>	<u>\$ 55,739,581</u>	<u>\$ 53,893,181</u>

(1) Allowance for abatements.

(2) Estimated by the Massachusetts Department of Revenue and required by law to be used in setting the tax rate. Actual state aid payments may vary upward or downward from said estimates and the State may withhold payments pending receipt of state and county assessments.

**Classification of Property**

Following is a breakdown by property type of the Town's assessed valuations for the current and last two fiscal years:

	2025 (1)		2024		2023	
	Assessed Valuation	% of Total	Assessed Valuation	% of Total	Assessed Valuation	% of Total
Residential	\$ 5,540,472,703	90.6 %	\$ 5,134,867,508	90.2 %	\$ 4,748,058,022	90.1 %
Commercial	428,483,701	7.0	420,878,111	7.4	397,959,679	7.6
Industrial	41,912,300	0.7	38,263,300	0.7	35,696,900	0.7
Personal	101,188,155	1.7	95,812,308	1.7	86,452,268	1.6
Total	<u>\$ 6,112,056,859</u>	<u>100.0 %</u>	<u>\$ 5,689,821,227</u>	<u>100.0 %</u>	<u>\$ 5,268,166,869</u>	<u>100.0 %</u>

Source: Board of Assessors.

(1) Revaluation year.

**Tax Collections**

Fiscal Year	Gross Tax Levy	Overlay Reserve for Abatements	Net Tax Levy (1)	Collections During Fiscal Year Payable (2) (3)		Collections as of June 30, 2024 (2)	
				Dollar Amount	% of Net Levy	Dollar Amount	% of Net Levy
2024	\$ 65,571,663	\$ 369,337	\$ 65,202,326	\$ 64,217,651	98.49 %	\$ 64,406,275	98.78 %
2023	63,708,947	334,361	63,374,586	62,780,982	99.06	63,216,852	99.75
2022	55,739,581	240,284	55,499,297	54,958,925	99.03	54,485,315	98.17
2021	53,898,181	227,440	53,670,741	52,920,344	98.60	53,651,198	99.96
2020	52,521,660	235,157	52,286,503	51,205,384	97.93	51,205,443	97.93

Source: Board of Assessors as to levies; Tax Collector as to collections.

(1) Gross tax levy less overlay reserve for abatements.

(2) Actual dollar collections net of refunds. Does not include abatements, proceeds of tax titles or tax possessions attributable to each levy or other non-cash credits.

(3) Collections for the current fiscal year are comparable to previous fiscal years.

**Unused Levy Capacity (1)**

The table below sets forth the trend in the Town's primary levy limits, maximum levy limits, actual tax levies and unused levy capacity:

	For Fiscal Year				
	2025	2024	2023	2022	2021
Primary Levy Limit (2)	\$ 152,801,421	\$ 142,245,531	\$ 131,704,172	\$ 123,109,664	\$ 115,009,795
Prior Fiscal Year Levy Limit	58,009,444	56,091,763	54,320,555	52,362,187	50,503,191
2.5% Levy Growth	1,450,236	1,402,294	1,358,014	1,309,055	1,262,580
New Growth (3)	744,828	515,387	413,194	649,313	596,416
Overrides	-	-	-	-	-
Growth Levy Limit	60,204,508	58,009,444	56,091,763	54,320,555	52,362,187
Debt Exclusions	7,584,918	7,583,269	7,750,628	1,542,623	1,914,125
Capital Expenditure Exclusions	-	-	-	-	-
Tax Levy Limit	67,789,426	65,592,713	63,842,391	55,863,178	54,276,312
Tax Levy	67,767,768	65,571,663	63,708,947	55,739,581	53,893,181
Unused Levy Capacity (4)	\$ 21,658	\$ 21,050	\$ 133,444	\$ 123,597	\$ 383,131

(1) Source: Massachusetts Department of Revenue.

(2) 2.5% of assessed valuation.

(3) Allowed increase for new valuations – certified by the Department of Revenue.

(4) Tax Levy Limit less Tax Levy.

## Operating Budget Trends

The following table sets forth the trend in the Town's operating budgets:

	Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2022	Fiscal 2021
General Government	\$ 2,579,048	\$ 2,479,001	\$ 2,736,073	\$ 2,697,573	\$ 2,619,347
Public Safety	10,802,464	10,252,278	9,860,870	9,588,299	9,114,336
Education	37,291,063	35,887,845	33,790,456	32,448,909	31,571,958
Public Works	2,634,750	2,467,166	2,360,825	2,438,125	2,284,772
Human and Environmental Services	795,975	1,116,606	834,824	719,777	560,410
Information and Recreation	2,008,337	1,962,460	1,924,309	1,402,151	1,386,335
Debt & Interest on Debt	8,400,807	8,620,334	9,141,016	2,964,572	4,154,276
Retirement Fund	7,059,801	7,075,757	7,058,350	6,880,229	6,273,630
Unclassified	13,116,950	12,075,366	11,547,565	10,832,490	10,350,954
Non-Departmental	1,235,915	1,006,774	836,789	587,402	560,000
Reserve Fund	475,000	177,112	300,000	125,000	125,000
OPEB Contribution	200,000	100,000	100,000	100,000	100,000
Trash Fund Subsidy	125,000	65,000	125,000	200,000	120,000
Sewer Fund	7,548,675	7,280,341	7,018,973	6,858,756	6,203,334
Water Fund	5,563,760	5,435,918	5,120,225	5,301,606	4,483,458
Total	<u>\$ 99,837,545</u>	<u>\$ 96,001,958</u>	<u>\$ 92,755,275</u>	<u>\$ 83,144,889</u>	<u>\$ 79,907,810</u>

## Key Debt Ratios

	As of June 30				
	2024	2023	2022	2021	2020
Amount (1)	\$ 140,858,949	\$ 144,517,045	\$ 149,655,779	\$ 22,110,765	\$ 24,047,251
Per Capita Debt (2)	\$ 6,060.01	\$ 6,217.39	\$ 6,438.47	\$ 951.25	\$ 1,034.56
Percent of Assessed Valuation (3)	2.48%	2.74%	3.04%	0.48%	0.54%
Percent of Equalized Valuation (4)	2.72%	2.79%	3.20%	0.47%	0.60%

(1) Excludes temporary loans, lease-purchase obligations, overlapping debt, unfunded pension liability and other post-employment benefits liability.

(2) Source: U.S. Department of Commerce, Bureau of the Census - Latest applicable actuals or estimates.

(3) Source: Board of Assessors - Assessed valuation as of the prior January 1.

(4) Source: Massachusetts Department of Revenue. (Equalized valuation in effect for that fiscal year.)



**Unassigned General Fund Balance and Free Cash**

The following table sets forth the unassigned general fund balance and certified free cash for the most recent fiscal years:

<u>Year</u>	<u>Unassigned General Fund Balance for Fiscal Year Ending June 30 (1)</u>	<u>Free Cash for Fiscal Year Beginning July 1</u>
2024	\$ 18,976,465	\$ 12,027,022
2023	15,478,295	7,857,444
2022	12,437,168	6,757,503
2021	11,111,289	5,613,265
2020	9,657,607	4,060,733

(1) Source: Audited Financial Statements, except as noted below.

**Stabilization Fund**

The Town maintains a stabilization fund, which is accounted for in the Trust Funds. Funded by an appropriation, the stabilization fund plus interest income may be appropriated at an annual or special town meeting for any purpose. The following sets forth the trend in the stabilization fund balance:

<u>As of June 30</u>	<u>Amount</u>
2024	\$5,329,171
2023	4,733,905
2022	4,458,361
2021	4,565,446
2020	3,965,859

**Capital Stabilization Fund**

In May 2008 the Town established a capital stabilization fund which is accounted for in the General Fund. The following sets forth the trend in the capital stabilization fund balance:

<u>As of June 30</u>	<u>Amount</u>
2024	\$1,353,116
2023	938,234
2022	634,159
2021	442,548
2020	242,033

**Financial Statements**

Set forth on the following pages are Governmental Funds Balance Sheets for fiscal years 2024, 2023, and 2022, and Statement of Revenues, Expenditures and Changes in Fund Balance for fiscal year ending June 30, 2024 through June 30, 2020. Said statements were extracted from the Town's audited financials.

**TOWN OF STONEHAM, MASSACHUSETTS  
GOVERNMENTAL FUNDS BALANCE SHEET  
JUNE 30, 2024**

	General	High School Construction	State and Local Fiscal Recovery Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 9,275,955	\$ -	\$ -	\$ -	\$ 9,275,955
Investments	15,245,226	-	-	-	15,245,226
Receivables, Net of Allowance for Uncollectible Amounts:					
Real Estate and Personal Property Taxes	1,248,758	-	-	-	1,248,758
Tax and Trash Liens	139,022	-	-	14,650	153,672
Motor Vehicle and Other Excise Taxes	439,019	-	-	-	439,019
Departmental and Other	-	-	-	123,286	123,286
Intergovernmental	-	3,649,996	-	608,158	4,258,154
Leases	6,077,426	-	-	-	6,077,426
Opioid Settlement	-	-	-	278,914	278,914
Restricted Assets:					
Cash and Cash Equivalents	1,353	55,752,330	3,638,310	1,623,594	61,015,887
Investments	-	-	-	5,960,917	5,960,917
<b>Total Assets</b>	<b>\$ 32,426,759</b>	<b>\$ 59,402,626</b>	<b>\$ 3,638,310</b>	<b>\$ 8,609,519</b>	<b>\$ 104,077,214</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Warrants Payable	\$ 919,717	\$ 23,676,969	\$ 88,160	\$ 395,984	\$ 25,080,830
Accrued Payroll	598,313	-	-	46,867	645,180
Unearned Revenue	-	-	3,550,150	-	3,550,150
Other Liabilities	418,301	-	-	251,338	669,639
Tax Refunds Payable	164,369	-	-	-	164,369
Short-Term Notes Payable	-	-	-	265,750	265,750
<b>Total Liabilities</b>	<b>2,100,700</b>	<b>23,676,969</b>	<b>3,638,310</b>	<b>959,939</b>	<b>30,375,918</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Taxes Collected in Advance	109,335	-	-	-	109,335
Unavailable Revenue	1,451,736	1,831,809	-	388,603	3,672,148
Related to Leases	5,802,318	-	-	-	5,802,318
<b>Total Deferred Inflows of Resources</b>	<b>7,363,389</b>	<b>1,831,809</b>	<b>-</b>	<b>388,603</b>	<b>9,583,801</b>
<b>FUND BALANCES</b>					
Nonspendable	-	-	-	1,173,678	1,173,678
Restricted	1,353	33,893,848	-	6,800,183	40,695,384
Committed	3,877,681	-	-	-	3,877,681
Assigned	107,171	-	-	-	107,171
Unassigned	18,976,465	-	-	(712,884)	18,263,581
<b>Total Fund Balances</b>	<b>22,962,670</b>	<b>33,893,848</b>	<b>-</b>	<b>7,260,977</b>	<b>64,117,495</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 32,426,759</b>	<b>\$ 59,402,626</b>	<b>\$ 3,638,310</b>	<b>\$ 8,609,519</b>	<b>\$ 104,077,214</b>

Source: Extracted from the audited financial statements of the Town.

**TOWN OF STONEHAM, MASSACHUSETTS**  
**GOVERNMENTAL FUNDS BALANCE SHEET**  
**JUNE 30, 2023 (1)**

	General	High School Construction	State and Local Fiscal Recovery Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents	\$ 7,035,115	\$ -	\$ -	\$ -	\$ 7,035,115
Investments	11,124,108	-	-	-	11,124,108
Receivables, net of Allowance for Uncollectable Amounts:					
Real estate and personal property taxes	1,135,067	-	-	-	1,135,067
Tax and trash liens	183,904	-	-	12,891	196,795
Motor vehicle and other excise taxes	408,279	-	-	-	408,279
Departmental and other	-	-	-	139,450	139,450
Intergovernmental	-	8,456,029	-	176,245	8,632,274
Leases	6,528,310	-	-	-	6,528,310
Opioid Settlement	277,250	-	-	-	277,250
Restricted Assets:					
Cash and cash equivalents	532,498	107,371,518	5,427,087	727,060	114,058,163
Investments	-	-	-	8,893,574	8,893,574
<b>TOTAL ASSETS</b>	<b>\$ 27,224,531</b>	<b>\$ 115,827,547</b>	<b>\$ 5,427,087</b>	<b>\$ 9,949,220</b>	<b>\$ 158,428,385</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES. AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Warrants payable	\$ 318,659	\$ 4,875,613	\$ 73,508	\$ 324,360	\$ 5,592,140
Accrued Payroll	383,448	-	-	48,778	432,226
Unearned Revenue	-	-	5,353,579	-	5,353,579
Other Liabilities	371,896	-	-	249,369	621,265
Tax Refunds Payable	91,788	-	-	-	91,788
Short-Term Notes Payable	-	-	-	1,045,700	1,045,700
<b>TOTAL LIABILITIES</b>	<b>1,165,791</b>	<b>4,875,613</b>	<b>5,427,087</b>	<b>1,668,207</b>	<b>13,136,698</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Taxes Collected in Advance	40,258	-	-	-	40,258
Unavailable revenue	1,716,233	2,803,134	-	152,342	4,671,709
Related to Leases	6,332,908	-	-	-	6,332,908
<b>Total Deferred Inflows of Resources</b>	<b>8,089,399</b>	<b>2,803,134</b>	<b>-</b>	<b>152,342</b>	<b>11,044,875</b>
<b>FUND BALANCES</b>					
Nonspendable	-	-	-	1,170,678	1,170,678
Restricted	532,498	108,148,800	-	7,876,854	116,558,152
Committed	1,741,914	-	-	-	1,741,914
Assigned	216,634	-	-	-	216,634
Unassigned	15,478,295	-	-	(918,861)	14,559,434
<b>TOTAL FUND BALANCES</b>	<b>17,969,341</b>	<b>108,148,800</b>	<b>-</b>	<b>8,128,671</b>	<b>134,246,812</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 27,224,531</b>	<b>\$ 115,827,547</b>	<b>\$ 5,427,087</b>	<b>\$ 9,949,220</b>	<b>\$ 158,428,385</b>

Source: Extracted from the audited financial statements of the Town.

**TOWN OF STONEHAM, MASSACHUSETTS  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
JUNE 30, 2022**

	General	High School Construction	State and Local Fiscal Recovery Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 9,779,262	\$ -	\$ -	\$ -	\$ 9,779,262
Investments	6,384,754	-	-	-	6,384,754
Receivables, Net of Allowance for Uncollectible Amounts:					
Real Estate and Personal Property Taxes	991,606	-	-	-	991,606
Tax and Trash Liens	101,102	-	-	14,981	116,083
Motor Vehicle and Other Excise Taxes	408,266	-	-	-	408,266
Departmental and Other	-	-	-	130,027	130,027
Intergovernmental	323,932	1,002,966	-	290,783	1,617,681
Leases	6,966,869	-	-	-	6,966,869
Restricted Assets:					
Cash and Cash Equivalents	357,512	131,446,483	3,520,523	4,852,801	140,177,319
Investments	-	-	-	3,075,723	3,075,723
Total Assets	<u>\$ 25,313,303</u>	<u>\$ 132,449,449</u>	<u>\$ 3,520,523</u>	<u>\$ 8,364,315</u>	<u>\$ 169,647,590</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Warrants Payable	\$ 478,088	\$ 702,999	\$ -	\$ 57,927	\$ 1,239,014
Accrued Payroll	419,574	-	-	35,699	455,273
Unearned Revenue	-	-	3,520,523	-	3,520,523
Other Liabilities	414,912	-	-	249,238	664,150
Tax Refunds Payable	356,961	-	-	-	356,961
Total Liabilities	<u>1,669,535</u>	<u>702,999</u>	<u>3,520,523</u>	<u>342,864</u>	<u>6,235,921</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable Revenue	1,646,161	-	-	145,008	1,791,169
Related to Leases	6,863,497	-	-	-	6,863,497
Total Deferred Inflows of Resources	<u>8,509,658</u>	<u>-</u>	<u>-</u>	<u>145,008</u>	<u>8,654,666</u>
<b>FUND BALANCES</b>					
Nonspendable	-	-	-	1,164,928	1,164,928
Restricted	357,512	131,746,450	-	7,204,459	139,308,421
Committed	2,245,000	-	-	-	2,245,000
Assigned	94,430	-	-	-	94,430
Unassigned	12,437,168	-	-	(492,944)	11,944,224
Total Fund Balances	<u>15,134,110</u>	<u>131,746,450</u>	<u>-</u>	<u>7,876,443</u>	<u>154,757,003</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 25,313,303</u>	<u>\$ 132,449,449</u>	<u>\$ 3,520,523</u>	<u>\$ 8,364,315</u>	<u>\$ 169,647,590</u>

Source: Extracted from the audited financial statements of the Town.

**TOWN OF STONEHAM, MASSACHUSETTS  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
YEAR ENDED JUNE 30, 2024**

	General	High School Construction	State and Local Fiscal Recovery Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>					
Real Estate and Personal Property Taxes	\$ 65,186,066	\$ -	\$ -	\$ -	\$ 65,186,066
Motor Vehicle and Other Excise Taxes	4,038,815	-	-	-	4,038,815
Meals Tax	493,034	-	-	-	493,034
Tax and Trash Liens	174,734	-	-	75,276	250,010
Payments in Lieu of Taxes	67,267	-	-	-	67,267
Charges for Services	-	-	-	617,664	617,664
Intergovernmental	19,235,897	22,657,075	1,803,430	7,037,135	50,733,537
Penalties and Interest on Taxes	161,983	-	-	10,635	172,618
Licenses and Permits	2,854,149	-	-	-	2,854,149
Fines and Forfeitures	71,694	-	-	-	71,694
Departmental and Other	2,135,632	-	-	5,532,307	7,667,939
Contributions	-	-	-	308,145	308,145
Investment Income	3,314,900	-	-	125,163	3,440,063
Total Revenues	97,734,171	22,657,075	1,803,430	13,706,325	135,901,001
<b>EXPENDITURES</b>					
Current:					
General Government	3,793,179	-	177,619	2,234,871	6,205,669
Public Safety	10,719,364	-	1,173,040	3,264,120	15,156,524
Education	36,050,188	96,912,027	84,716	8,097,082	141,144,013
Public Works	2,791,185	-	211,744	2,861,930	5,864,859
Health and Human Services	822,255	-	10,738	114,558	947,551
Culture and Recreation	1,622,267	-	145,573	300,696	2,068,536
Pension Benefits	13,024,591	-	-	-	13,024,591
Employee Benefits	11,615,294	-	-	9,450	11,624,744
State and County Charges	4,004,841	-	-	-	4,004,841
Debt Service:					
Principal	4,155,000	-	-	-	4,155,000
Interest	4,465,334	-	-	-	4,465,334
Total Expenditures	93,063,498	96,912,027	1,803,430	16,882,707	208,661,662
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	4,670,673	(74,254,952)	-	(3,176,382)	(72,760,661)
<b>OTHER FINANCING SOURCES (USES)</b>					
Proceeds of Bonds and Notes	-	-	-	1,984,710	1,984,710
Premium from Issuance of Bonds and Notes	-	-	-	12,967	12,967
Transfers In	1,183,343	-	-	366,027	1,549,370
Transfers Out	(366,027)	-	-	(55,016)	(421,043)
Total Other Financing Sources (Uses)	817,316	-	-	2,308,688	3,126,004
<b>NET CHANGE IN FUND BALANCES</b>	5,487,989	(74,254,952)	-	(867,694)	(69,634,657)
Fund Balances - Beginning of Year, as originally reported	17,969,341	108,148,800	-	8,128,671	134,246,812
Restatement (See Note 1)	(494,660)	-	-	-	(494,660)
Fund Balances - Beginning of Year, as adjusted	17,474,681	108,148,800	-	8,128,671	133,752,152
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 22,962,670</u>	<u>\$ 33,893,848</u>	<u>\$ -</u>	<u>\$ 7,260,977</u>	<u>\$ 64,117,495</u>

(1) Extracted from the audited financial statements of the Town.

**TOWN OF STONEHAM, MASSACHUSETTS**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2023 (1)**

	General	High School Construction	State and Local Fiscal Recovery Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues:</b>					
Real estate and personal property taxes	\$ 63,603,142	\$ -	\$ -	\$ -	\$ 63,603,142
Motor vehicle and other excise taxes	3,776,463	-	-	-	3,776,463
Meals Tax	444,902	-	-	-	444,902
Tax and Trash Liens	5,428	-	-	74,928	80,356
Payments in Lieu of Taxes	66,059	-	-	-	66,059
Charges for Services	-	-	-	588,949	588,949
Intergovernmental	16,896,863	16,836,671	1,772,657	6,958,034	42,464,225
Penalties and interest on taxes	145,899	-	-	10,230	156,129
License and permits	936,222	-	-	-	936,222
Fines and forfeitures	60,745	-	-	-	60,745
Departmental and other	2,006,072	-	-	4,802,148	6,808,220
Contributions	-	-	-	138,699	138,699
Investment income	2,164,111	-	-	64,029	2,228,140
<b>Total Revenues</b>	<b>90,105,906</b>	<b>16,836,671</b>	<b>1,772,657</b>	<b>12,637,017</b>	<b>121,352,251</b>
<b>Expenditures:</b>					
Current:					
General government	3,150,490	-	272,435	1,126,538	4,549,463
Public safety	10,379,566	-	138,724	1,905,819	12,424,109
Education	33,705,655	40,434,321	249,774	6,075,167	80,464,917
Public works	2,770,825	-	1,111,724	2,987,512	6,870,061
Health and human services	730,527	-	-	96,030	826,557
Culture and recreation	1,328,981	-	-	358,185	1,687,166
Pension benefits	12,218,895	-	-	-	12,218,895
Employee benefits	11,166,940	-	-	60,538	11,227,478
State and county charges	3,563,586	-	-	-	3,563,586
Debt service:					
Principal	4,635,000	-	-	-	4,635,000
Interest	4,496,016	-	-	-	4,496,016
<b>Total Expenditures</b>	<b>88,146,481</b>	<b>40,434,321</b>	<b>1,772,657</b>	<b>12,609,789</b>	<b>142,963,248</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>1,959,425</b>	<b>(23,597,650)</b>	<b>-</b>	<b>27,228</b>	<b>(21,610,997)</b>
<b>Other Financing Sources (Uses):</b>					
Transfers in	1,100,806	-	-	225,000	1,325,806
Transfers out	(225,000)	-	-	-	(225,000)
<b>Total Other Financing Sources (Uses)</b>	<b>875,806</b>	<b>-</b>	<b>-</b>	<b>225,000</b>	<b>1,100,806</b>
<b>Net Change in Fund Balances</b>	<b>2,835,231</b>	<b>(23,597,650)</b>	<b>-</b>	<b>252,228</b>	<b>(20,510,191)</b>
Fund Balances - Beginning	15,134,110	131,746,450	-	7,876,443	154,757,003
Fund Balances - Ending	\$ 17,969,341	\$ 108,148,800	\$ -	\$ 8,128,671	\$ 134,246,812

Source: Extracted from the audited financial statements of the Town.



**TOWN OF STONEHAM, MASSACHUSETTS  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
YEAR ENDED JUNE 30, 2022**

	General	High School Construction	State and Local Fiscal Recovery Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>					
Real Estate and Personal Property Taxes	\$ 55,225,166	\$ -	\$ -	\$ -	\$ 55,225,166
Motor Vehicle and Other Excise Taxes	3,563,749	-	-	-	3,563,749
Meals Tax	432,073	-	-	-	432,073
Tax and Trash Liens	104,445	-	-	79,261	183,706
Payments in Lieu of Taxes	108,563	-	-	-	108,563
Charges for Services	-	-	-	600,597	600,597
Intergovernmental	16,294,228	3,299,266	85,190	6,480,304	26,158,988
Penalties and Interest on Taxes	227,462	-	-	10,153	237,615
Licenses and Permits	708,674	-	-	-	708,674
Fines and Forfeitures	59,518	-	-	-	59,518
Departmental and Other	2,181,331	-	-	4,940,376	7,121,707
Contributions	-	-	-	56,125	56,125
Investment Income	(102,157)	-	-	(19,671)	(121,828)
Total Revenues	78,803,052	3,299,266	85,190	12,147,145	94,334,653
<b>EXPENDITURES</b>					
Current:					
General Government	3,077,937	-	85,190	1,352,790	4,515,917
Public Safety	9,767,567	-	-	2,132,686	11,900,253
Education	32,657,022	6,742,612	-	5,311,756	44,711,390
Public Works	2,870,414	-	-	2,520,617	5,391,031
Health and Human Services	679,954	-	-	116,641	796,595
Culture and Recreation	1,370,784	-	-	164,694	1,535,478
Pension Benefits	11,623,060	-	-	-	11,623,060
Employee Benefits	10,480,677	-	-	-	10,480,677
State and County Charges	3,241,456	-	-	-	3,241,456
Debt Service:					
Principal	2,200,000	-	-	-	2,200,000
Interest	681,813	-	-	-	681,813
Total Expenditures	78,650,684	6,742,612	85,190	11,599,184	97,077,670
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	152,368	(3,443,346)	-	547,961	(2,743,017)
<b>OTHER FINANCING SOURCES (USES)</b>					
Proceeds of Bonds and Notes	-	127,745,000	-	1,064,450	128,809,450
Premium from Issuance of Bonds and Notes	-	7,330,076	-	526,138	7,856,214
Proceeds of Refunding Bonds (Current)	1,225,000	-	-	-	1,225,000
Premium from Issuance of Refunding Bonds (Current)	105,000	-	-	-	105,000
Transfers In	1,039,766	-	-	275,000	1,314,766
Transfers Out	(275,000)	-	-	-	(275,000)
Debt Service - Principal - Current Refunding	(1,330,000)	-	-	-	(1,330,000)
Total Other Financing Sources (Uses)	764,766	135,075,076	-	1,865,588	137,705,430
<b>NET CHANGE IN FUND BALANCES</b>	917,134	131,631,730	-	2,413,549	134,962,413
Fund Balances - Beginning of Year	14,216,976	114,720	-	5,462,894	19,794,590
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 15,134,110</u>	<u>\$ 131,746,450</u>	<u>\$ -</u>	<u>\$ 7,876,443</u>	<u>\$ 154,757,003</u>

Source: Extracted from the audited financial statements of the Town.

**TOWN OF STONEHAM, MASSACHUSETTS**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2021 (1)**

	General	Highway Projects	State and Local Fiscal Recovery Fund	COVID-19 CARRS Grant	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues:</b>						
Real estate and personal property taxes	\$ 53,595,393	\$ -	\$ -	\$ -	\$ -	\$ 53,595,393
Motor vehicle and other excise taxes	3,648,010	-	-	-	-	3,648,010
Meals Tax	306,775	-	-	-	-	306,775
Tax and Trash Liens	23,263	-	-	-	79,781	103,044
Payments in Lieu of Taxes	2,736	-	-	-	-	2,736
Charges for Services	-	-	-	-	607,590	607,590
Intergovernmental	20,170,116	376,341	-	1,161,719	4,942,417	26,650,593
Penalties and interest on taxes	178,887	-	-	-	10,664	189,551
License and permits	773,141	-	-	-	-	773,141
Fines and forfeitures	34,016	-	-	-	200	34,216
Departmental and other	1,842,945	-	-	-	4,440,264	6,283,209
Contributions	-	-	-	-	98,834	98,834
Investment income	306,535	-	-	-	99,507	406,042
<b>Total Revenues</b>	<b>80,881,817</b>	<b>376,341</b>	<b>-</b>	<b>1,161,719</b>	<b>10,279,257</b>	<b>92,699,134</b>
<b>Expenditures:</b>						
Current:						
General government	2,724,542	-	-	1,031,220	954,655	4,710,417
Public safety	8,890,923	-	-	736,806	2,058,597	11,686,326
Education	31,268,728	-	-	-	3,853,788	35,122,516
Public works	2,522,509	376,341	-	-	2,290,355	5,189,205
Health and human services	734,767	-	-	-	142,725	877,492
Culture and recreation	1,213,916	-	-	-	393,194	1,607,110
Pension benefits	15,430,141	-	-	-	-	15,430,141
Employee benefits	9,852,066	-	-	-	15,400	9,867,466
State and county charges	2,489,091	-	-	-	-	2,489,091
Debt service:						
Principal	3,375,000	-	-	-	-	3,375,000
Interest	779,276	-	-	-	-	779,276
<b>Total Expenditures</b>	<b>79,280,959</b>	<b>376,341</b>	<b>-</b>	<b>1,768,026</b>	<b>9,708,714</b>	<b>91,134,040</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>1,600,858</b>	<b>-</b>	<b>-</b>	<b>(606,307)</b>	<b>570,543</b>	<b>1,565,094</b>
<b>Other Financing Sources (Uses):</b>						
Proceeds of bonds and notes	-	-	-	-	545,550	545,550
Transfers in	959,066	-	-	-	265,316	1,224,382
Transfers out	(265,316)	-	-	-	-	(265,316)
<b>Total Other Financing Sources (Uses)</b>	<b>693,750</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>810,866</b>	<b>1,504,616</b>
<b>Net Change in Fund Balances</b>	<b>2,294,608</b>	<b>-</b>	<b>-</b>	<b>(606,307)</b>	<b>1,381,409</b>	<b>3,069,710</b>
Fund Balances - Beginning	11,922,368	-	-	(107,792)	4,910,304	16,724,880
Fund Balances - Ending	\$ 14,216,976	\$ -	\$ -	\$ (714,099)	\$ 6,291,713	\$ 19,794,590

(1) Extracted from the audited financial statements of the Town.



**TOWN OF STONEHAM, MASSACHUSETTS**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2020 (1)**

	General	Highway Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues:</b>				
Real estate and personal property taxes	\$ 52,118,714	\$ -	\$ -	\$ 52,118,714
Motor vehicle and other excise taxes	3,662,800	-	-	3,662,800
Meals Tax	342,303	-	-	342,303
Tax and Trash Liens	170,688	-	73,896	244,584
Payments in Lieu of Taxes	55,040	-	-	55,040
Charges for Services	-	-	631,672	631,672
Intergovernmental	19,130,517	531,649	3,407,552	23,069,718
Penalties and interest on taxes	201,410	-	10,709	212,119
License and permits	662,401	-	-	662,401
Fines and forfeitures	56,765	-	-	56,765
Departmental and other	1,615,711	-	4,021,325	5,637,036
Contributions	-	-	229,612	229,612
Investment income	97,949	-	9,814	107,763
<b>Total Revenues</b>	<b>78,114,298</b>	<b>531,649</b>	<b>8,384,580</b>	<b>87,030,527</b>
<b>Expenditures:</b>				
Current:				
General government	2,510,958	-	1,390,589	3,901,547
Public safety	8,699,790	-	457,844	9,157,634
Education	31,283,503	-	4,058,616	35,342,119
Public works	2,087,563	535,587	1,934,913	4,558,063
Health and human services	759,135	-	131,275	890,410
Culture and recreation	1,184,779	-	190,653	1,375,432
Pension benefits	14,532,535	-	-	14,532,535
Employee benefits	10,137,031	-	-	10,137,031
State and county charges	2,295,733	-	-	2,295,733
Debt service:				
Principal	3,235,000	-	-	3,235,000
Interest	907,532	-	-	907,532
<b>Total Expenditures</b>	<b>77,633,559</b>	<b>535,587</b>	<b>8,163,890</b>	<b>86,333,036</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>480,739</b>	<b>(3,938)</b>	<b>220,690</b>	<b>697,491</b>
<b>Other Financing Sources (Uses):</b>				
Proceeds of bonds and notes	-	-	689,550	689,550
Premium from issuance of bonds and notes	-	-	165,488	165,488
Transfers in	1,614,757	-	296,342	1,911,099
Transfers out	(229,714)	-	(85,981)	(315,695)
<b>Total Other Financing Sources (Uses)</b>	<b>1,385,043</b>	<b>-</b>	<b>1,065,399</b>	<b>2,450,442</b>
<b>Net Change in Fund Balances</b>	<b>1,865,782</b>	<b>(3,938)</b>	<b>1,286,089</b>	<b>3,147,933</b>
Fund Balances - Beginning	10,056,586	3,938	3,537,553	13,598,077
Fund Balances - Ending	\$ 11,922,368	\$ -	\$ 4,823,642	\$ 16,746,010

(1) Extracted from the audited financial statements of the Town.

### Town of Stoneham Retirement System

The Town contributes to the Town of Stoneham Contributory Retirement System, an agency multiple-employer defined benefit pension plan for the Town and the Stoneham Housing Authority. The annual contributions of the Town to its contributory retirement system for the current and most recent years are set forth below:

<u>Fiscal Year</u>	<u>Contributory</u>	<u>Total</u>
2025 (budgeted)	\$ 7,059,801	\$ 7,075,757
2024	7,075,757	7,075,757
2023	7,058,350	7,058,350
2022	6,880,229	6,880,229
2021	6,273,661	6,273,661
2020	6,611,111	6,611,111

Since 1981, cost of living increases mandated by the State legislature have been required to be paid to the retirement system by the State. The amounts reimbursed to the Town's contributory retirement system for the most recent fiscal years are as follows:

<u>Calendar Year</u>	<u>Contributory</u>
2024	\$ 35,262
2023	43,304
2022	55,008
2021	70,482
2020	75,177

The unfunded actuarial accrued liability of the pension system at January 1, 2024, the most recent valuation date, was estimated at \$12,142,884, which is based on 6.75% investment rate of return. The amortization of the unfunded liability is shown in the table below.

The following shows the Town's current funding schedule:

<u>Fiscal Year</u>	<u>Normal Cost</u>	<u>Unfunded Liability</u>	<u>Funding Amortization of UAL</u>	<u>Net 3(8)(c) Payments</u>	<u>Schedule Contribution*</u>	<u>% Change</u>
2026	\$ 1,855,772	\$ 8,258,018	\$ 3,912,174	\$ 66,907	\$ 5,834,853	-19.55%
2027	1,939,282	4,639,189	2,993,811	66,907	5,000,000	-14.31%
2028	2,026,549	1,756,441	2,906,543	66,907	5,000,000	0.00%
2029	2,117,744	(1,227,735)	2,815,349	66,907	5,000,000	0.00%
2030	2,213,043	(4,315,991)	2,720,050	66,907	5,000,000	0.00%

\*The appropriation for FY2026 is set to \$5.8 million, with \$5 million contribution for the following four years.

### Other Post-Employment Benefits

In addition to pension benefits, cities and towns may provide retired employees with health care and life insurance benefits. The portion of the cost of such benefits paid by cities or towns is generally provided on a pay-as-you-go basis. The trend in pay-as-you-go benefit costs is shown in the table below.

<u>Fiscal Year</u>	<u>Benefit Cost</u>
2024	\$ 3,306,466
2023	3,937,808
2022	3,489,741
2021	3,473,430
2020	4,055,296

The Governmental Accounting Standards Board ("GASB") promulgated accounting standards that require public sector entities to report the future costs of non-pension, post-employment benefits in their financial statements. These accounting standards do not require pre-funding such benefits, but the basis applied by the standards for measurement of costs and liabilities for these benefits is conservative if they continue to be funded on a pay-as-you-go basis and will result in larger yearly cost and liability accruals than if such benefits were pre-funded in a trust fund in the same manner as traditional pension benefits. Cities and towns that choose to self-insure all or a portion of the cost of the health care benefits they provide to employees and retirees may establish a trust fund for the purpose of paying claims. In addition, cities and towns may establish a trust fund for the purpose of pre-funding this liability in the same manner as traditional pension benefits.

The Town was required to implement the GASB reporting requirements for other post-employment benefits beginning in fiscal year 2009. The Town hired Stone Consulting Inc. to prepare an actuarial valuation of the post-retirement benefits program and the valuation and report is available upon request. As of June 30, 2023, based on a 3.65% discount rate, the unfunded actuarial accrued liability of the Town's other post-employment benefits was estimated at \$120,592,282. The Town has established an OPEB Trust Fund and the balance in the fund as of June 30, 2024 was \$659,697.

### LITIGATION

At present there are various cases pending in various courts in the Commonwealth where the Town of Stoneham is a defendant. In the opinion of Town Counsel, there is no litigation, either pending or threatened that is likely to result, either individually or in the aggregate, in final judgments against the Town that would materially affect its financial position or its ability to pay its obligations.

## TOWN OF WAKEFIELD, MASSACHUSETTS

## General

The Town of Wakefield (the "Town"), established in 1812, is primarily a residential community situated in Middlesex County in eastern Massachusetts, approximately 10 miles from downtown Boston. The Town occupies an area of approximately 7.5 square miles and is bordered on the east by the Towns of Lynnfield and Saugus, on the north by the Towns of Reading and Lynnfield, on the west by the Towns of Stoneham and Reading and on the south by the City of Melrose.

## Income Levels

Census	Wakefield		Middlesex County		Massachusetts	
	Amount	% Change from Previous Census	Amount	% Change from Previous Census	Amount	% Change from Previous Census
Per Capita Income:						
2020	\$ 53,524	32.2 %	\$ 54,433	35.6 %	\$ 45,555	34.9 %
2010	40,494	33.3	40,139	28.7	33,766	30.1
2000	30,369	59.8	31,199	53.4	25,952	50.5
1990	19,009		20,343		17,244	
Median Family Income:						
2020	\$ 129,779	16.2 %	\$ 132,362	35.9 %	\$ 106,526	31.2 %
2010	111,638	43.4	97,382	31.3	81,165	31.6
2000	77,834	50.2	74,194	42.4	61,664	39.0
1990	51,815		52,112		44,367	

Source: U.S. Department of Commerce.

## Labor Force, Employment and Unemployment Rate

According to the Executive Office of Labor and Workforce Development, as of November 2024, the Town had a total labor force of 16,633 of which 16,099 were employed and 534 or 3.2% were unemployed as compared with 3.9% for the Commonwealth.

The following table sets forth the Town's average labor force and unemployment rates for calendar years 2019 through 2023 and the unemployment rates for the Commonwealth and the U.S. for the same period:

Year	Wakefield	Massachusetts	United States
2023	2.8%	3.4%	3.6%
2022	3.0	3.8	3.6
2021	4.7	5.7	5.4
2020	7.7	8.9	8.1
2019	2.3	2.9	3.7

Source: Massachusetts Executive Office of Labor and Workforce Development. Data based upon place of residence not place of employment.

## Tax Levy Computation

The following table illustrates the manner in which the tax levy was determined for the following fiscal years:

	For Fiscal Year				
	2025	2024	2023	2022	2021
<b>Gross Amount to be Raised:</b>					
Appropriations	\$139,632,116	\$132,198,144	\$127,286,645	\$121,184,682	\$115,322,309
Other Local Expenditures	1,076,504	1,065,467	1,055,390	1,052,031	1,042,640
State & County Charges	2,544,299	2,455,338	2,231,463	1,926,674	1,714,539
Overlay Reserve	565,936	559,655	601,495	600,868	615,579
<b>Total Gross Amount to be Raised</b>	<b>\$143,818,855</b>	<b>\$136,278,604</b>	<b>\$131,174,993</b>	<b>\$124,764,255</b>	<b>\$118,695,067</b>
<b>Less Estimated Receipts &amp; Other Revenue:</b>					
Estimated Receipts from State (1)	13,837,016	13,356,886	12,477,647	11,096,573	11,307,440
Estimated Receipts - Local	28,883,017	28,496,078	27,292,068	25,486,596	24,394,357
Available Funds Appropriated:					
Free Cash	1,055,753	615,000	332,500	869,320	30,000
Other Available Funds	167,310	165,355	157,943	372,435	218,010
Free Cash & Other Revenue					
Used to Reduce Tax Rate	4,824,415	2,477,052	4,245,828	3,431,850	2,918,080
<b>Total Estimated Receipts &amp; Revenue</b>	<b>\$48,767,511</b>	<b>\$45,110,371</b>	<b>\$44,505,986</b>	<b>\$41,256,774</b>	<b>\$38,867,887</b>
<b>Net Amount to be Raised (Tax Levy)</b>	<b>\$95,051,344</b>	<b>\$91,168,233</b>	<b>\$86,669,007</b>	<b>\$83,507,481</b>	<b>\$79,827,180</b>
<b>Assessed Valuation (000)</b>	<b>\$7,645,489</b>	<b>\$7,351,402</b>	<b>\$6,752,281</b>	<b>\$6,148,311</b>	<b>\$5,662,633</b>
<b>Tax Rate per \$1,000 of Assessed Valuation:</b>					
Residential/Open Space	\$11.35	\$11.25	\$11.73	\$12.32	\$12.73
Commercial/Industrial/Personal	\$21.76	\$21.70	\$22.46	\$23.77	\$24.67

Source: Board of Assessors.

Note: Property tax rates may not be set by the local assessors until they have been approved by the Commissioner of Revenue.

- (1) Estimated by the State Department of Revenue and required by law to be used in setting of the tax rate. Actual state aid payments may vary upward or downward from said estimates, and the State may withhold payments pending receipt of State and County assessments.

## Classification of Property (1)

The following table shows the breakdown by classification of the total assessed valuation for the following fiscal years:

Property Type	2025		2024		2023	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Residential	\$ 6,801,853,038	89.0 %	\$ 6,518,757,766	88.7 %	\$ 6,034,097,729	89.4 %
Commercial	535,705,976	7.0	534,077,774	7.3	484,367,843	7.2
Industrial	101,796,900	1.3	97,863,550	1.3	90,219,500	1.3
Personal	206,132,780	2.7	200,703,120	2.7	143,596,280	2.1
<b>Total</b>	<b>\$ 7,645,488,694</b>	<b>100.0 %</b>	<b>\$ 7,351,402,210</b>	<b>100.0 %</b>	<b>\$ 6,752,281,352</b>	<b>100.0 %</b>

(1) Source: Board of Assessors.

**Tax Collections**

Fiscal Year	Gross Tax Levy	Overlay Reserve for Abatements	Net Tax Levy (1)	Net Levy Collected At FY-End (2)(3)			Net Levy Collected As of June 30, 2024	
				\$	%		\$	%
2024	\$ 91,168,233	\$ 559,655	\$ 90,608,578	\$ 89,868,908	99.2	%	\$ 89,868,908	99.2 %
2023	86,669,007	601,495	86,067,512	85,409,426	99.2		85,771,117	99.7
2022	83,507,481	600,868	82,906,613	81,664,721	98.5		82,701,277	99.8
2021	79,827,180	615,579	79,211,601	78,045,613	98.5		79,257,183	100.1
2020	76,421,123	626,920	75,794,203	74,184,498	97.9		75,926,327	100.2

Source: Board of Assessors as to rates and levies and collections.

(1) Net of overlay for abatements.

(2) I.e., at the end of the fiscal year for which levied.

(3) Actual collections less refunds and amounts refundable.

**Tax Levies and Tax Levy Limits (1)**

The following shows the calculation of levy limits for the following fiscal years:

	Fiscal Year				
	2025	2024	2023	2022	2021
Primary Levy Limit (2)	\$ 191,137,217	\$ 183,785,055	\$ 168,807,034	\$ 153,707,769	\$ 141,565,848
Prior Fiscal Year Levy Limit	88,770,088	84,184,611	81,046,888	77,387,411	74,317,122
Amended Prior Fiscal Year Growth	-	-	-	-	4,121
2.5% Levy Growth	2,219,252	2,104,615	2,026,172	1,934,685	1,858,031
New Growth (3)	1,099,980	2,480,862	1,111,551	1,724,792	1,208,137
Overrides	-	-	-	-	-
Growth Levy Limit	92,089,320	88,770,088	84,184,611	81,046,888	77,387,411
Debt Exclusions	3,029,606	2,720,005	2,484,491	2,481,148	2,485,698
Capital Expenditure Exclusions	-	-	-	-	-
Other Adjustments	-	-	-	-	-
Tax Levy Limit	95,118,926	91,490,093	86,669,102	83,528,036	79,873,109
Tax Levy	95,051,344	91,168,233	86,669,007	83,507,481	79,827,180
Unused Levy Capacity (4)	67,582	321,860	95	20,555	45,929
Unused Primary Levy Capacity (5)	\$ 99,047,897	\$ 95,014,967	\$ 84,622,423	\$ 72,660,881	\$ 64,178,437

(1) Source: Massachusetts Department of Revenue.

(2) 2.5% of assessed valuation.

(3) Allowed increase for new valuations (or required reduction) - certified by the Department of Revenue.

(4) Tax Levy Limit less Tax Levy.

(5) Primary Levy Limit less Growth Levy Limit.

## Operating Budget Trends

The following table sets forth the trend in the Town's operating budgets as voted at Town Meeting for the following fiscal years:

	Appropriated 2021	Appropriated 2022	Appropriated 2023	Appropriated 2024	Appropriated 2025
General Government	\$ 2,540,958	\$ 2,571,431	\$ 2,680,888	\$ 2,789,821	\$ 2,982,070
Protection of Persons & Property	12,223,802	12,946,076	13,698,536	14,031,311	15,680,422
Human Services	872,841	903,626	1,003,195	968,790	1,125,069
Public Works Department	6,239,368	6,506,335	6,734,130	6,970,569	7,252,058
Snow & Ice	850,000	850,000	850,000	850,000	850,000
Education	46,994,988	49,119,220	51,763,292	53,890,870	56,966,067
Unclassified	1,759,656	1,920,806	1,998,577	2,107,387	2,210,251
Benefits & Administration	17,618,590	18,287,809	19,483,514	20,145,295	20,670,209
Total	\$ 89,100,203	\$ 93,105,303	\$ 98,212,132	\$ 101,754,043	\$ 107,736,146
Water Enterprise Fund	\$ 6,061,942	\$ 6,277,749	\$ 6,204,494	\$ 7,229,715	\$ 7,470,570
Sewer Enterprise Fund	\$ 8,956,011	\$ 8,982,113	\$ 9,148,699	\$ 9,344,988	\$ 9,367,204

## Key Debt Ratios

	As of June 30				
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Amount (1)	\$62,987,883	\$66,565,040	\$54,777,324	\$54,994,605	\$51,319,253
Per Capita (2)	\$2,325	\$2,457	\$2,022	\$2,030	\$1,894
Percent of Assessed Valuation (3)	0.86%	0.99%	0.89%	0.97%	0.96%
Percent of Equalized Valuation (4)	0.97%	1.02%	0.96%	0.96%	1.01%
Per Capita as a percent of Personal Income per Capita (2)	4.02%	4.24%	3.49%	3.51%	3.27%

(1) Outstanding principal on general obligation bonds. Excludes lease and installment purchase obligations, overlapping debt unfunded pension liability and other post-employment benefits liability.

(2) Source: U.S. Department of Commerce, Bureau of the Census - Latest applicable actuals or estimates.

(3) Source: Board of Assessors - Assessed valuation as of the prior January 1.

(4) Source: State Department of Revenue. The equalized valuation used here is the equalized valuation in effect for that fiscal year.

## Unassigned General Fund Balance and Free Cash

The following table sets forth the trend in the Town's unassigned general fund balances and free cash:

<u>Year</u>	Unassigned General Fund Balance for Fiscal Year <u>Ending June 30 (1)</u>	Certified Free Cash for Fiscal Year <u>Beginning July 1</u>
2024	\$15,305,425 (2)	\$11,620,315
2023	12,174,283	8,581,135
2022	10,558,233	6,668,204
2021	11,773,650	7,853,743
2020	10,603,259	6,550,346
2019	12,825,735	8,656,216

(1) Source: Audited financial statements, except as noted.

(2) Source: Draft unaudited financial statements, preliminary and subject to revision and change.

**Stabilization Fund**

The Town has maintained a Stabilization Fund for several years. Under Massachusetts statutes, funds may be appropriated from the Fund for any municipal purpose by a two-thirds vote of town meeting. The following sets forth the trend in balances in the Stabilization Fund as of June 30:

<u>As of June 30</u>	<u>Amount</u>
2024	\$3,365,269
2023	3,225,824
2022	3,164,972
2021	3,137,794
2020	3,100,775

**Financial Statements**

Set forth on the following pages are Governmental Funds Balance Sheets for fiscal years 2024 (draft), 2023, 2022, and 2021, and Statements of Revenues, Expenditures and Change in Funds Balances for the fiscal year ended June 30, 2024 (draft) and June 30, 2023 through June 30, 2019. Said statements were extracted from the Town's audited financial statements with the exception of fiscal 2024 financials which were extracted from the Town's draft unaudited financial statements and are preliminary, subject to revision and change.



**TOWN OF WAKEFIELD, MASSACHUSETTS (1)**  
**GOVERNMENTAL FUNDS**  
**BALANCE SHEET - UNAUDITED**

JUNE 30, 2024

	General	Capital Projects	Town Special Revenue	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents.....	\$ 21,797,817	\$ 14,612,131	\$ 8,056,112	\$ 10,068,607	\$ 54,534,667
Investments.....	-	-	-	2,788,733	2,788,733
Receivables, net of uncollectibles:					
Real estate and personal property taxes.....	1,173,948	-	-	-	1,173,948
Tax liens.....	1,607,582	-	-	-	1,607,582
Motor vehicle excise taxes.....	650,301	-	-	-	650,301
Departmental and other.....	78,989	-	-	-	78,989
Intergovernmental - other.....	-	1,380,245	660,558	1,832,259	3,873,062
Tax foreclosures.....	414,446	-	-	-	414,446
<b>TOTAL ASSETS.....</b>	<b>\$ 25,723,083</b>	<b>\$ 15,992,376</b>	<b>\$ 8,716,670</b>	<b>\$ 14,689,599</b>	<b>\$ 65,121,728</b>
<b>LIABILITIES</b>					
Warrants payable.....	\$ 1,918,107	\$ 7,438,572	\$ 915,335	\$ 58,378	\$ 10,330,392
Accrued payroll.....	1,350,741	-	17,375	83,048	1,451,164
Tax refunds payable.....	267,000	-	-	-	267,000
Other liabilities.....	937,357	-	-	-	937,357
Unearned revenue.....	-	-	2,678,523	-	2,678,523
Notes payable.....	-	32,491,000	-	-	32,491,000
<b>TOTAL LIABILITIES.....</b>	<b>4,473,205</b>	<b>39,929,572</b>	<b>3,611,233</b>	<b>141,426</b>	<b>48,155,436</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue.....	3,765,159	-	-	1,581,839	5,346,998
<b>FUND BALANCES</b>					
Nonspendable.....	-	-	-	2,789,729	2,789,729
Restricted.....	-	-	5,105,437	10,176,605	15,282,042
Committed.....	1,653,109	-	-	-	1,653,109
Assigned.....	526,185	-	-	-	526,185
Unassigned.....	15,305,425	(23,937,196)	-	-	(8,631,771)
<b>TOTAL FUND BALANCES.....</b>	<b>17,484,719</b>	<b>(23,937,196)</b>	<b>5,105,437</b>	<b>12,966,334</b>	<b>11,619,294</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES.....</b>	<b>\$ 25,723,083</b>	<b>\$ 15,992,376</b>	<b>\$ 8,716,670</b>	<b>\$ 14,689,599</b>	<b>\$ 65,121,728</b>

(1) Extracted from the draft unaudited financial statements of the Town, preliminary and subject to revision and change.

## TOWN OF WAKEFIELD, MASSACHUSETTS (1)

GOVERNMENTAL FUNDS  
BALANCE SHEET

JUNE 30, 2023

	General	Capital Projects	Town Special Revenue	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents.....	\$ 18,278,373	\$ 12,937,843	\$ 9,502,363	\$ 9,699,700	\$ 50,418,279
Investments.....	-	-	-	3,441,174	3,441,174
Receivables, net of uncollectibles:					
Real estate and personal property taxes.....	1,498,303	-	-	-	1,498,303
Tax liens.....	1,006,796	-	-	-	1,006,796
Motor vehicle excise taxes.....	572,519	-	-	-	572,519
Departmental and other.....	92,291	-	-	-	92,291
Intergovernmental - other.....	-	1,418,027	751,581	1,569,557	3,739,165
Tax foreclosures.....	414,446	-	-	-	414,446
<b>TOTAL ASSETS.....</b>	<b>\$ 21,862,728</b>	<b>\$ 14,355,870</b>	<b>\$ 10,253,944</b>	<b>\$ 14,710,431</b>	<b>\$ 61,182,973</b>
<b>LIABILITIES</b>					
Warrants payable.....	\$ 1,057,003	\$ 1,305,082	\$ 267,311	\$ 124,957	\$ 2,754,353
Accrued payroll.....	1,271,566	-	12,705	66,976	1,351,247
Other liabilities.....	898,691	-	-	-	898,691
Unearned revenue.....	-	-	5,790,100	-	5,790,100
Notes payable.....	-	14,244,620	-	-	14,244,620
<b>TOTAL LIABILITIES.....</b>	<b>3,227,260</b>	<b>15,549,702</b>	<b>6,070,116</b>	<b>191,933</b>	<b>25,039,011</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue.....	3,392,645	-	-	1,327,750	4,720,395
<b>FUND BALANCES</b>					
Nonspendable.....	-	-	-	2,666,075	2,666,075
Restricted.....	-	2,778,489	4,183,828	10,524,673	17,486,990
Committed.....	2,098,406	-	-	-	2,098,406
Assigned.....	970,134	-	-	-	970,134
Unassigned.....	12,174,283	(3,972,321)	-	-	8,201,962
<b>TOTAL FUND BALANCES.....</b>	<b>15,242,823</b>	<b>(1,193,832)</b>	<b>4,183,828</b>	<b>13,190,748</b>	<b>31,423,567</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES.....</b>	<b>\$ 21,862,728</b>	<b>\$ 14,355,870</b>	<b>\$ 10,253,944</b>	<b>\$ 14,710,431</b>	<b>\$ 61,182,973</b>

(1) Extracted from the audited financial statements of the Town.

## TOWN OF WAKEFIELD, MASSACHUSETTS

## Governmental Funds

## Balance Sheet

June 30, 2022 (1)

	General	Capital Projects	Town Special Revenue	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and equivalents	\$ 18,586,644	\$ 4,530,024	\$ 6,223,422	\$ 7,672,897	\$ 37,012,987
Investments	-	-	-	3,335,628	3,335,628
Receivables, net of uncollectibles:					
Real estate and personal property taxes	1,958,811	-	-	-	1,958,811
Tax liens	908,356	-	-	-	908,356
Motor vehicle excise taxes	540,364	-	-	-	540,364
Departmental and other	105,803	-	-	-	105,803
Intergovernmental - other	64,330	114,337	921,453	1,114,359	2,214,479
Tax foreclosures	414,446	-	-	-	414,446
<b>TOTAL ASSETS</b>	<b>\$ 22,578,754</b>	<b>\$ 4,644,361</b>	<b>\$ 7,144,875</b>	<b>\$ 12,122,884</b>	<b>\$ 46,490,874</b>
<b>LIABILITIES</b>					
Warrants payable	\$ 2,261,757	\$ 1,865,439	\$ 536,147	\$ 161,300	\$ 4,824,643
Accrued payroll	1,158,396	-	8,473	48,381	1,215,250
Other liabilities	711,015	-	-	-	711,015
Unearned revenue	-	-	2,907,527	-	2,907,527
Notes payable	-	2,204,620	-	-	2,204,620
<b>TOTAL LIABILITIES</b>	<b>4,131,168</b>	<b>4,070,059</b>	<b>3,452,147</b>	<b>209,681</b>	<b>11,863,055</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>					
Unavailable revenue	3,533,256	-	-	696,212	4,229,468
<b>FUND BALANCES:</b>					
Nonspendable	-	-	-	2,586,990	2,586,990
Restricted	-	2,774,837	3,692,728	8,630,001	15,097,566
Committed	1,729,544	-	-	-	1,729,544
Assigned	2,626,553	-	-	-	2,626,553
Unassigned	10,558,233	(2,200,535)	-	-	8,357,698
<b>TOTAL FUND BALANCES</b>	<b>14,914,330</b>	<b>574,302</b>	<b>3,692,728</b>	<b>11,216,991</b>	<b>30,398,351</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 22,578,754</b>	<b>\$ 4,644,361</b>	<b>\$ 7,144,875</b>	<b>\$ 12,122,884</b>	<b>\$ 46,490,874</b>

(1) Extracted from audited financial statements of the Town.

## TOWN OF WAKEFIELD, MASSACHUSETTS (1)

GOVERNMENTAL FUNDS  
BALANCE SHEET

JUNE 30, 2021

	General	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash and cash equivalents.....	\$ 16,980,323	\$ 5,671,196	\$ 10,589,983	\$ 33,241,502
Investments.....	-	-	3,706,863	3,706,863
Receivables, net of uncollectibles:				
Real estate and personal property taxes.....	1,703,376	-	-	1,703,376
Tax liens.....	833,445	-	-	833,445
Motor vehicle excise taxes.....	520,779	-	-	520,779
Departmental and other.....	121,133	-	-	121,133
Intergovernmental - other.....	-	-	3,291,340	3,291,340
Tax foreclosures.....	433,681	-	-	433,681
<b>TOTAL ASSETS.....</b>	<b>\$ 20,592,737</b>	<b>\$ 5,671,196</b>	<b>\$ 17,588,186</b>	<b>\$ 43,852,119</b>
<b>LIABILITIES</b>				
Warrants payable.....	\$ 825,327	\$ 513,860	\$ 89,319	\$ 1,428,506
Accrued payroll.....	897,306	-	32,514	929,820
Tax refunds payable.....	133,000	-	-	133,000
Other liabilities.....	547,734	-	-	547,734
Unearned revenue.....	-	-	1,491,505	1,491,505
Notes payable.....	-	2,278,287	-	2,278,287
<b>TOTAL LIABILITIES.....</b>	<b>2,403,367</b>	<b>2,792,147</b>	<b>1,613,338</b>	<b>6,808,852</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue.....	3,047,653	-	1,119,135	4,166,788
<b>FUND BALANCES</b>				
Nonspendable.....	-	-	2,671,862	2,671,862
Restricted.....	-	2,879,049	12,183,851	15,062,900
Committed.....	1,059,450	-	-	1,059,450
Assigned.....	2,308,617	-	-	2,308,617
Unassigned.....	11,773,650	-	-	11,773,650
<b>TOTAL FUND BALANCES.....</b>	<b>15,141,717</b>	<b>2,879,049</b>	<b>14,855,713</b>	<b>32,876,479</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES.....</b>	<b>\$ 20,592,737</b>	<b>\$ 5,671,196</b>	<b>\$ 17,588,186</b>	<b>\$ 43,852,119</b>

(1) Extracted from audited financial statements of the Town.

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

YEAR ENDED JUNE 30, 2024

	General	Capital Projects	Town Special Revenue	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>					
Real estate and personal property taxes, net of tax refunds.....	\$ 90,108,556	\$ -	\$ -	\$ -	\$ 90,108,556
Tax liens and foreclosures.....	203,371	-	-	-	203,371
Motor vehicle excise taxes.....	4,826,300	-	-	-	4,826,300
Hotel/motel tax.....	1,055,620	-	-	-	1,055,620
Penalties and interest on taxes.....	338,018	-	-	-	338,018
Payments in lieu of taxes.....	962,550	-	-	-	962,550
Intergovernmental - Teachers Retirement.....	9,320,053	-	-	-	9,320,053
Intergovernmental.....	13,283,341	5,851,011	4,568,159	6,825,588	30,528,099
Departmental and other.....	3,264,078	-	1,142,472	4,930,286	9,336,836
Contributions and donations.....	-	-	138,415	131,059	269,474
Investment income.....	1,484,556	-	268,609	500,666	2,253,831
Miscellaneous.....	-	-	-	244,266	244,266
<b>TOTAL REVENUES.....</b>	<b>124,846,443</b>	<b>5,851,011</b>	<b>6,117,655</b>	<b>12,631,865</b>	<b>149,446,974</b>
<b>EXPENDITURES:</b>					
Current:					
General government.....	2,672,868	-	699,954	138,039	3,510,861
Public safety.....	15,089,268	910,749	921,023	513,126	17,434,166
Education.....	52,305,866	23,748,592	8,030	10,676,926	86,739,414
Public works.....	12,168,290	3,935,034	2,274,898	1,030,522	19,408,744
Health and human services.....	755,939	-	467,493	-	1,223,432
Culture and recreation.....	2,137,065	-	764,673	-	2,901,738
Pension benefits.....	6,322,947	-	-	-	6,322,947
Pension benefits - Teachers Retirement.....	9,320,053	-	-	-	9,320,053
Property and liability insurance.....	480,909	-	-	-	480,909
Employee benefits.....	13,676,322	-	-	-	13,676,322
State and county charges.....	2,300,646	-	-	-	2,300,646
Debt service:					
Principal.....	279,969	-	-	3,210,000	3,489,969
Interest.....	37,359	-	-	2,404,687	2,442,046
<b>TOTAL EXPENDITURES.....</b>	<b>117,547,501</b>	<b>28,594,375</b>	<b>5,136,071</b>	<b>17,973,300</b>	<b>169,251,247</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>7,298,942</b>	<b>(22,743,364)</b>	<b>981,584</b>	<b>(5,341,435)</b>	<b>(19,804,273)</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in.....	280,354	-	-	5,337,400	5,617,754
Transfers out.....	(5,337,400)	-	(59,975)	(220,379)	(5,617,754)
<b>TOTAL OTHER FINANCING SOURCES (USES).....</b>	<b>(5,057,046)</b>	<b>-</b>	<b>(59,975)</b>	<b>5,117,021</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>2,241,896</b>	<b>(22,743,364)</b>	<b>921,609</b>	<b>(224,414)</b>	<b>(19,804,273)</b>
<b>FUND BALANCES AT BEGINNING OF YEAR.....</b>	<b>15,242,823</b>	<b>(1,193,832)</b>	<b>4,183,828</b>	<b>13,190,748</b>	<b>31,423,567</b>
<b>FUND BALANCES AT END OF YEAR.....</b>	<b>\$ 17,484,719</b>	<b>\$ (23,937,196)</b>	<b>\$ 5,105,437</b>	<b>\$ 12,966,334</b>	<b>\$ 11,619,294</b>

(1) Extracted from the draft unaudited financial statements of the Town, preliminary and subject to revision and change.

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

YEAR ENDED JUNE 30, 2023

	General	Capital Projects	Town Special Revenue	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>					
Real estate and personal property taxes, net of tax refunds.....	\$ 86,350,104	\$ -	\$ -	\$ -	\$ 86,350,104
Tax liens and foreclosures.....	253,451	-	-	-	253,451
Motor vehicle excise taxes.....	4,306,086	-	-	-	4,306,086
Hotel/motel tax.....	1,039,232	-	-	-	1,039,232
Penalties and interest on taxes.....	354,069	-	-	-	354,069
Payments in lieu of taxes.....	948,369	-	-	-	948,369
Intergovernmental - Teachers Retirement.....	8,054,230	-	-	-	8,054,230
Intergovernmental.....	12,490,293	1,846,531	3,581,169	7,053,110	24,971,103
Departmental and other.....	2,465,234	-	1,142,458	4,664,059	8,271,751
Contributions and donations.....	-	-	142,631	114,334	256,965
Investment income.....	725,489	-	31,011	391,488	1,147,988
<b>TOTAL REVENUES.....</b>	<b>116,986,557</b>	<b>1,846,531</b>	<b>4,897,269</b>	<b>12,222,991</b>	<b>135,953,348</b>
<b>EXPENDITURES:</b>					
Current:					
General government.....	2,704,368	57,074	1,070,877	154,880	3,987,199
Public safety.....	14,048,049	8,344,470	797,103	696,334	23,885,956
Education.....	51,120,152	5,145,981	302,291	9,253,420	65,821,844
Public works.....	10,990,378	1,067,140	1,179,860	344,269	13,581,647
Health and human services.....	730,880	-	283,293	-	1,014,173
Culture and recreation.....	2,037,576	-	720,245	-	2,757,821
Pension benefits.....	6,055,256	-	-	-	6,055,256
Pension benefits - Teachers Retirement.....	8,054,230	-	-	-	8,054,230
Property and liability insurance.....	460,569	-	-	-	460,569
Employee benefits.....	13,233,402	-	-	-	13,233,402
State and county charges.....	2,043,146	-	-	-	2,043,146
Debt service:					
Principal.....	272,626	-	-	2,700,631	2,973,257
Interest.....	46,679	-	-	2,012,953	2,059,632
<b>TOTAL EXPENDITURES.....</b>	<b>111,797,311</b>	<b>14,614,665</b>	<b>4,353,669</b>	<b>15,162,487</b>	<b>145,928,132</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>5,189,246</b>	<b>(12,768,134)</b>	<b>543,600</b>	<b>(2,939,496)</b>	<b>(9,974,784)</b>

(1) Extracted from the audited financial statements of the Town.

**TOWN OF WAKEFIELD**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**As of June 30, 2022 (1)**

	General	Capital Projects	Tow n Special Revenue	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>					
Real estate and personal property taxes, net of tax refunds	\$ 82,767,110	\$ -	\$ -	\$ -	\$ 82,767,110
Tax liens and foreclosures	119,543	-	-	-	119,543
Motor vehicle excise taxes	4,305,695	-	-	-	4,305,695
Hotel/motel tax	807,434	-	-	-	807,434
Penalties and interest on taxes	374,264	-	-	-	374,264
Payments in lieu of taxes	934,398	-	-	-	934,398
Intergovernmental - Teachers Retirement	6,924,019	-	-	-	6,924,019
Intergovernmental	11,758,433	459,749	3,616,084	6,527,610	22,361,876
Department and other	1,827,893	-	1,098,862	4,240,211	7,166,966
Contributions and donations	-	-	289,190	74,057	363,247
Investment income	87,903	-	2,130	(259,051)	(169,018)
<b>TOTAL REVENUES</b>	<b>109,906,692</b>	<b>459,749</b>	<b>5,006,266</b>	<b>10,582,827</b>	<b>125,955,534</b>
<b>EXPENDITURES:</b>					
<b>Current:</b>					
General Government	2,944,522	-	1,980,839	94,596	5,019,957
Public Safety	13,626,568	2,496,308	1,252,481	776,678	18,152,035
Education	46,740,674	-	361,620	7,950,800	55,053,094
Public Works	10,961,784	3,218,067	583,764	1,330,730	16,094,345
Health and Human services	637,185	-	642,325	-	1,279,510
Culture and recreation	1,933,257	-	587,445	-	2,520,702
Pension Benefits	5,599,067	-	-	-	5,599,067
Pension Benefits - Teachers Retirement	6,924,019	-	-	-	6,924,019
Property and liability insurance	432,019	-	-	-	432,019
Employee Benefits	13,078,003	-	-	-	13,078,003
State and county charges	2,008,142	-	-	-	2,008,142
Debt service:					
Principal	330,524	-	-	2,886,631	3,217,155
Interest	42,050	-	-	1,963,447	2,005,497
<b>TOTAL EXPENDITURES</b>	<b>105,257,814</b>	<b>5,714,375</b>	<b>5,408,474</b>	<b>15,002,882</b>	<b>131,383,545</b>
<b>EXCESS (DEFICIENCY) OF REV OVER EXP</b>	<b>4,648,878</b>	<b>(5,254,626)</b>	<b>(402,208)</b>	<b>(4,420,055)</b>	<b>(5,428,011)</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Issuance of bonds	-	1,991,000	-	-	1,991,000
Premium from issuance of bonds	-	360,333	-	-	360,333
Capital purchase financing	-	598,546	-	-	598,546
Operating transfers in	257,433	-	-	5,133,698	5,391,131
Operating transfers out	(5,133,698)	-	(47,700)	(209,733)	(5,391,131)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(4,876,265)</b>	<b>2,949,879</b>	<b>(47,700)</b>	<b>4,923,965</b>	<b>2,949,879</b>
<b>Net Change in Fund Balances</b>	<b>(227,387)</b>	<b>(2,304,747)</b>	<b>(449,908)</b>	<b>503,910</b>	<b>(2,478,132)</b>
Fund Equity Beginning of Year	15,141,717	2,879,049	4,142,632	10,713,081	32,876,479
Fund Balance - End of Year	<u>\$ 14,914,330</u>	<u>\$ 574,302</u>	<u>\$ 3,692,724</u>	<u>\$11,216,991</u>	<u>\$ 30,398,347</u>

(1) Extracted from audited financial statements of the Town.



**TOWN OF WAKEFIELD, MASSACHUSETTS (1)**  
**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**

YEAR ENDED JUNE 30, 2021

	General	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>				
Real estate and personal property taxes, net of tax refunds.....	\$ 79,964,775	\$ -	\$ -	\$ 79,964,775
Tax liens and foreclosures.....	239,280	-	-	239,280
Motor vehicle excise taxes.....	4,394,092	-	-	4,394,092
Hotel/motel tax.....	559,900	-	-	559,900
Penalties and interest on taxes.....	472,857	-	-	472,857
Payments in lieu of taxes.....	920,633	-	-	920,633
Intergovernmental - Teachers Retirement.....	13,292,232	-	-	13,292,232
Intergovernmental.....	11,263,921	495,206	9,366,512	21,125,639
Departmental and other.....	2,133,886	-	2,964,718	5,098,604
Contributions and donations.....	-	-	1,469,501	1,469,501
Investment income.....	95,145	-	722,911	818,056
<b>TOTAL REVENUES.....</b>	<b>113,336,721</b>	<b>495,206</b>	<b>14,523,642</b>	<b>128,355,569</b>
<b>EXPENDITURES:</b>				
Current:				
General government.....	2,640,506	2,065,000	333,757	5,039,263
Public safety.....	12,571,220	1,048,473	2,119,728	15,739,421
Education.....	45,055,770	1,085,056	4,752,412	50,893,238
Public works.....	10,925,023	1,670,189	1,933,602	14,528,814
Health and human services.....	618,355	-	254,803	873,158
Culture and recreation.....	1,789,351	-	416,329	2,205,680
Pension benefits.....	5,379,419	-	-	5,379,419
Pension benefits - Teachers Retirement.....	13,292,232	-	-	13,292,232
Property and liability insurance.....	404,225	-	-	404,225
Employee benefits.....	12,707,800	-	-	12,707,800
State and county charges.....	1,726,122	-	-	1,726,122
Debt service:				
Principal.....	-	-	3,651,571	3,651,571
Interest.....	-	-	1,685,260	1,685,260
<b>TOTAL EXPENDITURES.....</b>	<b>107,110,023</b>	<b>5,868,718</b>	<b>15,147,462</b>	<b>128,126,203</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>6,226,698</b>	<b>(5,373,512)</b>	<b>(623,820)</b>	<b>229,366</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Issuance of bonds.....	-	7,181,000	-	7,181,000
Premium from issuance of bonds.....	-	826,333	-	826,333
Transfers in.....	248,010	-	5,664,796	5,912,806
Transfers out.....	(5,664,796)	-	(248,010)	(5,912,806)
<b>TOTAL OTHER FINANCING SOURCES (USES).....</b>	<b>(5,416,786)</b>	<b>8,007,333</b>	<b>5,416,786</b>	<b>8,007,333</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>809,912</b>	<b>2,633,821</b>	<b>4,792,966</b>	<b>8,236,699</b>
<b>FUND BALANCES AT BEGINNING OF YEAR (AS REVISED).....</b>	<b>14,331,805</b>	<b>245,228</b>	<b>10,062,747</b>	<b>24,639,780</b>
<b>FUND BALANCES AT END OF YEAR.....</b>	<b>\$ 15,141,717</b>	<b>\$ 2,879,049</b>	<b>\$ 14,855,713</b>	<b>\$ 32,876,479</b>

(1) Extracted from audited financial statements of the Town.



**TOWN OF WAKEFIELD**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**As of June 30, 2020 (1)**

	General	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>				
Real estate and personal property taxes, net of tax refunds	\$ 75,090,349	\$ -	\$ -	\$ 75,090,349
Tax liens and foreclosures	146,335	-	-	146,335
Motor vehicle excise taxes	4,129,508	-	-	4,129,508
Hotel/motel tax	754,086	-	-	754,086
Penalties and interest on taxes	262,024	-	-	262,024
Payments in lieu of taxes	907,065	-	-	907,065
Intergovernmental - Teachers Retirement	11,694,670	-	-	11,694,670
Intergovernmental	11,790,847	-	5,030,551	16,821,398
Intergovernmental - COVID-19 relief	-	-	639,891	639,891
Department and other	2,184,574	-	3,847,630	6,032,204
Special assessments	-	-	6,714	6,714
Contributions and donations	-	-	400,281	400,281
Investment income	186,555	-	131,071	317,626
<b>TOTAL REVENUES</b>	<b>107,146,013</b>	<b>-</b>	<b>10,056,138</b>	<b>117,202,151</b>
<b>EXPENDITURES:</b>				
<b>Current:</b>				
General Government	2,778,934	-	633,195	3,412,129
Public Safety	11,886,037	-	231,227	12,117,264
Education	42,916,171	9,946	6,238,228	49,164,345
Public Works	10,874,214	438,929	632,729	11,945,872
Health and Human services	668,013	-	196,312	864,325
Culture and recreation	1,750,358	-	339,935	2,090,293
COVID-19	-	-	639,891	639,891
Pension Benefits	4,984,090	-	-	4,984,090
Pension Benefits - Teachers Retirement	11,694,670	-	-	11,694,670
Property and liability insurance	381,796	-	-	381,796
Employee Benefits	12,457,274	-	-	12,457,274
State and county charges	1,790,954	-	-	1,790,954
Debt service:				
Principal	-	-	3,832,042	3,832,042
Interest	-	-	2,014,623	2,014,623
<b>TOTAL EXPENDITURES</b>	<b>102,182,511</b>	<b>448,875</b>	<b>14,758,182</b>	<b>117,389,568</b>
<b>EXCESS (DEFICIENCY) OF REV OVER EXP</b>	<b>4,963,502</b>	<b>(448,875)</b>	<b>(4,702,044)</b>	<b>(187,417)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Capital lease financing	-	340,413	-	340,413
Operating transfers in	306,541	-	5,625,000	5,931,541
Operating transfers out	(5,625,000)	-	(306,541)	(5,931,541)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(5,318,459)</b>	<b>340,413</b>	<b>5,318,459</b>	<b>340,413</b>
<b>Net Change in Fund Balances</b>	<b>(354,957)</b>	<b>(108,462)</b>	<b>616,415</b>	<b>152,996</b>
Fund Equity Beginning of Year	14,686,762	353,690	8,591,589	23,632,041
Fund Balance - End of Year	<u>\$ 14,331,805</u>	<u>\$ 245,228</u>	<u>\$ 9,208,004</u>	<u>\$ 23,785,037</u>

(1) Extracted from audited financial statements of the Town.

**TOWN OF WAKEFIELD**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**As of June 30, 2019 (1)**

	General	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>				
Real estate and personal property taxes, net of tax refunds	\$ 72,650,405	\$ -	\$ -	\$ 72,650,405
Tax liens and foreclosures	174,238	-	-	174,238
Motor vehicle excise taxes	4,414,729	-	-	4,414,729
Hotel/motel tax	980,639	-	-	980,639
Penalties and interest on taxes	341,250	-	-	341,250
Fees and rentals	-	-	-	-
Payments in lieu of taxes	893,699	-	-	893,699
Intergovernmental - Teachers Retirement	9,040,847	-	-	9,040,847
Intergovernmental	11,519,051	-	5,263,929	16,782,980
Department and other	2,042,227	-	4,810,595	6,852,822
Special assessments	-	-	677	677
Contributions and donations	-	-	331,761	331,761
Investment income	242,277	-	143,143	385,420
<b>TOTAL REVENUES</b>	<b>102,299,362</b>	<b>-</b>	<b>10,550,105</b>	<b>112,849,467</b>
<b>EXPENDITURES:</b>				
<b>Current:</b>				
General Government	3,064,495	-	562,869	3,627,364
Public Safety	11,786,116	118,950	340,508	12,245,574
Education	41,342,630	2,679,811	7,013,901	51,036,342
Public Works	10,744,533	609,693	1,368,498	12,722,724
Health and Human services	670,164	-	239,949	910,113
Culture and recreation	1,762,082	-	372,736	2,134,818
Pension Benefits	4,645,820	-	-	4,645,820
Pension Benefits - Teachers Retirement	9,040,847	-	-	9,040,847
Property and liability insurance	360,375	-	-	360,375
Employee Benefits	11,919,861	-	-	11,919,861
State and county charges	1,444,819	-	-	1,444,819
Debt service:				
Principal	-	-	3,691,042	3,691,042
Interest	-	-	1,823,540	1,823,540
<b>TOTAL EXPENDITURES</b>	<b>96,781,742</b>	<b>3,408,454</b>	<b>15,413,043</b>	<b>115,603,239</b>
<b>EXCESS (DEFICIENCY) OF REV OVER EXP</b>	<b>5,517,620</b>	<b>(3,408,454)</b>	<b>(4,862,938)</b>	<b>(2,753,772)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Premium from issuance of bonds	-	147,442	-	147,442
Capital lease financing	-	289,083	-	289,083
Operating transfers in	235,627	-	6,052,000	6,287,627
Operating transfers out	(5,552,000)	-	(883,069)	(6,435,069)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(5,316,373)</b>	<b>436,525</b>	<b>5,168,931</b>	<b>289,083</b>
<b>Net Change in Fund Balances</b>	<b>201,247</b>	<b>(2,971,929)</b>	<b>305,993</b>	<b>(2,464,689)</b>
Fund Equity Beginning of Year	14,485,515	3,325,619	8,285,596	26,096,730
Fund Balance - End of Year	<u>\$ 14,686,762</u>	<u>\$ 353,690</u>	<u>\$ 8,591,589</u>	<u>\$ 23,632,041</u>

(1) Extracted from audited financial statements of the Town.

## Retirement System

The Town participates in a retirement system administered by the Board of the Wakefield Contributory Retirement System. Substantially all employees of the Town are members of the system, with the exception of public school teachers and certain administrators who are covered by The Commonwealth of Massachusetts Teachers Retirement System (TRS) to which the Town does not contribute.

The Participating Employers' (the Town of Wakefield, the Wakefield Municipal Light Department, and the Wakefield Housing Authority) share of the total annual contribution is determined on the basis of active payroll. Benefits paid under the plan, referred to as "retirement allowances," include an annuity portion, funded principally from amounts contributed by the participants, and a pension portion funded by the employers. The Town also pays the entire retirement allowance of certain retirees who are eligible for noncontributory benefits.

The annual appropriations of the Town to the retirement systems for the following fiscal years are as follows:

<u>Fiscal Year</u>	<u>Contributory</u>	<u>Non-Contributory</u>	<u>Total</u>
2025 (budgeted)	\$6,756,505	\$0	\$6,756,505
2024	6,409,235	0	6,409,235
2023	6,050,189	37,500	6,087,689
2022	5,562,257	37,170	5,599,427
2021	5,355,055	41,352	5,396,407
2020	4,952,753	40,932	4,993,685

Source: Town Accountant.

Cost-of-living increases for each local retirement system may be granted and funded only by the local system, and only if it has established a funding schedule. Those statutory provisions are subject to acceptance by the local retirement board and approval by the local legislative body, which acceptance may not be revoked. The amounts contributed to the system for the following fiscal years are as follows:

<u>Year</u>	<u>Contributory</u>	<u>Non-Contributory</u>	<u>Total</u>
2025 (est.)	\$54,940	\$0	\$54,940
2024	57,350	0	57,350
2023	65,547	360	65,907
2022	81,600	360	81,960
2021	93,639	764	94,403
2020	84,686	1,350	86,036

As indicated in the table below, as of January 1, 2024, the date of the latest actuarial valuation, assuming a 7.40% rate of return, the system's funded ratio was 73.9 percent:

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability</u>	<u>Unfunded Actuarial Accrued Liability</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>Unfunded Actuarial Accrued Liability as a Percentage of Annual Covered Payroll</u>
1/1/24	\$173,464,210	\$234,845,019	\$61,380,809	74%	\$35,296,793	174%
1/1/22	157,631,513	213,756,449	56,124,936	74	31,444,987	179
1/1/20	128,080,665	197,915,271	69,834,606	65	28,763,459	242
1/1/18	117,180,482	179,401,784	62,221,302	65	26,423,387	235
1/1/16	104,499,484	165,373,472	60,873,988	63	25,066,929	243
1/1/14	93,445,000	147,248,000	53,802,000	63	21,268,000	253
1/1/12	89,180,470	134,193,491	45,002,995	66	19,276,546	234
1/1/10	85,582,279	125,122,258	39,539,979	68	19,373,675	204
1/1/08	91,769,369	113,856,138	22,086,769	80	18,581,685	119
1/1/06	73,037,727	102,150,795	29,113,068	71	17,118,072	170
1/1/04	66,604,291	92,782,644	26,178,353	72	16,218,499	161
1/1/02	57,120,752	83,481,332	26,360,580	68	15,926,385	166
1/1/99	49,861,799	71,128,513	21,266,714	70	14,705,247	145

## Funding Schedule (As of January 1, 2024)

<u>Fiscal Year</u>	<u>Normal Cost</u>	<u>Net 3(8)(c)</u>	<u>Amort. Of UAL</u>	<u>Total Cost</u>	<u>Unfunded Act. Liability</u>	<u>% Increase Total Cost</u>
2025	3,111,986	65,000	5,327,112	8,504,098	63,651,899	
2026	3,252,026	65,000	5,731,335	9,048,360	62,674,643	6.40%
2027	3,398,367	65,000	6,164,089	9,627,455	61,193,501	6.40%
2028	3,551,293	65,000	6,627,319	10,243,612	59,140,724	6.40%
2029	3,711,102	65,000	7,123,102	10,899,204	56,441,474	6.40%
2030	3,878,101	65,000	7,653,652	11,596,753	53,013,155	6.40%
2031	4,052,616	65,000	8,221,329	12,338,945	48,764,699	6.40%
2032	4,234,983	65,000	8,828,654	13,128,637	43,595,776	6.40%
2033	4,425,558	65,000	9,478,313	13,968,870	37,395,942	6.40%
2034	4,624,708	65,000	10,173,170	14,862,878	30,043,711	6.40%
2035	4,832,820	65,000	10,916,282	15,814,102	21,405,550	6.40%
2036	5,050,296	65,000	11,402,184	16,517,480	11,334,780	4.45%
2037	5,277,560	65,000		5,342,560	0	-67.66%

All amounts assume payments will be made August 1 of each fiscal year.

Total appropriation assumed to increase 6.40% each year until FY35, with a final amortization payment in FY36.

FY25 normal cost includes assumed expenses of \$725,000 and is assumed to increase 4.5% per year.

FY25 appropriation was maintained at the same level as the prior schedule.

Source: January 1, 2024 Actuarial Valuation Report of the Wakefield Retirement System and PERAC.

### Other Post-Employment Benefits

In addition to pension benefits, cities and towns may provide retired employees with health care and life insurance benefits. The portion of the cost of such benefits paid by cities or towns is generally provided on a pay-as-you-go basis. The pay-as-you-go cost to the Town for such benefits in recent years has been as follows:

<u>Fiscal Year</u>	<u>Benefit Costs</u>
2024	\$ 7,405,150
2023	7,293,574
2022	7,156,068
2021	6,981,530
2020	6,755,821

The Governmental Accounting Standards Board ("GASB") promulgated accounting standards that require public sector entities to report the future costs of these non-pension, post-employment benefits in their financial statements. These accounting standards do not require pre-funding the payment of these costs as the liability for such costs accrues, but the basis applied by the standards for measurement of costs and liabilities for these benefits is conservative if they continue to be funded on a pay-as-you-go basis and will result in larger yearly cost and liability accruals than if the cost of such benefits were pre-funded in a trust fund in the same manner as traditional pension benefits. Cities and towns that choose to self-insure all or a portion of the cost of the health care benefits they provide to employees and retirees may establish a trust fund for the purpose of paying claims. In addition, cities and towns may establish a trust fund for the purpose of pre-funding other post-employment benefits liability in the same manner as traditional pension benefits.

The Town was required to implement the GASB reporting requirements for other post-employment benefits beginning in fiscal year 2009. The Town performed an actuarial valuation of its non-pension, post-employment benefit liability as of July 1, 2017.

The unfunded actuarial liability of the Town, excluding the Municipal Light Department, as of that date was \$55,480,668 assuming a 7.0% discount rate. On November 8, 2010, the Town voted to establish a Trust Fund for its other post-employment benefits liability and made its first appropriation to the trust fund during its fiscal 2012 budget process. The balance of the trust fund as of June 30, 2024 was \$33,437,800.

### LITIGATION

At present there are a number of suits pending in which the Town is a defendant. In the opinion of Town Counsel, there is no litigation, either pending or threatened that is considered likely to result, either individually or in the aggregate, in final judgments which would materially affect the Town's financial position.

## TOWN OF WINCHESTER, MASSACHUSETTS

**General**

The Town of Winchester, Massachusetts (the "Town"), established in 1638 and incorporated in 1850, is governed by the select board-representative town meeting form of government and is located in eastern Middlesex County. The Town provides general governmental services for the territory within its boundaries including police and fire protection, public education in grades kindergarten through twelve, disposal of garbage and rubbish, a library, water and sewer services, streets, and parks and recreation. The Massachusetts Water Resources Authority (the "MWRA") provides part of the Town's water needs and certain sewage disposal services while Keolis Commuter Services provides commuter rail services and the Massachusetts Bay Transportation Authority ("MBTA") provides bus service. The Northeast Metropolitan Regional Vocational School District provides vocational technical education in grades nine through twelve.

**Age, Income and Wealth Levels**

The following table compares age, income and wealth level averages among the Town of Winchester, the Commonwealth and the country as a whole:

	<u>Winchester</u>	<u>Massachusetts</u>	<u>U.S.</u>
<b>Median Age:</b>			
2020	42.4	39.4	38.3
2010	43.3	39.1	37.2
2000	41.1	36.5	35.3
<b>Per Capita Income:</b>			
2020	\$90,356	\$43,761	\$34,103
2010	65,172	33,966	27,334
2000	50,414	25,952	21,587
<b>Median Family Income:</b>			
2020	\$184,844	\$81,215	\$62,843
2010	162,211	81,165	51,144
2000	110,226	61,664	50,046

Source: U.S. Department of Commerce, Bureau of the Census.

**Labor Force, Employment and Unemployment Rate**

According to the Massachusetts Executive Office of Labor and Workforce Development, in December 2024, the Town had a total labor force of 11,664 of which 11,242 were employed and 422, or 3.6% were unemployed as compared with 4.2% for the Commonwealth. (Note: monthly data are unadjusted.) The following table sets forth the Town's unemployment rates and the unemployment rates for the Commonwealth and the United States for calendar years 2020 through 2024.

<u>Year</u>	<u>Winchester</u>	<u>Massachusetts</u>	<u>United States</u>
2024	3.3%	3.8%	4.0%
2023	2.7	3.4	3.6
2022	2.8	3.8	3.4
2021	4.1	5.7	5.4
2020	5.8	8.9	8.1

Source: Massachusetts Executive Office of Labor and Workforce Development.

**Tax Levy Computation**

The following table illustrates the manner in which the tax levy was determined for the last five fiscal years:

	For Fiscal Year				
	2025	2024	2023	2022	2021
Gross Amount To Be Raised:					
Appropriations	\$175,654,800	\$166,199,617	\$156,229,418	\$150,813,175	\$143,292,565
Other Local Expenditures	55,836	51,881	48,301	40,746	33,961
State and County Charges	659,940	717,763	761,690	676,533	601,780
Overlay Reserve (1)	305,647	458,333	447,335	410,158	446,119
Total Gross Amount to be Raised	<u>\$ 176,676,223</u>	<u>\$ 167,427,594</u>	<u>\$ 157,486,743</u>	<u>\$ 151,940,612</u>	<u>\$ 144,374,425</u>
Less Estimated Receipts & Other Revenue:					
Estimated Receipts – State	12,702,736	12,187,853	11,914,705	11,537,912	11,997,864
Estimated Receipts – Local	22,537,883	21,932,903	19,596,354	17,859,305	16,140,551
Available Funds Appropriated:					
Free Cash	4,280,775	1,701,393	2,824,843	2,239,549	2,335,020
Other Available Funds	11,367,078	10,474,381	6,926,720	8,051,214	7,233,542
Free Cash & Other Revenue Used to Reduce the Tax Rate	-	-	690,626	151,863	189,647
Total Estimated Receipts & Revenue	<u>50,888,472</u>	<u>46,296,530</u>	<u>41,953,248</u>	<u>39,839,843</u>	<u>37,896,624</u>
Net Amount to be Raised (Tax Levy)	<u>\$125,787,751</u>	<u>\$121,131,064</u>	<u>\$115,533,495</u>	<u>\$112,100,769</u>	<u>\$106,477,801</u>
Assessed Valuation (000)	\$11,368,911	\$10,716,425	\$9,814,510	\$8,983,334	\$8,315,829
Tax Rate per \$1,000					
Residential/Open Space	\$11.09	\$11.33	\$11.80	\$12.51	\$12.83
Commercial/Industrial/Personal	\$10.60	\$10.81	\$11.24	\$11.89	\$12.24

Source: Massachusetts Department of Revenue.

(1) Allowance for abatements.

**NOTE:** Property tax rates may not be set by the local assessors until they have been approved by the Commissioner of Revenue.

**Classification of Property**

Following is a breakdown of the Town's assessed valuations for the last three fiscal years:

	2025		2024		2023 (1)	
	Assessed Valuation	% of Total Assessed	Assessed Valuation	% of Total Assessed	Assessed Valuation	% of Total Assessed
Residential	\$ 10,878,761,569	95.7 %	\$ 10,249,002,756	90.1 %	\$ 9,382,013,086	95.6 %
Commercial	328,565,531	2.9	314,967,624	2.8	289,980,256	3.0
Industrial	43,189,700	0.4	41,069,200	0.4	37,506,800	0.4
Personal	118,393,770	1.0	111,385,240	1.0	105,010,370	1.1
Total	<u>\$ 11,368,910,570</u>	<u>100.0 %</u>	<u>\$ 10,716,424,820</u>	<u>94.3 %</u>	<u>\$ 9,814,510,512</u>	<u>100.0 %</u>

Source: Board of Assessors.

(1) Revaluation year.

**Tax Collections**

	For Fiscal Year				
	2024	2023	2022	2021	2020
Tax Levy	\$ 121,131,064	\$ 115,533,495	\$ 112,100,769	\$ 106,477,800	\$ 101,011,909
Overlay Reserve for Abatements	458,333	447,335	410,158	446,118	408,579
Net Tax Levy (1)	\$ 120,672,731	\$ 115,086,160	\$ 111,690,611	\$ 106,031,682	\$ 100,603,330
Amount Collected through June 12, 2024 (2)	\$ 120,104,967	\$ 115,004,948	\$ 111,591,773	\$ 106,050,706	\$ 100,586,273
Percent of Net Tax Levy	99.5 %	99.9 %	99.9 %	100.0 %	100.0 %

(1) Net after deduction of overlay reserve for abatements.

(2) Collections for current fiscal year are comparable to prior fiscal years.

**Tax Levies and Tax Levy Limits (1)**

The following shows the calculation of levy limits for the following fiscal years:

	Fiscal Year				
	2025	2024	2023	2022	2021
Primary Levy Limit (1)	\$ 284,222,764	\$ 267,910,621	\$ 245,362,763	\$ 224,583,354	\$ 207,895,742
Prior Fiscal Year Levy Limit	105,791,389	101,804,552	98,055,490	94,572,189	91,268,201
2.5% Levy Growth	2,644,785	2,545,114	2,451,387	2,364,305	2,281,705
New Growth (2)	1,059,299	1,041,723	1,297,675	1,118,996	1,022,283
Overrides	-	400,000	-	-	-
Growth Levy Limit	109,495,473	105,791,389	101,804,552	98,055,490	94,572,189
Debt Exclusion	11,110,642	10,149,844	8,570,077	8,807,056	8,931,673
Water & Sewer Debt Adjustment (3)	5,235,015	5,285,502	5,170,911	5,290,627	4,690,484
Tax Levy Limit	125,841,130	121,226,735	115,545,540	112,153,173	108,194,346
Tax Levy	125,787,751	121,131,064	115,533,495	112,097,769	106,477,801
Unused Levy Capacity (4)	\$ 53,379	\$ 95,671	\$ 12,045	\$ 55,404	\$ 1,716,545
Unused Primary Levy Capacity (5)	\$ 174,727,291	\$ 162,119,232	\$ 143,558,211	\$ 126,527,864	\$ 113,323,553

(1) Source: Massachusetts Department of Revenue.

(2) Allowed increase for new valuations - certified by the Department of Revenue.

(3) Residential portion of water and sewer debt paid from taxation which may be exempted from the limits of Proposition 2 ½.

(4) Tax Levy Limit less Tax Levy. The additional amount which may be levied without voter approval.

(5) Primary Levy Limit less Growth Levy Limit.



## Operating Budgets

The following table sets forth the trend in the Town's operating budgets:

	Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2022	Fiscal 2021
General Government	\$ 6,794,626	\$ 6,523,015	\$ 6,110,054	\$ 5,604,473	\$ 5,360,246
Public Safety	14,071,425	13,343,952	13,136,924	12,716,206	11,535,865
Undistributed (1)	38,408,494	36,188,950	35,629,533	33,165,059	33,453,917
Education	66,423,288	63,582,130	61,311,574	58,421,993	56,269,376
Culture/ Recreation	2,466,240	2,372,719	2,355,848	2,243,319	2,120,327
Health & Social Services	1,042,484	1,020,857	960,532	926,891	1,024,527
Public Works	10,002,461	9,368,996	8,803,294	8,376,517	8,489,357
Capital	9,851,000	2,012,000	1,060,000	5,063,000	3,519,985
Energy	2,156,861	2,213,290	2,141,619	2,014,742	2,124,645
Water and Sewer (2)	12,000,357	11,812,550	10,937,396	10,813,866	10,120,937
Recreation Enterprise (2)	2,289,211	2,277,931	2,261,442	2,146,630	1,327,007
Totals	<u>\$ 165,506,447</u>	<u>\$ 150,716,390</u>	<u>\$ 144,708,216</u>	<u>\$ 141,492,696</u>	<u>\$ 135,346,189</u>

(1) Undistributed includes health insurance and other employee benefits, retirement, general insurance, environmental remediation and debt service principal and interest budget line items. It also includes unallocated salary adjustments as contracts are settling.

(2) Enterprise fund budgets do not include indirect costs which are appropriated in the General Fund.

## Key Debt Ratios

Fiscal Year End	General Obligation Bonds Outstanding	Population (1)	Estimated Full Valuation (2)	Per Capita Debt	Debt as a % of Full Valuation
2024	\$ 151,990,848	22,970	\$ 9,544,700,800	6,617	1.59 %
2023	161,001,998	22,970	9,544,700,800	7,009	1.69
2022	133,433,147	22,970	8,680,662,000	5,809	1.54
2021	143,129,298	22,970	8,680,662,000	6,231	1.65
2020	142,151,198	22,970	7,681,074,900	6,189	1.85

(1) 2020 Federal Census.

(2) Based on state equalized valuations.

## Unassigned General Fund Balance and Free Cash

The following table sets forth the unassigned general fund balance and certified free cash for the most recent fiscal years:

Fiscal Year	Unassigned General Fund Balance (1)	Total General Fund Balance (1)	Free Cash at July 1
2024	\$ 30,353,255	\$ 47,000,430	\$ 24,119,014
2023	26,782,761	41,895,480	20,065,593
2022	22,615,540	36,469,871	16,740,751
2021	19,256,050	31,015,529	13,398,331
2020	15,159,277	27,474,871	9,720,537

(1) Extracted from audited financial statements of the Town.

**Stabilization Funds**

The following table sets forth the stabilization funds total balance for the most recent fiscal years:

<u>Fiscal Year</u>	<u>Building Stabilization</u>	<u>Capital Stabilization</u>	<u>Regular Stabilization</u>	<u>Employee Healthcare and Health Insurance Stabilization (1)</u>	<u>Total Stabilization Balance</u>
2024	\$ 3,110,150	\$ 2,231,615	\$ 5,004,559	\$ 293,377	\$ 10,639,701
2023	2,744,014	3,134,477	4,736,257	280,935	10,895,683
2022	2,594,070	2,232,741	4,556,422	n/a	9,383,233
2021	3,054,126	2,169,992	4,545,140	n/a	9,769,258
2020	2,960,121	2,175,197	4,538,710	n/a	9,674,028

(1) Established at the May 2022 Special Town Meeting.

**Financial Statements**

Set forth on the following pages are the Governmental Funds Balance Sheets for fiscal years 2024, 2023 and 2022 and the Statements of Revenues, Expenditures and Changes in Fund Balance – Governmental Fund for fiscal years 2024 through 2020. Said statements have been extracted from the Town's audited financial statements.

**TOWN OF WINCHESTER, MASSACHUSETTS  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
JUNE 30, 2024 (1)**

	General	School Construction	Affordable Housing Acquisitions	American Rescue Plan Act	Muraco Culvert	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>							
Cash and cash equivalents	\$ 42,208,679	\$ 28,883,411	\$ -	\$ 3,855,991	\$ 10,199,615	\$ 14,579,085	\$ 99,726,781
Investments	6,555,304	-	-	-	-	8,228,961	14,784,265
Receivables, net of allowance for uncollectible amounts:							
Real estate and personal property taxes	610,016	-	-	-	-	-	610,016
Real estate tax deferrals	959,175	-	-	-	-	-	959,175
Tax liens	1,157,718	-	-	-	-	-	1,157,718
Motor vehicle and other excise taxes	405,100	-	-	-	-	-	405,100
Departmental and other	397,823	-	-	-	-	918,135	1,315,958
Intergovernmental	-	-	-	-	-	748,919	748,919
Tax Foreclosures	13,603	-	-	-	-	-	13,603
<b>TOTAL ASSETS</b>	<b>\$ 52,307,418</b>	<b>\$ 28,883,411</b>	<b>\$ -</b>	<b>\$ 3,855,991</b>	<b>\$ 10,199,615</b>	<b>\$ 24,475,100</b>	<b>\$ 119,721,535</b>
<b>LIABILITIES , DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>							
<b>LIABILITIES:</b>							
Warrants payable	\$ 772,274	\$ 199,715	\$ -	\$ 19,951	\$ -	\$ 242,059	\$ 1,233,999
Accrued payroll	945,545	580	-	-	-	91,518	1,037,643
Tax refunds payable	94,000	-	-	-	-	-	94,000
Other liabilities	4,239	-	-	-	-	1,227,965	1,232,204
Unearned Revenue	-	-	-	3,836,040	-	-	3,836,040
Workers' compensation claims	71,892	-	-	-	-	-	71,892
Short-term notes payable	-	23,893,719	4,050,000	-	9,734,517	880,580	38,558,816
<b>TOTAL LIABILITIES</b>	<b>\$ 1,887,950</b>	<b>\$ 24,094,014</b>	<b>\$ 4,050,000</b>	<b>\$ 3,855,991</b>	<b>\$ 9,734,517</b>	<b>\$ 2,442,122</b>	<b>\$ 46,064,594</b>
<b>Deferred Inflows of Resources:</b>							
Taxes received in advance	2,381	-	-	-	-	-	2,381
Unavailable revenue	3,416,657	-	-	-	-	666,550	4,083,207
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>3,419,038</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>666,550</b>	<b>4,085,588</b>
<b>FUND BALANCES:</b>							
Nonspendable	-	-	-	-	-	3,193,102	3,193,102
Restricted	16,738	4,789,397	-	-	465,098	19,152,388	24,423,621
Committed	13,905,559	-	-	-	-	-	13,905,559
Assigned	2,724,878	-	-	-	-	-	2,724,878
Unassigned	30,353,255	-	(4,050,000)	-	-	(979,062)	25,324,193
<b>TOTAL FUND BALANCES</b>	<b>47,000,430</b>	<b>4,789,397</b>	<b>(4,050,000)</b>	<b>-</b>	<b>465,098</b>	<b>21,366,428</b>	<b>69,571,353</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 52,307,418</b>	<b>\$ 28,883,411</b>	<b>\$ -</b>	<b>\$ 3,855,991</b>	<b>\$ 10,199,615</b>	<b>\$ 24,475,100</b>	<b>\$ 119,721,535</b>

(1) Extracted from the audited financial statements of the Town.

**TOWN OF WINCHESTER, MASSACHUSETTS  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
JUNE 30, 2023 (1)**

	General	School Construction	Affordable Housing Acquisitions	American Rescue Plan Act	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash and Cash Equivalents	\$ 37,631,540	\$ 27,336,144	\$ -	\$ 5,276,361	\$ 15,305,938	\$ 85,549,983
Investments	6,204,144	-	-	-	7,239,377	13,443,521
Receivables, Net of Allowance for Uncollectible Amounts:						
Real Estate and Personal Property Taxes	877,507	-	-	-	-	877,507
Real Estate Tax Deferrals	880,257	-	-	-	-	880,257
Tax Liens	1,179,613	-	-	-	-	1,179,613
Motor Vehicle and Other Excise Taxes	191,439	-	-	-	-	191,439
Departmental and Other	390,621	-	-	-	682,630	1,073,251
Intergovernmental	-	-	-	-	148,373	148,373
Tax Foreclosures	13,603	-	-	-	-	13,603
<b>Total Assets</b>	<b>\$ 47,368,724</b>	<b>\$ 27,336,144</b>	<b>\$ -</b>	<b>\$ 5,276,361</b>	<b>\$ 23,376,318</b>	<b>\$ 103,357,547</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Warrants Payable	\$ 943,727	\$ -	\$ -	\$ -	\$ 424,322	\$ 1,368,049
Accrued Payroll	908,812	-	-	-	1,477	910,289
Tax Refunds Payable	150,000	-	-	-	-	150,000
Other Liabilities	160	-	-	-	1,116,874	1,117,034
Unearned Revenue	-	-	-	5,276,361	-	5,276,361
Workers' Compensation Claims	40,751	-	-	-	-	40,751
Short-Term Notes Payable	-	176,826	4,050,000	-	-	4,226,826
<b>Total Liabilities</b>	<b>2,043,450</b>	<b>176,826</b>	<b>4,050,000</b>	<b>5,276,361</b>	<b>1,542,673</b>	<b>13,089,310</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable Revenue	3,429,794	-	-	-	401,137	3,830,931
<b>FUND BALANCES</b>						
Nonspendable	-	-	-	-	3,090,314	3,090,314
Restricted	19,882	27,159,318	-	-	18,724,499	45,903,699
Committed	11,137,868	-	-	-	-	11,137,868
Assigned	3,954,969	-	-	-	-	3,954,969
Unassigned	26,782,761	-	(4,050,000)	-	(382,305)	22,350,456
<b>Total Fund Balances</b>	<b>41,895,480</b>	<b>27,159,318</b>	<b>(4,050,000)</b>	<b>-</b>	<b>21,432,508</b>	<b>86,437,306</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 47,368,724</b>	<b>\$ 27,336,144</b>	<b>\$ -</b>	<b>\$ 5,276,361</b>	<b>\$ 23,376,318</b>	<b>\$ 103,357,547</b>

(1) Extracted from the audited financial statements of the Town.

**TOWN OF WINCHESTER, MASSACHUSETTS**  
**GOVERNMENTAL FUNDS**  
**BALANCE SHEET**  
**JUNE 30, 2022 (1)**

	General	School Construction	Affordable Housing Acquisitions	Transfer Station	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash and cash equivalents	\$ 32,583,891	\$ 1,687,166	\$ -	\$ 6,402,441	\$ 17,816,089	\$ 58,489,587
Investments	6,214,310	-	-	-	6,938,043	13,152,353
Receivables, net of allowance for uncollectible amounts:						
Real estate and personal property taxes	1,025,173	-	-	-	-	1,025,173
Real estate tax deferrals	989,189	-	-	-	-	989,189
Tax liens	795,640	-	-	-	-	795,640
Motor vehicle and other excise taxes	142,400	-	-	-	-	142,400
Departmental and other	404,414	-	-	-	620,621	1,025,035
Intergovernmental	-	78,603	-	-	236,734	315,337
Tax Foreclosures	13,603	-	-	-	-	13,603
<b>TOTAL ASSETS</b>	<b>\$ 42,168,620</b>	<b>\$ 1,765,769</b>	<b>\$ -</b>	<b>\$ 6,402,441</b>	<b>\$ 25,611,487</b>	<b>\$ 75,948,317</b>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>LIABILITIES:</b>						
Warrants payable	\$ 1,775,526	\$ 856	\$ -	\$ 229,128	\$ 452,570	\$ 2,458,080
Accrued payroll	509,037	-	-	-	1,508	510,545
Tax refunds payable	152,000	-	-	-	-	152,000
Other liabilities	22	-	-	-	1,148,606	1,148,628
Unearned Revenue	-	-	-	-	3,165,213	3,165,213
Workers' compensation claims	54,255	-	-	-	-	54,255
Short-term notes payable	-	1,401,505	5,270,000	5,500,000	201,200	12,372,705
<b>TOTAL LIABILITIES</b>	<b>\$ 2,490,840</b>	<b>\$ 1,402,361</b>	<b>\$ 5,270,000</b>	<b>\$ 5,729,128</b>	<b>\$ 4,969,097</b>	<b>\$ 19,861,426</b>
<b>Deferred Inflows of Resources:</b>						
Unavailable revenue	3,207,909	-	-	-	332,553	3,540,462
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>3,207,909</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>332,553</b>	<b>3,540,462</b>
<b>FUND BALANCES:</b>						
Nonspendable	-	-	-	-	2,996,772	2,996,772
Restricted	23,290	363,408	-	673,313	17,437,329	18,497,340
Committed	9,984,006	-	-	-	-	9,984,006
Assigned	3,847,035	-	-	-	-	3,847,035
Unassigned	22,615,540	-	(5,270,000)	-	(124,264)	17,221,276
<b>TOTAL FUND BALANCES</b>	<b>36,469,871</b>	<b>363,408</b>	<b>(5,270,000)</b>	<b>673,313</b>	<b>20,309,837</b>	<b>52,546,429</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 42,168,620</b>	<b>\$ 1,765,769</b>	<b>\$ -</b>	<b>\$ 6,402,441</b>	<b>\$ 25,611,487</b>	<b>\$ 75,948,317</b>

(1) Extracted from the audited financial statements of the Town.

**TOWN OF WINCHESTER, MASSACHUSETTS**  
**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**JUNE 30, 2024 (1)**

	General	School Construction	Affordable Housing Acquisitions	American Rescue Plan Act	Muraco Culvert	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>							
Real estate and personal property taxes	\$ 121,116,238	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 121,116,238
Motor vehicle and other excise taxes	4,472,569	-	-	-	-	-	4,472,569
Tax liens	339,528	-	-	-	-	-	339,528
Payments in lieu of taxes	115,296	-	-	-	-	-	115,296
Charges for services	-	-	-	-	-	3,449,586	3,449,586
Trash disposal	2,529,291	-	-	-	-	-	2,529,291
Intergovernmental	25,238,587	3,404,157	-	1,440,321	-	7,236,306	37,319,371
Penalties and interest on taxes	580,171	-	-	-	-	-	580,171
Licenses and permits	1,894,189	-	-	-	-	203,070	2,097,259
Fines and forfeitures	1,818	-	-	-	-	-	1,818
Departmental and other	2,224,257	-	-	-	-	2,723,869	4,948,126
Contributions	-	-	-	-	-	719,284	719,284
Investment income	2,244,038	-	-	139,500	-	1,044,615	3,428,153
<b>TOTAL REVENUES</b>	<b>\$ 160,755,982</b>	<b>\$ 3,404,157</b>	<b>\$ -</b>	<b>\$ 1,579,821</b>	<b>\$ -</b>	<b>\$ 15,376,730</b>	<b>\$ 181,116,690</b>
<b>EXPENDITURES</b>							
Current:							
General government	\$ 9,387,670	\$ -	\$ -	\$ 569,758	\$ -	\$ 1,105,032	\$ 11,062,460
Public safety	14,024,945	-	-	213,499	-	3,155,664	17,394,108
Education	64,805,749	25,658,486	-	217,100	-	7,811,260	98,492,595
Public works	11,185,384	-	-	485,585	385	3,376,133	15,047,487
Health and human services	1,174,528	-	-	48,337	-	184,091	1,406,956
Culture and recreation	2,356,672	-	-	45,542	-	197,426	2,599,640
Pension benefits	19,673,203	-	-	-	-	-	19,673,203
Employee benefits	13,580,710	-	-	-	-	-	13,580,710
Property and liability insurance	607,776	-	-	-	-	-	607,776
State and county charges	675,242	-	-	-	-	-	675,242
Debt service:							
Principal	7,645,000	-	-	-	-	-	7,645,000
Interest	5,859,423	-	-	-	-	68,161	5,927,584
<b>TOTAL EXPENDITURES</b>	<b>\$ 150,976,302</b>	<b>\$ 25,658,486</b>	<b>\$ -</b>	<b>\$ 1,579,821</b>	<b>\$ 385</b>	<b>\$ 15,897,767</b>	<b>\$ 194,112,761</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>9,779,680</b>	<b>(22,254,329)</b>	<b>-</b>	<b>-</b>	<b>(385)</b>	<b>(521,037)</b>	<b>(12,996,071)</b>
<b>OTHER FINANCING SOURCES (USES)</b>							
Premium from issuance of bonds and notes	-	-	-	-	(385)	313,006	312,621
Proceeds of refunding bonds	-	-	-	-	-	39,805	39,805
Transfers in	1,691,808	300,000	-	-	-	649,964	2,641,772
Transfers out	(6,366,538)	(415,592)	-	-	465,483	(547,818)	(6,864,465)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(4,674,730)</b>	<b>(115,592)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>454,957</b>	<b>(4,335,365)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>5,104,950</b>	<b>(22,369,921)</b>	<b>-</b>	<b>-</b>	<b>465,098</b>	<b>(66,080)</b>	<b>(16,865,953)</b>
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<b>41,895,480</b>	<b>27,159,318</b>	<b>(4,050,000)</b>			<b>21,432,508</b>	<b>86,437,306</b>
<b>FUND BALANCES AT END OF YEAR</b>	<b>\$ 47,000,430</b>	<b>\$ 4,789,397</b>	<b>\$ (4,050,000)</b>	<b>\$ -</b>	<b>\$ 465,098</b>	<b>\$ 21,366,428</b>	<b>\$ 69,571,353</b>

(1) Extracted from audited financial statements of the Town.

**TOWN OF WINCHESTER, MASSACHUSETTS  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
JUNE 30, 2023 (1)**

	General	School Construction	Affordable Housing Acquisitions	American Rescue Plan Act	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>						
Real Estate and Personal Property Taxes	\$ 115,102,815	\$ -	\$ -	\$ -	\$ -	\$ 115,102,815
Motor Vehicle and Other Excise Taxes	3,934,224	-	-	-	-	3,934,224
Tax Liens	33,974	-	-	-	-	33,974
Payments in Lieu of Taxes	111,041	-	-	-	-	111,041
Charges for Services	-	-	-	-	3,662,361	3,662,361
Trash Disposal	2,240,293	-	-	-	-	2,240,293
Intergovernmental	23,385,138	482,012	-	1,296,242	6,283,553	31,446,945
Penalties and Interest on Taxes	249,763	-	-	-	-	249,763
Licenses and Permits	2,077,426	-	-	-	199,529	2,276,955
Fines and Forfeitures	3,730	-	-	-	-	3,730
Departmental and Other	2,195,382	-	-	-	2,430,555	4,625,937
Contributions	-	-	-	-	706,618	706,618
Investment Income	1,378,174	-	-	117,883	545,322	2,041,379
Total Revenues	150,711,960	482,012	-	1,414,125	13,827,938	166,436,035
<b>EXPENDITURES</b>						
Current:						
General Government	8,895,663	-	-	885,985	1,284,365	11,066,013
Public Safety	14,054,378	-	-	286,433	3,449,324	17,790,135
Education	60,405,349	4,125,926	-	-	7,339,447	71,870,722
Public Works	9,575,329	-	-	228,232	7,021,602	16,825,163
Health and Human Services	1,318,286	-	-	13,475	179,513	1,511,274
Culture and Recreation	2,270,626	-	-	-	221,800	2,492,426
Pension Benefits	17,510,777	-	-	-	-	17,510,777
Employee Benefits	12,655,813	-	-	-	-	12,655,813
Property and Liability Insurance	564,410	-	-	-	-	564,410
State and County Charges	720,639	-	-	-	-	720,639
Debt Service:						
Principal	6,862,000	-	-	-	-	6,862,000
Interest	4,727,101	-	-	-	85,891	4,812,992
Total Expenditures	139,560,371	4,125,926	-	1,414,125	19,581,942	164,682,364
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	11,151,589	(3,643,914)	-	-	(5,754,004)	1,753,671
<b>OTHER FINANCING SOURCES (USES)</b>						
Proceeds of Bonds and Notes	-	29,353,952	-	-	5,386,048	34,740,000
Premium from Issuance of Bonds and Notes	-	1,085,872	-	-	478,339	1,564,211
Transfers In	1,504,973	-	1,220,000	-	640,042	3,365,015
Transfer Out	(7,230,953)	-	-	-	(301,067)	(7,532,020)
Total Other Financing Sources (Uses)	(5,725,980)	30,439,824	1,220,000	-	6,203,362	32,137,206
<b>NET CHANGE IN FUND BALANCES</b>	5,425,609	26,795,910	1,220,000	-	449,358	33,890,877
Fund Balances - Beginning of Year	36,469,871	363,408	(5,270,000)	-	20,983,150	52,546,429
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 41,895,480</u>	<u>\$ 27,159,318</u>	<u>\$ (4,050,000)</u>	<u>\$ -</u>	<u>\$ 21,432,508</u>	<u>\$ 86,437,306</u>

(1) Extracted from the audited financial statements of the Town.

**TOWN OF WINCHESTER, MASSACHUSETTS**  
**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**JUNE 30, 2022 (1)**

	General	School Construction	Affordable Housing Acquisitions	Transfer Station	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>						
Real estate and personal property taxes	\$ 111,530,119	\$ -	\$ -	\$ -	\$ -	\$ 111,530,119
Motor vehicle and other excise taxes	4,159,057	-	-	-	-	4,159,057
Tax liens	138,805	-	-	-	-	138,805
Payments in lieu of taxes	102,663	-	-	-	-	102,663
Charges for services	-	-	-	-	3,762,904	3,762,904
Trash disposal	2,131,817	-	-	-	-	2,131,817
Intergovernmental	21,877,945	177,098	-	-	6,778,018	28,833,061
Penalties and interest on taxes	378,014	-	-	-	-	378,014
Licenses and permits	2,798,319	-	-	-	161,311	2,959,630
Fines and forfeitures	2,497	-	-	-	-	2,497
Departmental and other	2,457,474	-	-	-	2,337,884	4,795,358
Contributions	-	-	-	-	624,833	624,833
Investment income	(64,761)	-	-	-	(546,886)	(611,647)
<b>TOTAL REVENUES</b>	<b>\$ 145,511,949</b>	<b>\$ 177,098</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 13,118,064</b>	<b>\$ 158,807,111</b>
<b>EXPENDITURES</b>						
Current:						
General government	\$ 8,291,124	\$ -	\$ 5,270,000		\$ 956,893	\$ 14,518,017
Public safety	12,122,976	-	-		3,599,008	15,721,984
Education	59,250,239	556,773	-		6,401,875	66,208,887
Public works	9,703,348	-	-	326,687	3,535,357	13,565,392
Health and human services	1,233,370	-	-	-	680,969	1,914,339
Culture and recreation	2,135,629	-	-	-	191,373	2,327,002
Pension benefits	15,565,618	-	-	-	-	15,565,618
Employee benefits	13,075,276	-	-	-	-	13,075,276
Property and liability insurance	502,549	-	-	-	-	502,549
State and county charges	695,208	-	-	-	-	695,208
Debt service:						
Principal	7,048,000	-	-	-	-	7,048,000
Interest	4,925,478	-	-	-	-	4,925,478
<b>TOTAL EXPENDITURES</b>	<b>\$ 134,548,815</b>	<b>\$ 556,773</b>	<b>\$ 5,270,000</b>	<b>\$ 326,687</b>	<b>\$ 15,365,475</b>	<b>\$ 156,067,750</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURE</b>	<b>10,963,134</b>	<b>(379,675)</b>	<b>(5,270,000)</b>	<b>(326,687)</b>	<b>(2,247,411)</b>	<b>2,739,361</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Premium from issuance of bonds and notes	-	-	-	-	114,384	114,384
Proceeds of refunding bonds	-	8,309,990	-	-	1,505,010	9,815,000
Premium from issuance of refunding bonds	-	1,128,720	-	-	264,124	1,392,844
Transfers In	1,771,662	-	-	1,000,000	647,041	3,418,703
Transfers out	(7,280,454)	-	-	-	(623,874)	(7,904,328)
Debt service - principal - current refunding	-	(9,438,710)	-	-	(1,721,460)	(11,160,170)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(5,508,792)</b>	<b>-</b>	<b>-</b>	<b>1,000,000</b>	<b>185,225</b>	<b>(4,323,567)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>5,454,342</b>	<b>(379,675)</b>	<b>(5,270,000)</b>	<b>673,313</b>	<b>(2,062,186)</b>	<b>(1,584,206)</b>
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<b>31,015,529</b>	<b>743,083</b>	<b>-</b>	<b>-</b>	<b>22,372,023</b>	<b>54,130,635</b>
<b>FUND BALANCES AT END OF YEAR</b>	<b>\$ 36,469,871</b>	<b>\$ 363,408</b>	<b>\$ (5,270,000)</b>	<b>\$ 673,313</b>	<b>\$ 20,309,837</b>	<b>\$ 52,546,429</b>

(1) Extracted from audited financial statements of the Town.



**TOWN OF WINCHESTER, MASSACHUSETTS**  
**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**JUNE 30, 2021 (1)**

	General	School Construction	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>				
Real estate and personal property taxes	\$ 106,494,063	\$ -	\$ -	\$ 106,494,063
Motor vehicle and other excise taxes	3,672,842	-	-	3,672,842
Tax liens	104,193	-	-	104,193
Payments in lieu of taxes	89,256	-	-	89,256
Charges for services	16,078	-	2,507,821	2,523,899
Trash disposal	1,712,901	-	-	1,712,901
Intergovernmental	30,747,336	-	6,608,576	37,355,912
Penalties and interest on taxes	293,015	-	-	293,015
Licenses and permits	1,755,766	-	73,618	1,829,384
Fines and forfeitures	4,775	-	-	4,775
Departmental and other	1,752,314	-	1,495,033	3,247,347
Contributions	-	-	571,739	571,739
Investment income	120,326	-	1,545,995	1,666,321
<b>TOTAL REVENUES</b>	<b>\$ 146,762,865</b>	<b>\$ -</b>	<b>\$ 12,802,782</b>	<b>\$ 159,565,647</b>
<b>EXPENDITURES</b>				
Current:				
General government	\$ 7,306,662	\$ -	\$ 935,983	\$ 8,242,645
Public safety	11,605,813	-	3,083,628	14,689,441
Education	57,117,226	3,183,363	5,807,700	66,108,289
Public works	9,338,917	-	2,338,450	11,677,367
Health and human services	1,067,425	-	613,395	1,680,820
Culture and recreation	1,937,915	-	114,787	2,052,702
Pension benefits	23,887,805	-	-	23,887,805
Employee benefits	12,802,019	-	-	12,802,019
Property and liability insurance	458,710	-	-	458,710
State and county charges	605,962	-	-	605,962
Debt service:				
Principal	7,805,100	-	-	7,805,100
Interest	4,861,000	-	-	4,861,000
<b>TOTAL EXPENDITURES</b>	<b>\$ 138,794,554</b>	<b>\$ 3,183,363</b>	<b>\$ 12,893,943</b>	<b>\$ 154,871,860</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURE</b>	<b>7,968,311</b>	<b>(3,183,363)</b>	<b>(91,161)</b>	<b>4,693,787</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds of Bonds and Notes	-	1,516,000	2,062,000	3,578,000
Premium from issuance of bonds and notes	-	185,022	462,285	647,307
Transfers In	1,383,316	-	718,680	2,101,996
Transfers out	(5,810,969)	-	(330,495)	(6,141,464)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(4,427,653)</b>	<b>1,701,022</b>	<b>2,912,470</b>	<b>185,839</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>3,540,658</b>	<b>(1,482,341)</b>	<b>2,821,309</b>	<b>4,879,626</b>
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<b>27,474,871</b>	<b>2,225,424</b>	<b>19,550,714</b>	<b>49,251,009</b>
<b>FUND BALANCES AT END OF YEAR</b>	<b>\$ 31,015,529</b>	<b>\$ 743,083</b>	<b>\$ 22,372,023</b>	<b>\$ 54,130,635</b>

(1) Extracted from audited financial statements of the Town.

**TOWN OF WINCHESTER, MASSACHUSETTS  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
JUNE 30, 2020 (1)**

	General	School Construction	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>				
Real estate and personal property taxes	\$ 100,243,867	\$ -	\$ -	\$ 100,243,867
Motor vehicle and other excise taxes	3,646,539	-	-	3,646,539
Tax liens	20,788	-	-	20,788
Payments in lieu of taxes	81,390	-	-	81,390
Charges for services	-	-	2,224,356	2,224,356
Trash disposal	1,532,817	-	-	1,532,817
Intergovernmental	27,762,553	1,907,556	3,488,847	33,158,956
Penalties and interest on taxes	191,532	-	-	191,532
Licenses, permits and fees	1,556,169	-	213,569	1,769,738
Fines and forfeitures	23,532	-	-	23,532
Departmental and other	1,575,972	-	1,881,509	3,457,481
Contributions	-	-	773,617	773,617
Investment income	516,600	-	213,001	729,601
<b>TOTAL REVENUES</b>	<b>\$ 137,151,759</b>	<b>\$ 1,907,556</b>	<b>\$ 8,794,899</b>	<b>\$ 147,854,214</b>
<b>EXPENDITURES</b>				
Current:				
General government	\$ 7,024,393	\$ -	\$ 1,008,851	\$ 8,033,244
Public safety	10,169,412	-	1,464,729	11,634,141
Education	69,313,863	6,947,385	4,279,616	80,540,864
Public works	8,374,655	-	720,665	9,095,320
Health and human services	1,143,567	-	308,696	1,452,263
Culture and recreation	2,417,587	-	161,320	2,578,907
Pension benefits	4,882,095	-	-	4,882,095
Employee benefits	12,115,666	-	-	12,115,666
Property and liability insurance	366,745	-	-	366,745
State and county charges	590,892	-	-	590,892
Debt service:				
Principal	7,610,000	-	-	7,610,000
Interest	5,037,079	-	-	5,037,079
<b>TOTAL EXPENDITURES</b>	<b>\$ 129,045,954</b>	<b>\$ 6,947,385</b>	<b>\$ 7,943,877</b>	<b>\$ 143,937,216</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>8,105,805</b>	<b>(5,039,829)</b>	<b>851,022</b>	<b>3,916,998</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Premium of bonds and notes	-	5,439,000	5,043,250	10,482,250
Premium from issuance of bonds and notes	-	261,000	507,677	768,677
Proceeds of refunding bonds	-	-	8,314,850	8,314,850
Premium from issuance of refunding bonds	-	-	1,225,150	1,225,150
Transfers In	1,546,913	80,000	1,020,640	2,647,553
Transfers out	(5,890,931)	-	(521,387)	(6,412,318)
Debt service - principal - current refunding	-	-	(9,540,000)	(9,540,000)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(4,344,018)</b>	<b>5,780,000</b>	<b>6,050,180</b>	<b>7,486,162</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>3,761,787</b>	<b>740,171</b>	<b>6,901,202</b>	<b>11,403,160</b>
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<b>23,713,084</b>	<b>1,385,253</b>	<b>12,364,247</b>	<b>37,462,584</b>
<b>FUND BALANCES AT END OF YEAR</b>	<b>\$ 27,474,871</b>	<b>\$ 2,125,424</b>	<b>\$ 19,265,449</b>	<b>\$ 48,865,744</b>

(1) Extracted from audited financial statements of the Town.

## Retirement System

The Town contributes to the Winchester Retirement System, a cost sharing multiple-employer defined benefit pension plan administered by the Winchester Retirement Board. Substantially all employees of the Town are members of the system, except for public school teachers and certain administrators, who are members of the Massachusetts Teacher's Retirement System.

The annual contributions to the contributory and non-contributory retirement systems for the most recent years are set forth below:

<u>Fiscal Year</u>	<u>Contributory</u>	<u>Non-Contributory</u>	<u>Total</u>
2025 (budgeted)	\$7,098,270	\$0	\$7,098,270
2024	6,765,032	0	6,765,032
2023	6,274,399	0	6,247,399
2022	5,828,164	0	5,828,164
2021	5,401,871	0	5,401,871
2020	5,132,390	0	5,132,390

(1) Includes an additional \$19,647 for military service.

Cost-of-living increases for each local retirement system may be granted and funded only by the local system, and only if it has established a funding schedule. Those statutory provisions are subject to acceptance by the local retirement board and approval by the local legislative body, which acceptance may not be revoked. The Winchester Retirement System has accepted this legislation. The Spring 2019 Annual Town Meeting approved \$2,000 in cost-of-living increases (base of \$12,000 increased to \$14,000).

As of January 1, 2023 the contributory retirement system had assets valued at \$164,024,072, an actuarial accrued liability of \$177,988,575 and a resulting estimated unfunded actuarial liability of \$13,964,503 assuming a 7.0% investment rate of return. The Town's current funding schedule fully amortizes the unfunded actuarial accrued liability to zero by 2027. The foregoing data do not include the retirement system costs or liabilities attributable to employees of the county or the retirement system costs or liabilities of any other entity of which the Town is a constituent part. The Town's current funding schedule for the unfunded liability is shown below.

<u>Fiscal Year</u>	<u>Normal Cost</u>	<u>Net 3(8)(c)</u>	<u>Amort. of UAL</u>	<u>Total Cost</u>	<u>Unfunded Act. Liab.</u>	<u>Increase in Total Cost</u>
2024	2,758,637	145,000	3,919,392	6,823,028	14,453,261	
2025	2,882,775	145,000	4,136,405	7,164,180	11,317,985	5.00%
2026	3,012,500	145,000	4,364,889	7,522,389	7,733,625	5.00%
2027	3,148,063	145,000	3,697,825	6,990,887	3,656,607	-7.07%
2028	3,289,725	145,000		3,434,725	0	-50.87%

All amounts assume payments will be made September 1 of each fiscal year.

Total appropriation assumed to increase 5.0% each year until FY26, with a final amortization payment in FY27.

FY24 normal cost includes assumed expenses of \$675,000 and is assumed to increase 4.5% per year.

FY24 appropriation was maintained at the same level as the prior schedule.

See Appendix A for additional information relating to the retirement systems.

## Other Post-Employment Benefits

In addition to pension benefits, cities and towns may provide retired employees with health care and life insurance benefits. The pay-as-you-go cost to the Town for such benefits in recent years has been as follows:

<u>Fiscal Year</u>	<u>Benefit Costs</u>
2025 (budgeted)	\$ 3,520,599
2024 (budgeted)	3,271,867
2023	3,113,474
2022	3,281,212
2021	3,109,480
2020	3,017,952

Under the Governmental Accounting Standards Board ("GASB") Statement Nos. 43 and 45, public sector entities are required to report the future costs of these non-pension, post-employment benefits in their financial statements. These accounting standards do not require pre-funding the payment of these costs as the liability for such costs accrue, but the basis applied by the standards for measurement of costs and liabilities for these benefits is conservative if they continue to be funded on a pay-as-you-go basis and will result in larger yearly cost and liability accruals than if the cost of such benefits were pre-funded in a trust fund in the same manner as traditional pension benefits. Cities and towns are authorized to establish such a trust fund for the purpose of paying claims. In addition, cities and towns may establish a trust fund for the purpose of pre-funding other post-employment benefits liability.

The Town was required to implement the GASB reporting requirements for other post-employment benefits beginning in fiscal year 2009. The Town has performed an actuarial valuation of its non-pension, post-employment benefit liability for the reporting date and fiscal year ending June 30, 2023 with a measurement date of June 30, 2023 and a valuation date of July 1, 2022. As of June 30, 2023, the total OPEB liability for benefits was \$140,751,140 and the plan fiduciary net position was \$5,834,347, resulting in a net OPEB liability of \$134,916,793 (assuming a 5.11% discount rate). The actuarial determined contribution (ADC) is an amount determined by the actuary pursuant to GASB Statement No. 74/75 which represents a level of funding that, if paid on an ongoing basis, is projected to cover the service cost each year and amortize any unfunded actuarial liabilities. As of June 30, 2023, the ADC was \$9,741,475.

The amount budgeted for the Town's OPEB liability has been decided on an annual basis. The Town has established an OPEB Trust Fund and the balance in the fund as of June 30, 2023 was \$5,834,167, and at the 2023 Spring Town Meeting an additional \$350,000 was appropriated into the OPEB Trust as part of the 2024 budget. The Town also approved a change in the plan design and increased the retiree premium contributions to between 25% and 50%. This change will reduce the Town's long-term OPEB liability and provide modest budgetary relief. The OPEB Trust Fund balance as of June 7, 2024 is \$6,717,543 and \$350,000 was appropriated into the OPEB Trust as part of the 2025 budget.

## LITIGATION

At present there are a number of suits pending in which the Town is a defendant. In the opinion of Town Counsel, none of the pending litigation is considered likely to result, either individually or in the aggregate, in final judgments that would materially affect the Town's financial position, including its ability to pay debt service on the Notes.

## TOWN OF WINTHROP, MASSACHUSETTS

## General

The Town of Winthrop, incorporated as a Town in 1852, is located in Suffolk County on a peninsula jutting into the Atlantic Ocean. The Town is bordered on the northwest by the cities of Boston and Revere and on the south and east by the Atlantic Ocean.

The principal highway serving the Town is State Route 145. Rail connections may be made in nearby Boston for all parts of the United States and Canada. Established competitive trucking firms offer local and long distance service. The Boston docks, bus and truck terminals and Logan International Airport are all easily accessible from Winthrop, thus providing ocean, land and air carrier service.

## Age, Income and Wealth Levels

	<u>Winthrop</u>	<u>Massachusetts</u>	<u>United States</u>
Median Age:			
2020	43.5	39.9	38.8
2010	43.7	39.1	37.2
2000	39.9	36.5	35.3
1990	37.1	33.6	32.9
Median Family Income:			
2020	\$ 104,087	\$ 106,526	\$ 80,069
2010	80,459	81,165	62,982
2000	65,696	61,664	50,046
1990	45,677	44,367	35,225
Per Capita Income:			
2020	\$ 46,347	\$ 45,555	\$ 35,384
2010	34,927	33,966	27,344
2000	27,374	25,952	21,587
1990	17,850	17,224	14,420

Source: U.S. Bureau of the Census.

## Labor Force, Employment and Unemployment Rate

According to the Massachusetts Executive Office of Labor and Workforce Development, in October 2024, the Town had a total labor force of 11,105 of whom 10,715 were employed and 390 or 3.5% were unemployed as compared to 3.7% for the Commonwealth.

The following table sets forth the Town's average labor force and unemployment rates for calendar years 2019 through 2023 and the unemployment rates for the Commonwealth and the country as a whole for the same period:

Calendar Year	Town of Winthrop		Unemployment Rate	
	Labor Force	Unemployment Rate	<u>Massachusetts</u>	<u>United States</u>
2023	10,880	3.1%	3.4%	3.6%
2022	10,824	3.4	3.8	3.6
2021	10,802	5.5	5.7	5.4
2020	10,420	6.5	8.9	8.1
2019	11,115	2.6	2.9	3.7

Source: Massachusetts Executive Office of Labor and Workforce Development.

## Tax Levy Computation

The following table illustrates the manner in which the tax levy was determined for the following fiscal years:

	Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2022	Fiscal 2021
Total Appropriations	\$ 77,684,129	\$ 75,623,731	\$ 72,051,114	\$ 68,380,214	\$ 67,065,155
Other Local Expenditures	49,384	43,104	39,753	111,486	170,763
State and County Charges	1,218,418	1,071,325	956,523	879,435	892,978
Overlay Reserve (1)	225,000	200,000	186,107	187,980	169,344
Gross Amount to be Raised	<u>\$ 79,176,931</u>	<u>\$ 76,938,160</u>	<u>\$ 73,233,497</u>	<u>\$ 69,559,115</u>	<u>\$ 68,298,240</u>
Offsets:					
Estimated Receipts from State	15,651,558	14,998,130	13,118,924	12,193,931	11,954,457
Estimated Receipts- Local	20,770,192	21,015,144	19,148,554	18,539,765	17,797,487
Appropriated from:					
Free Cash	2,135,573	1,178,909	2,201,916	1,331,126	2,196,719
Other Available Funds	1,282,679	1,720,910	2,047,215	1,816,431	1,218,382
Total Offsets	<u>\$ 39,840,002</u>	<u>\$ 38,913,093</u>	<u>\$ 36,516,609</u>	<u>\$ 33,881,252</u>	<u>\$ 33,167,045</u>
Tax Levy	\$ 39,336,929	\$ 38,025,067	\$ 36,716,888	\$ 35,677,863	\$ 35,131,196
Property Valuation	\$ 3,811,717,880	\$ 3,649,238,675	\$ 3,431,484,875	\$ 3,033,831,935	\$ 2,770,599,025

Tax Rate per \$1,000

Residential, Commercial, Industrial & Personal Property	\$ 10.32	\$ 10.42	\$ 10.70	\$ 11.76	\$ 12.68
Open Space	\$ 10.32	\$ 10.42	\$ 10.70	\$ 11.76	\$ 12.68

Source: Board of Assessors.

**NOTE:** Property tax rates may not be set by the local assessors until they have been approved by the Commissioner of Revenue.

(1) Allowance for abatements.

## Classification of Property

Following is a breakdown by property type of the Town's assessed valuations for the following fiscal years:

Property Type	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Valuation	% of Total	Valuation	% of Total	Valuation	% of Total
Residential	\$3,579,579,300	93.9 %	\$3,427,668,823	93.9 %	\$3,218,397,906	93.8 %
Open Space	116,100	0.0	111,800	0.0	102,600	0.0
Commercial	164,945,790	4.3	162,684,622	4.5	159,216,299	4.6
Industrial	4,845,100	0.1	5,815,000	0.2	5,475,300	0.2
Personal	62,231,590	1.6	52,958,430	1.5	48,292,770	1.4
Total	<u>\$3,811,717,880</u>	<u>100.0 %</u>	<u>\$3,649,238,675</u>	<u>100.0 %</u>	<u>\$3,431,484,875</u>	<u>100.0 %</u>

Source: Massachusetts Department of Revenue.

**Tax Collections**

Fiscal Year	Gross Tax Levy	Overlay Reserve For Abatements	Net Tax Levy (1)	% of Net Collected at June 30, 2024
2024	\$ 38,025,067	\$ 200,000	\$ 37,825,067	98.3 %
2023	36,716,888	186,107	36,530,781	98.4
2022	35,677,864	187,980	35,489,883	99.6
2021	35,131,196	169,344	34,961,852	99.8
2020	34,187,854	192,956	33,994,898	99.7

Source: Board of Assessors as to levies; Town Accountant as to collections.

(1) Gross tax levy less overlay reserve for abatements.

**Unused Levy Capacity (1)**

The following table sets forth the Town's tax levy limits and unused levy capacity for the following fiscal years:

	For Fiscal Year				
	2025	2024	2023	2022	2021
Primary Levy Limit (2)	\$ 95,292,947	\$ 91,230,967	\$ 85,787,122	\$ 75,845,798	\$ 69,264,976
Prior Fiscal Year Levy Limit	\$ 34,436,255	\$ 33,096,873	\$ 32,058,722	\$ 31,043,462	\$ 30,098,548
Amended Prior Year Growth	12,967	-	-	-	-
2.5% Levy Growth	861,231	827,422	801,468	776,087	752,464
Current Fiscal Year New Growth (3)	407,585	511,960	236,683	239,173	192,450
Current Fiscal Year Override	-	-	-	-	-
Growth Levy Limit	\$ 35,718,038	\$ 34,436,255	\$ 33,096,873	\$ 32,058,722	\$ 31,043,462
Current Fiscal Year Debt Exclusions	3,621,475	3,620,225	3,625,700	3,623,650	4,091,250
Current Fiscal Year Capital Expenditure Override	-	-	-	-	-
Tax Levy Limit	\$ 39,339,513	\$ 38,056,480	\$ 36,722,573	\$ 35,682,372	\$ 35,134,712
Tax Levy	39,336,929	38,025,067	36,716,888	35,677,864	35,131,196
Unused Levy Capacity (4)	\$ 2,584	\$ 31,413	\$ 5,685	\$ 4,508	\$ 3,516
Unused Primary Levy Capacity (5)	\$ 59,574,909	\$ 56,794,712	\$ 52,690,249	\$ 43,787,076	\$ 38,221,514

(1) Source: Massachusetts Department of Revenue.

(2) 2.5% of assessed valuation.

(3) Allowed increase for new valuations - certified by the Department of Revenue.

(4) Tax Levy Limit less Tax Levy.

(5) Primary Levy Limit less Growth Levy Limit.

## Operating Budget Trends

The following table sets forth the trend in the Town's operating budgets, as appropriated:

	Appropriated Fiscal 2025	Appropriated Fiscal 2024	Appropriated Fiscal 2023	Appropriated Fiscal 2022	Appropriated Fiscal 2021
General Government	\$ 5,453,530	\$ 5,054,504	\$ 5,277,831	\$ 5,552,225	\$ 6,960,732
Public Safety	9,043,658	8,678,979	7,778,354	7,722,426	7,562,774
Public Works	2,708,709	2,681,835	2,797,001	2,265,705	2,978,908
Education	37,454,862	36,248,505	24,933,628	23,840,979	23,076,454
Culture and Recreation	1,160,448	1,162,811	1,115,524	1,129,789	1,113,338
Pension and Fringe Benefits/ Debt Service	6,967,053	6,853,293	15,036,070	14,483,764	12,324,803
	<u>62,788,260</u>	<u>60,679,927</u>	<u>56,938,408</u>	<u>54,994,888</u>	<u>54,017,009</u>
Enterprise:					
Water & Sewer	11,238,172	10,811,591	10,847,296	10,607,802	10,335,415
Harbormaster	307,910	361,433	335,568	327,930	362,336
Ferry (1)	-	-	383,000	442,314	460,000
Recreation	420,000	403,550	378,125	334,668	342,956
Rink	366,800	358,374	300,692	300,000	323,466
Solid Waste (2)	2,018,541	2,060,282	1,889,317	1,865,328	-
Total Enterprise	<u>14,351,423</u>	<u>13,995,230</u>	<u>14,133,998</u>	<u>13,878,042</u>	<u>11,824,173</u>
Total	<u>\$ 77,139,683</u>	<u>\$ 74,675,157</u>	<u>\$ 71,072,406</u>	<u>\$ 68,872,930</u>	<u>\$ 65,841,182</u>

Source: Town Accountant.

- (1) As of July 2023, the Town of Winthrop has entered into an agreement with the MBTA to run the Ferry service. As such, no budget was voted for FY2024.
- (2) The Town created a Solid Waste enterprise fund part of the fiscal 2022 budget.

## Debt Ratios

	As of June 30,				
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Amount (1)	\$ 50,241,345	\$ 54,093,336	\$ 48,605,226	\$ 51,010,246	\$ 51,633,735
Per Capita Debt (2)	\$ 2,871	\$ 3,092	\$ 2,778	\$ 2,915	\$ 2,951
Percent of Assessed Valuation (3)	1.38%	1.58%	1.60%	1.84%	1.91%
Percent of Equalized Valuation (4)	1.58%	1.70%	1.69%	1.78%	2.16%
Debt Per Capita as a Percent of Per Capita Income (2)	8.22%	8.85%	7.95%	8.35%	8.45%

- (1) Excludes temporary loans, lease-purchase obligations, overlapping debt, unfunded pension liability and other post-employment benefits liability.
- (2) Source: U.S. Department of Commerce, Bureau of the Census - Latest applicable actuals or estimates.
- (3) Source: Board of Assessors - Assessed valuation as of the prior January 1.
- (4) Source: Massachusetts Department of Revenue. (Equalized valuation in effect for that fiscal year.)



**Unassigned General Fund Balance and Free Cash**

The following table presents the trend in the Town's unassigned general fund balances and free cash as certified by the Bureau of Accounts:

<u>Year</u>	<u>Unassigned General Fund Balance as of June 30 (1)</u>	<u>Certified Free Cash as of July 1</u>
2024	\$ 10,005,414 (2)	\$ 2,081,694
2023	9,113,741	2,138,224
2022	8,223,210	1,413,234
2021	8,140,813	2,274,052
2020	7,084,146	1,490,157
2019	6,796,195	2,523,142

(1) Source: Audited financial statements, except as noted below.

(2) Source: Unaudited estimate, preliminary and subject to revision and change.

**Stabilization Fund**

The Town maintains a stabilization fund that is accounted for in the Trust Funds. The Stabilization Fund plus accrued interest income may be appropriated at an annual or special town meeting for any municipal purpose. Below is the trend in Stabilization Fund Balances.

<u>Fiscal Year</u>	<u>Stabilization Fund</u>
2024	\$ 4,292,388
2023	3,426,983
2022	2,877,063
2021	2,190,476
2020	2,412,710

**Capital Stabilization Fund**

In fiscal 2014, the Town established a Capital Stabilization Fund to assist in the strategic planning of its capital needs. Below is the trend in Capital Stabilization Fund Balances.

<u>Fiscal Year</u>	<u>Capital Stabilization Fund</u>
2024	\$ 2,840,281
2023	2,936,364
2022	3,241,598
2021	2,923,316
2020	2,390,966

### Building Maintenance Stabilization Fund

In fiscal 2014, the Town also established Building Maintenance Stabilization Fund for the any extraordinary unforeseen facility maintenance expenditures relating to all town building facilities. Below is the trend in Building Maintenance Stabilization Fund Balances.

<u>Fiscal Year</u>	<u>Building Maintenance Stabilization Fund</u>
2024	\$ 303,050
2023	233,965
2022	300,472
2021	300,079
2020	301,336

### Enterprise Funds

The Town maintains five enterprise funds.

The Water and Sewer Enterprise Fund accounts for user charges collected to finance costs associated with maintaining the related infrastructure by which the water and sewer is processed, within the Town boundaries.

The Skating Rink Enterprise Fund accounts for user charges collected to finance costs associated with maintaining the Town's skating rink.

The Recreation Enterprise Fund accounts for user charges collected to finance costs associated with the Town's recreational activities.

In addition, the Town has a Harbormaster/Waterways Enterprise Fund and a Solid Waste Enterprise Fund.

### Financial Statements

Set forth on the following pages are Governmental Funds Balance Sheets for fiscal years ending June 30, 2024 (unaudited), June 30, 2023, June 30, 2022 and June 30, 2021, and Statements of Revenues, Expenditures and Changes in Fund Balance for fiscal years ending June 30, 2024 (unaudited) through June 30, 2019. Said statements have been extracted from the Town's audited financial statements with the exception of fiscal 2024 which are unaudited and therefore subject to change.

**GOVERNMENTAL FUNDS  
BALANCE SHEET**

UNAUDITED

JUNE 30, 2024

	General	COVID Grants Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash and cash equivalents.....	\$ 13,980,815	\$ 1,286,404	\$ 6,268,012	\$ 21,535,231
Receivables, net of uncollectibles:				
Real estate and personal property taxes.....	447,902	-	-	447,902
Tax liens.....	693,960	-	-	693,960
Motor vehicle and other excise taxes.....	539,712	-	-	539,712
Intergovernmental.....	-	84,352	-	84,352
<b>TOTAL ASSETS.....</b>	<b>\$ 15,662,389</b>	<b>\$ 1,370,756</b>	<b>\$ 6,268,012</b>	<b>\$ 23,301,157</b>
<b>LIABILITIES</b>				
Warrants payable.....	\$ 963,377	\$ 151,042	\$ 811,614	\$ 1,926,033
Accrued payroll.....	604,818	4,639	80,811	690,268
Other liabilities.....	203,418	-	10,000	213,418
Unearned revenue.....	-	1,215,075	-	1,215,075
<b>TOTAL LIABILITIES.....</b>	<b>1,771,613</b>	<b>1,370,756</b>	<b>902,425</b>	<b>4,044,794</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue.....	1,463,909	-	-	1,463,909
<b>FUND BALANCES</b>				
Nonspendable.....	-	-	691,395	691,395
Restricted.....	-	-	4,674,192	4,674,192
Committed.....	733,427	-	-	733,427
Assigned.....	1,688,026	-	-	1,688,026
Unassigned.....	10,005,414	-	-	10,005,414
<b>TOTAL FUND BALANCES.....</b>	<b>12,426,867</b>	<b>-</b>	<b>5,365,587</b>	<b>17,792,454</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES.....</b>	<b>\$ 15,662,389</b>	<b>\$ 1,370,756</b>	<b>\$ 6,268,012</b>	<b>\$ 23,301,157</b>

SOURCE: Extracted from the unaudited financial statements of the Town, subject to revision and change.

## TOWN OF WINTHROP, MASSACHUSETTS

GOVERNMENTAL FUNDS  
BALANCE SHEET

JUNE 30, 2023

	General	COVID Grants Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash and cash equivalents.....	\$ 11,464,346	\$ 2,931,781	\$ 5,748,074	\$ 20,144,201
Receivables, net of uncollectibles:				
Real estate and personal property taxes.....	552,142	-	-	552,142
Tax liens.....	449,654	-	-	449,654
Motor vehicle and other excise taxes.....	313,497	-	-	313,497
Intergovernmental.....	82,764	129,555	22,118	234,437
<b>TOTAL ASSETS.....</b>	<b>\$ 12,862,403</b>	<b>\$ 3,061,336</b>	<b>\$ 5,770,192</b>	<b>\$ 21,693,931</b>
<b>LIABILITIES</b>				
Warrants payable.....	\$ 618,021	\$ 32,617	\$ 221,367	\$ 872,005
Accrued payroll.....	417,350	-	70,802	488,152
Other liabilities.....	204,252	-	10,000	214,252
Unearned revenue.....	-	3,028,719	-	3,028,719
<b>TOTAL LIABILITIES.....</b>	<b>1,239,623</b>	<b>3,061,336</b>	<b>302,169</b>	<b>4,603,128</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue.....	1,157,295	-	22,118	1,179,413
<b>FUND BALANCES</b>				
Nonspendable.....	-	-	679,685	679,685
Restricted.....	-	-	4,766,220	4,766,220
Committed.....	712,897	-	-	712,897
Assigned.....	638,847	-	-	638,847
Unassigned.....	9,113,741	-	-	9,113,741
<b>TOTAL FUND BALANCES.....</b>	<b>10,465,485</b>	<b>-</b>	<b>5,445,905</b>	<b>15,911,390</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES.....</b>	<b>\$ 12,862,403</b>	<b>\$ 3,061,336</b>	<b>\$ 5,770,192</b>	<b>\$ 21,693,931</b>

SOURCE: Extracted from the audited financial statements of the Town.

## TOWN OF WINTHROP, MASSACHUSETTS

GOVERNMENTAL FUNDS  
BALANCE SHEET

JUNE 30, 2022

	General	COVID Grants Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash and cash equivalents.....	\$ 10,714,950	\$ 1,239,617	\$ 5,387,375	\$ 17,341,942
Receivables, net of uncollectibles:				
Real estate and personal property taxes.....	788,671	-	-	788,671
Tax liens.....	269,428	-	-	269,428
Motor vehicle and other excise taxes.....	310,159	-	-	310,159
Intergovernmental.....	-	969,226	21,031	990,257
Due from other funds.....	3,419	-	-	3,419
<b>TOTAL ASSETS.....</b>	<b>\$ 12,086,627</b>	<b>\$ 2,208,843</b>	<b>\$ 5,408,406</b>	<b>\$ 19,703,876</b>
<b>LIABILITIES</b>				
Warrants payable.....	\$ 497,086	\$ 51,216	\$ 197,363	\$ 745,665
Accrued payroll.....	444,503	2,492	57,824	504,819
Other liabilities.....	185,408	-	5,000	190,408
Unearned revenue.....	-	2,155,135	-	2,155,135
<b>TOTAL LIABILITIES.....</b>	<b>1,126,997</b>	<b>2,208,843</b>	<b>260,187</b>	<b>3,596,027</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue.....	1,190,291	-	21,031	1,211,322
<b>FUND BALANCES</b>				
Nonspendable.....	-	-	690,785	690,785
Restricted.....	-	-	4,436,403	4,436,403
Committed.....	468,714	-	-	468,714
Assigned.....	1,077,415	-	-	1,077,415
Unassigned.....	8,223,210	-	-	8,223,210
<b>TOTAL FUND BALANCES.....</b>	<b>9,769,339</b>	<b>-</b>	<b>5,127,188</b>	<b>14,896,527</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES.....</b>	<b>\$ 12,086,627</b>	<b>\$ 2,208,843</b>	<b>\$ 5,408,406</b>	<b>\$ 19,703,876</b>

SOURCE: Extracted from audited financial statements of the Town.

## TOWN OF WINTHROP, MASSACHUSETTS

GOVERNMENTAL FUNDS  
BALANCE SHEET

JUNE 30, 2021

	General	COVID Grants Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash and cash equivalents.....	\$ 10,782,967	\$ 1,069,324	\$ 6,325,250	\$ 18,177,541
Receivables, net of uncollectibles:				
Real estate and personal property taxes.....	804,146	-	-	804,146
Tax liens.....	191,277	-	-	191,277
Motor vehicle and other excise taxes.....	460,018	-	-	460,018
Intergovernmental.....	-	258,982	7,322	266,304
Due from other funds.....	32,919	-	-	32,919
<b>TOTAL ASSETS.....</b>	<b>\$ 12,271,327</b>	<b>\$ 1,328,306</b>	<b>\$ 6,332,572</b>	<b>\$ 19,932,205</b>
<b>LIABILITIES</b>				
Warrants payable.....	\$ 998,903	\$ 50,011	\$ 471,308	\$ 1,520,222
Accrued payroll.....	352,733	3,282	46,214	402,229
Other liabilities.....	171,703	-	5,000	176,703
Unearned revenue.....	-	1,275,013	-	1,275,013
<b>TOTAL LIABILITIES.....</b>	<b>1,523,339</b>	<b>1,328,306</b>	<b>522,522</b>	<b>3,374,167</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue.....	1,301,759	-	7,322	1,309,081
<b>FUND BALANCES</b>				
Nonspendable.....	-	-	674,455	674,455
Restricted.....	-	-	5,128,273	5,128,273
Committed.....	549,306	-	-	549,306
Assigned.....	756,110	-	-	756,110
Unassigned.....	8,140,813	-	-	8,140,813
<b>TOTAL FUND BALANCES.....</b>	<b>9,446,229</b>	<b>-</b>	<b>5,802,728</b>	<b>15,248,957</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES.....</b>	<b>\$ 12,271,327</b>	<b>\$ 1,328,306</b>	<b>\$ 6,332,572</b>	<b>\$ 19,932,205</b>

SOURCE: Extracted from audited financial statements of the Town.



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

UNAUDITED

YEAR ENDED JUNE 30, 2024

	General	COVID Grants Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>				
Real estate and personal property taxes, net of tax refunds.....	\$ 37,552,582	\$ -	\$ -	\$ 37,552,582
Tax liens.....	150,453	-	-	150,453
Motor vehicle and boat excise taxes.....	2,359,891	-	-	2,359,891
Hotel/motel tax.....	127,292	-	-	127,292
Meals tax.....	263,983	-	-	263,983
Charges for services.....	-	-	1,521,577	1,521,577
Penalties and interest on taxes.....	165,756	-	-	165,756
Fees and rentals.....	413,207	-	54,093	467,300
Licenses and permits.....	607,637	-	-	607,637
Fines and forfeitures.....	270,165	-	-	270,165
Intergovernmental - Teachers Retirement.....	4,595,979	-	-	4,595,979
Intergovernmental - other.....	18,219,332	1,813,644	6,543,143	26,576,119
Departmental and other.....	157,998	-	919,429	1,077,427
Contributions and donations.....	-	-	49,789	49,789
Investment income.....	648,907	-	7,530	656,437
<b>TOTAL REVENUES.....</b>	<b>65,533,182</b>	<b>1,813,644</b>	<b>9,095,561</b>	<b>76,442,387</b>
<b>EXPENDITURES:</b>				
Current:				
General government.....	2,543,635	17,579	1,581,258	4,142,472
Public safety.....	8,127,531	14,762	1,195,926	9,338,219
Education.....	32,454,656	1,778,859	4,610,527	38,844,042
Public works.....	2,705,494	2,444	387,538	3,095,476
Human services.....	474,098	-	1,020,017	1,494,115
Library.....	593,149	-	292,998	886,147
Pension benefits.....	2,451,641	-	-	2,451,641
Pension benefits - Teachers Retirement.....	4,595,979	-	-	4,595,979
Employee benefits.....	2,520,608	-	-	2,520,608
State and county charges.....	1,296,304	-	-	1,296,304
Capital outlay.....	1,139,843	-	-	1,139,843
Debt service:				
Principal.....	2,566,443	-	-	2,566,443
Interest.....	1,440,034	-	-	1,440,034
<b>TOTAL EXPENDITURES.....</b>	<b>62,909,415</b>	<b>1,813,644</b>	<b>9,088,264</b>	<b>73,811,323</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>2,623,767</b>	<b>-</b>	<b>7,297</b>	<b>2,631,064</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in.....	181,179	-	93,564	274,743
Transfers out.....	(843,564)	-	(181,179)	(1,024,743)
<b>TOTAL OTHER FINANCING SOURCES (USES).....</b>	<b>(662,385)</b>	<b>-</b>	<b>(87,615)</b>	<b>(750,000)</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>1,961,382</b>	<b>-</b>	<b>(80,318)</b>	<b>1,881,064</b>
<b>FUND BALANCES AT BEGINNING OF YEAR.....</b>	<b>10,465,485</b>	<b>-</b>	<b>5,445,905</b>	<b>15,911,390</b>
<b>FUND BALANCES AT END OF YEAR.....</b>	<b>\$ 12,426,867</b>	<b>\$ -</b>	<b>\$ 5,365,587</b>	<b>\$ 17,792,454</b>

SOURCE: Extracted from the unaudited financial statements of the Town, subject to revision and change.

## TOWN OF WINTHROP, MASSACHUSETTS

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

YEAR ENDED JUNE 30, 2023

	General	COVID Grants Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>				
Real estate and personal property taxes, net of tax refunds.....	\$ 36,383,271	\$ -	\$ -	\$ 36,383,271
Tax liens.....	197,262	-	-	197,262
Motor vehicle and boat excise taxes.....	2,214,547	-	-	2,214,547
Hotel/motel tax.....	67,739	-	-	67,739
Meals tax.....	263,677	-	-	263,677
Charges for services.....	-	-	1,671,991	1,671,991
Penalties and interest on taxes.....	158,259	-	-	158,259
Fees and rentals.....	445,977	-	3,512	449,489
Licenses and permits.....	570,756	-	-	570,756
Fines and forfeitures.....	392,922	-	-	392,922
Intergovernmental - Teachers Retirement.....	4,144,277	-	-	4,144,277
Intergovernmental - other.....	16,169,811	3,073,878	5,606,555	24,850,244
Departmental and other.....	157,751	-	516,842	674,593
Contributions and donations.....	-	-	64,133	64,133
Investment income.....	357,941	-	2,762	360,703
<b>TOTAL REVENUES.....</b>	<b>61,524,190</b>	<b>3,073,878</b>	<b>7,865,795</b>	<b>72,463,863</b>
<b>EXPENDITURES:</b>				
Current:				
General government.....	2,330,911	218,156	513,657	3,062,724
Public safety.....	8,129,427	-	1,093,900	9,223,327
Education.....	24,523,672	1,525,890	4,022,303	30,071,865
Public works.....	3,166,605	1,235,718	981,136	5,383,459
Human services.....	460,648	94,114	569,131	1,123,893
Library.....	585,577	-	302,325	887,902
Pension benefits.....	3,463,223	-	-	3,463,223
Pension benefits - Teachers Retirement.....	4,144,277	-	-	4,144,277
Employee benefits.....	7,248,110	-	-	7,248,110
State and county charges.....	1,071,577	-	-	1,071,577
Capital outlay.....	1,366,188	-	-	1,366,188
Debt service:				
Principal.....	2,463,651	-	-	2,463,651
Interest.....	1,549,600	-	-	1,549,600
<b>TOTAL EXPENDITURES.....</b>	<b>60,503,466</b>	<b>3,073,878</b>	<b>7,482,452</b>	<b>71,059,796</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>1,020,724</b>	<b>-</b>	<b>383,343</b>	<b>1,404,067</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Capital financing.....	614,996	-	-	614,996
Transfers in.....	108,426	-	43,800	152,226
Transfers out.....	(1,048,000)	-	(108,426)	(1,156,426)
<b>TOTAL OTHER FINANCING SOURCES (USES).....</b>	<b>(324,578)</b>	<b>-</b>	<b>(64,626)</b>	<b>(389,204)</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>696,146</b>	<b>-</b>	<b>318,717</b>	<b>1,014,863</b>
<b>FUND BALANCES AT BEGINNING OF YEAR.....</b>	<b>9,769,339</b>	<b>-</b>	<b>5,127,188</b>	<b>14,896,527</b>
<b>FUND BALANCES AT END OF YEAR.....</b>	<b>\$ 10,465,485</b>	<b>\$ -</b>	<b>\$ 5,445,905</b>	<b>\$ 15,911,390</b>

SOURCE: Extracted from audited financial statements of the Town.



## TOWN OF WINTHROP, MASSACHUSETTS

## GOVERNMENTAL FUNDS

## STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2022

	General	COVID Grants Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>				
Real estate and personal property taxes, net of tax refunds.....	\$ 35,504,636	\$ -	\$ -	\$ 35,504,636
Tax liens.....	49,022	-	-	49,022
Motor vehicle and boat excise taxes.....	2,287,014	-	-	2,287,014
Hotel/motel tax.....	63,285	-	-	63,285
Meals tax.....	232,961	-	-	232,961
Charges for services.....	-	-	1,485,671	1,485,671
Penalties and interest on taxes.....	136,621	-	-	136,621
Fees and rentals.....	348,285	-	18,085	366,370
Licenses and permits.....	547,692	-	-	547,692
Fines and forfeitures.....	151,937	-	-	151,937
Intergovernmental - Teachers Retirement.....	3,459,482	-	-	3,459,482
Intergovernmental - other.....	15,141,222	3,995,995	4,969,494	24,106,711
Departmental and other.....	107,806	-	581,589	689,395
Contributions and donations.....	-	-	52,085	52,085
Investment income.....	24,868	-	2,520	27,388
<b>TOTAL REVENUES.....</b>	<b>58,054,831</b>	<b>3,995,995</b>	<b>7,109,444</b>	<b>69,160,270</b>
<b>EXPENDITURES:</b>				
Current:				
General government.....	2,250,826	160,460	866,192	3,277,478
Public safety.....	7,525,548	1,772	1,196,435	8,723,755
Education.....	23,251,897	1,404,891	4,625,807	29,282,595
Public works.....	3,308,274	2,109,395	587,747	6,005,416
Human services.....	491,942	52,699	397,573	942,214
Library.....	552,444	-	204,889	757,333
Pension benefits.....	3,470,977	-	-	3,470,977
Pension benefits - Teachers Retirement.....	3,459,482	-	-	3,459,482
Employee benefits.....	6,688,227	-	-	6,688,227
State and county charges.....	933,250	-	-	933,250
Capital outlay.....	570,722	-	-	570,722
Debt service:				
Principal.....	2,344,174	-	-	2,344,174
Interest.....	1,642,818	-	-	1,642,818
<b>TOTAL EXPENDITURES.....</b>	<b>56,480,581</b>	<b>3,729,217</b>	<b>7,878,643</b>	<b>68,098,441</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>1,564,250</b>	<b>266,778</b>	<b>(769,199)</b>	<b>1,061,829</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in.....	250,714	-	477,595	728,309
Transfers out.....	(1,491,854)	(400,000)	(250,714)	(2,142,568)
<b>TOTAL OTHER FINANCING SOURCES (USES).....</b>	<b>(1,241,140)</b>	<b>(400,000)</b>	<b>226,881</b>	<b>(1,414,259)</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>323,110</b>	<b>(133,222)</b>	<b>(542,318)</b>	<b>(352,430)</b>
<b>FUND BALANCES AT BEGINNING OF YEAR.....</b>	<b>9,446,229</b>	<b>133,222</b>	<b>5,669,506</b>	<b>15,248,957</b>
<b>FUND BALANCES AT END OF YEAR.....</b>	<b>\$ 9,769,339</b>	<b>\$ -</b>	<b>\$ 5,127,188</b>	<b>\$ 14,896,527</b>

SOURCE: Extracted from audited financial statements of the Town.

## TOWN OF WINTROP, MASSACHUSETTS

## GOVERNMENTAL FUNDS

## STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2021

	General	COVID Grants Fund	Nonmajor Governmental Funds	Total Governmental Funds
<u>REVENUES:</u>				
Real estate and personal property taxes, net of tax refunds.....	\$ 35,061,125	\$ -	\$ -	\$ 35,061,125
Tax liens.....	148,531	-	-	148,531
Motor vehicle and boat excise taxes.....	2,153,994	-	-	2,153,994
Hotel/motel tax.....	27,715	-	-	27,715
Meals tax.....	196,100	-	-	196,100
Charges for services.....	-	-	1,212,924	1,212,924
Penalties and interest on taxes.....	165,267	-	-	165,267
Fees and rentals.....	434,428	-	5,259	439,687
Licenses and permits.....	474,391	-	-	474,391
Fines and forfeitures.....	137,690	-	-	137,690
Intergovernmental - Teachers Retirement.....	6,730,232	-	-	6,730,232
Intergovernmental - other.....	14,445,227	1,987,518	4,625,598	21,058,343
Departmental and other.....	118,345	-	294,220	412,565
Contributions and donations.....	-	-	142,388	142,388
Investment income.....	59,093	-	6,958	66,051
<b>TOTAL REVENUES.....</b>	<b>60,152,138</b>	<b>1,987,518</b>	<b>6,287,347</b>	<b>68,427,003</b>
<u>EXPENDITURES:</u>				
Current:				
General government.....	2,394,273	335,012	495,085	3,224,370
Public safety.....	7,006,778	344,558	1,026,613	8,377,949
Education.....	23,098,038	903,657	4,088,599	28,090,294
Public works.....	4,190,215	95,446	2,021,912	6,307,573
Human services.....	399,817	333,123	104,600	837,540
Library.....	377,046	7,078	160,341	544,465
Pension benefits.....	3,330,459	-	-	3,330,459
Pension benefits - Teachers Retirement.....	6,730,232	-	-	6,730,232
Employee benefits.....	6,301,398	-	-	6,301,398
State and county charges.....	897,898	-	-	897,898
Capital outlay.....	387,555	-	-	387,555
Debt service:				
Principal.....	2,490,000	-	-	2,490,000
Interest.....	1,662,250	-	-	1,662,250
<b>TOTAL EXPENDITURES.....</b>	<b>59,265,959</b>	<b>2,018,874</b>	<b>7,897,150</b>	<b>69,181,983</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>886,179</b>	<b>(31,356)</b>	<b>(1,609,803)</b>	<b>(754,980)</b>
<u>OTHER FINANCING SOURCES (USES):</u>				
Premium from issuance of bonds.....	-	-	201,018	201,018
Transfers in.....	319,366	-	63,571	382,937
Transfers out.....	(141,630)	-	(382,937)	(524,567)
<b>TOTAL OTHER FINANCING SOURCES (USES).....</b>	<b>177,736</b>	<b>-</b>	<b>(118,348)</b>	<b>59,388</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>1,063,915</b>	<b>(31,356)</b>	<b>(1,728,151)</b>	<b>(695,592)</b>
<b>FUND BALANCES AT BEGINNING OF YEAR (AS REVISED).....</b>	<b>8,382,314</b>	<b>31,356</b>	<b>7,530,879</b>	<b>15,944,549</b>
<b>FUND BALANCES AT END OF YEAR.....</b>	<b>\$ 9,446,229</b>	<b>\$ -</b>	<b>\$ 5,802,728</b>	<b>\$ 15,248,957</b>

SOURCE: Extracted from audited financial statements of the Town.

## TOWN OF WINTROP, MASSACHUSETTS

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

YEAR ENDED JUNE 30, 2020

	General	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>			
Real estate and personal property taxes, net of tax refunds.....	\$ 33,720,262	\$ -	\$ 33,720,262
Tax liens.....	102,932	-	102,932
Motor vehicle and boat excise taxes.....	2,236,326	-	2,236,326
Hotel/motel tax.....	129,171	-	129,171
Meals tax.....	196,095	-	196,095
Charges for services.....	-	847,173	847,173
Penalties and interest on taxes.....	124,787	-	124,787
Fees and rentals.....	325,138	3,958	329,096
Licenses and permits.....	445,640	-	445,640
Fines and forfeitures.....	267,259	-	267,259
Intergovernmental - Teachers Retirement.....	5,651,975	-	5,651,975
Intergovernmental - other.....	14,376,755	5,628,277	20,005,032
Intergovernmental - COVID-19 relief.....	-	208,826	208,826
Departmental and other.....	78,382	400,728	479,110
Insurance proceeds.....	-	1,500,000	1,500,000
Contributions and donations.....	-	57,987	57,987
Investment income.....	263,752	19,531	283,283
<b>TOTAL REVENUES.....</b>	<b>57,918,474</b>	<b>8,666,480</b>	<b>66,584,954</b>
<b>EXPENDITURES:</b>			
Current:			
General government.....	2,423,290	478,961	2,902,251
Public safety.....	7,700,317	748,201	8,448,518
Education.....	21,739,817	2,976,498	24,716,315
Public works.....	3,819,665	783,294	4,602,959
Human services.....	438,369	197,238	635,607
Library.....	541,164	172,423	713,587
COVID-19.....	-	208,826	208,826
Pension benefits.....	3,201,545	-	3,201,545
Pension benefits - Teachers Retirement.....	5,651,975	-	5,651,975
Employee benefits.....	5,795,051	-	5,795,051
Legal settlements.....	263,972	2,763,028	3,027,000
State and county charges.....	900,322	-	900,322
Capital outlay.....	795,062	-	795,062
Debt service:			
Principal.....	2,410,000	-	2,410,000
Interest.....	1,748,950	-	1,748,950
<b>TOTAL EXPENDITURES.....</b>	<b>57,429,499</b>	<b>8,328,469</b>	<b>65,757,968</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>488,975</b>	<b>338,011</b>	<b>826,986</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Issuance of bonds.....	-	1,098,000	1,098,000
Transfers in.....	630,140	50,000	680,140
Transfers out.....	(53,000)	(630,140)	(683,140)
<b>TOTAL OTHER FINANCING SOURCES (USES)...</b>	<b>577,140</b>	<b>517,860</b>	<b>1,095,000</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>1,066,115</b>	<b>855,871</b>	<b>1,921,986</b>
<b>FUND BALANCES AT BEGINNING OF YEAR.....</b>	<b>7,316,199</b>	<b>6,594,118</b>	<b>13,910,317</b>
<b>FUND BALANCES AT END OF YEAR.....</b>	<b>\$ 8,382,314</b>	<b>\$ 7,449,989</b>	<b>\$ 15,832,303</b>

SOURCE: Extracted from audited financial statements of the Town.

## TOWN OF WINTHROP, MASSACHUSETTS (1)

## GOVERNMENTAL FUNDS

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2019

	General	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>			
Real estate and personal property taxes, net of tax refunds.....	\$ 32,945,811	\$ -	\$ 32,945,811
Tax liens.....	473,508	-	473,508
Motor vehicle and boat excise taxes.....	2,279,796	-	2,279,796
Hotel/motel tax.....	120,530	-	120,530
Meals tax.....	190,384	-	190,384
Charges for services.....	-	1,049,532	1,049,532
Penalties and interest on taxes.....	279,221	-	279,221
Fees and rentals.....	303,504	50,162	353,666
Licenses and permits.....	432,182	-	432,182
Fines and forfeitures.....	437,139	-	437,139
Intergovernmental - Teachers Retirement.....	4,520,422	-	4,520,422
Intergovernmental - other.....	13,907,157	6,212,763	20,119,920
Departmental and other.....	142,394	336,027	478,421
Contributions and donations.....	-	88,063	88,063
Investment income.....	245,029	26,949	271,978
<b>TOTAL REVENUES.....</b>	<b>56,277,077</b>	<b>7,763,496</b>	<b>64,040,573</b>
<b>EXPENDITURES:</b>			
Current:			
General government.....	2,373,886	699,989	3,073,875
Public safety.....	7,730,460	643,289	8,373,749
Education.....	20,924,501	3,397,441	24,321,942
Public works.....	4,639,588	893,273	5,532,861
Human services.....	443,684	155,846	599,530
Library.....	574,832	181,429	756,261
Pension benefits.....	3,080,531	-	3,080,531
Pension benefits - Teachers Retirement.....	4,520,422	-	4,520,422
Employee benefits.....	5,728,570	-	5,728,570
State and county charges.....	1,021,572	-	1,021,572
Capital outlay.....	1,149,477	-	1,149,477
Debt service:			
Principal.....	2,340,000	-	2,340,000
Interest.....	1,823,675	-	1,823,675
<b>TOTAL EXPENDITURES.....</b>	<b>56,351,198</b>	<b>5,971,267</b>	<b>62,322,465</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>(74,121)</b>	<b>1,792,229</b>	<b>1,718,108</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Capital lease financing.....	654,894	-	654,894
Transfers in.....	71,022	98,214	169,236
Transfers out.....	(225,901)	(109,485)	(335,386)
<b>TOTAL OTHER FINANCING SOURCES (USES).....</b>	<b>500,015</b>	<b>(11,271)</b>	<b>488,744</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>425,894</b>	<b>1,780,958</b>	<b>2,206,852</b>
<b>FUND BALANCES AT BEGINNING OF YEAR.....</b>	<b>6,890,305</b>	<b>4,813,160</b>	<b>11,703,465</b>
<b>FUND BALANCES AT END OF YEAR.....</b>	<b>\$ 7,316,199</b>	<b>\$ 6,594,118</b>	<b>\$ 13,910,317</b>

(1) Extracted from the audited financial statements of the Town.



## Retirement System

The Town contributes to the Town of Winthrop Employees Retirement System (the "Plan"), a multi-employer plan established under Chapter 32 of the General Laws of the Commonwealth of Massachusetts. The Plan is administered by the Town of Winthrop. Substantially all full time and some part time employees of the Town, except teachers (whose pension is provided by the Commonwealth) and certain administrative personnel employed by the School Department, participate in the Plan.

Membership in the Plan as of January 1, 2023 is as follows:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	194
Active members	265
Inactive members	<u>87</u>
Total	<u>546</u>

The following table sets forth a five-year history and the current year estimate of the annual contributions of the Town to the System:

<u>Year Ending December 31</u>	<u>Contributory</u>
2025 (budgeted)	\$3,888,052
2024	3,726,034
2023	3,762,250
2022	3,722,480
2021	3,577,790
2020	3,650,448

Source: Town Accountant.

The unfunded actuarial accrued liability of the Plan as of January 1, 2023 was calculated as follows:

Actuarial Accrued Liability	\$96,580,757
Less Actuarial Value of Assets	<u>98,643,398</u>
Unfunded Actuarial Accrued Liability	<u>(\$2,062,641)</u>

## Funding Schedule (As of January 1, 2023)

<u>Fiscal Year</u>	<u>Normal Cost</u>	<u>Net 3(8)(c)</u>	<u>Amort. of UAL</u>	<u>Total Cost</u>	<u>Unfunded Act. Liab.</u>	<u>Total Cost % Increase</u>
2024	2,121,465	300,000	1,526,860	3,948,325	(2,132,255)	
2025	2,216,931	300,000	1,158,069	3,675,000	(3,888,558)	(6.9%)
2026	2,316,693	300,000	783,307	3,400,000	(5,373,966)	(7.5%)
2027	2,420,944	300,000	394,056	3,115,000	(6,563,887)	(8.4%)
2028	2,529,886	300,000		2,829,886	(7,423,076)	(9.2%)
2029	2,643,731	300,000		2,943,731	(7,924,134)	4.0%

All amounts assume payments will be made September 1 of each fiscal year.

The schedule phases down total appropriation to Normal Cost by FY28.

Normal cost includes assumed expenses of \$575,000 and is assumed to increase 4.5% per year.

FY24 appropriation was maintained at the same level as the current schedule.

Source: January 1, 2023 Actuarial Valuation Report of the Winthrop Retirement System and PERAC.

**Other Post-Employment Benefits**

In addition to pension benefits, cities and towns may provide retired employees with health care and life insurance benefits. The portion of the cost of such benefits paid by cities and towns is generally provided on a pay-as-you-go basis.

In addition to pension benefits, cities and towns may provide retired employees with health care and life insurance benefits. The portion of the cost of such benefits paid by cities and towns is generally provided on a pay-as-you-go basis. The Governmental Accounting Standards Board ("GASB") promulgated accounting standards that require public sector entities to report the future costs of these non-pension, post-employment benefits in their financial statements. These accounting standards do not require pre-funding the payment of these costs as the liability for such costs accrues, but the basis applied by the standards for measurement of costs and liabilities for these benefits is conservative if they continue to be funded on a pay-as-you-go basis and will result in larger yearly cost and liability accruals than if the cost of such benefits were pre-funded in a trust fund in the same manner as traditional pension benefits. Cities and towns that choose to self-insure all or a portion of the cost of the health care benefits they provide to employees and retirees may establish a trust fund for the purpose of paying claims. In addition, cities and towns may establish a trust fund for the purpose of pre-funding other post-employment benefits liability in the same manner as traditional pension benefits.

The Town had an actuarial valuation performed as of June 30, 2024. Based on a 4.21% interest discount rate, the total OPEB liability was \$93,759,505 and the plan fiduciary net position was \$499,855, resulting in a net OPEB liability of \$93,259,650. The actuarially determined contribution was \$6,621,220 for the fiscal year ended June 30, 2024.

The fiscal 2016 budget established an OPEB Trust Fund. The balance in the fund as of June 30, 2024 was \$499,855.

**LITIGATION**

There are various cases pending in courts throughout the Commonwealth where the Town of Winthrop is a defendant. In the opinion of Town Counsel, no litigation is pending, or to her knowledge threatened, which is likely to result, either individually or in the aggregate, in final judgments against the Town materially affecting its financial position.

**CITY OF WOBURN, MASSACHUSETTS**

**General**

The City of Woburn, Massachusetts (the "City") is located in Middlesex County approximately 10 miles northwest of Boston. The City is bordered by the towns of Reading, Stoneham, Winchester, Lexington, Burlington and Wilmington. Established as a town in 1642 and a city on May 18, 1888, Woburn has a population of approximately 40,876 and occupies a land area of 12.86 square miles.

**Age, Income and Wealth Levels**

The following table compares census averages for the City, the Commonwealth, and the United States.

	<u>Woburn</u>	<u>Massachusetts</u>	<u>U.S.</u>
<b>Median Age</b>			
2020	40.8	39.9	38.8
2010	39.6	39.1	37.2
2000	37.7	36.5	35.3
1990	33.3	33.6	32.9
<b>Median Family Income</b>			
2020	\$108,489	\$106,526	\$80,069
2010	84,538	81,165	62,982
2000	66,364	61,664	50,046
1990	50,428	44,367	35,225
<b>Per Capita Income</b>			
2020	\$45,986	\$45,555	\$35,384
2010	33,163	33,966	27,334
2000	26,207	25,952	21,587
1990	18,155	17,224	14,420

Source: U.S. Department of Commerce, Bureau of the Census.

**Labor Force, Employment and Unemployment**

According to the Massachusetts Executive Office of Labor and Workforce Development. preliminary data, as of December 2024, the City had a total labor force of 24,578 of which 23,618 were employed and 960 or 3.9% were unemployed as compared with 4.1% for the Commonwealth for the same period.

The following table sets forth the City's average labor force and unemployment rates for calendar years 2019 through 2023, and the unemployment rates for the State and U.S. as a whole for the same period.

**UNEMPLOYMENT RATES**

Year	<u>City of Woburn</u>		Massachusetts	United States
	<u>Labor Force</u>	<u>Unemployment Rate</u>	<u>Unemployment Rate</u>	<u>Unemployment Rate</u>
2023	23,924	3.0 %	3.4 %	3.6 %
2022	23,790	3.4	3.8	3.6
2021	23,634	5.0	5.7	5.4
2020	23,199	8.5	8.1	6.7
2019	24,235	2.4	2.8	3.7

SOURCE: Massachusetts Executive Office of Labor and Workforce Development., Federal Reserve Bank of Boston and U.S. Bureau of Labor Statistics. Data based upon place of residence, not place of employment.

## Tax Levy Computation

The following table shows the details of the calculation of the tax levies for the following fiscal years:

	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025
Total Appropriations	\$162,926,866	\$178,405,111	\$195,606,463	\$191,497,361	\$211,594,134
Additions:					
State and County Assessments	4,276,524	4,869,144	4,788,926	5,429,594	5,612,594
Overlay for Current Year	1,489,851	2,476,126	2,011,183	1,996,109	2,558,796
Other Local Expenditures	2,058,478	2,158,947	2,129,584	1,767,854	1,753,472
Total Additions	7,824,853	9,504,217	8,929,693	9,193,557	9,924,863
Gross Amount to be Raised	170,751,719	187,909,328	204,536,156	200,690,917	221,518,997
Offsets:					
Estimated Receipts from the State (1)	16,496,768	16,928,320	20,336,931	21,657,668	22,939,315
Local Estimated Receipts	32,098,744	36,947,647	40,321,334	43,146,022	47,507,434
Free Cash & Other Revenue Used to Reduce the Tax Rate	3,667,215	5,375,000	11,285,000	4,678,737	6,515,021
Other Available Funds	1,831,644	5,892,435	6,362,649	1,923,162	5,481,209
Total Estimated Receipts and Offsets	54,094,371	65,143,402	78,305,913	71,405,589	82,442,979
Net Amount to be Raised	\$116,657,348	\$122,765,926	\$126,230,243	\$129,285,328	\$139,076,018

(1) Includes annual appropriations from taxation voted subsequent to adoption of the annual budget but prior to setting the tax rate.  
See "Reduction of State Aid" below.

## Property Classification

The following is a breakdown of the City's assessed valuation of real estate in fiscal years 2023, 2024 and 2025.

Property Type	2025		2024		2023 (1)	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Residential	\$8,784,546,184	73.7 %	\$8,319,811,149	72.5 %	\$7,606,203,283	72.8 %
Commercial	1,222,396,948	10.3	1,199,747,145	10.5	1,148,119,001	11.0
Industrial	1,207,951,089	10.1	1,168,367,489	10.2	1,100,811,189	10.5
Personal	708,113,200	5.9	787,445,730	6.9	591,953,180	5.7
Total Real Estate	\$11,923,007,421	100.0 %	\$11,475,371,513	100.0 %	\$10,447,086,653	100.0 %

(1) Revaluation year.

## Tax Collections

Fiscal Year	Gross Tax Levy	Overlay Reserve for Abatements	Net Tax Levy (2)	Collections During Fiscal Year Payable(1)		Collections as of June 30, 2024 (1)(4)	
				Dollar Amount	% of Net Levy	Dollar Amount	% of Net Levy
2024	\$ 129,285,328	\$ 1,996,109	\$ 127,289,219	\$ 128,227,625	100.7 %	\$ 128,227,625	100.7 %
2023 (3)	126,230,243	2,011,183	124,219,060	125,214,047	100.8	125,599,277	101.1
2022	122,765,926	2,476,126	120,289,800	121,722,935	101.2	122,000,512	101.4
2021	116,657,348	1,489,851	115,167,497	115,488,632	100.3	115,958,146	100.7
2020	113,007,096	1,300,324	111,706,772	110,939,712	99.3	112,439,595	100.7

(1) Actual dollar collections net of refunds. Does not include abatements, proceeds of tax titles or tax possessions attributable to each levy or other non-cash credits.

(2) Net after deduction of overlay reserve for abatements.

(3) Revaluation year.

(4) Collections for the current fiscal year are comparable to previous fiscal years.



## Unused Levy Capacity

The following shows the calculation of levy limits for the following fiscal years:

Fiscal Year	Estimated Full Valuation(1)	Primary Levy Limit(2)	Secondary Levy Limit	Actual Tax Levy	Under(over) Primary Levy Limit	(Over)Under Secondary Levy Limit
2025	\$ 11,923,007,421	\$ 298,075,186	\$ 178,717,354	\$ 139,076,018	\$ 158,999,168	\$ 39,641,336
2024	11,475,371,513	286,884,288	167,445,638	129,285,328	157,598,960	38,160,310
2023	10,447,086,653	261,177,166	156,729,966	126,230,243	134,946,923	30,499,723
2022	9,435,730,792	235,893,270	148,430,828	122,765,926	113,127,344	25,664,902
2021	8,930,323,158	223,258,079	142,780,304	116,657,348	106,600,731	26,122,956

(1) Total assessed valuation.

(2) 2 1/2 percent of estimated full valuation.

## Budget Comparison

The following table lists the City's budgets for fiscal years 2021 through 2025.

	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025
General Government	\$ 4,445,984	\$ 5,432,589	\$ 6,166,572	\$ 6,050,886	\$ 6,322,119
Public Safety	19,102,426	18,809,385	19,669,209	20,878,453	21,291,987
Public Works	4,789,958	5,121,404	5,253,356	5,454,995	5,700,826
Human Services	5,084,641	5,350,139	5,576,203	5,930,767	6,122,235
Culture & Recreation	2,707,226	2,484,938	2,530,568	2,733,530	2,897,937
Education	70,615,571	73,112,997	75,289,661	81,556,665	93,605,377
Pensions	8,793,470	10,686,667	11,047,784	11,055,817	11,240,870
Debt Service	5,271,333	4,629,508	6,277,506	6,157,063	5,794,638
State & County Assessments	4,276,524	4,869,144	4,788,926	5,429,594	5,612,594
Water & Sewer Department	18,980,122	21,147,647	22,074,764	23,688,163	24,225,864
Fringe Benefits	20,917,276	21,819,993	22,809,961	23,324,574	24,479,252
Total Budget	<u>\$ 164,984,531</u>	<u>\$ 173,464,410</u>	<u>\$ 181,484,510</u>	<u>\$ 192,260,507</u>	<u>\$ 207,293,699</u>

## Debt Ratios

Fiscal Year End	General Obligation Bonds Outstanding	Population (1)	State Equalized Valuation (2)	Per Capita Debt	Debt as a % of Full Valuation
2024	\$ 75,682,183	40,876	\$ 10,155,637,600	\$ 1,852	0.75 %
2023	81,781,985	40,876	10,155,637,600	2,001	0.81
2022	88,682,956	40,876	9,226,467,200	2,170	0.96
2021	95,384,687	40,876	9,226,467,200	2,334	1.03
2020	81,069,310	40,876	7,909,145,900	1,983	1.03

(1) 2020 Federal Census.

(2) 2018 equalized valuation is used for fiscal 2020; 2020 equalized valuation is used for fiscal 2021 and 2022; 2022 equalized valuation is used for fiscal 2023 and 2024.

### Unassigned General Fund Balance and Free Cash

The following table presents the trend in the City's unassigned general fund balances and free cash as certified by the Bureau of Accounts:

<u>Fiscal Year</u>	<u>Unassigned General Fund Balance</u>	<u>Certified Free Cash</u>
2024	\$ 71,708,045 (1)	\$ 43,748,819
2023	68,784,852	42,153,846
2022	65,630,762	38,936,922
2021	57,259,335	38,543,709
2020	49,082,696	35,602,358
2019	43,568,722	28,349,803

(1) Unaudited estimate, subject to revision and change.

### Other Reserves

As of June 30, 2024, the City had \$16,339,578 in Stabilization Fund balance, \$5,152,092 in Affordable Housing Stabilization Fund balance and \$1,848,610 in SPED Stabilization Fund balance.

### Financial Statements

Set forth on the following pages are Governmental Fund Balance Sheets for fiscal years 2024 (draft audit, preliminary estimate, subject to revision and change), 2023, 2022 and 2021 and Statements of Revenues, Expenditures and Changes in Funds Balance for fiscal years 2024 (draft audit, preliminary estimate, subject to revision and change), 2023, 2022, 2021, 2020 and 2019. Said financial statements were extracted from the City's audited financial statements, with the exception of fiscal 2024 which were extracted from draft audited financials and as such are subject to revision and change.

**CITY OF WOBURN, MASSACHUSETTS**  
**GOVERNMENTAL FUNDS**  
**BALANCE SHEET**  
**JUNE 30, 2024 (1)**

	General	State Highway Grants	COVID-19	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents	\$ 48,053,743	\$ -	\$ 7,380,342	\$ 20,279,727	\$ 75,713,812
Investments	45,688,019	-	-	11,624,476	57,312,495
Receivables, net of uncollectibles:					
Real estate and personal property taxes	629,201	-	-	-	629,201
Tax liens	1,986,751	-	-	-	1,986,751
Motor vehicle and other excise taxes	806,681	-	-	-	806,681
Departmental and other	-	-	-	1,153,055	1,153,055
Intergovernmental	-	1,839,594	-	986,288	2,825,882
Tax foreclosures	702,764	-	-	-	702,764
Due from other funds	1,244,413	-	-	-	1,244,413
<b>TOTAL ASSETS</b>	<b>\$ 99,111,572</b>	<b>\$ 1,839,594</b>	<b>\$ 7,380,342</b>	<b>\$ 34,043,546</b>	<b>\$ 142,375,054</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES:</b>					
Warrants payable	\$ 1,125,805	\$ -	\$ 54,185	\$ 472,290	\$ 1,652,280
Accrued payroll	1,228,817	-	-	-	1,228,817
Tax refunds payable	379,902	-	-	-	379,902
Due to other funds	-	1,244,413	-	-	1,244,413
Other liabilities	334,341	-	-	437,617	771,958
Unearned revenue	-	-	7,326,157	-	7,326,157
<b>TOTAL LIABILITIES</b>	<b>3,068,865</b>	<b>1,244,413</b>	<b>7,380,342</b>	<b>909,907</b>	<b>12,603,527</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenues	3,855,325	595,181	-	2,139,343	6,589,849
<b>FUND BALANCES:</b>					
Nonspendable	-	-	-	5,336,491	5,336,491
Restricted	-	-	-	25,855,699	25,855,699
Committed	13,775,594	-	-	-	13,775,594
Assigned	6,703,743	-	-	-	6,703,743
Unassigned	71,708,045	-	-	(197,894)	71,510,151
<b>TOTAL FUND BALANCES</b>	<b>92,187,382</b>	<b>-</b>	<b>-</b>	<b>30,994,296</b>	<b>123,181,678</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 99,111,572</b>	<b>\$ 1,839,594</b>	<b>\$ 7,380,342</b>	<b>\$ 34,043,546</b>	<b>\$ 142,375,054</b>

(1) Extracted from the City's draft audited financial statements, preliminary and as are such subject to revision and change..

## CITY OF WOBURN, MASSACHUSETTS

GOVERNMENTAL FUNDS  
BALANCE SHEET

JUNE 30, 2023

	General	State Highway Grants	COVID-19	Fire Station Capital Project Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash and cash equivalents.....	\$ 41,900,742	\$ -	\$ 8,699,249	\$ 537,319	\$ 19,220,966	\$ 70,358,276
Investments.....	45,493,020	-	-	-	9,244,668	54,737,688
Receivables, net of uncollectibles:						
Real estate and personal property taxes.....	531,881	-	-	-	-	531,881
Tax liens.....	1,919,045	-	-	-	-	1,919,045
Motor vehicle and other excise taxes.....	438,564	-	-	-	-	438,564
Departmental and other.....	-	-	-	-	1,568,052	1,568,052
Intergovernmental.....	-	1,673,191	161,253	-	-	1,834,444
Tax foreclosures.....	702,764	-	-	-	-	702,764
Due from other funds.....	1,054,924	-	-	-	-	1,054,924
<b>TOTAL ASSETS.....</b>	<b>\$ 92,040,940</b>	<b>\$ 1,673,191</b>	<b>\$ 8,860,502</b>	<b>\$ 537,319</b>	<b>\$ 30,033,686</b>	<b>\$ 133,145,638</b>
<b>LIABILITIES</b>						
Warrants payable.....	\$ 1,157,529	\$ 12,265	\$ 168,205	\$ 300,773	\$ 344,393	\$ 1,983,165
Accrued payroll.....	855,991	-	-	-	-	855,991
Tax refunds payable.....	654,160	-	-	-	-	654,160
Due to other funds.....	-	1,054,924	-	-	-	1,054,924
Other liabilities.....	336,183	-	-	-	446,306	782,489
Unearned revenue.....	-	-	8,692,297	-	-	8,692,297
<b>TOTAL LIABILITIES.....</b>	<b>3,003,863</b>	<b>1,067,189</b>	<b>8,860,502</b>	<b>300,773</b>	<b>790,699</b>	<b>14,023,026</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue.....	3,454,072	606,002	-	-	1,568,052	5,628,126
<b>FUND BALANCES</b>						
Nonspendable.....	-	-	-	-	4,914,448	4,914,448
Restricted.....	-	-	-	236,546	22,760,487	22,997,033
Committed.....	10,952,113	-	-	-	-	10,952,113
Assigned.....	5,846,040	-	-	-	-	5,846,040
Unassigned.....	68,784,852	-	-	-	-	68,784,852
<b>TOTAL FUND BALANCES.....</b>	<b>85,583,005</b>	<b>-</b>	<b>-</b>	<b>236,546</b>	<b>27,674,935</b>	<b>113,494,486</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES.....</b>	<b>\$ 92,040,940</b>	<b>\$ 1,673,191</b>	<b>\$ 8,860,502</b>	<b>\$ 537,319</b>	<b>\$ 30,033,686</b>	<b>\$ 133,145,638</b>

SOURCE: Extracted from the City's audited financial statements.

## CITY OF WOBURN, MASSACHUSETTS

GOVERNMENTAL FUNDS  
BALANCE SHEET

JUNE 30, 2022

	General	State Highway Grants	COVID-19	Fire Station Capital Project Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash and cash equivalents.....	\$ 50,898,940	\$ -	\$ 3,051,558	\$ 11,014,625	\$ 18,380,355	\$ 83,345,478
Investments.....	28,701,350	-	-	-	8,985,202	37,686,552
Receivables, net of uncollectibles:						
Real estate and personal property taxes.....	773,233	-	-	-	-	773,233
Tax liens.....	1,756,701	-	-	-	-	1,756,701
Motor vehicle and other excise taxes.....	498,942	-	-	-	-	498,942
Departmental and other.....	-	-	-	-	1,050,235	1,050,235
Intergovernmental.....	-	2,037,887	393,749	-	-	2,431,636
Tax foreclosures.....	702,764	-	-	-	-	702,764
Due from other funds.....	1,182,770	-	-	-	-	1,182,770
<b>TOTAL ASSETS.....</b>	<b>\$ 84,514,700</b>	<b>\$ 2,037,887</b>	<b>\$ 3,445,307</b>	<b>\$ 11,014,625</b>	<b>\$ 28,415,792</b>	<b>\$ 129,428,311</b>
<b>LIABILITIES</b>						
Warrants payable.....	\$ 1,684,970	\$ 1,664	\$ 2,060	\$ 1,472,418	\$ 266,789	\$ 3,427,901
Accrued payroll.....	689,665	-	-	-	-	689,665
Tax refunds payable.....	864,703	-	-	-	-	864,703
Due to other funds.....	-	1,182,770	-	-	-	1,182,770
Other liabilities.....	189,463	-	-	-	405,619	595,082
Unearned revenue.....	-	-	3,443,247	-	-	3,443,247
<b>TOTAL LIABILITIES.....</b>	<b>3,428,801</b>	<b>1,184,434</b>	<b>3,445,307</b>	<b>1,472,418</b>	<b>672,408</b>	<b>10,203,368</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue.....	3,461,363	853,453	-	-	1,050,235	5,365,051
<b>FUND BALANCES</b>						
Nonspendable.....	-	-	-	-	4,536,257	4,536,257
Restricted.....	-	-	-	9,542,207	22,156,892	31,699,099
Committed.....	10,562,248	-	-	-	-	10,562,248
Assigned.....	1,431,526	-	-	-	-	1,431,526
Unassigned.....	65,630,762	-	-	-	-	65,630,762
<b>TOTAL FUND BALANCES.....</b>	<b>77,624,536</b>	<b>-</b>	<b>-</b>	<b>9,542,207</b>	<b>26,693,149</b>	<b>113,859,892</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES.....</b>	<b>\$ 84,514,700</b>	<b>\$ 2,037,887</b>	<b>\$ 3,445,307</b>	<b>\$ 11,014,625</b>	<b>\$ 28,415,792</b>	<b>\$ 129,428,311</b>

SOURCE: Extracted from the City's audited financial statements.

## CITY OF WOBURN, MASSACHUSETTS

GOVERNMENTAL FUNDS  
BALANCE SHEET

JUNE 30, 2021

	General	State Highway Grants	COVID-19	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents.....	\$ 41,466,020	\$ -	\$ 2,229,957	\$ 13,284,009	\$ 56,979,986
Investments.....	26,027,301	-	-	9,639,976	35,667,277
Receivables, net of uncollectibles:					
Real estate and personal property taxes.....	845,300	-	-	-	845,300
Tax liens.....	2,090,881	-	-	-	2,090,881
Motor vehicle and other excise taxes.....	849,850	-	-	-	849,850
Departmental and other.....	-	-	-	875,749	875,749
Intergovernmental.....	-	2,683,666	1,140,601	-	3,824,267
Tax foreclosures.....	702,764	-	-	-	702,764
Due from other funds.....	1,547,580	-	-	-	1,547,580
<b>TOTAL ASSETS.....</b>	<b>\$ 73,529,696</b>	<b>\$ 2,683,666</b>	<b>\$ 3,370,558</b>	<b>\$ 23,799,734</b>	<b>\$ 103,383,654</b>
<b>LIABILITIES</b>					
Warrants payable.....	\$ 1,985,998	\$ 416	\$ 10,000	\$ 643,036	\$ 2,639,450
Accrued payroll.....	817,377	-	-	-	817,377
Tax refunds payable.....	703,229	-	-	-	703,229
Due to other funds.....	-	1,547,580	-	-	1,547,580
Other liabilities.....	189,336	-	-	679,874	869,210
Unearned revenue.....	-	-	3,360,558	-	3,360,558
<b>TOTAL LIABILITIES.....</b>	<b>3,695,940</b>	<b>1,547,996</b>	<b>3,370,558</b>	<b>1,322,910</b>	<b>9,937,404</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue.....	4,135,361	1,135,670	-	875,749	6,146,780
<b>FUND BALANCES</b>					
Nonspendable.....	-	-	-	4,399,653	4,399,653
Restricted.....	-	-	-	17,201,422	17,201,422
Committed.....	7,730,474	-	-	-	7,730,474
Assigned.....	708,586	-	-	-	708,586
Unassigned.....	57,259,335	-	-	-	57,259,335
<b>TOTAL FUND BALANCES.....</b>	<b>65,698,395</b>	<b>-</b>	<b>-</b>	<b>21,601,075</b>	<b>87,299,470</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES.....</b>	<b>\$ 73,529,696</b>	<b>\$ 2,683,666</b>	<b>\$ 3,370,558</b>	<b>\$ 23,799,734</b>	<b>\$ 103,383,654</b>

SOURCE: Extracted from the City's audited financial statements.

**CITY OF WOBURN, MASSACHUSETTS**  
**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**FISCAL YEAR ENDED JUNE 30, 2024 (1)**

	General	State Highway Grants	COVID-19	Fire Station Capital Project Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>						
Real Estate and Personal Property Taxes						
Net of Tax Refunds	\$ 128,922,375	\$ -	\$ -	\$ -	\$ -	\$ 128,922,375
Tax liens	272,132	-	-	-	-	272,132
Motor Vehicle Excise Taxes	7,843,558	-	-	-	-	7,843,558
Hotel/motel tax	4,427,686	-	-	-	-	4,427,686
Meals tax	1,719,619	-	-	-	-	1,719,619
Penalties and Interest on Taxes	428,130	-	-	-	-	428,130
Payments in lieu of taxes	2,824	-	-	-	-	2,824
Intergovernmental - Teachers Retirement	12,918,202	-	-	-	-	12,918,202
Intergovernmental	22,420,351	1,896,836	150,263	-	14,063,303	38,530,753
Departmental and Other	5,655,527	-	-	-	9,199,113	14,854,640
Contributions and donations	101,813	-	-	-	102,662	204,475
Investment Income	5,648,239	-	-	-	1,040,598	6,688,837
<b>TOTAL REVENUES</b>	<b>190,360,456</b>	<b>1,896,836</b>	<b>150,263</b>	<b>-</b>	<b>24,405,676</b>	<b>216,813,231</b>
<b>EXPENDITURES</b>						
Current:						
General Government	4,723,895	-	33,096	-	2,202,075	6,959,066
Public Safety	21,986,222	-	117,167	-	3,420,270	25,523,659
Education	82,620,714	-	-	-	12,393,999	95,014,713
Public Works	3,987,304	1,896,836	-	-	91,216	5,975,356
Health and Human Services	5,529,341	-	-	-	103,971	5,633,312
Culture and Recreation	2,696,235	-	-	-	558,783	3,255,018
Pension Benefits	10,889,980	-	-	-	-	10,889,980
Pension benefits - teachers retirement	12,918,202	-	-	-	-	12,918,202
Employee Benefits	23,456,112	-	-	-	-	23,456,112
State and County Charges	5,429,594	-	-	-	-	5,429,594
Capital Outlay	4,371,029	-	-	-	-	4,371,029
Debt Service:						
Principal	5,325,000	-	-	-	-	5,325,000
Interest	2,374,998	-	-	-	-	2,374,998
<b>TOTAL EXPENDITURES</b>	<b>186,308,626</b>	<b>1,896,836</b>	<b>150,263</b>	<b>-</b>	<b>18,770,314</b>	<b>207,126,039</b>
Excess (Deficiency) of Revenues						
Over Expenditures	4,051,830	-	-	-	5,635,362	9,687,192
<b>Other Financing Sources (Uses):</b>						
Transfers In	2,552,547	-	-	-	-	2,552,547
Transfers Out	-	-	-	-	(2,552,547)	(2,552,547)
<b>Total Other Financing Sources (uses)</b>	<b>2,552,547</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,552,547)</b>	<b>-</b>
Net Change in Fund Balances	6,604,377	-	-	-	3,082,815	9,687,192
Fund Balances at 6/30/23, as Previously Reported	85,583,005	-	-	236,546	27,674,935	113,494,486
Adjustment - Change from Major to Nonmajor Fund	-	-	-	(236,546)	236,546	-
Fund Balances at Beginning of Year	85,583,005	-	-	-	27,911,481	113,494,486
<b>Fund Balances at End of Year</b>	<b>\$ 92,187,382</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 30,994,296</b>	<b>\$ 123,181,678</b>

(1) Extracted from the City's draft audited financial statements, preliminary and as such are subject to revision and change.

## CITY OF WOBURN, MASSACHUSETTS

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

YEAR ENDED JUNE 30, 2023

	General	State Highway Grants	COVID-19	Fire Station Capital Project Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>						
Real estate and personal property taxes, net of tax refunds.....	\$ 125,643,847	\$ -	\$ -	\$ -	\$ -	\$ 125,643,847
Tax liens.....	433,774	-	-	-	-	433,774
Motor vehicle excise taxes.....	7,271,894	-	-	-	-	7,271,894
Hotel/motel tax.....	4,039,776	-	-	-	-	4,039,776
Meals tax.....	1,557,577	-	-	-	-	1,557,577
Penalties and interest on taxes.....	485,973	-	-	-	-	485,973
Payments in lieu of taxes.....	51,560	-	-	-	-	51,560
Intergovernmental - Teachers Retirement.....	11,338,185	-	-	-	-	11,338,185
Intergovernmental.....	20,776,536	1,975,113	763,161	-	9,040,488	32,555,298
Departmental and other.....	6,473,591	-	-	-	7,417,653	13,891,244
Contributions and donations.....	95,653	-	-	-	94,725	190,378
Investment income.....	4,364,902	-	-	-	745,959	5,110,861
<b>TOTAL REVENUES.....</b>	<b>182,533,268</b>	<b>1,975,113</b>	<b>763,161</b>	<b>-</b>	<b>17,298,825</b>	<b>202,570,367</b>
<b>EXPENDITURES:</b>						
Current:						
General government.....	4,461,641	-	54,835	-	931,764	5,448,240
Public safety.....	21,193,140	-	708,326	9,305,661	3,333,938	34,541,065
Education.....	77,431,963	-	-	-	10,178,065	87,610,028
Public works.....	4,203,971	1,975,113	-	-	22,485	6,201,569
Health and human services.....	5,763,152	-	-	-	133,742	5,896,894
Culture and recreation.....	2,741,261	-	-	-	463,883	3,205,144
Pension benefits.....	10,882,067	-	-	-	-	10,882,067
Pension benefits - Teachers Retirement.....	11,338,185	-	-	-	-	11,338,185
Employee benefits.....	23,438,534	-	-	-	-	23,438,534
State and county charges.....	4,788,926	-	-	-	-	4,788,926
Capital outlay.....	1,543,341	-	-	-	-	1,543,341
Debt service:						
Principal.....	4,690,000	-	-	-	-	4,690,000
Interest.....	3,158,608	-	-	-	-	3,158,608
<b>TOTAL EXPENDITURES.....</b>	<b>175,634,789</b>	<b>1,975,113</b>	<b>763,161</b>	<b>9,305,661</b>	<b>15,063,877</b>	<b>202,742,601</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>6,898,479</b>	<b>-</b>	<b>-</b>	<b>(9,305,661)</b>	<b>2,234,948</b>	<b>(172,234)</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in.....	1,253,162	-	-	-	-	1,253,162
Transfers out.....	(193,172)	-	-	-	(1,253,162)	(1,446,334)
<b>TOTAL OTHER FINANCING SOURCES (USES).....</b>	<b>1,059,990</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,253,162)</b>	<b>(193,172)</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>7,958,469</b>	<b>-</b>	<b>-</b>	<b>(9,305,661)</b>	<b>981,786</b>	<b>(365,406)</b>
<b>FUND BALANCES AT BEGINNING OF YEAR.....</b>	<b>77,624,536</b>	<b>-</b>	<b>-</b>	<b>9,542,207</b>	<b>26,693,149</b>	<b>113,859,892</b>
<b>FUND BALANCES AT END OF YEAR.....</b>	<b>\$ 85,583,005</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 236,546</b>	<b>\$ 27,674,935</b>	<b>\$ 113,494,486</b>

SOURCE: Extracted from the City's audited financial statements.



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

YEAR ENDED JUNE 30, 2022

	General	State Highway Grants	COVID-19	Fire Station Capital Project Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>						
Real estate and personal property taxes, net of tax refunds.....	\$ 121,976,708	\$ -	\$ -	\$ -	\$ -	\$ 121,976,708
Tax liens.....	469,926	-	-	-	-	469,926
Motor vehicle excise taxes.....	7,033,102	-	-	-	-	7,033,102
Hotel/motel tax.....	2,600,089	-	-	-	-	2,600,089
Meals tax.....	1,233,779	-	-	-	-	1,233,779
Penalties and interest on taxes.....	887,775	-	-	-	-	887,775
Intergovernmental - Teachers Retirement.....	10,011,200	-	-	-	-	10,011,200
Intergovernmental.....	20,206,664	1,630,728	3,052,543	-	12,428,650	37,318,585
Departmental and other.....	5,270,481	-	-	-	7,513,387	12,783,868
Contributions and donations.....	87,297	-	-	-	62,236	149,533
Investment income (loss).....	318,433	-	-	-	(172,402)	146,031
<b>TOTAL REVENUES.....</b>	<b>170,095,454</b>	<b>1,630,728</b>	<b>3,052,543</b>	<b>-</b>	<b>19,831,871</b>	<b>194,610,596</b>
<b>EXPENDITURES:</b>						
Current:						
General government.....	4,299,267	-	276,535	-	1,003,288	5,579,090
Public safety.....	20,524,126	-	6,408	10,694,976	2,906,728	34,132,238
Education.....	72,766,054	-	264,240	-	9,113,446	82,143,740
Public works.....	5,850,786	1,630,728	2,402	-	1,800	7,485,716
Health and human services.....	4,633,024	-	2,958	-	120,445	4,756,427
Culture and recreation.....	2,444,857	-	-	-	429,898	2,874,755
Pension benefits.....	10,526,367	-	-	-	-	10,526,367
Pension benefits - Teachers Retirement.....	10,011,200	-	-	-	-	10,011,200
Employee benefits.....	18,672,826	-	-	-	-	18,672,826
State and county charges.....	4,869,144	-	-	-	-	4,869,144
Capital outlay.....	639,180	-	-	-	-	639,180
Debt service:						
Principal.....	4,655,000	-	-	-	-	4,655,000
Interest.....	1,614,491	-	-	-	-	1,614,491
<b>TOTAL EXPENDITURES.....</b>	<b>161,506,322</b>	<b>1,630,728</b>	<b>562,543</b>	<b>10,694,976</b>	<b>13,575,605</b>	<b>187,960,174</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>8,589,132</b>	<b>-</b>	<b>2,500,000</b>	<b>(10,694,976)</b>	<b>6,256,266</b>	<b>6,650,422</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Issuance of bonds.....	-	-	-	17,668,000	-	17,668,000
Issuance of refunding bonds.....	10,482,000	-	-	-	-	10,482,000
Premium from issuance of bonds.....	-	-	-	2,532,000	-	2,532,000
Premium from issuance of refunding bonds.....	1,618,000	-	-	-	-	1,618,000
Payments to refunded bond escrow agent.....	(12,100,000)	-	-	-	-	(12,100,000)
Transfers in.....	3,627,009	-	-	-	-	3,627,009
Transfers out.....	(290,000)	-	(2,500,000)	-	(1,127,009)	(3,917,009)
<b>TOTAL OTHER FINANCING SOURCES (USES).....</b>	<b>3,337,009</b>	<b>-</b>	<b>(2,500,000)</b>	<b>20,200,000</b>	<b>(1,127,009)</b>	<b>19,910,000</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>11,926,141</b>	<b>-</b>	<b>-</b>	<b>9,505,024</b>	<b>5,129,257</b>	<b>26,560,422</b>
<b>FUND BALANCES AT BEGINNING OF YEAR.....</b>	<b>65,698,395</b>	<b>-</b>	<b>-</b>	<b>37,183</b>	<b>21,563,892</b>	<b>87,299,470</b>
<b>FUND BALANCES AT END OF YEAR.....</b>	<b>\$ 77,624,536</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 9,542,207</b>	<b>\$ 26,693,149</b>	<b>\$ 113,859,892</b>

SOURCE: Extracted from the City's audited financial statements.

**CITY OF WOBURN, MASSACHUSETTS**  
**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**FISCAL YEAR ENDED JUNE 30, 2021 (1)**

	General	State Highway Grants	COVID-19	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>					
Real Estate and Personal Property Taxes					
Net of Tax Refunds	\$ 116,353,630	\$ -	\$ -	\$ -	\$ 116,353,630
Tax liens	323,138	-	-	-	323,138
Motor Vehicle Excise Taxes	7,048,289	-	-	-	7,048,289
Hotel/motel tax	1,014,060	-	-	-	1,014,060
Meals tax	834,467	-	-	-	834,467
Penalties and Interest on Taxes	622,579	-	-	-	622,579
Intergovernmental - Teachers Retirement	18,978,003	-	-	-	18,978,003
Intergovernmental	16,771,444	1,788,659	3,124,628	9,082,758	30,767,489
Departmental and Other	3,985,413	-	-	5,411,581	9,396,994
Contributions and donations	85,776	-	-	88,490	174,266
Investment Income	1,921,577	-	-	1,654,461	3,576,038
<b>TOTAL REVENUES</b>	<b>167,938,376</b>	<b>1,788,659</b>	<b>3,124,628</b>	<b>16,237,290</b>	<b>189,088,953</b>
<b>EXPENDITURES</b>					
Current:					
General Government	3,877,038	-	1,146,726	940,742	5,964,506
Public Safety	19,400,332	-	57,590	5,662,960	25,120,882
Education	65,543,201	-	1,756,367	8,755,898	76,055,466
Public Works	7,964,375	1,788,659	80,025	318,542	10,151,601
Health and Human Services	1,208,273	-	40,368	104,339	1,352,980
Culture and Recreation	2,334,362	-	43,552	406,152	2,784,066
Pension Benefits	8,657,721	-	-	-	8,657,721
Pension benefits - teachers retirement	18,978,003	-	-	-	18,978,003
Employee Benefits	20,573,456	-	-	-	20,573,456
State and County Charges	4,513,706	-	-	-	4,513,706
Capital Outlay	957,634	-	-	-	957,634
Debt Service:					
Principal	4,646,500	-	-	-	4,646,500
Interest	2,287,482	-	-	-	2,287,482
<b>TOTAL EXPENDITURES</b>	<b>160,942,083</b>	<b>1,788,659</b>	<b>3,124,628</b>	<b>16,188,633</b>	<b>182,044,003</b>
Excess (Deficiency) of Revenues					
Over Expenditures	6,996,293	-	-	48,657	7,044,950
<b>Other Financing Sources (Uses):</b>					
Issuance of Bonds	-	-	-	2,800,000	2,800,000
Transfers In	1,206,000	-	-	61,000	1,267,000
Transfers Out	-	-	-	(1,267,000)	(1,267,000)
Total Other Financing Sources (uses)	<b>1,206,000</b>	<b>-</b>	<b>-</b>	<b>1,594,000</b>	<b>2,800,000</b>
Net Change in Fund Balances	8,202,293	-	-	1,642,657	9,844,950
Fund Balances at Beginning of Year	57,496,102	-	-	19,958,418	77,454,520
Fund Balances at End of Year	<b>\$ 65,698,395</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 21,601,075</b>	<b>\$ 87,299,470</b>

(1) Extracted from the City's audited financial statements.

**CITY OF WOBURN, MASSACHUSETTS**  
**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**FISCAL YEAR ENDED JUNE 30, 2020 (1)**

	General	State Highway Grants	Hurd/Wyman School	Library Trust Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>						
Real Estate and Personal Property Taxes						
Net of Tax Refunds	\$ 112,095,683	\$ -	\$ -	\$ -	\$ -	\$ 112,095,683
Tax liens	341,670	-	-	-	-	341,670
Motor Vehicle Excise Taxes	7,126,786	-	-	-	-	7,126,786
Hotel/motel tax	3,133,196	-	-	-	-	3,133,196
Meals tax	1,071,942	-	-	-	-	1,071,942
Penalties and Interest on Taxes	312,950	-	-	-	-	312,950
Intergovernmental - Teachers Retirement	16,745,013	-	-	-	-	16,745,013
Intergovernmental	16,783,303	1,346,008	59,346	1,981,255	6,716,325	26,886,237
Intergovernmental - COVID-19 relief	-	-	-	-	329,387	329,387
Departmental and Other	6,605,518	-	15,349	29,175	5,987,664	12,637,706
Contributions and donations	92,695	-	-	-	153,979	246,674
Investment Income	712,460	-	-	-	183,404	895,864
<b>TOTAL REVENUES</b>	<b>165,021,216</b>	<b>1,346,008</b>	<b>74,695</b>	<b>2,010,430</b>	<b>13,370,759</b>	<b>181,823,108</b>
<b>EXPENDITURES</b>						
Current:						
General Government	4,006,783	-	-	-	355,277	4,362,060
Public Safety	18,947,226	-	-	-	2,764,548	21,711,774
Education	66,500,159	-	-	-	5,063,011	71,563,170
Public Works	7,607,986	1,346,008	355,863	-	128,317	9,438,174
Health and Human Services	1,216,495	-	-	-	282,363	1,498,858
Culture and Recreation	2,493,163	-	-	302,359	1,026,940	3,822,462
COVID-19	-	-	-	-	329,387	329,387
Pension Benefits	8,380,277	-	-	-	-	8,380,277
Pension benefits - teachers retirement	16,745,013	-	-	-	-	16,745,013
Employee Benefits	20,538,503	-	-	-	-	20,538,503
State and County Charges	4,340,934	-	-	-	-	4,340,934
Capital Outlay	3,652,249	-	-	-	-	3,652,249
Debt Service:						
Principal	4,088,500	-	-	-	-	4,088,500
Principal payment on current refunding	980,000	-	-	-	-	980,000
Interest	2,338,913	-	-	-	-	2,338,913
<b>TOTAL EXPENDITURES</b>	<b>161,836,201</b>	<b>1,346,008</b>	<b>355,863</b>	<b>302,359</b>	<b>9,949,843</b>	<b>173,790,274</b>
Excess (Deficiency) of Revenues						
Over Expenditures	3,185,015	-	(281,168)	1,708,071	3,420,916	8,032,834
<b>Other Financing Sources (Uses):</b>						
Issuance of refunding bonds	886,500	-	-	-	-	886,500
Premium from issuance of bonds	-	-	-	-	700,481	700,481
Proceeds from the sale of capital assets	-	-	-	-	200,925	200,925
Transfers In	1,305,507	-	-	-	-	1,305,507
Transfers Out	-	-	-	-	(1,305,507)	(1,305,507)
<b>Total Other Financing Sources (uses)</b>	<b>2,192,007</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(404,101)</b>	<b>1,787,906</b>
Net Change in Fund Balances	5,377,022	-	(281,168)	1,708,071	3,016,815	9,820,740
Fund Balances at Beginning of Year	52,119,080	-	293,403	(1,978,092)	17,002,599	67,436,990
Fund Balances at End of Year	\$ 57,496,102	\$ -	\$ 12,235	\$ (270,021)	\$ 20,019,414	\$ 77,257,730

(1) Extracted from the City's audited financial statements.

## CITY OF WOBURN, MASSACHUSETTS (1)

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

YEAR ENDED JUNE 30, 2019

	General	State Highway Grants	Hurld/ Wyman School	Library Construction	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>						
Real estate and personal property taxes, net of tax refunds.....	\$ 107,319,478	\$ -	\$ -	\$ -	\$ -	\$ 107,319,478
Tax liens.....	570,520	-	-	-	-	570,520
Motor vehicle excise taxes.....	7,387,375	-	-	-	-	7,387,375
Hotel/motel tax.....	3,613,381	-	-	-	-	3,613,381
Meals tax.....	1,091,965	-	-	-	-	1,091,965
Penalties and interest on taxes.....	423,366	-	-	-	-	423,366
Intergovernmental - Teachers Retirement.....	13,016,680	-	-	-	-	13,016,680
Intergovernmental.....	16,788,610	1,288,188	1,049,138	1,981,255	5,718,071	26,825,262
Departmental and other.....	3,588,816	-	63,732	527,880	6,578,726	10,759,154
Contributions and donations.....	141,061	-	-	-	159,807	300,868
Investment income.....	1,820,970	-	-	-	889,352	2,710,322
<b>TOTAL REVENUES.....</b>	<b>155,762,222</b>	<b>1,288,188</b>	<b>1,112,870</b>	<b>2,509,135</b>	<b>13,345,956</b>	<b>174,018,371</b>
<b>EXPENDITURES:</b>						
Current:						
General government.....	4,072,250	-	-	-	139,515	4,211,765
Public safety.....	19,146,018	-	-	-	2,626,747	21,772,765
Education.....	65,137,494	-	2,292,944	-	7,206,524	74,636,962
Public works.....	7,574,266	1,288,188	-	-	100,580	8,963,034
Health and human services.....	1,284,803	-	-	-	217,052	1,501,855
Culture and recreation.....	2,233,411	-	-	9,772,809	1,928,482	13,934,702
Pension benefits.....	8,047,984	-	-	-	-	8,047,984
Pension benefits - Teachers Retirement.....	13,016,680	-	-	-	-	13,016,680
Employee benefits.....	21,322,248	-	-	-	-	21,322,248
State and county charges.....	3,903,575	-	-	-	-	3,903,575
Capital outlay.....	4,355,178	-	-	-	-	4,355,178
Debt service:						
Principal.....	3,396,800	-	-	-	-	3,396,800
Interest.....	2,334,948	-	-	-	-	2,334,948
<b>TOTAL EXPENDITURES.....</b>	<b>155,825,655</b>	<b>1,288,188</b>	<b>2,292,944</b>	<b>9,772,809</b>	<b>12,218,900</b>	<b>181,398,496</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>(63,433)</b>	<b>-</b>	<b>(1,180,074)</b>	<b>(7,263,674)</b>	<b>1,127,056</b>	<b>(7,380,125)</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Issuance of bonds.....	-	-	500,000	6,260,481	299,519	7,060,000
Premium from issuance of bonds.....	-	-	602,000	-	64,500	666,500
Transfers in.....	1,272,117	-	-	4,600,000	-	5,872,117
Transfers out.....	-	-	-	-	(5,872,117)	(5,872,117)
<b>TOTAL OTHER FINANCING SOURCES (USES)...</b>	<b>1,272,117</b>	<b>-</b>	<b>1,102,000</b>	<b>10,860,481</b>	<b>(5,508,098)</b>	<b>7,726,500</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>1,208,684</b>	<b>-</b>	<b>(78,074)</b>	<b>3,596,807</b>	<b>(4,381,042)</b>	<b>346,375</b>
<b>FUND BALANCES AT BEGINNING OF YEAR.....</b>	<b>50,910,396</b>	<b>-</b>	<b>371,477</b>	<b>(5,574,899)</b>	<b>21,383,641</b>	<b>67,090,615</b>
<b>FUND BALANCES AT END OF YEAR.....</b>	<b>\$ 52,119,080</b>	<b>\$ -</b>	<b>\$ 293,403</b>	<b>\$ (1,978,092)</b>	<b>\$ 17,002,599</b>	<b>\$ 67,436,990</b>

(1) Extracted from the City's audited financial statements.

## Retirement System

Woburn has established the City of Woburn Retirement System. The City has extended the funding of the pension benefit to 2038 (based on certain assumptions described below).

Cost-of-living increases for each local retirement system may be granted and funded only by the local system, and only if it has established a funding schedule. Those statutory provisions are subject to acceptance by the local retirement board and approval by the local legislative body, which acceptance may not be revoked.

The following table sets forth the City's annual contributions to its retirement system for the following fiscal years.

<u>Fiscal Year</u>		<u>Contributory</u>	<u>Non Contributory</u>	<u>Total</u>
2025	(budgeted)	\$ 11,240,870	\$ -	\$ 11,240,870
2024		11,055,817	-	11,055,817
2023		11,047,784	-	11,047,784
2022		10,686,667	-	10,686,667
2021		8,789,564	3,906	8,793,470
2020		8,507,895	-	8,507,895

SOURCE: City Auditor.

As of January 1, 2024, the contributory retirement plan had an estimated unfunded pension obligation of \$101,825,456 assuming an actuarial value of assets of \$201,569,862 and a 7.25% investment rate of return. No such estimate is available for the non-contributory retirement plan. For further information on retirement see Appendix A attached hereto.

The Retirement System has adopted a funding schedule to fully fund the Retirement System by 2038.

## Current Funding Schedule

<u>Fiscal Year</u>	<u>Normal Cost</u>	<u>Net 3(8)(c)</u>	<u>Amort. Of UAL</u>	<u>Total Cost</u>	<u>Unfunded Act. Liab.</u>	<u>Change in Cost</u>
2025	3,727,193	75,000	7,833,114	11,635,307	105,516,629	
2026	3,894,917	75,000	8,357,691	12,327,608	104,765,570	5.95%
2027	4,070,188	75,000	8,915,912	13,061,100	103,397,450	5.95%
2028	4,253,347	75,000	9,509,889	13,838,236	101,331,450	5.95%
2029	4,444,747	75,000	10,141,864	14,661,611	98,478,624	5.95%
2030	4,644,761	75,000	10,814,216	15,533,977	94,741,175	5.95%
2031	4,853,775	75,000	11,529,473	16,458,248	90,011,664	5.95%
2032	5,072,195	75,000	12,290,319	17,437,514	84,172,150	5.95%
2033	5,300,444	75,000	13,099,602	18,475,046	77,093,264	5.95%
2034	5,538,964	75,000	13,960,348	19,574,312	68,633,202	5.95%
2035	5,788,217	75,000	14,875,766	20,738,983	58,636,636	5.95%
2036	6,048,687	75,000	15,849,266	21,972,953	46,933,533	5.95%
2037	6,320,878	75,000	16,884,465	23,280,343	33,337,877	5.95%
2038	6,605,317	75,000	17,646,284	24,326,602	17,646,284	4.49%
2039	6,902,557	75,000		6,977,557	0	-71.32%

All amounts assume payments will be made July 1 of each fiscal year.

Total appropriation assumed to increase 5.95% each year until FY37, with a final amortization payment in FY38.

FY25 normal cost includes assumed expenses of \$650,000 and is assumed to increase 4.5% per year.

FY25 appropriation was maintained at the same level as the prior schedule.

Source: January 1, 2024 Actuarial Valuation Report of the Woburn Retirement System, and PERAC.

### Other Post-Employment Benefits

In addition to pension benefits, cities and towns may provide retired employees with health care and life insurance benefits. The portion of the cost of such benefits paid by cities or towns is generally provided on a pay-as-you-go basis. The pay-as-you-go cost to the City for such benefits in recent years has been as follows:

Fiscal Year	Benefit Costs
2024	\$9,204,674
2023	9,157,515
2022	10,208,423
2021	11,086,967
2020	8,588,753

The Governmental Accounting Standards Board ("GASB") Statement Nos. 43 and 45 require public sector entities to report the future costs of these non-pension, post-employment benefits in their financial statements. These accounting standards do not require pre-funding the payment of these costs or the liability for such costs accrued, but the basis applied by the standards for measurement of costs and liabilities for these benefits is conservative if they continue to be funded on a pay-as-you-go basis and will result in larger yearly cost and liability accruals than if such benefits were pre-funded in a trust fund in the same manner as traditional pension benefits. Cities and towns that choose to self-insure all or a portion of the cost of the health care benefits they provide to employees and retirees may establish a trust fund for the purpose of paying claims.

The City was required to implement the GASB reporting requirements for other post-employment benefits beginning in fiscal year 2009. As of June 30, 2024, the City has performed an actuarial valuation of its non-pension, post-employment benefit liability, and had an estimated net OPEB liability using a discount rate of 4.23% of approximately \$230,860,601. The City Council approved the creation of an OPEB Trust Fund in 2014 with an initial appropriation of \$1,356,907. The OPEB Trust Fund balance as of June 30, 2024 was \$13,418,726.

### LITIGATION

At present there are various cases pending in various courts in the Commonwealth where the City of Woburn is a defendant. In the opinion of the City Solicitor, there is no litigation, either pending or threatened that is likely to result, either individually or in the aggregate, in final judgments against the City that would materially affect its financial position or its ability to pay its obligations.

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(Date of Delivery)

James T. Picone, Director of Finance  
Northeast Metropolitan Regional Vocational Technical School District  
Wakefield, Massachusetts

\$61,170,000

Northeast Metropolitan Regional Vocational Technical School District, Massachusetts  
General Obligation School Project Loan, Chapter 70B Bonds  
Dated May 15, 2025

We have acted as bond counsel to the Northeast Metropolitan Regional Vocational Technical School District, Massachusetts (the "District") in connection with the issuance by the District of the above-referenced bonds (the "Bonds"). In such capacity, we have examined the law and such certified proceedings and other papers as we have deemed necessary to render this opinion. As to questions of fact material to our opinion we have relied upon representations and covenants of the District contained in the certified proceedings and other certifications of public officials furnished to us, without undertaking to verify the same by independent investigation.

Based on our examination, we are of the opinion, under existing law, as follows:

1. The Bonds are valid and binding general obligations of the District, a body corporate and politic, organized and existing under and pursuant Chapter 703 of the Acts of 1962, as amended, and supplemented, and an Agreement, as amended (the "District Agreement"), among the Cities of Chelsea, Malden, Melrose, Revere, and Woburn and the Towns of North Reading, Reading, Saugus, Stoneham, Wakefield, Winchester and Winthrop, Massachusetts (the "Member Municipalities").
2. The District Agreement, as amended, made under the applicable provisions of Chapter 703 of the Acts of 1962, as amended, provides for the annual apportionment among the Member Municipalities of the budgeted expenses of the District for the ensuing year, including principal and interest payments on the Bonds (to the extent such expenses are not paid from other sources).
3. Under existing law, including Chapter 703 of the Acts of 1962, as amended, the amounts so apportioned to and appropriated by the Member Municipalities shall be paid by each Member Municipality to the District in accordance with the terms of the District Agreement.
4. To pay amounts apportioned to and appropriated by the Member Municipalities to pay their respective shares of the principal of and interest on the Bonds, each Member

Municipality has power to levy ad valorem taxes upon all the property situated within its respective territorial limits and taxable by it, subject to the limit imposed by Chapter 59, Section 21C of the General Laws.

5. Interest on the Bonds is excluded from the gross income of the owners of the Bonds for federal income tax purposes. In addition, interest on the Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax. However, interest on the Bonds will be included in the “adjusted financial statement income” of certain corporations that are subject to the alternative minimum tax under Section 55 of the Internal Revenue Code of 1986 (the “Code”). In rendering the opinions set forth in this paragraph, we have assumed compliance by the District with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, and continue to be, excluded from gross income for federal income tax purposes. The District has covenanted to comply with all such requirements. Failure by the District to comply with certain of such requirements may cause interest on the Bonds to become included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. We express no opinion regarding any other federal tax consequences arising with respect to the Bonds.

6. Interest on the Bonds is exempt from Massachusetts personal income taxes and the Bonds are exempt from Massachusetts personal property taxes. We express no opinion regarding any other Massachusetts tax consequences arising with respect to the Bonds or any tax consequences arising with respect to the Bonds under the laws of any state other than Massachusetts.

This opinion is expressed as of the date hereof, and we neither assume nor undertake any obligation to update, revise, supplement or restate this opinion to reflect any action taken or omitted, or any facts or circumstances or changes in law or in the interpretation thereof, that may hereafter arise or occur, or for any other reason.

The rights of the holders of the Bonds and the enforceability of the Bonds may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors’ rights heretofore or hereafter enacted to the extent constitutionally applicable, and their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

TROUTMAN PEPPER LOCKE LLP



**NORTHEAST METROPOLITAN REGIONAL VOCATIONAL  
TECHNICAL SCHOOL DISTRICT, MASSACHUSETTS**

**PROPOSED FORM OF CONTINUING DISCLOSURE CERTIFICATE**

This Continuing Disclosure Certificate (the “Disclosure Certificate”) is executed and delivered by the Northeast Metropolitan Regional Vocational Technical School District, Massachusetts (the “Issuer”) in connection with the issuance of its \$61,170,000 General Obligation School Project Loan, Chapter 70B Bonds dated May 15, 2025 (the “Bonds”). The Issuer covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the Owners of the Bonds and in order to assist the Participating Underwriters in complying with the Rule.

SECTION 2. Definitions. For purposes of this Disclosure Certificate the following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“Listed Events” shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

“MSRB” shall mean the Municipal Securities Rulemaking Board as established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, or any successor thereto or to the functions of the MSRB contemplated by this Disclosure Certificate. Filing information relating to the MSRB is set forth in Exhibit A attached hereto.

“Obligated Persons” shall mean the Issuer and the other obligated persons with respect to the Bonds within the meaning of the Rule, which are the Cities of Chelsea, Malden, Revere and Woburn, Massachusetts, and the Towns of Saugus, Stoneham and Wakefield, Massachusetts.

“Owners of the Bonds” shall mean the registered owners, including beneficial owners, of the Bonds.

“Participating Underwriter” shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“Rule” shall mean Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

SECTION 3. Provision of Annual Reports.

(a) The Issuer shall, not later than 270 days after the end of each fiscal year, provide to the MSRB an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in

Section 4 of this Disclosure Certificate; provided that the audited financial statements of the Issuer may be submitted when available separately from the balance of the Annual Report.

(b) If the Issuer is unable to provide to the MSRB an Annual Report by the date required in subsection (a), the Issuer shall send a notice to the MSRB, in substantially the form attached as Exhibit B.

SECTION 4. Content of Annual Reports. The Issuer's Annual Report shall contain or incorporate by reference the following:

(a) quantitative information for the preceding fiscal year of the type presented in the Issuer's Official Statement dated April 29, 2025 relating to the Bonds regarding (i) the revenues and expenditures of the Issuer relating to its operating budget, (ii) capital expenditures, (iii) fund balances, (iv) outstanding indebtedness of the Issuer, (v) the allocation of operating and capital costs of the Issuer among its member cities and towns, (vi) pension obligations of the Issuer and (vii) other post-employment benefits liabilities of the Issuer;

(b) the most recently available audited financial statements of the Obligated Persons prepared in accordance with generally accepted accounting principles (except for the omission of a schedule of fixed assets, if any). If audited financial statements for the preceding fiscal year are not available when the Annual Report is submitted, the Annual Report will include unaudited financial statements for the preceding fiscal year and audited financial statements for such fiscal year shall be submitted when available; and

(c) quantitative information for the preceding fiscal year of the type presented in Appendix B of such Official Statement relating to the Obligated Persons other than the Issuer regarding (i) revenues and expenditures of such Obligated Persons relating to their operating budgets, (ii) fund balances, (iii) property tax information, (iv) outstanding indebtedness and overlapping debt of such Obligated Persons, (v) pension obligations of such Obligated Persons, and (vi) other post-employment benefits liability of such Obligated Persons.

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of an Obligated Person or related public entities, which (i) are available to the public on the MSRB internet website or (ii) have been filed with the Securities and Exchange Commission. The Issuer shall clearly identify each such other document so incorporated by reference.

SECTION 5. Reporting of Significant Events.

(a) The Issuer shall give notice, in accordance with the provisions of this Section 5, of the occurrence of any of the following events with respect to the Bonds:

1. Principal and interest payment delinquencies.
2. Non-payment related defaults, if material.
3. Unscheduled draws on debt service reserves reflecting financial difficulties.

4.      Unscheduled draws on credit enhancements reflecting financial difficulties.
5.      Substitution of credit or liquidity providers, or their failure to perform.
6.      Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds.
7.      Modifications to rights of the Owners of the Bonds, if material.
8.      Bond calls, if material, and tender offers.
9.      Defeasances.
10.     Release, substitution or sale of property securing repayment of the Bonds, if material.
11.     Rating changes.
12.     Bankruptcy, insolvency, receivership or similar event of an Obligated Person.\*
13.     The consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of an Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.
14.     Appointment of a successor or additional trustee or the change of name of a trustee, if material.
15.     Incurrence of a financial obligation of an Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of an Obligated Person, any of which affect Owners of the Bonds, if material.†

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\* As noted in the Rule, this event is considered to occur when any of the following occur: (i) the appointment of a receiver, fiscal agent or similar officer for an Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of an Obligated Person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or (ii) the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of an Obligated Person.

† For purposes of event numbers 15 and 16 in Section 5(a) of this Disclosure Certificate, the term “financial obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “financial obligation” excludes municipal securities for which a final official statement has been provided to the MSRB consistent with the Rule.

16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of an Obligated Person, any of which reflect financial difficulties.<sup>†</sup>

(b) Upon the occurrence of a Listed Event, the Issuer shall, in a timely manner not in excess of ten (10) business days after the occurrence of the event, file a notice of such occurrence with the MSRB.

SECTION 6. Transmission of Information and Notices. Unless otherwise required by law, all notices, documents and information provided to the MSRB shall be provided in electronic format as prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

SECTION 7. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Certificate shall terminate upon the payment in full or redemption of, all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination in the same manner as for a Listed Event under Section 5(b).

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate and any provision of this Disclosure Certificate may be waived if such amendment or waiver is permitted by the Rule, as evidenced by an opinion of counsel expert in federal securities law (which may include bond counsel to the Issuer), to the effect that such amendment or waiver would not cause the Disclosure Certificate to violate the Rule. The first Annual Report filed after enactment of any amendment to or waiver of this Disclosure Certificate shall explain, in narrative form, the reasons for the amendment or waiver and the impact of the change in the type of information being provided in the Annual Report.

If the amendment provides for a change in the accounting principles to be followed in preparing financial statements, the Annual Report for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information in order to provide information to investors to enable them to evaluate the ability of the Issuer to meet its obligations. To the extent reasonably feasible, the comparison shall also be quantitative. A notice of the change in the accounting principles shall be sent to the MSRB.

SECTION 9. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate any Owner of the Bonds may seek a court order for specific performance by the Issuer of its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not constitute a default with respect to the Bonds, and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action for specific performance of the Issuer's obligations hereunder and not for money damages in any amount.

SECTION 10. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Owners of the Bonds from time to time, and shall create no rights in any other person or entity.

Date: May 15, 2025

NORTHEAST METROPOLITAN  
REGIONAL VOCATIONAL TECHNICAL  
SCHOOL DISTRICT, MASSACHUSETTS

By: \_\_\_\_\_  
District Treasurer

By: \_\_\_\_\_  
Chair, Regional School District  
School Committee

[Exhibit A – MSRB Filing Information]  
[Exhibit B – Notice of Failure to File Annual Report]

**[CITY][TOWN], OF [CHELSEA], [MALDEN], [REVERE],  
[SAUGUS], [STONEHAM], [WAKEFIELD], [WOBURN], MASSACHUSETTS**

**PROPOSED FORM OF CONTINUING DISCLOSURE CERTIFICATE**

This Continuing Disclosure Certificate (the “Disclosure Certificate”) is executed and delivered by the [City][Town] of [Chelsea], [Malden], [Revere], [Saugus], [Stoneham], [Wakefield] and [Woburn], Massachusetts, in connection with the issuance by the Northeast Metropolitan Regional Vocational Technical Regional School District, Massachusetts (the “Issuer”) of its \$61,170,000 General Obligation School Project Loan, Chapter 70B Bonds dated May 15, 2025 (the “Bonds”). The [City][Town] covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the [City][Town] for the benefit of the Owners of the Bonds and in order to assist the Participating Underwriters in complying with the Rule.

SECTION 2. Definitions. For purposes of this Disclosure Certificate the following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Report provided by the [City][Town] pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“Listed Events” shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

“MSRB” shall mean the Municipal Securities Rulemaking Board as established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, or any successor thereto or to the functions of the MSRB contemplated by this Disclosure Certificate. Filing information relating to the MSRB is set forth in Exhibit A attached hereto.

“Owners of the Bonds” shall mean the registered owners, including beneficial owners, of the Bonds.

“Participating Underwriter” shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“Rule” shall mean Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

SECTION 3. Provision of Annual Reports.

(a) The [City][Town], or the Issuer on behalf of the [City][Town], shall, not later than 270 days after the end of each fiscal year, provide to the MSRB an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the [City][Town] may be submitted when available separately from the balance of the Annual Report.

(b) If the [City][Town] is unable to provide to the MSRB an Annual Report by the date required in subsection (a), the [City][Town] shall send a notice to the MSRB, in substantially the form attached as Exhibit B, unless the Issuer files such a notice with respect to the [City][Town]'s annual report.

SECTION 4. Content of Annual Reports. The [City][Town]'s Annual Report shall contain or incorporate by reference the following:

(a) quantitative information for the preceding fiscal year of the type presented in Appendix B of the Issuer's Official Statement dated April 29, 2025 relating to the Bonds regarding (i) revenues and expenditures of the [City][Town] relating to its operating budget, (ii) fund balances, (iii) property tax information, (iv) outstanding indebtedness and overlapping debt of the [City][Town], (v) pension obligations of the [City][Town], and (vi) other post-employment benefits liability of the [City][Town], and

(b) the most recently available audited financial statements of the [City][Town], prepared in accordance with generally accepted accounting principles, with certain exceptions permitted by the Massachusetts Uniform Municipal Accounting System promulgated by the Department of Revenue of the Commonwealth. If audited financial statements for the preceding fiscal year are not available when the Annual Report is submitted, the Annual Report will include unaudited financial statements for the preceding fiscal year and audited financial statements for such fiscal year shall be submitted when available.

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the [City][Town], the other obligated persons with respect to the Bonds, or related public entities, which (i) are available to the public on the MSRB internet website or (ii) have been filed with the Securities and Exchange Commission. The [City][Town] shall clearly identify each such other document so incorporated by reference.

#### SECTION 5. Reporting of Events.

(a) The [City][Town] shall give notice, in accordance with the provisions of this Section 5, of the occurrence of any of the following events with respect to the Bonds, unless the Issuer files such a notice with respect to the following events with respect to the Bonds:

1. Bankruptcy, insolvency, receivership or similar event of the [City][Town].\*
2. The consummation of a merger, consolidation, or acquisition involving the [City][Town] or the sale of all or substantially all of the assets of the [City][Town], other than in

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\* As noted in the Rule, this event is considered to occur when any of the following occur: (i) the appointment of a receiver, fiscal agent or similar officer for the [City][Town] in a proceeding under the U.S. Bankruptcy Code or in any proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the [City][Town], or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or (ii) the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the [City][Town].

the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.

3. Incurrence of a financial obligation of the [City][Town], if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the [City][Town], any of which affect Owners of the Bonds, if material.\*\*

4. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the [City][Town], any of which reflect financial difficulties.\*\*

(b) Upon the occurrence of a Listed Event, the [City][Town] shall, in a timely manner not in excess of ten (10) business days after the occurrence of the event, file a notice of such occurrence with the MSRB with respect to the Bonds, unless the Issuer files such a notice with respect to such occurrence.

SECTION 6. Transmission of Information and Notices. Unless otherwise required by law, all notices, documents and information provided to the MSRB shall be provided in electronic format as prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

SECTION 7. Termination of Reporting Obligation. The [City][Town]'s obligations under this Disclosure Certificate shall terminate upon the payment in full of all of the Bonds.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the [City][Town] may amend this Disclosure Certificate and any provision of this Disclosure Certificate may be waived if such amendment or waiver is permitted by the Rule, as evidenced by an opinion of counsel expert in federal securities law (which may include bond counsel to the Issuer), to the effect that such amendment or waiver would not cause the Disclosure Certificate to violate the Rule. The first Annual Report filed after enactment of any amendment to or waiver of this Disclosure Certificate shall explain, in narrative form, the reasons for the amendment or waiver and the impact of the change in the type of information being provided in the Annual Report.

If the amendment provides for a change in the accounting principles to be followed in preparing financial statements, the Annual Report for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information in order to provide information to investors to enable them to evaluate the

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\*\* For purposes of event numbers 3 and 4 in Section 5(a) of this Disclosure Certificate, the term "financial obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term "financial obligation" excludes municipal securities for which a final official statement has been provided to the MSRB consistent with the Rule.



ability of the [City][Town] to meet its obligations. To the extent reasonably feasible, the comparison shall also be quantitative. A notice of the change in the accounting principles shall be sent to the MSRB.

SECTION 9. Default. In the event of a failure of the [City][Town] to comply with any provision of this Disclosure Certificate any Owner of the Bonds may seek a court order for specific performance by the [City][Town] of its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not constitute a default with respect to the Bonds, and the sole remedy under this Disclosure Certificate in the event of any failure of the [City][Town] to comply with this Disclosure Certificate shall be an action for specific performance of the [City][Town]'s obligations hereunder and not for money damages in any amount.

SECTION 10. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Owners of the Bonds from time to time, and shall create no rights in any other person or entity.

Date: May 15, 2025

[CITY][TOWN] of [CHELSEA],  
[MALDEN], [REVERE], [SAUGUS],  
[STONEHAM], [WAKEFIELD] and  
[WOBURN], MASSACHUSETTS

By: \_\_\_\_\_  
Treasurer

[Exhibit A – MSRB Filing Information]  
[Exhibit B – Notice of Failure to File Annual Report]