



TOWN OF GROVELAND

2023 MAR -9 PM 3: 00

TOWN CLERK  
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## BOARD OF SELECTMEN

### Meeting Agenda

**Monday, March 13, 2023**

*Groveland Town Hall*

*183 Main Street, Groveland, MA 01834*

This meeting will be in-person and also be broadcast live on Groveland Public Access, Channel 9, as well as through Zoom virtual meeting software for remote access.

#### *Join Zoom Meeting*

<https://zoom.us/j/96899713012?pwd=bXNWcWx4emdMMjhoVEJxc0wvcWZwUT09>

*Meeting ID: 968 9971 3012*

*Passcode: 948618*

*One tap mobile*

*+16469313860,,96899713012#,,,,\*948618# US*

*+19292056099,,96899713012#,,,,\*948618# US (New York)*

**6:30 P.M.**

**CALL MEETING TO ORDER AT 6:30PM**

**PUBLIC COMMENT** *Written submissions for public comment must be made before the start of the meeting per the Board of Selectmen's Public Comment Policy amended November 13, 2017.*

#### **APPROVE WARRANTS:**

*PW # 23-37 \$*

*BW# 23-37 \$*

#### **APPROVAL OF THE MINUTES**

Board of Selectmen Meeting Minutes January 3, 2023

Board of Selectmen Meeting Minutes January 17, 2023

Board of Selectmen Meeting Minutes January 30, 2023

#### **APPOINTMENTS OF THE BOARD**

1. Appoint John Gray of 90 School Street to the Historic Commission effective March 13, 2023 to June 30, 2023.

#### **DISCUSSION & POSSIBLE VOTE**

2. Request from Jeff and Maria's Food and Ice Cream for to extend the hours of operation for one night in July and one night in August by four (4) hours, from 10 PM to 2 AM, to host an "All - Nighter" Event
3. Request to add a streetlight on Main Street across from the entrance at Pentucket Middle/High School, Pole 149
4. Vote to sign GHA 2023 Capital Funds Form
5. Presentation from Powers and Sullivan, LLC. FY2022 Reports
6. FY24 Budget Discussion

7. Approve ballot language for override

**VOTES OF THE BOARD**

**TOWN ADMINISTRATOR'S TIME**

**SELECTMEN'S TIME & REPORTS** *Time to be used to make statements, propose future agenda items, or congratulate residents/teams on accomplishments; this time should not be used to initiate a discussion.*

**OLD OR UNFINISHED BUSINESS**

**OTHER ITEMS NOT REASONABLY ANTICIPATED AT TIME OF POSTING**

**CORRESPONDENCE**

Board of Selectmen Executive Session Meeting Minutes October 20, 2022

Board of Selectmen Meeting Minutes February 13, 2023

Board of Selectmen Meeting Minutes February 27, 2023

**ADJOURNMENT:** *The next regularly scheduled meeting of the Board of Selectmen will be Monday, March 27, 2023, at 6:30PM.*

**23-37 BILLS WARRANT BREAKDOWN:**

Town:	\$
W/S:	\$
Payroll Withholding:	\$
Health Insurance:	\$
Light Bills:	\$
Grants & Revolving:	\$
Chapter 90:	\$
Pentucket Assessment:	\$
Essex Tech Assessment:	\$
Whittier Assessment:	\$
Capital:	\$



March 2, 2023

Dear Honorable Friends + Neighbors,

I am submitting my name  
for your consideration to become  
a member of Our Groveland  
Historical Commission.

Our family has a home  
at 90 School St since the  
Kennedy/Johnson Administration in  
1963.

We have served in local, state +  
U.S. Public Service since 1850 (Groveland  
founding) + since 1639 Rowley  
Plantation.

As we boldly welcome the  
Future, and remembering our past history  
+ learn, and enjoy the day let  
us celebrate St. Patrick's Day  
March 17th.

Again Thank you for your  
Time + consideration!!!!

All the Best + Looking Forward

John GRAY II

978-372-4935  
Cell Phone



Mr John Gray  
90 School St  
Groveland MA 01834-1627



**Town of Groveland**  
**Economic Development**  
**Planning & Conservation Department**  
**Zoning Board of Appeals**  
183 Main Street  
Groveland, MA 01834

*Chris Goodwin, Chair*  
*John Stokes II*  
*Brad Ligols*  
*Jason Naves*  
*John Grohol*

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**TEMPORARY RELIEF OF  
APPLICATION #2013-14 SPECIAL PERMIT**

YOU ARE HEREBY notified of the decision of the Board of Appeals on July 11, 2022 to grant temporary relief of Stipulation #1 of Application #2013-14 Special Permit for property located at 918 Salem Street, Groveland MA, Map 46 Lot 9.

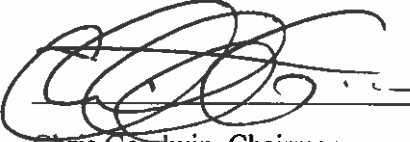
Temporary relief to Stipulation #1, "Hours of operation: Sunday-Saturday 10:00a.m-10:00p.m.", was granted by a vote of the Board on July 11, 2022, to extend the hours of July 20, 2022 from 10:00 PM to 3:00 AM for a special "Late Nighter" event. The vote of the Board was as follows:

MOTION: Brad Ligols made a motion to allow for the extension hours from 10 PM to 3 AM for the "Late Nighter" on July 20, 2022. Jason Naves seconded the motion. The vote was 4-0, unanimous in favor.

PLEASE NOTE, any similar events in the future must be first approved through the Board of Appeals for temporary relief, as well as any procedural requirements that the Board of Selectmen may impose.

If you have any questions, please reach out to the Groveland Town Planner at 978-556-7214.

**BOARD OF APPEALS**

  
\_\_\_\_\_  
Chris Goodwin, Chairman



**Town of Groveland**  
**Economic Development**  
**Planning & Conservation Department**  
**Zoning Board of Appeals**  
183 Main Street  
Groveland, MA 01834

*Chris Goodwin, Chair*  
*John Stokes II*  
*Brad Ligols*  
*Jason Naves*  
*John Grohol*  
*Mark Parenteau, Alternate*

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**TEMPORARY RELIEF OF**  
**APPLICATION #2013-14 SPECIAL PERMIT, 918 SALEM STREET**

YOU ARE HEREBY notified of the decision of the Board of Appeals on January 18, 2023 to grant temporary relief of Stipulation #1 of Application #2013-14 Special Permit for property located at 918 Salem Street, Groveland MA, Map 46 Lot 9, also known as Jeff and Maria's Ice Cream & Food.

**FINDINGS**

A Special Permit was issued to Paul Janson and Jeff Boragine on January 27, 2014 to operate an ice cream and food establishment at 918 Salem Street, Groveland MA, Map 46 Lot 9.

The first stipulation of this Special Permit is "Hours of operation: Sunday-Saturday 10:00a.m.-10:00p.m.".

Jeff Borgaine requested via email to extend the hours of operation for one night in July and one night in August by four (4) hours, from 10 PM to 2 AM, to host an "All - Nighter" Event.

**CONDITIONS**

1. The owner will be able to remain open for four (4) additional hours for one night in July and one night in August.
2. The owner shall receive approval from the Board of Selectmen to extend the hours of their common victualler license each year.
3. Any written complaint by an abutter or the Groveland Police Department submitted to the Economic Development, Planning and Conservation Department will require the owner to appear before the Board for review.
4. The Board reserves the right to withdraw this relief.
5. The Board must be notified each year of the proposed dates for the event.
6. This relief is granted until December 31, 2026. Any further relief must be requested in writing to the Board and a decision will be made at the next regularly scheduled meeting.

Temporary relief to Stipulation #1, "Hours of operation: Sunday-Saturday 10:00a.m-10:00p.m.", was granted by a vote of the Board on January 18, 2023, to extend the hours for one day in July and one day in August from 10:00 PM to 2:00 AM for a special "Late Nighter" event each year until 2026, when the applicant will be required to reappear for an extension of this relief.

**DECISION**



**Town of Groveland**  
**Economic Development**  
**Planning & Conservation Department**  
**Zoning Board of Appeals**  
183 Main Street  
Groveland, MA 01834

*Chris Goodwin, Chair*  
*John Stokes II*  
*Brad Ligols*  
*Jason Naves*  
*John Grohol*  
*Mark Parenteau, Alternate*

Temporary relief to Stipulation #1, "Hours of operation: Sunday-Saturday 10:00a.m.-10:00p.m.", was granted by a vote of the Board on January 18, 2023, to extend the hours for one day in July and one day in August from 10:00 PM to 2:00 AM for a special "Late Nighter" event each year until 2026, when the applicant will be required to reappear for an extension of this relief.

The vote of the Board was as follows:

**MOTION:** J. Grohol motioned to grant the relief requested for the two days per year identified for three years with the proposed conditions. J. Naves seconded the motion. A vote was taken. **Voting aye: M. Parenteau, aye. J. Grohol, aye. B. Ligols, aye. J. Naves, aye. The motion passes.**

**BOARD OF APPEALS**

  
Chris Goodwin, Chairman

## Rebecca Oldham

---

**From:** Annie Schindler  
**Sent:** Thursday, March 9, 2023 11:28 AM  
**To:** Rebecca Oldham  
**Subject:** FW: Special Event @ Jeff and Marias

See below.

Best,

Annie Schindler  
Town Planner & Environmental Program Coordinator Town of Groveland | 978.556.7214

The Secretary of the Commonwealth's Office has determined that most e-mails to and from municipal offices and officials are public records. Consequently, confidentiality should not be expected.

-----Original Message-----

From: Jeff and Marias Ice Cream and Food <jeffandmarias@hotmail.com>  
Sent: Wednesday, January 4, 2023 9:33 AM  
To: Annie Schindler <ASchindler@Grovelandma.com>  
Subject: Re: Special Event @ Jeff and Marias

Hi Annie!, the event is one day only its keeps our business open an extra 4 hours 2 nights out of the the year, we just serve ice cream til 2 AM, we have a few djs and we give away energy drinks starting at midnight. This has been a tradition since 2006 with my first ice cream shop. And we would like to aim for 2nd Wednesday in July and 2nd Wednesday in August. I leave for Florida on Friday and will not be able to attend the meeting. Thank you for such a quick response. And please let me know of you need anything else. - Jeff

Sent from my iPhone

> On Jan 4, 2023, at 7:25 AM, Annie Schindler <ASchindler@grovelandma.com> wrote:  
>



**Powers &  
Sullivan, LLC**  
CPAs AND ADVISORS

***TOWN OF GROVELAND, MASSACHUSETTS***

***MANAGEMENT LETTER***

***JUNE 30, 2022***





**Powers & Sullivan, LLC**  
CPAs AND ADVISORS

100 Quannapowitt Parkway, Suite 101  
Wakefield, Massachusetts 01880  
T. 781.914.1700 | F. 781.914.1701  
info@pas.cpa | www.pas.cpa

To the Honorable Board of Selectmen  
Town of Groveland, Massachusetts

In planning and performing our audit of the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Groveland, Massachusetts as of and for the year ended June 30, 2022, (except for the Groveland Municipal Light Department which is as of and for the year ending December 31, 2021) in accordance with auditing standards generally accepted in the United States of America, we considered the Town's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control.

However, during our audit we became aware of other matters that we believe represent opportunities for strengthening internal controls and operating efficiency. The memorandum that accompanies this letter summarizes our comments and suggestions concerning those matters.

We will review the status of these comments during our next audit engagement. We have already discussed these comments and suggestions with various Town personnel and will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

This communication is intended solely for the information and use of management of the Town of Groveland, Massachusetts, and others within the organization, and is not intended to be and should not be used by anyone other than these specified parties.

*Powers & Sullivan, LLC*

February 14, 2023

TOWN OF GROVELAND, MASSACHUSETTS

MANAGEMENT LETTER

JUNE 30, 2022

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***CONTINUING MATTERS PREVIOUSLY REPORTED***

## **BANK RECONCILIATIONS**

### Prior Comment

One of the most effective internal controls to detect and correct errors in a timely manner is a timely process of reconciling bank balances to the cash book in the Treasurer's office and then comparing those reconciled Treasurer's cash book balances to the Town's general ledger. Performing these monthly reconciliations helps to ensure that errors are detected and corrected timely and that records are complete and accurate.

The Town maintains approximately 50 bank accounts, most of which are reconciled to the Town Treasurer's cash book on a timely basis. However, we have previously noted the following accounts had not been fully reconciled.

- For the online collections account with Century Bank, at June 30, 2021, there was an unreconciled difference between the bank balance and the book balance maintained by the Treasurer totaling \$44,000.
- For the vendor account with Eastern Bank, at June 30, 2021, there was an unreconciled difference between the bank balance and the book balance maintained by the Treasurer totaling \$326,000.

The previously noted unreconciled variances were the result of significant turnover in key financial positions. The current members of the Town's financial team have been working to reconcile the accounts to a consistent unidentified variance.

### Current Status

*Partially Resolved* – At June 30, 2022, the unreconciled difference in the online collections account and vendor account totaled \$44,000 and (\$285,000), respectively. The Town has developed the following timeline with respect to these variances:

- For the online collections account with Century Bank, the positive variance at June 30, 2022, totaling \$44,000 has been consistently reconciled to that unknown variance since March 2022.
- For the vendor account with Eastern Bank, the negative variance at June 30, 2022, totaling \$285,000 has been consistently reconciled to that unknown variance since May 2022 and in December 2022, the Town discovered a \$34,000 error from 2018, which was identified and corrected, resulting in a total variance of \$319,000. The Town plans to reconcile to the remaining variance on a consistent basis with a planned cut off of March 2023. This date reflects one year since the last warrant was paid out of that account and reflects the duration of valid checks subject to being cashed.

The Town plans to resolve these variances at the end of March 2023.

### Continuing Recommendation

We continue recommend that the Town continue take the appropriate steps to ensure that the cashbook is accurately stated.

## **TAX TITLE**

### Prior Comment

Properties placed into tax title in accordance with Massachusetts General Law (MGL) represent the Town's interest to ensure future payment for unpaid taxes. Therefore, it is in the Town's interest to convert properties acquired through tax title into cash and to ensure that the list of tax title is accurate and updated appropriately.

In the previous year, the balance in the tax title receivables totaled \$520,000, and the properties listed in tax title had been there for many years.

### Current Status

*Resolved* – During 2022, the Town has initiated communication with outside counsel to establish a process to resolve these old tax title receivables, and in 2022 the Town collected on a number of properties with outstanding balances. The Town plans to take the appropriate steps to foreclose on those properties in which the probability of collecting is remote.

## **FRAUD RISK ASSESSMENT**

### Prior Comment

The opportunity to commit and conceal fraud exists where there are assets susceptible to misappropriation and inadequate controls to prevent or detect the fraud. To address this risk, we recommend that the Town perform a risk assessment to identify, analyze, and manage the risk of asset misappropriation. Risk assessment, including fraud risk assessment, is one element of internal control. Thus, ideally, the Town's internal control should include performance of this assessment, even though our annual financial statement audits include consideration of fraud.

The fraud risk assessment can be informal and performed by a management-level individual who has extensive knowledge of the Town that might be used in the assessment. Ordinarily, the management-level individual would conduct interviews or lead group discussions with personnel who have extensive knowledge of the Town, its environment, and its processes. The fraud risk assessment process should consider the Town's vulnerability to misappropriation of assets.

When conducting the self-assessment, questions such as the following can be considered:

- What individuals have the opportunity to misappropriate assets? These are individuals who have access to assets susceptible to theft and to records that can be falsified or manipulated to conceal the theft.
- Are there any known pressures that would motivate employees with the opportunity to misappropriate assets? Pressures may relate to financial stress or dissatisfaction. In assessing whether these pressures may exist, the assessor should consider whether there is any information that indicated potential financial stress or dissatisfaction of employees with access to assets susceptible to misappropriation.
- What assets of the Town are susceptible to misappropriation?
- Are there any known internal control weaknesses that would allow misappropriation of assets to occur and remain undetected?

- How could assets be stolen? Assets can be stolen in many ways besides merely removing them from the premises. For example, cash can be stolen by writing checks to fictitious employees or vendors and cashing them for personal use.
- How could potential misappropriation of assets be concealed? Because many frauds create accounting anomalies, the perpetrator must hide the fraud by running through an adjustment to another account. Generally, fraud perpetrators may use accounts that are not closely monitored.

#### Current Status

*Unresolved* - The Town has not yet developed or implemented a formal fraud risk assessment.

#### Continuing Recommendation

We continue to recommend that management develop and implement a fraud risk assessment program to identify, analyze, and manage the risk of asset misappropriation. Department heads should provide information detailing any activities within their departments that may lend themselves to potential fraud, i.e., identification of idle cash or collections that don't get turned over daily or instances where internal controls over Town assets are not in place or are not functioning as intended.

### **INTERNAL PROCEDURE MANUALS**

#### Prior Comment

We noted that most departments do not maintain a formal internal procedure manual documenting day-to-day processing and controls. Since the Town is limited in the number of employees, the Town is at risk if critical tasks cannot be completed due to an extended absence.

#### Current Status

*Resolved* – The Town has formally adopted an internal procedure manual.

### **DOCUMENTATION OF INTERNAL CONTROLS**

#### Prior Comment

In December 2013, the U.S. Office of Management and Budget (OMB) issued *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) in an effort to (1) streamline guidance for federal awards while easing the administrative burden and (2) to strengthen oversight over the expenditure of federal funds and to reduce the risks of waste, fraud and abuse.

The Uniform Guidance supersedes and streamlines requirements from eight different federal grant circulars (including OMB Circular A-133) into one set of guidance. Local governments were required to implement the new administrative requirements and cost principles for all new federal awards and to additional funding to existing awards made after December 26, 2014 (fiscal year 2016).



In conformance with Uniform Guidance, the non-Federal entity must: (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States (the Green Book) and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Management is responsible for internal controls and to see that the entity is doing what needs to be done to meet its objectives. Governments have limited resources and constraints on how much can be spent on designing, implementing, and conducting systems of internal control. The COSO Framework can help management consider alternative approaches and decide what action it needs to take to meet its objectives. Depending on circumstances, these approaches and decisions can contribute to efficiencies in the design, implementation, and conduct of internal control. With the COSO Framework, management can more successfully diagnose issues and assert effectiveness regarding their internal controls, and, for external financial reporting, help avoid material weaknesses or significant deficiencies.

The COSO internal control framework must incorporate the 5 major components of internal control, while addressing the 17 principles of internal control that support the COSO framework. Refer to [www.coso.org](http://www.coso.org) for articles describing the 5 components and their 17 principles in detail.

Management should evaluate and assess the government’s internal control system to determine whether: each of the five essential elements of a comprehensive framework of internal control is present throughout the organization; whether each element addresses all of the associated principles; and whether all five elements effectively function together.

#### Current Status

*Unresolved* – The Town has not yet documented its internal control system over federal awards in compliance with the COSO Internal Control Framework. Management intends to complete this process during 2023.

#### Continuing Recommendation

We recommend management follow the best practice for establishing and documenting their internal control system using the COSO Internal Control Framework.



**Powers &  
Sullivan, LLC**  
CPAs AND ADVISORS

***TOWN OF GROVELAND, MASSACHUSETTS***

***REPORT ON EXAMINATION OF  
BASIC FINANCIAL STATEMENTS***

***YEAR ENDED JUNE 30, 2022***

TOWN OF GROVELAND, MASSACHUSETTS

REPORT ON EXAMINATION OF BASIC FINANCIAL STATEMENTS

JUNE 30, 2022

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## **Independent Auditor's Report**

To the Honorable Board of Selectmen  
Town of Groveland, Massachusetts

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

### **Opinions**

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

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

We did not audit the financial statements of the Groveland Electric Light Department as of December 31, 2021, which represents 53%, 61%, and 77%, respectively, of the assets, net position, and revenues of the business-type activities as of June 30, 2022, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinions, insofar as it relates to the amounts included for the Groveland Electric Light Department, is based solely on the report of the other auditors.

### **Basis for Opinions**

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

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

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

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

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

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

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

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

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

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United

States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### **Other Matters, Financial Statement Restatements**

As described in Note 16 to the financial statements, the beginning net position of the business-type activities and the beginning net position of the Electric Light Department have been restated. Our opinions are not modified with respect to these matters.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated February 14, 2023, on our consideration of the Town of Groveland, Massachusetts' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Groveland, Massachusetts' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Groveland, Massachusetts' internal control over financial reporting and compliance.



February 14, 2023



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

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

As management of the Town of Groveland, we offer readers of these financial statements this narrative overview and analysis of the financial activities for the year ended June 30, 2022. We encourage readers to consider the information presented in this report.

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

This discussion and analysis is intended to serve as an introduction to the Town of Groveland's basic financial statements. These basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The government-wide financial statements provide both long-term and short-term information about the Town as a whole. The fund financial statements focus on the individual components of the Town government, reporting the Town's operations in more detail than the government-wide statements. Both presentations (government-wide and fund) allow the user to address relevant questions, broaden the basis of comparison and enhance the Town's accountability. An additional part of the basic financial statements are the notes to the financial statements. The report also contains other supplementary information in addition to the basic financial statements themselves.

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

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

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

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

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

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

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

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

The Town's general fund, community preservation fund and COVID-19 fund are considered major funds for presentation purposes. These major funds are presented in separate columns in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances. The remaining governmental funds are aggregated and shown as nonmajor governmental funds.

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

*Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Town uses enterprise funds to account for its water, sewer, and electric light activities.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the Town's own programs. The accounting used for fiduciary funds is much like that used for propriety funds. The Town uses the fiduciary funds to account for its Other Postemployment Benefit (OPEB) Trust Funds and the private purpose trust fund.

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

### ***Financial Highlights***

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The Town of Groveland's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$33.1 million for both governmental activities and business-type activities at the close of the most recent year. Key components of the Town's activities are presented on the following pages.

## Governmental Activities

	2022	2021
<b>Assets:</b>		
Current assets..... \$	11,192,223	\$ 10,542,395
Capital assets, non depreciable.....	9,796,039	9,796,039
Capital assets, net of accumulated depreciation....	16,706,819	16,634,757
<b>Total assets.....</b>	<b>37,695,081</b>	<b>36,973,191</b>
<b>Deferred outflows of resources.....</b>	<b>1,206,127</b>	<b>1,235,866</b>
<b>Liabilities:</b>		
Current liabilities (excluding debt).....	681,525	1,113,421
Noncurrent liabilities (excluding debt).....	9,557,947	10,409,924
Current debt.....	655,871	747,480
Noncurrent debt.....	7,008,773	7,543,862
<b>Total liabilities.....</b>	<b>17,904,116</b>	<b>19,814,687</b>
<b>Deferred inflows of resources.....</b>	<b>2,232,919</b>	<b>1,594,805</b>
<b>Net position:</b>		
Net investment in capital assets.....	18,838,214	18,139,454
Restricted.....	5,638,230	4,715,339
Unrestricted.....	(5,712,271)	(6,055,228)
<b>Total net position..... \$</b>	<b>18,764,173</b>	<b>16,799,565</b>

Governmental net position of \$18.8 million reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment) less any related debt used to acquire those assets that are still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the investment in its capital assets is reported net of its related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of net position, \$5.6 million, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position is a deficit balance of \$5.7 million. The primary reason for this deficit balance is the recognition of the \$4.3 million net OPEB liability and the \$5.2 million net pension liability.

Governmental activities increased the Town's net position by \$2.0 million during 2022, as compared to an increase of \$1.0 million in 2021. Overall, expenses increased \$1.7 million, or 8%, from the prior year while revenues increased by \$2.6 million, or 12%, over the prior year. Revenue increases were mainly from operating and capital grants relating to ARPA funding and from real estate and personal property taxes.

The increases to expenses were mainly attributable to the education function. The increase in educational expenses relates to an increase in the Town's assessment to the Pentucket Regional School District. Furthermore, there were additional increases in expenses related to ARPA spending, which was recognized across various Town functions.

	2022	2021
<b>Program Revenues:</b>		
Charges for services.....	\$ 954,217	\$ 860,462
Operating grants and contributions.....	1,142,602	636,977
Capital grants and contributions.....	1,396,579	593,274
<b>General Revenues:</b>		
Real estate and personal property taxes, net of tax refunds payable.....	17,564,837	16,473,469
Motor vehicle and other excise taxes.....	1,067,781	1,137,677
Community preservation tax.....	423,003	376,594
Penalties and interest on taxes.....	172,825	119,762
Payments in lieu of taxes.....	63,073	26,337
Grants and contributions not restricted to specific programs.....	1,083,488	979,012
Unrestricted investment income (loss).....	(23,872)	48,825
<b>Total revenues.....</b>	<b>23,844,533</b>	<b>21,252,389</b>
<b>Expenses:</b>		
General government.....	1,811,128	1,606,237
Public safety.....	3,320,751	3,452,304
Education.....	13,234,698	11,972,246
Public works.....	2,080,794	1,993,816
Community development.....	140,458	122,280
Health and human services.....	667,040	557,268
Culture and recreation.....	572,906	466,022
Interest.....	92,150	99,485
<b>Total expenses.....</b>	<b>21,919,925</b>	<b>20,269,658</b>
<b>Excess (Deficiency) before transfers.....</b>	<b>1,924,608</b>	<b>982,731</b>
<b>Transfers.....</b>	<b>40,000</b>	<b>40,000</b>
<b>Change in net position.....</b>	<b>1,964,608</b>	<b>1,022,731</b>
<b>Net position, beginning of year.....</b>	<b>16,799,565</b>	<b>15,776,834</b>
<b>Net position, end of year.....</b>	<b>\$ 18,764,173</b>	<b>\$ 16,799,565</b>

## Business-type Activities

The Town's business-type activities assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$14.3 million at year end, an increase of \$835,000 from the prior year. The water and electric light department's change in net position each amounted to increases of \$406,000 and \$502,000 respectively. The sewer enterprise fund's net position decreased by \$72,000.

## Water Activities

Water business-type activities assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$4.0 million at the close of 2022. Net investment in capital assets totaled \$3.8 million and unrestricted net position totaled \$269,000. Net position increased during 2022 by \$406,000 compared to an increase of \$146,000 in the prior year. The increase in net position is due to the department's ability to set rates to cover its operating expenses.

	2022	2021
<b>Assets:</b>		
Current assets.....	\$ 1,494,008	\$ 1,103,111
Capital assets, non depreciable.....	478,753	478,753
Capital assets, net of accumulated depreciation....	5,931,219	5,622,130
<b>Total assets.....</b>	<b>7,903,980</b>	<b>7,203,994</b>
<b>Deferred outflows of resources.....</b>	<b>113,855</b>	<b>109,368</b>
<b>Liabilities:</b>		
Current liabilities (excluding debt).....	208,927	54,817
Noncurrent liabilities (excluding debt).....	910,764	1,010,522
Current debt.....	535,000	205,000
Noncurrent debt.....	2,100,000	2,275,000
<b>Total liabilities.....</b>	<b>3,754,691</b>	<b>3,545,339</b>
<b>Deferred inflows of resources.....</b>	<b>219,527</b>	<b>130,080</b>
<b>Net position:</b>		
Net investment in capital assets.....	3,774,972	3,620,883
Unrestricted.....	268,645	17,060
<b>Total net position.....</b>	<b>\$ 4,043,617</b>	<b>\$ 3,637,943</b>
<b>Program Revenues:</b>		
Charges for services.....	\$ 1,316,598	\$ 1,231,539
<b>General Revenues:</b>		
Unrestricted investment income.....	408	182
<b>Total revenues.....</b>	<b>1,317,006</b>	<b>1,231,721</b>
<b>Expenses:</b>		
Water.....	911,332	1,085,647
<b>Change in net position.....</b>	<b>405,674</b>	<b>146,074</b>
<b>Net position, beginning of year.....</b>	<b>3,637,943</b>	<b>3,491,869</b>
<b>Net position, end of year.....</b>	<b>\$ 4,043,617</b>	<b>\$ 3,637,943</b>



## Sewer Activities

Sewer business-type activities assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$1.6 million at the close of 2022. Net investment in capital assets was \$1.3 million and unrestricted net position was \$244,000. Net position decreased during 2022 by \$72,000 which is consistent with a decrease of \$125,000 in the prior year.

	2022	2021
<b>Assets:</b>		
Current assets.....	\$ 672,241	\$ 701,250
Noncurrent assets (excluding capital).....	93,225	111,196
Capital assets, non depreciable.....	255,004	274,668
Capital assets, net of accumulated depreciation....	1,593,543	1,711,136
<b>Total assets.....</b>	<b>2,614,013</b>	<b>2,798,250</b>
<b>Deferred outflows of resources.....</b>	<b>56,928</b>	<b>54,683</b>
<b>Liabilities:</b>		
Current liabilities (excluding debt).....	14,899	74,563
Noncurrent liabilities (excluding debt).....	453,242	503,384
Current debt.....	45,000	45,000
Noncurrent debt.....	475,000	520,000
<b>Total liabilities.....</b>	<b>988,141</b>	<b>1,142,947</b>
<b>Deferred inflows of resources.....</b>	<b>109,763</b>	<b>65,039</b>
<b>Net position:</b>		
Net investment in capital assets.....	1,328,547	1,420,804
Unrestricted.....	244,490	224,143
<b>Total net position.....</b>	<b>\$ 1,573,037</b>	<b>\$ 1,644,947</b>
<b>Program Revenues:</b>		
Charges for services.....	\$ 520,101	\$ 540,534
<b>General Revenues:</b>		
Unrestricted investment income.....	166	78
<b>Total revenues.....</b>	<b>520,267</b>	<b>540,612</b>
<b>Expenses:</b>		
Sewer.....	592,177	665,930
<b>Change in net position.....</b>	<b>(71,910)</b>	<b>(125,318)</b>
<b>Net position, beginning of year.....</b>	<b>1,644,947</b>	<b>1,770,265</b>
<b>Net position, end of year.....</b>	<b>\$ 1,573,037</b>	<b>\$ 1,644,947</b>

## Electric Light Activities

Electric light business-type activities assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$8.7 million at the close of calendar year 2021. Net investment in capital assets was \$5.7 million and unrestricted net position was \$2.9 million. Net position increased during calendar year 2021 by \$502,000 compared to an increase of \$437,000 in the prior year. This was mainly attributable to net investment income of \$426,000 and an increase in user charges.

	December 31, 2021	December 31, 2020 (As Restated)
<b>Assets:</b>		
Current assets.....	\$ 6,279,295	\$ 5,843,057
Capital assets, non depreciable.....	454,200	454,200
Capital assets, net of accumulated depreciation...	5,288,486	5,299,324
<b>Total assets.....</b>	<b>12,021,981</b>	<b>11,596,581</b>
<b>Deferred outflows of resources.....</b>	<b>657,831</b>	<b>315,643</b>
<b>Liabilities:</b>		
Current liabilities (excluding debt).....	846,706	663,925
Noncurrent liabilities (excluding debt).....	2,818,337	2,655,395
<b>Total liabilities.....</b>	<b>3,665,043</b>	<b>3,319,320</b>
<b>Deferred inflows of resources.....</b>	<b>343,708</b>	<b>423,505</b>
<b>Net position:</b>		
Net investment in capital assets.....	5,742,686	5,753,524
Unrestricted.....	2,928,375	2,415,875
<b>Total net position.....</b>	<b>\$ 8,671,061</b>	<b>\$ 8,169,399</b>
<b>Program Revenues:</b>		
Charges for services.....	\$ 6,117,825	\$ 6,040,943
<b>General Revenues:</b>		
Unrestricted investment income.....	426,040	259,216
<b>Total revenues.....</b>	<b>6,543,865</b>	<b>6,300,159</b>
<b>Expenses:</b>		
Electric Light.....	6,002,203	5,823,563
<b>Excess (Deficiency) before transfers.....</b>	<b>541,662</b>	<b>476,596</b>
<b>Transfers.....</b>	<b>(40,000)</b>	<b>(40,000)</b>
<b>Change in net position.....</b>	<b>501,662</b>	<b>436,596</b>
<b>Net position, beginning of year (as restated).....</b>	<b>8,169,399</b>	<b>7,732,803</b>
<b>Net position, end of year.....</b>	<b>\$ 8,671,061</b>	<b>\$ 8,169,399</b>

The beginning balance of the Town's business-type activities' net position as well as the Electric Light Department's proprietary fund net position has been restated (decreased) by \$1.6 million. Refer to Note 16 for further information.

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

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

**Governmental funds.** The focus of the Town of Groveland's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town of Groveland'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 \$9.5 million, an increase of \$1.4 million from the prior year.

### ***General Fund***

The general fund is the chief operating fund. At the end of the current year, the unassigned fund balance of the general fund was \$2.9 million and total fund balance was \$3.3 million. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 14.1% of total general fund expenditures, while total fund balance represents 16.2% of that same amount.

The general fund increased by \$287,000 during 2022 as a result of better than expected revenue collections and expenditure turnbacks.

### ***Community Preservation Fund***

The Community Preservation fund had an ending fund balance at June 30, 2022 of \$4.0 million. These funds are attributable to the Town's acceptance of the Community Preservation Act, which allows the Town to impose up to a 3% surcharge on property taxes and to receive matching State grant funds for specified uses related to the acquisition, creation, preservation and support of open space, historical resources, land for recreational use and community housing. Revenues exceeded expenditures by \$579,000 during the current year.

### ***COVID-19 Fund***

The COVID-19 fund is used to account for state and federal grants received to offset expenditures incurred related to the Coronavirus Pandemic. In 2022, the Town received state and federal funding of which the Town has reported \$185,000 as unearned revenue for costs not yet incurred. The Town will recognize these funds as revenue as the qualifying expenditures are incurred. In 2022, the Town incurred \$1.1 million in expenditures related to the Pandemic.

The nonmajor governmental funds experienced an increase of \$486,000 in the current year, which was due to timing differences between the receipts and expenditures of grant funds.

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

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

The original 2022 approved budget authorized \$20.6 million in appropriations and other amounts to be raised, including \$73,000 of prior year carryforwards. The final budget totaled \$20.8 million, including \$200,000 in supplemental appropriations transferred from available funds, mainly for assessments to the Pentucket Regional School District.

Actual revenues came in above the budgeted amounts by \$439,000 in total. Actual expenditures (including carryovers) were less than budgeted amounts by \$318,000.

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

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

During 2022, the Town expended \$1.2 million on governmental activities capital assets mainly consisting of various vehicles, building and improvements, machinery and equipment, and infrastructure purchases. The business-type activities expended approximately \$835,000 on capital assets, mainly consisting of equipment, and infrastructure purchases in the water and electric enterprise funds.

Outstanding long-term debt of the governmental activities, as of June 30, 2022, totaled \$3.0 million. The decrease over the prior year is mainly attributable to scheduled principal payments.

Outstanding long-term debt of the business type activities, as of June 30, 2022, totaled \$2.8 million, of which \$520,000 relates to sewer projects and \$2.3 million relates to water projects. The decrease over the prior year is attributable to scheduled principal payments.

The Town has also recorded a liability of \$4.6 million in capital assessments payable to Pentucket Regional School District associated with the construction and renovation of the Bagnall School.

Please refer to the notes to the financial statements for further discussion of the major capital and debt activity.

## ***Requests for Information***

This financial report is designed to provide a general overview of the Town of Groveland's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Town Administrator, 183 Main Street, Groveland, MA 01834.

# ***Basic Financial Statements***

## STATEMENT OF NET POSITION

JUNE 30, 2022

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
<b>CURRENT:</b>			
Cash and cash equivalents.....	\$ 7,835,639	\$ 1,571,364	\$ 9,407,003
Restricted cash and cash equivalents.....	-	113,298	113,298
Investments.....	2,362,002	4,501,001	6,863,003
Receivables, net of allowance for uncollectibles:			
Real estate and personal property taxes.....	128,678	-	128,678
Tax liens.....	278,934	-	278,934
Community preservation fund surtax.....	2,999	-	2,999
Motor vehicle and other excise taxes.....	69,878	-	69,878
User charges.....	-	1,304,901	1,304,901
Intergovernmental.....	240,556	-	240,556
Community preservation state share.....	273,537	-	273,537
Special assessments.....	-	14,588	14,588
Inventory.....	-	220,047	220,047
Prepaid expenses.....	-	720,345	720,345
Total current assets.....	11,192,223	8,445,544	19,637,767
<b>NONCURRENT:</b>			
Receivables, net of allowance for uncollectibles:			
Special assessments.....	-	93,225	93,225
Capital assets, nondepreciable.....	9,796,039	1,187,957	10,983,996
Capital assets, net of accumulated depreciation.....	16,706,819	12,813,248	29,520,067
Total noncurrent assets.....	26,502,858	14,094,430	40,597,288
TOTAL ASSETS.....	37,695,081	22,539,974	60,235,055
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows related to pensions.....	633,791	492,305	1,126,096
Deferred outflows related to other postemployment benefits.....	572,336	336,309	908,645
TOTAL DEFERRED OUTFLOWS OF RESOURCES.....	1,206,127	828,614	2,034,741
<b>LIABILITIES</b>			
<b>CURRENT:</b>			
Warrants payable.....	230,135	914,195	1,144,330
Accrued payroll.....	190,304	17,420	207,724
Accrued interest.....	3,815	23,912	27,727
Customer deposits payable.....	-	112,455	112,455
Other liabilities.....	35,008	-	35,008
Unearned revenue.....	185,213	-	185,213
Capital assessment payable.....	300,463	-	300,463
Compensated absences.....	37,050	2,550	39,600
Notes payable.....	120,781	360,000	480,781
Bonds payable.....	234,627	220,000	454,627
Total current liabilities.....	1,337,396	1,650,532	2,987,928
<b>NONCURRENT:</b>			
Capital assessment payable.....	4,268,976	-	4,268,976
Compensated absences.....	111,150	7,650	118,800
Net pension liability.....	5,185,079	2,926,769	8,111,848
Net other postemployment benefits liability.....	4,261,718	1,247,924	5,509,642
Bonds payable.....	2,739,797	2,575,000	5,314,797
Total noncurrent liabilities.....	16,566,720	6,757,343	23,324,063
TOTAL LIABILITIES.....	17,904,116	8,407,875	26,311,991
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows related to pensions.....	1,328,117	395,065	1,723,182
Deferred inflows related to other postemployment benefits.....	904,802	277,933	1,182,735
TOTAL DEFERRED INFLOWS OF RESOURCES.....	2,232,919	672,998	2,905,917
<b>NET POSITION</b>			
Net investment in capital assets.....	18,838,214	10,846,205	29,684,419
Restricted for:			
Permanent funds:			
Nonexpendable.....	444,218	-	444,218
Gifts and grants.....	908,096	-	908,096
Community preservation.....	4,285,916	-	4,285,916
Unrestricted.....	(5,712,271)	3,441,510	(2,270,761)
TOTAL NET POSITION.....	\$ 18,764,173	\$ 14,287,715	\$ 33,051,888

See notes to basic financial statements.

# STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2022

	Program Revenues				
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue
<b>Primary Government:</b>					
<i>Governmental Activities:</i>					
General government.....	\$ 1,811,128	\$ 376,245	\$ 495,921	\$ 103,303	\$ (835,659)
Public safety.....	3,320,751	379,619	223,461	585,597	(2,132,074)
Education.....	13,234,698	-	43,940	-	(13,190,758)
Public works.....	2,080,794	5,450	43,482	398,109	(1,633,753)
Community development.....	140,458	-	-	309,570	169,112
Health and human services.....	667,040	17,427	310,260	-	(339,353)
Culture and recreation.....	572,906	175,476	25,538	-	(371,892)
Interest.....	92,150	-	-	-	(92,150)
Total Governmental Activities.....	21,919,925	954,217	1,142,602	1,396,579	(18,426,527)
<i>Business-Type Activities:</i>					
Water.....	911,332	1,316,598	-	-	405,266
Sewer.....	592,177	520,101	-	-	(72,076)
Electric Light.....	6,002,203	6,117,825	-	-	115,622
Total Business-Type Activities.....	7,505,712	7,954,524	-	-	448,812
Total Primary Government.....	\$ 29,425,637	\$ 8,908,741	\$ 1,142,602	\$ 1,396,579	\$ (17,977,715)

See notes to basic financial statements.

(Continued)

# STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2022

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>Changes in net position:</b>			
Net (expense) revenue from previous page.....	\$ (18,426,527)	\$ 448,812	\$ (17,977,715)
<i>General revenues:</i>			
Real estate and personal property taxes, and tax and other liens, net of tax refunds payable.....	17,564,837	-	17,564,837
Motor vehicle and other excise taxes.....	1,067,781	-	1,067,781
Community preservation tax.....	423,003	-	423,003
Penalties and interest on taxes.....	172,825	-	172,825
Payments in lieu of taxes.....	63,073	-	63,073
Grants and contributions not restricted to specific programs.....	1,083,488	-	1,083,488
Unrestricted investment income (loss).....	(23,872)	426,614	402,742
<i>Transfers, net</i> .....	40,000	(40,000)	-
Total general revenues and transfers.....	20,391,135	386,614	20,777,749
Change in net position.....	1,964,608	835,426	2,800,034
<i>Net position:</i>			
Beginning of year (As Restated).....	16,799,565	13,452,289	30,251,854
End of year.....	\$ 18,764,173	\$ 14,287,715	\$ 33,051,888

See notes to basic financial statements.

(Concluded)



**GOVERNMENTAL FUNDS  
BALANCE SHEET**

JUNE 30, 2022

	General	Community Preservation	COVID-19 Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents.....	\$ 1,547,125	\$ 4,010,279	\$ 233,168	\$ 2,045,067	\$ 7,835,639
Investments.....	2,008,384	-	-	353,618	2,362,002
Receivables, net of uncollectibles:					
Real estate and personal property taxes.....	128,678	-	-	-	128,678
Tax liens.....	278,934	-	-	-	278,934
Community preservation fund surtax.....	-	2,999	-	-	2,999
Motor vehicle and other excise taxes.....	69,878	-	-	-	69,878
Intergovernmental.....	-	-	-	240,556	240,556
Community preservation state share.....	-	273,537	-	-	273,537
<b>TOTAL ASSETS.....</b>	<b>\$ 4,032,999</b>	<b>\$ 4,286,815</b>	<b>\$ 233,168</b>	<b>\$ 2,639,241</b>	<b>\$ 11,192,223</b>
<b>LIABILITIES</b>					
Warrants payable.....	\$ 111,122	\$ 899	\$ 47,955	\$ 70,159	\$ 230,135
Accrued payroll.....	149,588	-	-	40,716	190,304
Other liabilities.....	-	-	-	35,008	35,008
Unearned revenue.....	-	-	185,213	-	185,213
Notes payable.....	-	-	-	120,781	120,781
<b>TOTAL LIABILITIES.....</b>	<b>260,710</b>	<b>899</b>	<b>233,168</b>	<b>266,664</b>	<b>761,441</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue.....	468,591	276,536	-	210,319	955,446
<b>FUND BALANCES</b>					
Nonspendable.....	-	-	-	444,218	444,218
Restricted.....	-	4,009,380	-	1,839,821	5,849,201
Committed.....	34,624	-	-	-	34,624
Assigned.....	400,834	-	-	-	400,834
Unassigned.....	2,868,240	-	-	(121,781)	2,746,459
<b>TOTAL FUND BALANCES.....</b>	<b>3,303,698</b>	<b>4,009,380</b>	<b>-</b>	<b>2,162,258</b>	<b>9,475,336</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES.....</b>	<b>\$ 4,032,999</b>	<b>\$ 4,286,815</b>	<b>\$ 233,168</b>	<b>\$ 2,639,241</b>	<b>\$ 11,192,223</b>

See notes to basic financial statements.

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

JUNE 30, 2022

Total governmental fund balances.....	\$ 9,475,336
Capital assets (net) used in governmental activities are not financial resources and, therefore, are not reported in the funds.....	26,502,858
Accounts receivable are not available to pay for current-period expenditures and, therefore, are unavailable in the funds.....	955,446
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.....	(1,026,792)
In the statement of activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due.....	(3,815)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:	
Bonds payable.....	(2,974,424)
Net pension liability.....	(5,185,079)
Net other postemployment benefits liability.....	(4,261,718)
Compensated absences.....	(148,200)
Capital assessment payable.....	(4,569,439)
Net effect of reporting long-term liabilities.....	(17,138,860)
Net position of governmental activities.....	\$ <u>18,764,173</u>

See notes to basic financial statements.

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

YEAR ENDED JUNE 30, 2022

	General	Community Preservation	COVID-19 Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>					
Real estate and personal property taxes, net of tax refunds.....	\$ 17,689,939	\$ -	\$ -	\$ -	\$ 17,689,939
Tax liens.....	197,929	-	-	-	197,929
Motor vehicle and other excise taxes.....	1,094,292	-	-	-	1,094,292
Charges for services.....	-	-	-	124,447	124,447
Penalties and interest on taxes.....	172,825	-	-	-	172,825
Payments in lieu of taxes.....	63,073	-	-	-	63,073
Intergovernmental.....	1,088,488	370,229	-	454,140	1,912,857
Intergovernmental - COVID-19 relief.....	-	-	1,064,211	-	1,064,211
Departmental and other.....	337,214	-	-	539,734	876,948
Community preservation taxes.....	-	423,003	-	-	423,003
Contributions and donations.....	-	-	-	416,914	416,914
Investment income (loss).....	1,848	(25,720)	-	307	(23,565)
<b>TOTAL REVENUES.....</b>	<b>20,645,608</b>	<b>767,512</b>	<b>1,064,211</b>	<b>1,535,542</b>	<b>24,012,873</b>
<b>EXPENDITURES:</b>					
Current:					
General government.....	1,089,471	-	150,144	348,337	1,587,952
Public safety.....	1,996,422	-	656,231	323,182	2,975,835
Education.....	13,203,911	-	43,940	-	13,247,851
Public works.....	1,523,943	-	-	228,364	1,752,307
Community development.....	-	188,158	-	-	188,158
Health and human services.....	284,183	-	213,896	39,507	537,586
Culture and recreation.....	270,082	-	-	155,833	425,915
Pension benefits.....	620,551	-	-	-	620,551
Property and liability insurance.....	216,901	-	-	-	216,901
Employee benefits.....	697,219	-	-	-	697,219
State and county charges.....	86,569	-	-	-	86,569
Debt service:					
Principal.....	260,424	-	-	-	260,424
Interest.....	103,065	-	-	-	103,065
<b>TOTAL EXPENDITURES.....</b>	<b>20,352,741</b>	<b>188,158</b>	<b>1,064,211</b>	<b>1,095,223</b>	<b>22,700,333</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>292,867</b>	<b>579,354</b>	<b>-</b>	<b>440,319</b>	<b>1,312,540</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in.....	87,428	-	-	104,386	191,814
Transfers out.....	(92,800)	-	-	(59,014)	(151,814)
<b>TOTAL OTHER FINANCING SOURCES (USES).....</b>	<b>(5,372)</b>	<b>-</b>	<b>-</b>	<b>45,372</b>	<b>40,000</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>287,495</b>	<b>579,354</b>	<b>-</b>	<b>485,691</b>	<b>1,352,540</b>
<b>FUND BALANCES AT BEGINNING OF YEAR.....</b>	<b>3,016,203</b>	<b>3,430,026</b>	<b>-</b>	<b>1,676,567</b>	<b>8,122,796</b>
<b>FUND BALANCES AT END OF YEAR.....</b>	<b>\$ 3,303,698</b>	<b>\$ 4,009,380</b>	<b>\$ -</b>	<b>\$ 2,162,258</b>	<b>\$ 9,475,336</b>

See notes to basic financial statements.

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

YEAR ENDED JUNE 30, 2022

Net change in fund balances - total governmental funds.....		\$ 1,352,540
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>		
Capital outlay.....	1,195,543	
Depreciation expense.....	<u>(1,123,481)</u>	
Net effect of reporting capital assets.....		72,062
<p>Revenues in the Statement of Activities that do not provide current financial resources are unavailable in the Statement of Revenues, Expenditures and Changes in Fund Balances. Therefore, the recognition of revenue for various types of accounts receivable differ between the two statements. This amount represents the net change in unavailable revenue.....</p>		
		(216,154)
<p>The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the financial resources of governmental funds. Neither transaction has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are unavailable and amortized in the Statement of Activities.</p>		
Debt service principal payments on capital financing.....	35,424	
Amortization of premium on bonds.....	10,573	
Capital assessment payments.....	294,797	
Debt service principal payments on bonds payable.....	<u>225,000</u>	
Net effect of reporting long-term debt.....		565,794
<p>Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.</p>		
Net change in compensated absences accrual.....	23,600	
Net change in accrued interest on long-term debt.....	342	
Net change in deferred outflow/(inflow) of resources related to pensions.....	(744,223)	
Net change in net pension liability.....	767,002	
Net change in deferred outflow/(inflow) of resources related to other postemployment benefits liability.....	76,370	
Net change in net other postemployment benefits liability.....	<u>67,275</u>	
Net effect of recording long-term liabilities.....		<u>190,366</u>
Change in net position of governmental activities.....		<u>\$ 1,964,608</u>

See notes to basic financial statements.

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

JUNE 30, 2022

	Business-type Activities - Enterprise Funds			
	Water	Sewer	Electric Light December 31, 2021	Total
<b>ASSETS</b>				
CURRENT:				
Cash and cash equivalents.....	\$ 1,063,042	\$ 489,155	\$ 19,167	\$ 1,571,364
Restricted cash and cash equivalents.....	-	-	113,298	113,298
Investments.....	-	-	4,501,001	4,501,001
Receivables, net of allowance for uncollectibles:				
User charges.....	430,966	168,498	705,437	1,304,901
Special assessments.....	-	14,588	-	14,588
Inventory.....	-	-	220,047	220,047
Prepaid expenses.....	-	-	720,345	720,345
Total current assets.....	1,494,008	672,241	6,279,295	8,445,544
NONCURRENT:				
Receivables, net of allowance for uncollectibles:				
Special assessments.....	-	93,225	-	93,225
Capital assets, non depreciable.....	478,753	255,004	454,200	1,187,957
Capital assets, net of accumulated depreciation.....	5,931,219	1,593,543	5,288,486	12,813,248
Total noncurrent assets.....	6,409,972	1,941,772	5,742,686	14,094,430
TOTAL ASSETS.....	7,903,980	2,614,013	12,021,981	22,539,974
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred outflows related to pensions.....	76,823	38,412	377,070	492,305
Deferred outflows related to other postemployment benefits.....	37,032	18,516	280,761	336,309
TOTAL DEFERRED OUTFLOWS OF RESOURCES.....	113,855	56,928	657,831	828,614
<b>LIABILITIES</b>				
CURRENT:				
Warrants payable.....	176,978	2,966	734,251	914,195
Accrued payroll.....	12,144	5,276	-	17,420
Customer deposits payable.....	-	-	112,455	112,455
Accrued interest.....	17,630	6,282	-	23,912
Compensated absences.....	2,175	375	-	2,550
Notes payable.....	360,000	-	-	360,000
Bonds payable.....	175,000	45,000	-	220,000
Total current liabilities.....	743,927	59,899	846,706	1,650,532
NONCURRENT:				
Compensated absences.....	6,525	1,125	-	7,650
Net pension liability.....	628,494	314,247	1,984,028	2,926,769
Net other postemployment benefits liability.....	275,745	137,870	834,309	1,247,924
Bonds payable.....	2,100,000	475,000	-	2,575,000
Total noncurrent liabilities.....	3,010,764	928,242	2,818,337	6,757,343
TOTAL LIABILITIES.....	3,754,691	988,141	3,665,043	8,407,875
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred inflows related to pensions.....	160,984	80,492	153,589	395,065
Deferred inflows related to other postemployment benefits.....	58,543	29,271	190,119	277,933
TOTAL DEFERRED INFLOWS OF RESOURCES.....	219,527	109,763	343,708	672,998
<b>NET POSITION</b>				
Net investment in capital assets.....	3,774,972	1,328,547	5,742,686	10,846,205
Unrestricted.....	268,645	244,490	2,928,375	3,441,510
TOTAL NET POSITION.....	\$ 4,043,617	\$ 1,573,037	\$ 8,671,061	\$ 14,287,715

See notes to basic financial statements.

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

YEAR ENDED JUNE 30, 2022

	Business-type Activities - Enterprise Funds			
	Water	Sewer	Electric Light December 31, 2021	Total
<b>OPERATING REVENUES:</b>				
Charges for services.....	\$ 1,316,598	\$ 520,101	\$ 5,963,067	\$ 7,799,766
Other operating revenues.....	-	-	154,758	154,758
<b>TOTAL OPERATING REVENUES .....</b>	<b>1,316,598</b>	<b>520,101</b>	<b>6,117,825</b>	<b>7,954,524</b>
<b>OPERATING EXPENSES:</b>				
Cost of services and administration.....	266,215	267,178	435,560	968,953
Salaries and wages.....	394,729	171,033	845,894	1,411,656
Purchased power and production.....	-	-	4,361,776	4,361,776
Depreciation.....	177,713	137,257	358,973	673,943
<b>TOTAL OPERATING EXPENSES.....</b>	<b>838,657</b>	<b>575,468</b>	<b>6,002,203</b>	<b>7,416,328</b>
<b>OPERATING INCOME (LOSS).....</b>	<b>477,941</b>	<b>(55,367)</b>	<b>115,622</b>	<b>538,196</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>				
Investment income.....	408	166	426,040	426,614
Interest expense.....	(72,675)	(16,709)	-	(89,384)
<b>TOTAL NONOPERATING REVENUES (EXPENSES), NET.....</b>	<b>(72,267)</b>	<b>(16,543)</b>	<b>426,040</b>	<b>337,230</b>
<b>INCOME (LOSS) BEFORE TRANSFERS.....</b>	<b>405,674</b>	<b>(71,910)</b>	<b>541,662</b>	<b>875,426</b>
<b>TRANSFERS:</b>				
Transfers out.....	-	-	(40,000)	(40,000)
<b>CHANGE IN NET POSITION.....</b>	<b>405,674</b>	<b>(71,910)</b>	<b>501,662</b>	<b>835,426</b>
<b>NET POSITION AT BEGINNING OF YEAR (AS RESTATED).....</b>	<b>3,637,943</b>	<b>1,644,947</b>	<b>8,169,399</b>	<b>13,452,289</b>
<b>NET POSITION AT END OF YEAR.....</b>	<b>\$ 4,043,617</b>	<b>\$ 1,573,037</b>	<b>\$ 8,671,061</b>	<b>\$ 14,287,715</b>

See notes to basic financial statements.

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

YEAR ENDED JUNE 30, 2022

	Business-type Activities - Enterprise Funds			
	Water	Sewer	Electric Light December 31, 2021	Total
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES:</u></b>				
Receipts from customers and users.....	\$ 1,219,917	\$ 549,534	\$ 6,166,991	\$ 7,936,442
Payments to vendors.....	(128,168)	(336,119)	(4,875,056)	(5,339,343)
Payments to employees.....	(391,614)	(168,922)	(845,894)	(1,406,430)
<b>NET CASH FROM OPERATING ACTIVITIES.....</b>	<b>700,135</b>	<b>44,493</b>	<b>446,041</b>	<b>1,190,669</b>
<b><u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</u></b>				
Transfers out.....	-	-	(40,000)	(40,000)
<b><u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</u></b>				
Proceeds from the issuance of bonds and notes.....	360,000	-	-	360,000
Acquisition and construction of capital assets.....	(486,802)	-	(348,135)	(834,937)
Principal payments on bonds and notes.....	(205,000)	(45,000)	-	(250,000)
Interest expense.....	(74,525)	(17,206)	-	(91,731)
<b>NET CASH FROM CAPITAL AND RELATED FINANCING ACTIVITIES.....</b>	<b>(406,327)</b>	<b>(62,206)</b>	<b>(348,135)</b>	<b>(816,668)</b>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES:</u></b>				
Purchase of investments.....	-	-	(1,169,498)	(1,169,498)
Investment income.....	408	166	426,040	426,614
<b>NET CASH FROM INVESTING ACTIVITIES.....</b>	<b>408</b>	<b>166</b>	<b>(743,458)</b>	<b>(742,884)</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS.....</b>	<b>294,216</b>	<b>(17,547)</b>	<b>(685,552)</b>	<b>(408,883)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR.....</b>	<b>768,826</b>	<b>506,702</b>	<b>818,017</b>	<b>2,093,545</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR.....</b>	<b>\$ 1,063,042</b>	<b>\$ 489,155</b>	<b>\$ 132,465</b>	<b>\$ 1,684,662</b>
<b><u>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH</u></b>				
<b><u>FROM OPERATING ACTIVITIES:</u></b>				
Operating income (loss).....	\$ 477,941	\$ (55,367)	\$ 115,622	\$ 538,196
Adjustments to reconcile operating income to net cash from operating activities:				
Depreciation.....	177,713	137,257	358,973	673,943
Deferred (outflows)/inflows related to pensions.....	90,209	45,104	8,689	144,002
Deferred (outflows)/inflows related to other postemployment benefits.....	(5,249)	(2,625)	(333,847)	(341,721)
Changes in assets and liabilities:				
User charges.....	(96,681)	29,433	48,477	(18,771)
Inventory.....	-	-	(97,345)	(97,345)
Prepaid expenses.....	-	-	96,576	96,576
Warrants payable.....	153,670	(61,128)	182,092	274,634
Accrued payroll.....	2,015	1,911	-	3,926
Customer deposits.....	-	-	689	689
Compensated absences.....	1,100	200	-	1,300
Net pension liability.....	(92,970)	(46,485)	(105,423)	(244,878)
Net other postemployment benefits liability.....	(7,613)	(3,807)	171,538	160,118
<b>Total adjustments.....</b>	<b>222,194</b>	<b>99,860</b>	<b>330,419</b>	<b>652,473</b>
<b>NET CASH FROM OPERATING ACTIVITIES.....</b>	<b>\$ 700,135</b>	<b>\$ 44,493</b>	<b>\$ 446,041</b>	<b>\$ 1,190,669</b>
<b><u>NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:</u></b>				
Change in depreciation method on capital assets.....	\$ -	\$ -	\$ 1,680,358	\$ -

See notes to basic financial statements.

**FIDUCIARY FUNDS**  
STATEMENT OF FIDUCIARY NET POSITION

JUNE 30, 2022

	Other Postemployment Benefit Trust Funds	Private Purpose Trust Fund
<b>ASSETS</b>		
Cash and cash equivalents.....	\$ 85,575	\$ 243,181
Investments:		
Government sponsored enterprises.....	-	23,364
Corporate bonds.....	-	43,824
Equity mutual funds.....	660,997	19,140
Fixed income mutual funds.....	263,614	16,718
<b>TOTAL ASSETS.....</b>	<b>1,010,186</b>	<b>346,227</b>
<b>LIABILITIES</b>		
Warrants payable.....	-	600
<b>NET POSITION</b>		
Restricted for other postemployment benefits.....	1,010,186	-
Held in trust for other purposes.....	-	345,627
<b>TOTAL NET POSITION.....</b>	<b>\$ 1,010,186</b>	<b>\$ 345,627</b>

See notes to basic financial statements.



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

YEAR ENDED JUNE 30, 2022

	Other Postemployment Benefit Trust Funds	Private Purpose Trust Fund
<b>ADDITIONS:</b>		
Contributions:		
Employer contributions.....	\$ 205,000	\$ -
Employer contributions for benefit payments.....	236,702	-
Total contributions.....	441,702	-
Net investment income:		
Investment income (loss).....	(48,178)	4,365
TOTAL ADDITIONS.....	393,524	4,365
<b>DEDUCTIONS:</b>		
Other postemployment benefit payments.....	236,702	-
Human services.....	-	6,134
TOTAL DEDUCTIONS.....	236,702	6,134
NET INCREASE (DECREASE) IN NET POSITION.....	156,822	(1,769)
NET POSITION AT BEGINNING OF YEAR.....	853,364	347,396
NET POSITION AT END OF YEAR.....	\$ 1,010,186	\$ 345,627

See notes to basic financial statements.

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

The accompanying basic financial statements of the Town of Groveland, Massachusetts (Town) have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the recognized standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting policies are described herein.

**A. Reporting Entity**

The Town is a municipal corporation governed by an elected Board of Selectmen.

For financial reporting purposes, the Town has included all funds, organizations, agencies, boards, commissions and institutions. The Town has also considered all potential component units for which it is financially accountable as well as other organizations for which the nature and significance of their relationship with the Town are such that exclusion would cause the basic financial statements to be misleading or incomplete. As required by GAAP, these basic financial statements present the Town (the primary government) and its component units. The Town has determined that there are no component units.

***Joint Ventures***

The Town is a member of the Pentucket Regional School District that provides for the education of all levels of schools for the Town's students. The members share in the operations of the District and each member is responsible for its proportionate share of the operational and capital cost of the District, which are paid in the form of assessments. The Town does not have an equity interest in the District and the 2022 assessment was \$12,324,685.

The Town is a member of the Whittier Regional Technical High School that serves the members' students seeking an education in academic and technical studies. The members share in the operations of the Whittier Regional Technical High School and each member is responsible for its proportionate share of the operational and capital cost of the Whittier Regional Technical High School, which are paid in the form of assessments. The Town does not have an equity interest in the Whittier Regional Technical High School and the 2022 assessment was \$648,157.

**B. Government-Wide and Fund Financial Statements*****Government-Wide Financial Statements***

The government-wide financial statements (i.e., statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units.

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

***Fund Financial Statements***

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

*Major Fund Criteria*

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

- If 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.

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

Fiduciary funds are reported by fund type.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation*Government-Wide Financial Statements*

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

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

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

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

For the most part, the effect of interfund activity has been removed from the government-wide financial statements. However, the effect of interfund services provided and used between functions is not eliminated as the elimination of these charges would distort the direct costs and program revenues reported for the functions affected.

*Fund Financial Statements*

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

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

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

The following major governmental funds are reported:

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

The *community preservation fund* is a special revenue fund used to account for the accumulation of resources for the acquisition, creation, preservation and support of open space, historic resources, and for recreational use and community housing.

The *COVID-19 fund* is a special revenue fund that is used to account for the reimbursable expenditures related to the COVID-19 pandemic.

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

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

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

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

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

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

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

The following major proprietary funds are reported:

The *water enterprise fund* is used to account for the Town's water activities.

The *sewer enterprise fund* is used to account for the Town's sewer activities.

The *electric light enterprise fund* is used to account for the Town's electric light activities.

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

The following fiduciary fund types are reported:

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

The *private purpose trust fund* is used to account for trust arrangements, other than those properly reported in the permanent fund, under which principal and investment income exclusively benefit individuals, private organizations, or other governments.

#### D. Cash and Investments

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

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

#### E. Fair Value Measurements

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

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

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

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

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

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

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

#### F. Accounts Receivable

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

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

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

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

Real estate tax liens are processed four months after the close of the valuation year on delinquent properties and are recorded as receivables in the year they are processed.

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

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

##### ***Motor Vehicle and Other Excise***

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

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

***Water and Sewer***

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

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

***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 are not material in total to the government-wide and fund financial statements, and therefore are not reported.

Inventories of the electric light enterprise fund are stated at historical cost. Cost for materials and supplies inventories are determined by the first-in, first-out method.

**H. Restricted Assets**

Certain assets (customer deposits) of the electric light enterprise fund are classified as restricted as these amounts are available to the department only if a customer account is terminated with an outstanding balance.

**I. Capital Assets*****Government-Wide and Proprietary Fund Financial Statements***

Capital assets, which include land, land improvements, buildings and building improvements, machinery and equipment, vehicles, and infrastructure (e.g., roads, water mains, sewer mains, and similar items), are reported in the applicable governmental or business-type activity column of the government-wide financial statements, and the proprietary fund financial statements. Capital assets are recorded at historical cost, or at estimated historical cost, if actual historical cost is not available. Donated capital assets are recorded at the estimated fair market value at the date of donation.

All purchases and construction costs in excess of \$10,000 are capitalized at the date of acquisition or construction, respectively, with expected useful lives of greater than three years. Capital assets (excluding land) are depreciated on a straight-line basis.

The estimated useful lives of capital assets are as follows:

Capital Asset Type	Estimated Useful Life (in years)
Land improvements.....	20
Buildings.....	40
Machinery and equipment.....	5-10
Vehicles.....	5-15
Infrastructure.....	40-50

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

#### *Governmental Fund Financial Statements*

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

#### J. Unearned and Unavailable Revenue

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

#### *Fund Financial Statements*

Unavailable revenue at the governmental fund financial statement level represents billed receivables that do not meet the available criterion in accordance with the current financial resources measurement focus and the modified accrual basis of accounting, i.e., receivables that are not considered to be available to liquidate liabilities of the current period. Unavailable revenue is recognized as revenue in the conversion to the government-wide (full accrual) financial statements.

#### K. Deferred Outflows/Inflows of Resources

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

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

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

#### *Governmental Fund Financial Statements*

Unavailable revenue at the governmental fund financial statement level represents outstanding receivables that do not meet the available criterion for revenue recognition in accordance with the current financial resources measurement focus and the modified accrual basis of accounting. Unavailable revenues are reported as deferred inflows of resources. Unavailable revenues are recognized as revenue during the conversion to the government-wide (full accrual) financial statements.



L. Interfund Receivables and Payables

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

*Government-Wide Financial Statements*

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

*Fund Financial Statements*

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

M. 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. Any residual balances outstanding between the governmental activities and business-type activities are reported in the statement of activities as “Transfers, net”.

*Fund Financial Statements*

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

N. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Essex Regional Retirement System and additions to/deductions from the System’s fiduciary net position have been determined on the same basis as they are reported by the System. 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. Net Position and Fund Equity*Government-Wide Financial Statements (Net Position)*

Net position reported as “net investment in capital assets” includes capital assets, net of accumulated depreciation, less the principal balance of outstanding debt used to acquire capital assets. Unspent proceeds of capital related debt are not considered to be capital assets.

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

Net position has been “restricted for” the following:

“Permanent funds - nonexpendable” represents the endowment portion of donor restricted trusts.

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

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

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

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

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

The governmental fund balance classifications are as follows:

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

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

“Committed” fund balance includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government’s highest level of decision-making authority.

“Assigned” fund balance includes amounts that are constrained by the Town’s intent to be used for specific purposes, but are neither restricted nor committed.

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

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

P. Long-term Debt*Government-Wide and Proprietary Fund Financial Statements*

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

*Governmental Fund Financial Statements*

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

Q. Investment Income

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

Investment income from proprietary funds is retained by the fund.

R. Compensated Absences

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

*Government-Wide and Proprietary Fund Financial Statements*

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

*Governmental Fund Financial Statements*

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

S. Individual Fund Deficits

The capital projects nonmajor governmental fund reported a deficit that will be funded with bond proceeds in future years.

T. 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.

U. Total Column*Government-Wide Financial Statements*

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

*Fund Financial Statements*

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

**NOTE 2 – CASH AND INVESTMENTS**

A cash and investment pool is maintained that is available for use by all funds. Each fund type's portion of this pool is displayed on the balance sheet as "Cash and Cash Equivalents". The deposits and investments of the trust funds are held separately from those of other funds. Statutes authorize the investment in obligations of the U.S. Treasury, agencies and instrumentalities, certificates of deposit, repurchase agreements, money market accounts, bank deposits and the State Treasurer's Investment Pool (Pool).

In addition, there are various restrictions limiting the amount and length of deposits and investments. The Pool meets the criteria of an external investment pool. The Pool is administered by the Massachusetts Municipal Depository Trust (MMDT), which was established by the Treasurer of the Commonwealth who serves as Trustee. The fair value of the position in the Pool is the same as the value of the Pool shares.

Custodial Credit Risk – Deposits

In the case of deposits, this is the risk that in the event of a bank failure, the Town of Groveland's deposits may not be returned to it. The Town does not have a deposit policy for custodial credit risk. At year-end, the carrying amount of deposits totaled \$8,372,310 and the bank balance totaled \$8,867,508. Of the bank balance, \$2,557,043 was covered by Federal Depository Insurance, \$4,372,509 was covered by the Depositors Insurance Fund, \$69,841 was covered by Securities Investor Protection Corporation, and \$1,868,115 was uninsured and uncollateralized.

The Town participates in the MMDT Cash Portfolio. MMDT maintains a cash portfolio and a short-term bond portfolio. MMDT's cash portfolio had a weighted average maturity of 27 days. The Town's investment in MMDT is unrated.

For disclosure purposes, there were no significant differences in amounts or classifications of the Electric Light Department's balances at June 30, 2022, as compared with the December 31, 2021, as presented above.

Investments

As of June 30, 2022 and December 31, 2021, the Town and Electric Light Department, respectively, had the following investments:

Investment Type	Fair value	Maturities				Rating
		Under 1 Year	1-5 Years	6-10 Years	Over 10 Years	
Debt securities:						
U.S. treasury notes.....	\$ 1,029,184	\$ 580,594	\$ 448,590	\$ -	\$ -	AA+
Government sponsored enterprises.....	466,368	30,046	73,656	-	362,666	AA+
Corporate bonds.....	1,589,655	5,000	1,584,655	-	-	AAA-BBB
Municipal bonds.....	703,429	100,428	156,875	80,062	366,064	AAA-A-
Total debt securities.....	3,788,636	\$ 716,068	\$ 2,263,776	\$ 80,062	\$ 728,730	
Other investments:						
Equity securities.....	1,836,673					
Fixed income and equity mutual funds..	2,265,351					
Money market mutual funds.....	1,076,220					
MMDT.....	400,527					
Total investments.....	\$ 9,367,407					

Custodial Credit Risk – Investments

For an investment, this is the risk that, in the event of a failure by the counterparty, the Town will not be able to recover the value of its investments or collateral security that are in the possession of an outside party. The investments of \$703,429 of municipal bonds, \$466,368 of government sponsored enterprises, \$1,589,655 of corporate bonds, and \$1,836,673 of equities securities are exposed to custodial credit risk because the related securities are uninsured, unregistered and held by the counterparty.

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

Interest Rate Risk

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

Credit Risk

The Town has not adopted a formal policy related to credit risk.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the Town's investment in a single issuer. The Town will minimize the concentration of credit risk by diversifying the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimized.

As of June 30, 2022, no more than 5% of the Town's investments are invested in any one issuer.

Fair Value of Investments

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

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

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

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

		Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investment Type	Fair value			
<b>Investments measured at fair value:</b>				
<u>Debt securities:</u>				
U.S. treasury notes.....	\$ 1,029,184	\$ 1,029,184	\$ -	\$ -
Government sponsored enterprises.....	466,368	466,368	-	-
Corporate bonds.....	1,589,655	-	1,589,655	-
Municipal bonds.....	703,429	703,429	-	-
Total debt securities.....	3,788,636	2,198,981	1,589,655	-
<u>Other investments:</u>				
Equity securities.....	1,836,673	1,836,673	-	-
Fixed income and equity mutual funds.....	2,265,351	2,265,351	-	-
Money market mutual funds.....	1,076,220	1,076,220	-	-
Total other investments.....	5,178,244	5,178,244	-	-
Total investments measured at fair value.....	8,966,880	\$ 7,377,225	\$ 1,589,655	\$ -
<b>Investments measured at amortized cost:</b>				
MMDT.....	400,527			
Total investments.....	\$ 9,367,407			

U.S. treasury notes, government sponsored enterprises, municipal bonds, equity securities, fixed income and equity mutual funds and money market mutual funds are classified in Level 1 of the fair value hierarchy and are valued using prices quoted in active markets for those securities. Corporate bonds classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

MMDT investments are valued at amortized cost. Under the amortized cost method, an investment is valued initially at its cost and adjusted for the amount of interest income accrued each day over the term of the investment to account for any difference between the initial cost and the amount payable at 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.

**NOTE 3 – RECEIVABLES**

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

	Gross Amount	Allowance for Uncollectibles	Net Amount
<u>Receivables:</u>			
Real estate and personal property taxes.....	\$ 128,678	\$ -	\$ 128,678
Tax liens.....	278,934	-	278,934
Community preservation fund surtax.....	2,999	-	2,999
Motor vehicle and other excise taxes.....	101,762	(31,884)	69,878
Intergovernmental.....	240,556	-	240,556
Community preservation state share.....	273,537	-	273,537
Total.....	\$ 1,026,466	\$ (31,884)	\$ 994,582

At June 30, 2022 (December 31, 2021 for the Electric Light fees), receivables for the water, sewer, and electric light enterprise funds consist of the following:

	Gross Amount	Allowance for Uncollectibles	Net Amount
<u>Receivables:</u>			
Water fees.....	\$ 430,966	\$ -	\$ 430,966
Sewer fees.....	168,498	-	168,498
Sewer special assessments.....	107,813	-	107,813
Electric light fees.....	705,437	-	705,437
Total.....	\$ 1,412,714	\$ -	\$ 1,412,714

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

	General Fund	Other Governmental Funds	Total
<u>Receivables:</u>			
Real estate and personal property taxes.....	\$ 119,779	\$ -	\$ 119,779
Tax liens.....	278,934	-	278,934
Community preservation fund surtax.....	-	2,999	2,999
Motor vehicle and other excise taxes.....	69,878	-	69,878
Intergovernmental.....	-	210,319	210,319
Community preservation state share.....	-	273,537	273,537
Total.....	\$ 468,591	\$ 486,855	\$ 955,446

**NOTE 4 – CAPITAL ASSETS**

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

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities:</b>				
<u>Capital assets not being depreciated:</u>				
Land.....	\$ 9,796,039	\$ -	\$ -	\$ 9,796,039
<u>Capital assets being depreciated:</u>				
Land improvements.....	1,287,465	-	-	1,287,465
Buildings and improvements.....	8,567,085	109,243	-	8,676,328
Machinery and equipment.....	2,393,493	100,000	(27,200)	2,466,293
Vehicles.....	3,235,563	687,659	(295,860)	3,627,362
Infrastructure.....	24,823,815	298,641	(20,656)	25,101,800
Total capital assets being depreciated.....	40,307,421	1,195,543	(343,716)	41,159,248
<u>Less accumulated depreciation for:</u>				
Land improvements.....	(638,761)	(55,661)	-	(694,422)
Buildings and improvements.....	(6,727,198)	(166,272)	-	(6,893,470)
Machinery and equipment.....	(2,068,049)	(116,539)	27,200	(2,157,388)
Vehicles.....	(2,338,160)	(242,001)	295,860	(2,284,301)
Infrastructure.....	(11,900,496)	(543,008)	20,656	(12,422,848)
Total accumulated depreciation.....	(23,672,664)	(1,123,481)	343,716	(24,452,429)
Total capital assets being depreciated, net.....	16,634,757	72,062	-	16,706,819
Total governmental activities capital assets, net.....	\$ 26,430,796	\$ 72,062	\$ -	\$ 26,502,858
<b>Business-Type Activities</b>				
	Beginning Balance	Increases	Decreases	Ending Balance
<b>Water:</b>				
<u>Capital assets not being depreciated:</u>				
Land.....	\$ 478,753	\$ -	\$ -	\$ 478,753
<u>Capital assets being depreciated:</u>				
Buildings.....	36,753	-	-	36,753
Machinery and equipment.....	310,760	158,523	-	469,283
Vehicles.....	95,435	-	-	95,435
Infrastructure.....	8,440,153	328,279	(46,425)	8,722,007
Total capital assets being depreciated.....	8,883,101	486,802	(46,425)	9,323,478
<u>Less accumulated depreciation for:</u>				
Buildings.....	(34,794)	(784)	-	(35,578)
Machinery and equipment.....	(321,721)	(9,484)	-	(331,205)
Vehicles.....	(45,280)	(14,226)	-	(59,506)
Infrastructure.....	(2,859,176)	(153,219)	46,425	(2,965,970)
Total accumulated depreciation.....	(3,260,971)	(177,713)	46,425	(3,392,259)
Total capital assets being depreciated, net.....	5,622,130	309,089	-	5,931,219
Total water activities capital assets, net.....	\$ 6,100,883	\$ 309,089	\$ -	\$ 6,409,972



	Beginning Balance	Increases	Decreases	Ending Balance
<b>Sewer:</b>				
<u>Capital assets not being depreciated:</u>				
Land.....	\$ 255,004	\$ -	\$ -	\$ 255,004
Construction in progress.....	19,664	-	(19,664)	-
Total capital assets not being depreciated....	274,668	-	(19,664)	255,004
<u>Capital assets being depreciated:</u>				
Machinery and equipment.....	19,450	-	-	19,450
Vehicles.....	30,484	-	-	30,484
Infrastructure.....	5,405,987	19,664	-	5,425,651
Total capital assets being depreciated.....	5,455,921	19,664	-	5,475,585
<u>Less accumulated depreciation for:</u>				
Machinery and equipment.....	(19,450)	-	-	(19,450)
Vehicles.....	(10,473)	(6,097)	-	(16,570)
Infrastructure.....	(3,714,862)	(131,160)	-	(3,846,022)
Total accumulated depreciation.....	(3,744,785)	(137,257)	-	(3,882,042)
Total capital assets being depreciated, net.....	1,711,136	(117,593)	-	1,593,543
Total sewer activities capital assets, net.....	\$ 1,985,804	\$ (117,593)	\$ (19,664)	\$ 1,848,547
	Beginning Balance (As Restated)	Increases	Decreases	Ending Balance
<b>Electric Light:</b>				
<u>Capital assets not being depreciated:</u>				
Land and land improvements.....	\$ 454,200	\$ -	\$ -	\$ 454,200
<u>Capital assets being depreciated:</u>				
Buildings and improvements.....	2,664,585	-	-	2,664,585
Equipment.....	1,426,829	14,213	(1,580)	1,439,462
Infrastructure.....	7,874,363	333,922	(20,176)	8,188,109
Total capital assets being depreciated.....	11,965,777	348,135	(21,756)	12,292,156
<u>Less accumulated depreciation for:</u>				
Buildings and improvements.....	(563,220)	(79,938)	-	(643,158)
Equipment.....	(731,424)	(42,804)	1,580	(772,648)
Infrastructure.....	(5,371,809)	(236,231)	20,176	(5,587,864)
Total accumulated depreciation (As Restated)...	(6,666,453)	(358,973)	21,756	(7,003,670)
Total capital assets being depreciated, net.....	5,299,324	(10,838)	-	5,288,486
Total electric light activities capital assets, net.....	\$ 5,753,524	\$ (10,838)	\$ -	\$ 5,742,686

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

**Governmental Activities:**

General government.....	\$	111,798
Public safety.....		235,353
Education.....		339,919
Public works.....		369,100
Health and human services.....		14,034
Culture and recreation.....		53,277
Total depreciation expense - governmental activities.....	\$	<u>1,123,481</u>

**Business-Type Activities:**

Water.....	\$	177,713
Sewer.....		137,257
Electric Light.....		358,973
Total depreciation expense - business-type activities.....	\$	<u>673,943</u>

**NOTE 5 – INTERFUND TRANSFERS**

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

Transfers Out:	Transfers In:			
	General fund	Nonmajor governmental funds	Total	
General fund.....	\$ -	\$ 92,800	\$ 92,800	(1)
Nonmajor governmental funds.....	47,428	11,586	59,014	(2)
Electric Light Enterprise fund.....	40,000	-	40,000	(3)
Total.....	<u>\$ 87,428</u>	<u>\$ 104,386</u>	<u>\$ 191,814</u>	

- (1) Budgeted appropriation from the general fund to various nonmajor funds, mainly to the capital projects fund to paydown an outstanding bond anticipation note.
- (2) Budgeted transfer from various special revenue funds to the general fund for budgetary operations and transfers between various nonmajor special revenue funds.
- (3) Represents a payment in lieu of tax to the general fund from the Electric Light Department for administration.

**NOTE 6 – CAPITAL FINANCING**

The Town had entered into a lease agreement as lessee for financing the acquisition of a loader. The total present value of the future minimum lease payments as of the inception date totaled \$139,700, and accumulated depreciation on the assets acquired through the lease at the end of June 30, 2022, totaled \$48,895.

In 2022 the Town made its final lease payment. The total cost of the lease for the year ended June 30, 2022 was \$37,077, and has been recorded as debt service principal and interest.

**NOTE 7 – SHORT-TERM FINANCING**

Short-term debt may be authorized and issued to fund the following:

- Current operating costs prior to the collection of revenues through issuance of revenue or tax anticipation notes (RANS or TANS).
- Capital project costs and other approved expenditures incurred prior to obtaining permanent financing through issuance of bond anticipation notes (BANS) or grant anticipation notes (GANS).

Short-term loans are general obligations and carry maturity dates that are limited by statute. Interest expenditures and expenses for short-term borrowings are accounted for in the general fund and enterprise fund, respectively.

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

Type	Purpose	Rate (%)	Due Date	Balance at June 30, 2021	Renewed/ Issued	Retired/ Redeemed	Balance at June 30, 2022
<b>Governmental Funds:</b>							
BAN	Bond Anticipation Note.....	0.41%	06/03/22	\$ 181,685	\$ -	\$ (181,685)	\$ -
BAN	Bond Anticipation Note.....	2.10%	06/02/23	-	120,781	-	120,781
Total Governmental Funds.....				\$ 181,685	\$ 120,781	\$ (181,685)	\$ 120,781
<b>Water Enterprise Fund:</b>							
BAN	Bond Anticipation Note.....	2.10%	06/02/23	\$ -	\$ 360,000	\$ -	\$ 360,000

**NOTE 8 – LONG-TERM DEBT**

Under the provisions of Chapter 44, Section 10, Municipal Law authorizes indebtedness up to a limit of 5% of the equalized valuation. Debt issued in accordance with this section of the law is designated as being "inside the debt limit". In addition, however, debt may be authorized in excess of that limit for specific purposes. Such debt, when issued, is designated as being "outside the debt limit".

The Town is subject to various debt limits by statute and may issue additional general obligation debt under the normal debt limit. At June 30, 2022, the Town did not have any authorized and unissued debt.

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

**Bonds Payable Schedule – Governmental Funds**

Project	Maturities Through	Original Loan Amount	Interest Rate (%)	Outstanding at June 30, 2022
Land acquisition.....	2035	\$ 3,675,000	2-4.00%	\$ 2,380,000
Aerial Ladder Truck.....	2036	734,675	2-3.25%	530,000
Total Bonds Payable.....				2,910,000
Add: Unamortized premium on bonds.....				64,424
Total Bonds Payable, net.....				<u>\$ 2,974,424</u>

Debt service requirements for principal and interest for the Governmental Funds bonds payable are as follows:

Year	Principal	Interest	Total
2023.....	\$ 225,000	\$ 91,562	\$ 316,562
2024.....	225,000	82,962	307,962
2025.....	225,000	74,362	299,362
2026.....	225,000	65,762	290,762
2027.....	225,000	59,938	284,938
2028.....	225,000	53,650	278,650
2029.....	225,000	47,362	272,362
2030.....	225,000	41,076	266,076
2031.....	215,000	34,326	249,326
2032.....	215,000	27,876	242,876
2033.....	215,000	21,426	236,426
2034.....	215,000	14,663	229,663
2035.....	215,000	7,901	222,901
2036.....	35,000	1,138	36,138
Total.....	<u>\$ 2,910,000</u>	<u>\$ 624,003</u>	<u>\$ 3,534,003</u>

**Bonds Payable Schedule – Water Enterprise Fund**

Project	Maturities Through	Original Loan Amount	Interest Rate (%)	Outstanding at June 30, 2022
Water Well.....	2032	\$ 120,000	2-3%	\$ 70,000
Water storage tank & mains.....	2032	925,000	2-3%	525,000
Water storage tank & mains II.....	2032	700,000	2-3%	395,000
Water 2.....	2032	338,000	2-3%	190,000
Water Mains .....	2037	1,470,325	2-3.250%	1,095,000
Total Water Enterprise Debt.....				<u>\$ 2,275,000</u>

Debt service requirements for principal and interest for the Water Enterprise Fund bonds payable are as follows:

Year	Principal	Interest	Total
2023.....	\$ 175,000	\$ 69,125	\$ 244,125
2024.....	175,000	63,875	238,875
2025.....	185,000	58,625	243,625
2026.....	190,000	53,075	243,075
2027.....	190,000	47,375	237,375
2028.....	195,000	41,675	236,675
2029.....	200,000	35,825	235,825
2030.....	200,000	29,825	229,825
2031.....	210,000	23,825	233,825
2032.....	205,000	17,525	222,525
2033.....	70,000	11,375	81,375
2034.....	70,000	9,100	79,100
2035.....	70,000	6,825	76,825
2036.....	70,000	4,550	74,550
2037.....	70,000	2,275	72,275
Total.....	<u>\$ 2,275,000</u>	<u>\$ 474,875</u>	<u>\$ 2,749,875</u>

**Bonds Payable Schedule – Sewer Enterprise Fund**

Project	Maturities Through	Original Loan Amount	Interest Rate (%)	Outstanding at June 30, 2022
Sewer.....	2032	\$ 146,000	2-3%	\$ 95,000
Sewer pump station repairs.....	2032	625,000	2-3%	355,000
Sewer.....	2035	140,000	2-4%	70,000
Total Sewer Enterprise Debt.....				<u>\$ 520,000</u>

Debt service requirements for principal and interest for the Sewer Enterprise Fund bonds are as follows:

Year	Principal	Interest	Total
2023.....	\$ 45,000	\$ 15,756	\$ 60,756
2024.....	45,000	14,306	59,306
2025.....	50,000	12,906	62,906
2026.....	50,000	11,356	61,356
2027.....	50,000	9,882	59,882
2028.....	50,000	8,394	58,394
2029.....	50,000	6,906	56,906
2030.....	55,000	5,418	60,418
2031.....	55,000	3,768	58,768
2032.....	55,000	2,118	57,118
2033.....	5,000	468	5,468
2034.....	5,000	312	5,312
2035.....	5,000	156	5,156
Total.....	\$ 520,000	\$ 91,746	\$ 611,746

### Changes in Long-term Liabilities

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

	Beginning Balance	Bonds and Notes Issued	Bonds and Notes Redeemed	Other Increases	Other Decreases	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>							
Long-term bonds payable.....	\$ 3,135,000	\$ -	\$ (225,000)	\$ -	\$ -	\$ 2,910,000	\$ 225,000
Capital financing.....	35,424	-	(35,424)	-	-	-	-
Add: Unamortized premium on bonds.....	74,997	-	(10,573)	-	-	64,424	9,627
Total long-term debt.....	3,245,421	-	(270,997)	-	-	2,974,424	234,627
Compensated absences.....	171,800	-	-	19,350	(42,950)	148,200	37,050
Net pension liability.....	5,952,081	-	-	597,773	(1,364,775)	5,185,079	-
Net OPEB liability.....	4,328,993	-	-	195,184	(262,459)	4,261,718	-
Capital assessment payable.....	4,864,236	-	-	-	(294,797)	4,569,439	300,463
Total governmental activity long-term liabilities.....	\$ 18,562,531	\$ -	\$ (270,997)	\$ 812,307	\$ (1,964,981)	\$ 17,138,860	\$ 572,140
<b>Business-Type Activities:</b>							
Long-term bonds payable.....	\$ 3,045,000	\$ -	\$ (250,000)	\$ -	\$ -	\$ 2,795,000	\$ 220,000
Compensated absences.....	8,900	-	-	2,225	(925)	10,200	2,550
Net pension liability.....	3,171,647	-	-	871,338	(1,116,216)	2,926,769	-
Net OPEB liability.....	1,087,806	-	-	533,313	(373,195)	1,247,924	-
Total business-type activity long-term liabilities.....	\$ 7,313,353	\$ -	\$ (250,000)	\$ 1,406,876	\$ (1,490,336)	\$ 6,979,893	\$ 222,550

### NOTE 9 – CAPITAL ASSESSMENT PAYABLE

The Town has voted and authorized debt through the Pentucket Regional School District (PRSD) for renovations and construction at the Town's Bagnall Elementary School. PRSD maintains the bonds payable on their ledgers and assesses the Town its portion over the life of the debt service. The capital assessment due for the Bagnall Elementary School as of June 30, 2022, based on expenditures incurred to date is \$4.6 million.

**NOTE 10 – GOVERNMENTAL FUND BALANCE CLASSIFICATIONS**

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

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

In addition to the nonspendable fund balance, GASB 54 has provided a hierarchy of spendable fund balances, based on a hierarchy of spending constraints.

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

The Town has classified its fund balances with the following hierarchy:

	General	Community Preservation	Nonmajor Governmental Funds	Total Governmental Funds
Fund Balances:				
Nonspendable:				
Permanent fund principal.....	\$ -	\$ -	\$ 444,218	\$ 444,218
Restricted for:				
Community preservation.....	-	4,009,380	-	4,009,380
Town capital projects fund.....	-	-	1,000	1,000
Town grant funds.....	-	-	908,096	908,096
Receipts reserved for appropriations.....	-	-	487,221	487,221
Town revolving funds.....	-	-	142,338	142,338
Town donation fund.....	-	-	50,220	50,220
Other special revenue funds.....	-	-	250,946	250,946
Committed to:				
Articles and continuing appropriations:				
General government.....	2,993	-	-	2,993
Education.....	31,631	-	-	31,631
Assigned to:				
General government.....	225	-	-	225
Public safety.....	4,948	-	-	4,948
Public works.....	73	-	-	73
Health and human services.....	340	-	-	340
Employee benefits.....	85	-	-	85
Free cash used for subsequent year budget.....	395,163	-	-	395,163
Unassigned.....	2,868,240	-	(121,781)	2,746,459
Total Fund Balances.....	\$ 3,303,698	\$ 4,009,380	\$ 2,162,258	\$ 9,475,336

Massachusetts General Law Ch.40 §5B allows for the establishment of stabilization funds for one or more different purposes. The creation of a fund requires a two-thirds vote of the legislative body and must clearly define the purpose of the fund. Any change to the purpose of the fund along with appropriations from the fund requires a two-thirds vote of the legislative body. Additions to the fund may be made by a majority vote of the legislative body. At year-end, the balance of the Town's stabilization fund and capital stabilization fund were \$1,316,875 and \$340,724, respectively and were reported as unassigned fund balance within the general fund.

## **NOTE 11 – RISK FINANCING**

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Town carries commercial insurance.

The Town participates in a health insurance risk pool trust administered by the Massachusetts Interlocal Insurance Association, Inc. (MIIA). The MIIA obtains health insurance for member governments at costs eligible to larger groups. The MIIA offers a variety of premium based plans to its members with each participating governmental unit being charged a premium for coverage based on rates established by the MIIA. The Town is obligated to pay the MIIA its required premiums and, in the event the MIIA is terminated, its pro-rata share of any deficit, should one exist.

The Town participates in a premium-based workers' compensation plan for its active employees. The Town is not liable for any payments in excess of the annual premium.

## **NOTE 12 – PENSION PLAN**

### *Plan Descriptions*

The Town is a member of the Essex Regional Retirement System (ERRS), a cost-sharing multiple-employer defined benefit pension plan covering eligible employees of the 47 member units. The System is administered by five board members (Board) on behalf of all current employees and retirees except for current teachers and retired teachers. Chapter 32 of the MGL assigns authority to establish and amend benefit provisions of the plan.

### *Benefits Provided*

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

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

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



*Contributions*

Chapter 32 of the MGL governs the contributions of plan members and member units. Active plan members are required to contribute to the System at rates ranging from 5% to 9% of gross regular compensation with an additional 2% contribution required for compensation exceeding \$30,000. The percentage rate is keyed to the date upon which an employee's membership commences. The member units are required to pay into the ERRS a legislatively mandated actuarially determined contribution that is apportioned among the employers based on active current payroll. The Town's proportionate share of the required contribution equaled its actual contribution for the year ended December 31, 2021, which was \$940,229, and 26.14% of covered payroll, actuarially determined as an amount that, when combined with plan member contributions, is expected to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability.

*Pension Liabilities*

At June 30, 2022, the Town reported a liability of \$8,111,848 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2022. Accordingly, procedures were used to roll the total pension liability to the measurement date. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating members. At December 31, 2021, the total Town's proportion was 2.262%, which decreased by 0.010% from its proportion measured at December 31, 2020.

*Pension Expense*

For the year ended June 30, 2022, the Town recognized pension expense of \$905,716 and the Town reported net deferred outflows/(inflows) of resources related to pensions of \$597,086. The balances of deferred outflows and inflows at June 30, 2022, consist of the following:

Deferred Category	Deferred Outflows of Resources	Deferred Inflows of Resources	Total
Differences between expected and actual experience.....	\$ 727	\$ (189,204)	\$ (188,477)
Difference between projected and actual earnings, net.....	-	(1,505,988)	(1,505,988)
Changes in assumptions.....	811,516	-	811,516
Changes in proportion and proportionate share of contributions...	107,003	(27,990)	79,013
Contributions made subsequent to the measurement date.....	206,850	-	206,850
Total deferred outflows/(inflows) of resources.....	\$ <u>1,126,096</u>	\$ <u>(1,723,182)</u>	\$ <u>(597,086)</u>

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

Year ended June 30:	
2023.....	\$ 134,614
2024.....	(228,237)
2025.....	(285,318)
2026.....	<u>(218,145)</u>
Total.....	\$ <u>(597,086)</u>

*Actuarial Assumptions*

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

Valuation date.....	January 1, 2022
Salary increases.....	Based on years of service, ranging from 7.50% at 0 years of service decreasing to 3.75% after 5 years of service.
Net investment return /discount rate...	7.0% (previously 7.30%)
Mortality rates:	
Pre- Retirement.....	RP-2014 Employee Mortality Table projected generationally with Scale MP-2021.
Healthy Retiree.....	RP-2014 Healthy Annuitant Mortality Table projected generationally with Scale MP-2021.
Disabled Retiree.....	RP-2014 Healthy Annuitant Mortality Table, set forward two years projected generationally with Scale MP-2021.

*Investment Policy*

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of January 1, 2022, are summarized in the following table:

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

*Rate of Return*

For the year ended December 31, 2021, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 19.69%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

*Discount Rate*

The discount rate used to measure the total pension liability was 7.00% as of December 31, 2021 and 7.30% as of December 31, 2020. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and that contributions will be made at rates equal to the actuarially determined contribution rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following presents the net pension liability, calculated using the discount rate of 7.00%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount (7.00%)	1% Increase (8.00%)
The Town's proportionate share of the net pension liability.....	\$ 10,386,887	\$ 8,111,848	\$ 6,199,656

*Changes of Assumptions*

- The discount rate decreased from 7.30% to 7.00%.
- The mortality assumption was revised to update the mortality improvement projection scale from MP-2019 to MP-2021 and to change the age set forward for disabled participants from two years to one year.
- The administrative expense assumption increased from \$1,000,000 for calendar year 2020 to \$1,150,000 for calendar year 2022.

*Changes in Plan Provisions*

- The System increased the COLA base from \$14,000 to \$16,000.

**NOTE 13 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS*****GASB Statement #74 and #75 – OPEB Plan and Employer Financial Reporting for the Town, Exclusive of the Groveland Electric Light Department****Plan Description*

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

*Funding Policy*

Contribution requirements are also negotiated between the Town and union representatives. The required contribution is based on a pay-as-you-go financing requirement. The Town contributes 75 percent of the cost of current-year premiums for eligible retired plan members and their spouses. Plan members receiving benefits contribute the remaining 25 percent of their premium costs. For 2022, the Town's age-adjusted contribution to the plan totaled \$283,226. For the year ended June 30, 2022, the Town's average contribution rate was 10.02% of covered-employee payroll.

The Commonwealth of Massachusetts passed special legislation that has allowed the Town to establish a postemployment benefit trust fund and enabled the Town to begin pre-funding its other postemployment benefit (OPEB) liabilities. During 2022, the Town pre-funded future OPEB liabilities by contributing \$85,000 to the Other Postemployment Benefit Fund in excess of the pay-as-you-go required contribution. These funds are reported within the Fiduciary Funds financial statements. As of June 30, 2022, the balance of this fund totaled \$558,762.

*Employees Covered by Benefit Terms*

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

Active members.....	37
Inactive members currently receiving benefits.....	37
Total.....	<u>74</u>

*Components of OPEB Liability*

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

Total OPEB liability.....	\$	5,234,095
Less: OPEB plan's fiduciary net position.....		<u>(558,762)</u>
Net OPEB liability.....	\$	<u>4,675,333</u>
The OPEB plan's fiduciary net position as a percentage of the total OPEB liability.....		10.68%

*Significant Actuarial Methods and Assumptions*

The total OPEB liability in the July 1, 2020, actuarial valuation was determined by using the following actuarial assumptions, applied to all periods included in the measurement date that was updated to June 30, 2022:

Valuation date.....	July 1, 2020, updated to June 30, 2022
Actuarial cost method.....	Individual Entry Age Normal.
Investment rate of return.....	5.88%, net of OPEB plan investment expense, including inflation.
Municipal Bond Rate.....	4.09% as of June 30, 2022 (source: S&P Municipal Bond 20- Year High Grad Index- SAPIHG)
Single Equivalent Discount Rate.....	5.47%, net of OPEB plan investment expense, including inflation.
Inflation rate.....	2.50% as of June 30, 2022, and for future periods.
Projected salary increases.....	3.00% annually as of June 30, 2022, and for future periods.
Mortality Rates:	
Pre-Retirement Mortality.....	RP-2014 Mortality Table for Blue Collar Employees projected generationally with scale MP-2016 for males and females, set forward 1 year for females.
Post-Retirement Mortality.....	RP-2014 Mortality Table for Blue Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females, set forward 1 year for females.
Disabled Mortality.....	RP-2014 Mortality Table for Blue Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females, set forward 1 year.

*Rate of return*

For the year ended June 30, 2022, the annual money-weighted rate of return on investments, net of investment expense, was -15.97%. 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 rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These returns are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and subtracting expected investment expenses and a risk margin.

The target allocation as of June 30, 2022, and projected geometric real rates of return for each major asset class, after deducting inflation but before investment expenses, used in the derivation of the long-term expected investment rate of return assumption are summarized in the table below.

Asset Class	Long-Term Expected Asset Allocation	Long-Term Expected Real Rate of Return
Domestic Equity - Large Cap.....	28.75%	4.42%
Domestic Equity - Small/Mid Cap.....	16.50%	4.81%
International Equity - Developed Market..	12.00%	4.91%
International Equity - Emerging Market..	6.75%	5.58%
Domestic Fixed Income.....	26.50%	1.00%
International Fixed Income.....	4.75%	1.04%
Alternatives.....	4.75%	5.98%
Real Estate.....	0.00%	6.25%
Total.....	100.00%	

#### Discount Rate

The discount rate used to measure the total OPEB liability was 5.47% as of June 30, 2022, which increased from 5.00% in 2021. The projection of cash flows used to determine the discount rate assumed that contributions will be made in accordance with the Plan's funding policy. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be insufficient to make all projected benefit payments to current plan members. Therefore, the long-term expected rate of return on the OPEB plan assets was applied to the initial periods where the assets are expected to be sufficient to provide benefit payments, and the 4.09% municipal bond rate, based on the Municipal Bond 20-Year High Grade Index - SAPIHG, was applied to all periods thereafter to determine the total OPEB liability.

#### Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at June 30, 2021.....	\$ 5,317,837	\$ 563,809	\$ 4,754,028
Changes for the year:			
Service cost.....	158,619	-	158,619
Interest.....	268,928	-	268,928
Net investment income (loss).....	-	(90,047)	90,047
Employer contributions to the trust.....	-	283,226	(283,226)
Changes in assumptions.....	(313,063)	-	(313,063)
Benefit payments.....	(198,226)	(198,226)	-
Net change.....	(83,742)	(5,047)	(78,695)
Balances at June 30, 2022.....	\$ 5,234,095	\$ 558,762	\$ 4,675,333

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

The following table presents the net other postemployment benefit liability, calculated using the discount rate of 5.47%, as well as what the net other postemployment benefit liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.47%) or 1-percentage-point higher (6.47%) than the current discount rate.

	1% Decrease (4.47%)	Current Discount Rate (5.47%)	1% Increase (6.47%)
Net OPEB liability.....	\$ 5,501,205	\$ 4,675,333	\$ 4,015,949

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

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

	1% Decrease	Current Trend	1% Increase
Net OPEB liability.....	\$ 3,947,995	\$ 4,675,333	\$ 5,603,306

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

For the financial reporting year ended June 30, 2022, the Town recognized OPEB expense of \$120,287 and reported deferred outflows/(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....	\$ -	\$ (613,397)	\$ (613,397)
Changes in assumptions.....	627,884	(379,219)	248,665
Total deferred outflows/(inflows) of resources.....	\$ 627,884	\$ (992,616)	\$ (364,732)

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

Year ended June 30:	
2023.....	\$ (162,826)
2024.....	(55,990)
2025.....	(13,522)
2026.....	(48,572)
2027 and thereafter.....	(83,822)
Total.....	\$ (364,732)

*Changes of Assumptions*

- The discount rate increased from 5.00% to 5.47%.

*Changes in Plan Provisions*

- None.

***GASB Statement #74 and #75 – OPEB Employer Financial Reporting for the Groveland Electric Light Department as of December 31, 2021****Plan Description*

The Groveland Electric Light Department (Department) participates in the Town sponsored single employer defined benefit healthcare plan (Plan). The Plan provides certain health care and life insurance benefits for eligible retirees, spouse, and dependents. Chapter 32B of the MGL assigns authority to establish and amend benefit provisions of the plan. All benefits are provided through the Department's premium-based insurance program. The Plan does not issue a stand-alone financial report and is presented as a fiduciary fund in the Town's financial statements.

*Funding Policy*

The contribution requirements of OPEB Plan members and the Department are established and may be amended by the Department. Currently, members receiving these benefits contribute 25% of the cost of the plan. The remainder of the cost is funded by general revenues of the Department. The Department currently contributes enough money to the Plan to satisfy current obligations on a pay-as-you-go basis. The costs of administering the OPEB plan are paid by the Department. For the year ended December 31, 2021, the Department's age-adjusted contribution to the plan totaled \$158,476 and the Department's average contribution rate was 20.43% of covered-employee payroll.

The Commonwealth of Massachusetts passed special legislation that has allowed the Department to establish a postemployment benefit trust fund and enabled the Department to begin pre-funding its other postemployment benefit (OPEB) liabilities. During 2021, the Department pre-funded future OPEB liabilities by contributing \$120,000 to the Other Postemployment Benefit Fund in excess of the pay-as-you-go required contribution. These funds are reported within the Fiduciary Funds financial statements. As of December 31, 2021, the balance of this fund totaled \$451,424.

*Employees Covered by Benefit Terms*

As of December 31, 2021, the Department's membership consisted of the following:

Active members.....	9
Retirees and beneficiaries.....	<u>7</u>
Total.....	<u><u>16</u></u>

*Discount Rate*

The blended discount rate used to measure the total OPEB liability was 6.00% and 6.25% as of December 31, 2021 and December 31, 2020, respectively.



*Components of OPEB Liability*

The Department's new OPEB liability was measured as of December 31, 2021, using an actuarial valuation as of January 1, 2021. The components of the net OPEB liability of the Department at December 31, 2021, were as follows:

Total OPEB liability.....	\$ 1,285,733
Less: OPEB plan's fiduciary net position.....	<u>(451,424)</u>
Net OPEB liability.....	<u>\$ 834,309</u>
The OPEB plan's fiduciary net position	
as a percentage of the total OPEB liability..	35.10%

*Significant Actuarial Methods and Assumptions*

The total OPEB liability in the most recent actuarial valuation was determined using the following key actuarial assumptions applied to all periods included in the measurement, unless otherwise specified:

Valuation date.....	January 1, 2021
Actuarial Cost Method.....	Individual entry age normal.
Investment Rate of Return.....	5.82%, net of OPEB plan investment expense, including inflation.
Municipal Bond Rate.....	2.25% as of December 31, 2021.
Discount Rate.....	6.00% as of December 31, 2021.
Inflation.....	2.50% annually as of December 31, 2021, and for future periods.
Health Care Trend Rate.....	4.50%
Salary Increases.....	3.00% annually as of December 31, 2021, and for future periods.
Pre-Retirement Mortality.....	RP-2014 Mortality Table for blue collar employees projected generationally with scale MP-2016 for males and females, set forward 1 year for females.
Post-Retirement Mortality.....	RP-2014 Mortality Table for blue collar healthy annuitants projected generationally with scale MP-2016 for males and females, set forward 1 year for females.
Disabled Mortality.....	RP-2014 Mortality Table for blue collar healthy annuitants projected generationally with scale MP-2016 for males and females, set forward 1 year for females.

*Rate of Return*

For the year ended December 31, 2021, the annual money-weighted rate of return on investments, net of investment expense, was 12.19%. 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 rate of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimate of arithmetic real rates of return were as reflected in the following table:

Asset Class	Long-Term Expected Asset Allocation	Long-Term Expected Real Rate of Return
Domestic equity - large cap.....	32.00%	4.42%
Domestic equity - sm/mid cap.....	17.00%	4.81%
International equities - developed market.....	5.25%	4.91%
International equities - emerging market.....	6.25%	5.58%
Domestic Fixed Income.....	29.25%	1.00%
International Fixed Income.....	3.00%	1.04%
Alternatives.....	6.75%	5.98%
Real Estate.....	0.00%	6.25%
Cash.....	0.50%	0.00%
Total.....	100.00%	

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

The following table presents the net other postemployment benefit liability, calculated using the discount rate of 6.00%, as well as what the net other postemployment benefit liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.00%) or 1-percentage-point higher (7.00%) than the current discount rate.

	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
Net OPEB liability..... \$	\$ 1,019,317	\$ 834,309	\$ 683,783

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

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

	1% Decrease	Current	1% Increase
Net OPEB liability..... \$	<u>666,194</u>	<u>\$ 834,309</u>	<u>\$ 1,043,533</u>

*Changes in the Net OPEB Liability*

The following table summarizes the changes in the Department's net OPEB liability for the year ended December 31, 2021.

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at December 31, 2020..... \$	952,326	\$ 289,555	\$ 662,771
Changes for the year:			
Service cost.....	20,701	-	20,701
Interest.....	59,630	-	59,630
Net investment income.....	-	41,869	(41,869)
Employer contributions to the trust.....	-	158,476	(158,476)
Differences between expected and actual experience.....	143,320	-	143,320
Changes in assumptions and other inputs.....	148,232	-	148,232
Benefit payments.....	(38,476)	(38,476)	-
Net change.....	<u>333,407</u>	<u>161,869</u>	<u>171,538</u>
Balances at December 31, 2021..... \$	<u>1,285,733</u>	<u>\$ 451,424</u>	<u>\$ 834,309</u>

*OPEB Expense and Deferred Outflows/Inflows of Resources Related To OPEB*

For the year ended December 31, 2021, the Department recognized OPEB income of \$162,309. Deferred inflows of resources related to OPEB at December 31, 2021, were reported as follows:

Deferred Category	Deferred Outflows of Resources	Deferred Inflows of Resources	Total
Differences between expected and actual experience..... \$	114,656	\$ (54,273)	\$ 60,383
Difference between projected and actual earnings, net.....	-	(29,586)	(29,586)
Changes in assumptions.....	<u>166,105</u>	<u>(106,260)</u>	<u>59,845</u>
Total deferred outflows/(inflows) of resources..... \$	<u>280,761</u>	<u>\$ (190,119)</u>	<u>\$ 90,642</u>

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

<u>December 31:</u>	
2022.....	\$ (64,972)
2023.....	41,001
2024.....	60,835
2025.....	<u>53,778</u>
Total.....	<u>\$ 90,642</u>

#### *Changes of Assumptions*

- The discount rate decreased from 6.25% to 6.00%.

#### *Changes in Plan Provisions*

- None.

### **NOTE 14 – COMMITMENTS AND CONTINGENCIES**

#### Commitments

The general fund has various commitments for goods and services related to encumbrances and articles and continuing appropriations totaling \$5,671 and \$34,624, respectively.

#### Contingencies

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

### **NOTE 15 – FINANCIAL STATEMENTS FOR OTHER POSTEMPLOYMENT BENEFIT TRUST FUNDS**

GAAP requires that all Other Postemployment Trust Funds be combined and presented in one column in the Fiduciary Funds financial statements and that the individual financial statements for each trust fund Plan are reported in the notes to the financial statements. Provided on the following page are the individual financial statements for the Town's OPEB trust fund Plan, as of June 30, 2022, and the electric light Department's OPEB trust fund Plan, as of December 31, 2021, that are included in the Fiduciary Funds as Other Postemployment Benefit Funds.

	Electric Light Other Postemployment Benefit Trust Fund (as of December 31, 2021)	Town Other Postemployment Benefit Trust Fund	Total Other Postemployment Benefit Trust Funds
<b>ASSETS</b>			
Cash and cash equivalents.....	\$ -	\$ 85,575	\$ 85,575
Investments:			
Equity mutual funds.....	329,794	331,203	660,997
Fixed income mutual funds.....	121,630	141,984	263,614
<b>TOTAL ASSETS.....</b>	<b>451,424</b>	<b>558,762</b>	<b>1,010,186</b>
<b>NET POSITION</b>			
Restricted for other postemployment benefits.....	\$ 451,424	\$ 558,762	\$ 1,010,186
	Electric Light Other Postemployment Benefit Trust Fund (as of December 31, 2021)	Town Other Postemployment Benefit Trust Fund	Total Other Postemployment Benefit Trust Funds
<b>ADDITIONS:</b>			
Contributions:			
Employer contributions.....	\$ 120,000	\$ 85,000	\$ 205,000
Employer contributions for other postemployment benefit payments.....	38,476	198,226	236,702
Total contributions.....	158,476	283,226	441,702
Net investment income:			
Investment income (loss).....	41,869	(90,047)	(48,178)
<b>TOTAL ADDITIONS.....</b>	<b>200,345</b>	<b>193,179</b>	<b>393,524</b>
<b>DEDUCTIONS:</b>			
Other postemployment benefit payments.....	38,476	198,226	236,702
<b>NET INCREASE (DECREASE) IN NET POSITION...</b>	<b>161,869</b>	<b>(5,047)</b>	<b>156,822</b>
<b>NET POSITION AT BEGINNING OF YEAR.....</b>	<b>289,555</b>	<b>563,809</b>	<b>853,364</b>
<b>NET POSITION AT END OF YEAR.....</b>	<b>\$ 451,424</b>	<b>\$ 558,762</b>	<b>\$ 1,010,186</b>

**NOTE 16 – RESTATEMENT OF NET POSITION PREVIOUSLY REPORTED**

As of December 2020, the Electric Light Department has begun recognizing an additional accrued expense for the annual pension assessment (which calculated on a fiscal year ending June 30<sup>th</sup> annually). Additionally, the Department optioned to begin utilizing the pension reporting as of December 31, 2019, as a base measurement date for December 31, 2020, as allowed under *Governmental Auditing Standards*; this resulted in a restatement of the deferred outflows of resources relative to an additional contribution after measurement date for the fiscal year 2020 pension assessment. Additionally, the Department has modified its methodology with regards to calculating annual depreciation of capital assets to be similar to its statutorily required depreciation methodology which is in line with the model utilized within the industry for financial statement reporting.

The following tables illustrate the effects of the restatement of net position:

	<u>Business Type Activities</u>
<b>Government Wide:</b>	
Net Position at December 31, 2020 as reported.....	\$ 9,752,930
Elimination of prepaid pension expense.....	(96,827)
Additional accrual of pension assessment expense.....	193,654
Change in depreciation reporting methodology.....	<u>(1,680,358)</u>
Total restatement of previously reported net position.....	<u>(1,583,531)</u>
Net Position at December 31, 2020 as restated.....	\$ <u>8,169,399</u>
	<u>Electric Light Department</u>
<b>Proprietary Funds:</b>	
Net Position at December 31, 2020 as reported.....	\$ 9,752,930
Elimination of prepaid pension expense.....	(96,827)
Additional accrual of pension assessment expense.....	193,654
Change in depreciation reporting methodology.....	<u>(1,680,358)</u>
Total restatement of previously reported net position.....	<u>(1,583,531)</u>
Net Position at December 31, 2020 as restated.....	\$ <u>8,169,399</u>

**NOTE 17 – SUBSEQUENT EVENTS**

Management has evaluated subsequent events through February 14, 2023 which is the date the financial statements were available to be issued.

The Groveland Electric Light Department carries its investments at fair (market) value in accordance with financial reporting provisions of General Accepted Accounting Principles (GAAP). Market value adjustments are recorded monthly. Subsequent to year end, the Department's investments have declined in value. The market value decline is consistent with recent trends in the overall financial securities market.

In accordance with financial reporting provisions of GAAP, the Department has not recorded the losses in its financial statements as the impairments were not known as of December 31, 2021. The Department has recorded the losses associated with the investment during 2022.

#### **NOTE 18 – IMPLEMENTATION OF NEW GASB PRONOUNCEMENTS**

During 2022, the following GASB pronouncements were implemented:

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

The following GASB pronouncements will be implemented in the future:

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

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

## ***Required Supplementary Information***



# Budgetary Comparison Schedule

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

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

YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual	Amounts	Variance
	Original	Final	Budgetary	Carried Forward	to Final
	Budget	Budget	Amounts	To Next Year	Budget
<b>REVENUES:</b>					
Real estate and personal property taxes, net of tax refunds.....	\$ 17,653,097	\$ 17,653,097	\$ 17,720,752	\$ -	\$ 67,655
Tax liens.....	-	-	197,929	-	197,929
Motor vehicle and other excise taxes.....	1,113,149	1,113,149	1,094,292	-	(18,857)
Penalties and interest on taxes.....	100,000	100,000	172,825	-	72,825
Payments in lieu of taxes.....	26,864	26,864	63,073	-	36,209
Intergovernmental.....	1,052,282	1,052,282	1,088,488	-	36,206
Departmental and other.....	282,136	282,136	337,214	-	55,078
Investment income.....	11,000	11,000	9,951	-	(1,049)
Miscellaneous.....	6,851	6,851	-	-	(6,851)
<b>TOTAL REVENUES.....</b>	<b>20,245,379</b>	<b>20,245,379</b>	<b>20,684,524</b>	<b>-</b>	<b>439,145</b>
<b>EXPENDITURES:</b>					
Current:					
General government.....	1,228,688	1,211,688	1,089,471	3,218	118,999
Public safety.....	2,092,117	2,092,117	1,996,422	4,948	90,747
Education.....	13,076,091	13,235,748	13,203,911	31,631	206
Public works.....	1,581,534	1,611,534	1,561,020	73	50,441
Health and human services.....	315,262	313,772	284,183	340	29,249
Culture and recreation.....	279,476	279,476	270,082	-	9,394
Pension benefits.....	620,551	620,551	620,551	-	-
Property and liability insurance.....	214,000	220,000	216,901	-	3,099
Employee benefits.....	680,500	711,500	697,219	85	14,196
State and county charges.....	87,389	87,389	86,569	-	820
Debt service:					
Principal.....	225,000	225,000	225,000	-	-
Interest.....	102,463	102,463	101,412	-	1,051
<b>TOTAL EXPENDITURES.....</b>	<b>20,503,071</b>	<b>20,711,238</b>	<b>20,352,741</b>	<b>40,295</b>	<b>318,202</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>(257,692)</b>	<b>(465,859)</b>	<b>331,783</b>	<b>(40,295)</b>	<b>757,347</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Use of prior year reserves.....	72,992	72,992	-	-	(72,992)
Use of free cash.....	111,500	111,500	-	-	(111,500)
Use of overlay.....	50,000	50,000	-	-	(50,000)
Transfers in.....	84,000	292,167	295,595	-	3,428
Transfers out.....	(60,800)	(60,800)	(60,800)	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES).....</b>	<b>257,692</b>	<b>465,859</b>	<b>234,795</b>	<b>-</b>	<b>(231,064)</b>
<b>NET CHANGE IN FUND BALANCE.....</b>	<b>-</b>	<b>-</b>	<b>566,578</b>	<b>(40,295)</b>	<b>526,283</b>
<b>BUDGETARY FUND BALANCE, Beginning of year.....</b>	<b>1,070,620</b>	<b>1,070,620</b>	<b>1,070,620</b>	<b>-</b>	<b>-</b>
<b>BUDGETARY FUND BALANCE, End of year.....</b>	<b>\$ 1,070,620</b>	<b>\$ 1,070,620</b>	<b>\$ 1,637,198</b>	<b>\$ (40,295)</b>	<b>\$ 526,283</b>

See notes to required supplementary information.

# Pension Plan Schedules

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

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

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

**SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE  
OF THE NET PENSION LIABILITY  
ESSEX REGIONAL RETIREMENT SYSTEM**

<u>Year</u>	<u>Proportion of the net pension liability (asset)</u>	<u>Proportionate share of the net pension liability (asset)</u>	<u>Covered payroll</u>	<u>Net pension liability as a percentage of covered payroll</u>	<u>Plan fiduciary net position as a percentage of the total pension liability</u>
December 31, 2021.....	2.262%	\$ 8,111,848	\$ 3,525,739	230.08%	67.01%
December 31, 2020.....	2.272%	9,123,728	3,432,016	265.84%	59.73%
December 31, 2019.....	2.254%	9,474,734	3,297,922	287.29%	55.46%
December 31, 2018.....	2.224%	9,168,111	2,876,912	318.68%	51.89%
December 31, 2017.....	2.223%	8,270,880	2,770,480	298.54%	55.40%
December 31, 2016.....	2.161%	8,317,251	2,778,252	299.37%	51.12%
December 31, 2015.....	2.279%	8,112,592	2,663,576	304.58%	51.01%
December 31, 2014.....	2.331%	6,340,753	2,557,548	247.92%	52.27%

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

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

See notes to required supplementary information.

**SCHEDULE OF THE TOWN'S CONTRIBUTIONS**  
**ESSEX REGIONAL RETIREMENT SYSTEM**

Year	Actuarially determined contribution	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
June 30, 2022.....	\$ 940,229	\$ (940,229)	\$ -	\$ 3,596,254	26.14%
June 30, 2021.....	880,245	(880,245)	-	3,500,656	25.15%
June 30, 2020.....	812,563	(812,563)	-	3,363,880	24.16%
June 30, 2019.....	745,929	(745,929)	-	2,934,450	25.42%
June 30, 2018.....	694,361	(694,361)	-	2,825,890	24.57%
June 30, 2017.....	628,220	(628,220)	-	2,833,817	22.17%
June 30, 2016.....	639,922	(639,922)	-	2,716,848	23.55%
June 30, 2015.....	598,799	(598,799)	-	2,608,699	22.95%

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

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

See notes to required supplementary information.

# Other Postemployment Benefit Plan Schedules

## **GASB # 74 & GASB #75 – Town, Exclusive of the Electric Light Department**

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

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

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

## **GASB # 74 & GASB #75 – Groveland Electric Light Department**

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

The Schedule of the Electric Light Department's Employer Contributions presents multi-year trend information for required and actual contributions relating to the plan.

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

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

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

	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022
<b>Total OPEB Liability</b>						
Service Cost.....	\$ 206,965	\$ 212,419	\$ 274,017	\$ 146,508	\$ 156,346	\$ 158,619
Interest.....	244,767	284,103	292,352	258,193	266,114	268,928
Differences between expected and actual experience.....	-	-	(215,489)	(507)	(790,451)	-
Changes of assumptions.....	-	(438,482)	(551,116)	255,905	624,082	(313,063)
Benefit payments.....	<u>(177,756)</u>	<u>(188,554)</u>	<u>(212,712)</u>	<u>(192,498)</u>	<u>(205,875)</u>	<u>(198,226)</u>
Net change in total OPEB liability.....	273,976	(130,514)	(412,948)	467,601	50,216	(83,742)
Total OPEB liability - beginning.....	<u>5,069,506</u>	<u>5,343,482</u>	<u>5,212,968</u>	<u>4,800,020</u>	<u>5,267,621</u>	<u>5,317,837</u>
Total OPEB liability - ending (a).....	<u>\$ 5,343,482</u>	<u>\$ 5,212,968</u>	<u>\$ 4,800,020</u>	<u>\$ 5,267,621</u>	<u>\$ 5,317,837</u>	<u>\$ 5,234,095</u>
<b>Plan fiduciary net position</b>						
Employer contributions.....	\$ 85,000	\$ 85,000	\$ 85,000	\$ 85,000	\$ 85,000	\$ 85,000
Employer contributions for OPEB payments.....	177,756	188,554	212,712	192,498	205,875	198,226
Net investment income/(loss).....	3,277	(3,287)	17,035	8,507	103,664	(90,047)
Benefit payments.....	<u>(177,756)</u>	<u>(188,554)</u>	<u>(212,712)</u>	<u>(192,498)</u>	<u>(205,875)</u>	<u>(198,226)</u>
Net change in plan fiduciary net position.....	88,277	81,713	102,035	93,507	188,664	(5,047)
Plan fiduciary net position - beginning of year.....	<u>9,613</u>	<u>97,890</u>	<u>179,603</u>	<u>281,638</u>	<u>375,145</u>	<u>563,809</u>
Plan fiduciary net position - end of year (b).....	<u>\$ 97,890</u>	<u>\$ 179,603</u>	<u>\$ 281,638</u>	<u>\$ 375,145</u>	<u>\$ 563,809</u>	<u>\$ 558,762</u>
<b>Net OPEB liability - ending (a)-(b).....</b>	<b><u>\$ 5,245,592</u></b>	<b><u>\$ 5,033,365</u></b>	<b><u>\$ 4,518,382</u></b>	<b><u>\$ 4,892,476</u></b>	<b><u>\$ 4,754,028</u></b>	<b><u>\$ 4,675,333</u></b>
Plan fiduciary net position as a percentage of the total OPEB liability.....	1.83%	3.45%	5.87%	7.12%	10.60%	10.68%
Covered-employee payroll.....	\$ 2,408,117	\$ 2,489,428	\$ 2,318,433	\$ 2,468,777	\$ 2,745,042	\$ 2,827,393
Net OPEB liability as a percentage of covered-employee payroll.....	217.83%	202.19%	194.89%	198.17%	173.19%	165.36%

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

See notes to required supplementary information.

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

Year	Actuarially determined contribution	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	Covered- employee payroll	Contributions as a percentage of covered- employee payroll
June 30, 2022.....	\$ 373,810	\$ (283,226)	\$ 90,584	\$ 2,827,393	10.02%
June 30, 2021.....	362,906	(290,875)	72,031	2,745,042	10.60%
June 30, 2020.....	449,615	(277,498)	172,117	2,468,777	11.24%
June 30, 2019.....	417,296	(246,831)	170,465	2,318,433	10.65%
June 30, 2018.....	462,808	(222,487)	240,321	2,489,428	8.94%
June 30, 2017.....	460,601	(212,927)	247,675	2,408,117	8.84%

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

See notes to required supplementary information.



**SCHEDULE OF INVESTMENT RETURNS**  
**OTHER POSTEMPLOYMENT BENEFIT PLAN**

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<u>Year</u>	<u>Annual money-weighted rate of return, net of investment expense</u>
June 30, 2022.....	-15.97%
June 30, 2021.....	27.17%
June 30, 2020.....	2.52%
June 30, 2019.....	7.23%
June 30, 2018.....	-2.37%
June 30, 2017.....	10.60%

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

See notes to required supplementary information.

**SCHEDULE OF CHANGES IN THE  
GROVELAND ELECTRIC LIGHT DEPARTMENT NET OPEB LIABILITY AND RELATED RATIOS  
OTHER POSTEMPLOYMENT BENEFIT PLAN**

	December 31, 2017	December 31, 2018	December 31, 2019	December 31, 2020	December 31, 2021
<b>Total OPEB Liability</b>					
Service Cost.....	\$ 46,169	\$ 21,549	\$ 17,562	\$ 20,130	\$ 20,701
Interest.....	46,818	92,339	61,307	58,034	59,630
Differences between expected and actual experience.....	-	-	(135,681)	-	143,320
Changes of assumptions.....	-	(531,308)	41,596	51,466	148,232
Benefit payments.....	(38,088)	(38,365)	(38,295)	(33,317)	(38,476)
Net change in total OPEB liability.....	54,899	(455,785)	(53,511)	96,313	333,407
Total OPEB liability - beginning.....	1,310,410	1,365,309	909,524	856,013	952,326
Total OPEB liability - ending (a).....	<u>\$ 1,365,309</u>	<u>\$ 909,524</u>	<u>\$ 856,013</u>	<u>\$ 952,326</u>	<u>\$ 1,285,733</u>
<b>Plan fiduciary net position</b>					
Employer contributions.....	\$ 38,088	\$ 38,365	\$ 158,295	\$ 153,317	\$ 158,476
Net investment income/(loss).....	1,538	(664)	9,707	28,675	41,869
Benefit payments.....	(38,088)	(38,365)	(38,295)	(33,317)	(38,476)
Net change in plan fiduciary net position.....	1,538	(664)	129,707	148,675	161,869
Plan fiduciary net position - beginning of year.....	10,299	11,837	11,173	140,880	289,555
Plan fiduciary net position - end of year (b).....	<u>\$ 11,837</u>	<u>\$ 11,173</u>	<u>\$ 140,880</u>	<u>\$ 289,555</u>	<u>\$ 451,424</u>
<b>Net OPEB liability - ending (a)-(b).....</b>	<u><b>\$ 1,353,472</b></u>	<u><b>\$ 898,351</b></u>	<u><b>\$ 715,133</b></u>	<u><b>\$ 662,771</b></u>	<u><b>\$ 834,309</b></u>
Plan fiduciary net position as a percentage of the total OPEB liability.....	0.87%	1.23%	16.46%	30.41%	35.11%
Covered-employee payroll.....	\$ 879,941	\$ 711,520	\$ 775,702	\$ 798,973	\$ 775,557
Net OPEB liability as a percentage of covered-employee payroll.....	153.81%	126.26%	92.19%	82.95%	107.58%

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

See notes to required supplementary information.

**SCHEDULE OF EMPLOYER CONTRIBUTIONS  
OTHER POSTEMPLOYMENT BENEFIT PLAN  
GROVELAND ELECTRIC LIGHT DEPARTMENT**

<u>Year</u>	<u>Actuarially determined contribution</u>	<u>Contributions in relation to the actuarially determined contribution</u>	<u>Contribution deficiency (excess)</u>	<u>Covered- employee payroll</u>	<u>Contributions as a percentage of covered- employee payroll</u>
December 31, 2021.....	\$ 61,596	\$ (158,476)	\$ (96,880)	\$ 775,557	20.43%
December 31, 2020.....	53,571	(153,317)	(99,746)	798,973	19.19%
December 31, 2019.....	70,199	(158,295)	(88,096)	775,702	20.41%
December 31, 2018.....	87,671	(38,365)	49,306	711,520	5.39%
December 31, 2017.....	114,467	(38,088)	76,379	879,941	4.33%

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

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

See notes to required supplementary information.

**SCHEDULE OF INVESTMENT RETURNS**  
**OTHER POSTEMPLOYMENT BENEFIT PLAN**  
**GROVELAND ELECTRIC LIGHT DEPARTMENT**

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<u>Year</u>	<u>Annual money-weighted rate of return, net of investment expense</u>
December 31, 2021.....	12.19%
December 31, 2020.....	14.74%
December 31, 2019.....	14.98%
December 31, 2018.....	-5.61%
December 31, 2017.....	14.93%

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

See notes to required supplementary information.

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

Massachusetts General Law (MGL) requires the Town to adopt a balanced budget that is approved by Town Meeting. The Board of Selectmen presents an annual budget to Town Meeting, which includes estimates of revenues and other financing sources and recommendations of expenditures and other financing uses. Town Meeting, which has full authority to amend and/or reject the budget or any line item, adopts the expenditure budget by majority vote.

Increases or transfers between departments subsequent to the approval of the annual budget require majority Town Meeting approval via a supplemental appropriation.

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

Generally, expenditures may not exceed the legal level of spending (salaries, expenses and capital) authorized for an appropriation account. However, the payment of debt service is statutorily required, regardless of whether such amounts are appropriated. Additionally, expenditures for disasters, natural or otherwise, and final judgments may exceed the level of spending authorized by two-thirds majority vote of the Board of Selectmen and written approval from the Massachusetts Department of Revenue.

An annual budget is adopted for the general fund in conformity with the guidelines described above. The original 2022 approved budget authorized \$20.6 million in appropriations and other amounts to be raised, including \$73,000 of prior year carryforwards. The final budget totaled \$20.8 million, including \$200,000 in supplemental appropriations transferred from available funds, mainly for assessments to the Pentucket Regional School District.

The Town Accountant has the responsibility to ensure that budgetary control is maintained on an individual line item appropriation account basis. Budgetary control is exercised through the Town's accounting system.

Budgetary - GAAP Reconciliation

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

Net change in fund balance - budgetary basis.....	\$	566,578
<u>Perspective differences:</u>		
Activity of the stabilization fund recorded in the general fund for GAAP.....		(248,270)
<u>Basis of accounting differences:</u>		
Net change in recording 60 day receipts.....		(30,813)
Net change in fund balance - GAAP basis.....	\$	<u>287,495</u>

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

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

Schedule of the Town's Contributions

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

Changes of Assumptions

- The discount rate decreased from 7.30% to 7.00%.
- The mortality assumption was revised to update the mortality improvement projection scale from MP-2019 to MP-2021 and to change the age set forward for disabled participants from two years to one year.
- The administrative expense assumption increased from \$1,000,000 for calendar year 2020 to \$1,150,000 for calendar year 2022.

Changes in Plan Provisions

- The System increased the COLA base from \$14,000 to \$16,000.

**NOTE C – OTHER POST-EMPLOYMENT BENEFITS**

The Town administers a single-employer defined benefit healthcare plan (Other Postemployment Benefit Plan). The plan provides lifetime healthcare and life insurance for eligible retirees and their spouses through the Town's group health insurance plan, which covers both active and retired members.

***The Other Postemployment Benefit Plan – Town, exclusive of the Groveland Electric Light Department***Schedule of Changes in the Town's Net Other Postemployment Benefit Liability and Related Ratios

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

Schedule of the Town's Contributions

The Schedule of the Town's Contributions includes the Town's annual required contribution to the Plan, along with the contribution made in relation to the actuarially determined contribution and the covered employee payroll. The Town is not required to fully fund this contribution. It also demonstrates the contributions as a percentage of covered payroll. Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported. Methods and assumptions used to determine contribution rates are as follows:

Valuation date.....	July 1, 2020, updated to June 30, 2022
Actuarial cost method.....	Individual Entry Age Normal.
Investment rate of return.....	5.88%, net of OPEB plan investment expense, including inflation.
Municipal Bond Rate.....	4.09% as of June 30, 2022 (source: S&P Municipal Bond 20- Year High Grad Index- SAPIHG)
Single Equivalent Discount Rate.....	5.47%, net of OPEB plan investment expense, including inflation.
Inflation rate.....	2.50% as of June 30, 2022, and for future periods.
Projected salary increases.....	3.00% annually as of June 30, 2022, and for future periods.
Mortality Rates:	
Pre-Retirement Mortality.....	RP-2014 Mortality Table for Blue Collar Employees projected generationally with scale MP-2016 for males and females, set forward 1 year for females.
Post-Retirement Mortality.....	RP-2014 Mortality Table for Blue Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females, set forward 1 year for females.
Disabled Mortality.....	RP-2014 Mortality Table for Blue Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females, set forward 1 year.

Schedule of Investment Returns

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

Changes of Assumptions

The discount rate increased from 5.00% to 5.47%.

Changes in Provisions

None.

***The Other Postemployment Benefit Plan –Groveland Electric Light Department (Department)***Schedule of Changes in the Department's Net Other Postemployment Benefit Liability and Related Ratios

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

Schedule of the Department's Contributions

The Schedule of the Department's Contributions includes the Department's annual required contribution to the Plan, along with the contribution made in relation to the actuarially determined contribution and the covered employee payroll. The Department is not required to fully fund this contribution. It also demonstrates the contributions as a percentage of covered payroll. Actuarially determined contribution rates are calculated as of December 31, two years prior to the end of the fiscal year in which contributions are reported. Methods and assumptions used to determine contribution rates are as follows:

Valuation date.....	January 1, 2021
Actuarial Cost Method.....	Individual entry age normal.
Investment Rate of Return.....	5.82%, net of OPEB plan investment expense, including inflation.
Municipal Bond Rate.....	2.25% as of December 31, 2021.
Discount Rate.....	6.00% as of December 31, 2021.
Inflation.....	2.50% annually as of December 31, 2021, and for future periods.
Health Care Trend Rate.....	4.50%
Salary Increases.....	3.00% annually as of December 31, 2021, and for future periods.



Pre-Retirement Mortality.....	RP-2014 Mortality Table for blue collar employees projected generationally with scale MP-2016 for males and females, set forward 1 year for females.
Post-Retirement Mortality.....	RP-2014 Mortality Table for blue collar healthy annuitants projected generationally with scale MP-2016 for males and females, set forward 1 year for females.
Disabled Mortality.....	RP-2014 Mortality Table for blue collar healthy annuitants projected generationally with scale MP-2016 for males and females, set forward 1 year for females.

#### Schedule of Investment Returns

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

#### Changes of Assumptions

The discount rate decreased from 6.25% to 6.00%.

#### Changes in Provisions

None.

***Report on Internal Control Over Financial  
Reporting and on Compliance***

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

**Independent Auditor's Report**

To the Honorable Board of Selectmen  
Town of Groveland, Massachusetts

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Groveland, Massachusetts, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Town of Groveland, Massachusetts' basic financial statements, and have issued our report thereon dated February 14, 2023. Our report includes a reference to other auditors who audited the financial statements of the Groveland Electric Light Department as described in our report on the Town of Groveland, Massachusetts' financial statements. The financial statements of the Groveland Electric Light Department were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or compliance and other matters associated with the Groveland Electric Light Department or that are reported on separately by those auditors who audited the financial statements of the Groveland Electric Light Department.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Town of Groveland, Massachusetts' internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Groveland, Massachusetts' internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Groveland, Massachusetts' internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Town of Groveland, Massachusetts' financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal

control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Town of Groveland, Massachusetts' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Groveland, Massachusetts' internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Groveland, Massachusetts' internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script, appearing to read "Pomeroy & Sullivan, LLC".

February 14, 2023



## PENTUCKET REGIONAL SCHOOL DISTRICT

OFFICE OF THE SUPERINTENDENT  
22 MAIN STREET  
WEST NEWBURY, MASSACHUSETTS 01985-1897  
TEL: (978) 363-2280 / FAX: (978) 363-1165

**Justin Bartholomew, Ed.D.** **Brent Conway** **Catherine Page** **Greg A. Labrecque** **Michael A. Jarvis, Ed.D.**  
Superintendent of Schools Assistant Superintendent IT & Digital Learning Director Business Manager Director of Student Services

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March 8, 2023

Rebecca Oldham, Town Administrator  
Groveland Town Hall  
183 Main Street  
Groveland, MA 01834

Dear Mrs. Oldham:

The Pentucket Regional School District's School Committee approved an operating budget for fiscal year 2024 at their meeting held on March 7, 2023. Based upon that approved budget, Groveland's assessment for FY24 totals **\$13,700,831.00**. The attached calculation, which is in accordance with the Pentucket Regional School District Regional Agreement and Bylaws as well as Chapter 70, section 6 of the Massachusetts General Laws, provides the details for your assessment.

If you have any questions, please feel free to contact us at 978-363-2280, extension 132.

Sincerely,

A green ink signature of Justin Bartholomew, consisting of a large, stylized 'J' and 'B'.

Justin Bartholomew  
Superintendent of Schools

A black ink signature of Rebekah Hayden, appearing as a cursive 'RH' followed by a horizontal line.

Rebekah Hayden  
Treasurer

cc: Board of Selectmen  
Finance Committee

enclosure: Assessment calculation

## FY24 Town Assessments

### Pentucket Regional School District Operating and Capital Assessment Worksheet for FY24

General Fund Budget	\$	50,720,090
Operating	\$	45,057,522
District Wide Capital	\$	4,659,854
Town Specific Capital	\$	1,002,714

Town Assessment Calculations	Two Step Methodology
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Operating Budget	\$	45,057,522
Revenue In	\$	15,440,105
Amount Assessed to Towns	\$	29,617,417

Minimum Contributions- DOE
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Groveland	7,848,340
Merrimac	7,031,799
West Newbury	5,668,857
Total	20,548,996

Amount Above Minimum
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Total Assessment To Towns	\$	29,617,417
Total Minimum Contributions	\$	20,548,996
Difference ( Assessment- Total Minimum)	\$	9,068,421

Per Pupil Assessment	Actual ratio
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	Difference	Enrollment	2 Town %	3 Town %	Total Above Minimum	
Groveland	\$ 9,068,421	X	0.52347	0.39631	=	\$ 3,593,906
Merrimac	\$ 9,068,421	X	0.47653	0.36077	=	\$ 3,271,614
West Newbury	\$ 9,068,421	X		0.24292	=	\$ 2,202,901
Total			1.000000	1.000000		\$ 9,068,421

Minimum + Percentage Above Minimum = Local Assessment
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Groveland	\$ 7,848,340	+	\$ 3,593,906	\$ 11,442,246
Merrimac	\$ 7,031,799	+	\$ 3,271,614	\$ 10,303,413
West Newbury	\$ 5,668,857	+	\$ 2,202,901	\$ 7,871,758
Total	\$ 20,548,996		\$ 9,068,421	\$ 29,617,417

#### District Wide Capital Assessment

Three Town Debt Service	\$	4,623,354
Two Town Debt Service	\$	36,500
State Construction Aid	\$	-
Amount Assessed to Towns	\$	4,659,854

	FY 23 Total Capital Assessment	FY 24 Three Town Capital Assessment	FY 24 Two Town Capital Assessment	FY 24 Total Capital Assessment
Groveland	\$ 1,793,158	\$ 1,832,300	\$ 19,107	\$ 1,851,407
Merrimac	\$ 1,634,341	\$ 1,667,984	\$ 17,393	\$ 1,685,377
West Newbury	\$ 1,232,822	\$ 1,123,070		\$ 1,123,070
Total	\$ 4,660,321	\$ 4,623,354	\$ 36,500	\$ 4,659,854

#### Town Specific Capital Assessment

	FY24 QECB Debt Service	FY24 QECB Subsidy	FY24 G.O. Debt Service	FY24 Total Town Specific Capital Assessment
Groveland	\$ 92,563	\$ (13,192)	\$ 327,807	\$ 407,178
Merrimac	\$ 110,446	\$ (15,148)	\$ 20,400	\$ 115,698
West Newbury	\$ 131,213	\$ (18,660)	\$ 367,285	\$ 479,838
Total	\$ 334,222	\$ (47,000)	\$ 715,492	\$ 1,002,714

#### FY 24 Total Town Assessment

	FY 24 Operating Assessment	FY 24 DW Capital Assessment	FY 24 Town Specific Capital Assessment	FY 24 Total Assessment
Groveland	\$ 11,442,246	\$ 1,851,407	\$ 407,178	\$ 13,700,831
Merrimac	\$ 10,303,413	\$ 1,685,377	\$ 115,698	\$ 12,104,488
West Newbury	\$ 7,871,758	\$ 1,123,070	\$ 479,838	\$ 9,474,666
Total	\$ 29,617,417	\$ 4,659,854	\$ 1,002,714	\$ 35,279,985



# FY24 Budget Request with PY Comparisons

Line Item	Preliminary					Finance Board Reommendation Draft - Not APPROVED
	Actual FY2019	Actual FY2020	Actual FY2021	Actual FY2022	Adopted FY2023	
<b>GENERAL GOVERNMENT</b>						
<b><u>MODERATOR</u></b>						
Stipend	-	-	-	-	100	100
<b>Total Moderator Budget</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 100</b>	<b>\$ 100</b>
<b><u>SELECTMEN</u></b>						
Selectmen's Stipend	5,250	4,500	3,000	3,000	7,500	7,500
<b>Total Salaries</b>	<b>\$ 5,250</b>	<b>\$ 4,500</b>	<b>\$ 3,000</b>	<b>\$ 3,000</b>	<b>\$ 7,500</b>	<b>\$ 7,500</b>
Town Audit	25,000	25,000	25,000	25,000	25,000	25,000
Consulting Services	14,250	-	-	9,225	3,400	3,400
Reserve Fund	-	-	-	-	30,000	30,000
Association Fees	1,312	1,340	1,340	1,364	1,500	1,800
Town Reports	1,498	-	2,519	2,779	1,850	2,000
Minutes Clerk	1,418	977	1,515	1,260	2,000	2,000
Expenses	809	551	1,448	844	1,000	2,000
<b>Total Expenses</b>	<b>\$ 44,287</b>	<b>\$ 27,868</b>	<b>\$ 31,821</b>	<b>\$ 40,472</b>	<b>\$ 64,750</b>	<b>\$ 66,200</b>
<b>Total Selectmen Budget</b>	<b>\$ 49,537</b>	<b>\$ 32,368</b>	<b>\$ 34,821</b>	<b>\$ 43,472</b>	<b>\$ 72,250</b>	<b>\$ 73,700</b>
<b><u>TOWN ADMINISTRATOR</u></b>						
Town Administrator Salary	-	-	-	-	113,300	115,566
Admin. Asst. Salary	6,760	-	5,000	11,570	-	-
<b>Total Salaries</b>	<b>\$ 6,760</b>	<b>\$ -</b>	<b>\$ 5,000</b>	<b>\$ 11,570</b>	<b>\$ 113,300</b>	<b>\$ 115,566</b>
Education and Association Fees	-	-	-	-	2,000	2,000
Office Expense	-	-	-	-	3,000	3,000
<b>Total Expenses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,000</b>	<b>\$ 5,000</b>
<b>Total Town Administrator Department</b>	<b>\$ 6,760</b>	<b>\$ -</b>	<b>\$ 5,000</b>	<b>\$ 11,570</b>	<b>\$ 118,300</b>	<b>\$ 120,566</b>
<b><u>TOWN ACCOUNTANT</u></b>						
Accountant's Salary	62,852	64,650	65,772	88,950	90,729	108,404
Office Expenses	640	153	888	1,500	1,500	1,500
Education and Association Fees	823	1,386	85	1,706	2,000	2,000
<b>Total Town Accountant Budget</b>	<b>\$ 64,316</b>	<b>\$ 66,189</b>	<b>\$ 66,746</b>	<b>\$ 92,156</b>	<b>\$ 94,229</b>	<b>\$ 111,904</b>
<b><u>BOARD OF ASSESSORS</u></b>						
Assessor's Stipends	1,000	-	2,000	255	1,500	1,500
Assessing Manager's Salary	52,455	53,505	54,575	57,730	58,885	80,872
Assessing Manager Crossover	-	-	2,507	-	-	-
<b>Total Salaries</b>	<b>\$ 53,455</b>	<b>\$ 53,505</b>	<b>\$ 59,082</b>	<b>\$ 57,985</b>	<b>\$ 60,385</b>	<b>\$ 82,372</b>
Expenses	1,251	1,484	2,280	1,869	2,000	2,000
Revaluation Maintenance	37,240	37,240	36,800	38,800	40,000	40,000
Personsal Property Appraisals	-	-	-	-	7,500	7,500
Software & Licenses	6,570	6,950	6,950	7,200	7,250	7,520
Maps - Updating	6,748	4,500	6,793	4,893	7,500	7,500
<b>Total Expenses</b>	<b>\$ 51,809</b>	<b>\$ 50,174</b>	<b>\$ 52,823</b>	<b>\$ 52,762</b>	<b>\$ 64,250</b>	<b>\$ 64,520</b>
<b>Total Board of Assessors Budget</b>	<b>\$ 105,264</b>	<b>\$ 103,679</b>	<b>\$ 111,904</b>	<b>\$ 110,747</b>	<b>\$ 124,635</b>	<b>\$ 146,892</b>
<b><u>TREASURER DEPARTMENT</u></b>						
Finance Director's Salary/Town Adminis	111,427	113,655	150,445	77,782	-	-
Treasurer/Collector	-	-	-	88,960	75,000	87,391
Asst. Treasurer/Collector's Salary	43,167	52,881	54,297	33,199	44,745	65,012
Clerk	16,029	-	11,358	11,686	-	-
Car Allowance	-	-	475	-	-	-
<b>Total Salaries</b>	<b>\$ 170,623</b>	<b>\$ 166,536</b>	<b>\$ 216,576</b>	<b>\$ 211,627</b>	<b>\$ 119,745</b>	<b>\$ 152,402</b>
Tax Title Treasury/Collection	1,410	2,398	-	-	2,000	2,000
Education and Association Fees	2,998	2,332	2,010	1,007	3,000	3,000
Postage	14,954	15,296	19,536	15,946	16,000	16,000
Payroll Fees	4,118	4,364	4,708	4,739	4,500	4,800
Office Expense	5,159	3,171	3,000	3,160	3,000	2,700
Online Payment Fees	-	-	459	506	750	800
Contract Work	-	-	-	-	2,700	2,700
Personnel Expenses	225	224	338	500	-	-
<b>Total Expenses</b>	<b>\$ 28,863</b>	<b>\$ 27,785</b>	<b>\$ 30,051</b>	<b>\$ 25,857</b>	<b>\$ 31,950</b>	<b>\$ 32,000</b>
<b>Total Treasurer Department Budget</b>	<b>\$ 199,486</b>	<b>\$ 194,321</b>	<b>\$ 246,627</b>	<b>\$ 237,483</b>	<b>\$ 151,695</b>	<b>\$ 184,402</b>

**TOWN COUNSEL**

Legal Expense	40,247	21,772	31,105	37,138	65,000	65,000
<b>Total Town Counsel Budget</b>	<b>\$ 40,247</b>	<b>\$ 21,772</b>	<b>\$ 31,105</b>	<b>\$ 37,138</b>	<b>\$ 65,000</b>	<b>\$ 65,000</b>

**TECHNOLOGY**

Computer Hardware Maint & Lic Fees	26,635	39,931	51,788	74,669	100,000	130,666
Hardware & Software Expense	5,853	3,678	3,653	4,357	-	-
<b>Total Technology Department</b>	<b>\$ 32,488</b>	<b>\$ 43,609</b>	<b>\$ 55,441</b>	<b>\$ 79,026</b>	<b>\$ 100,000</b>	<b>\$ 130,666</b>

**TOWN CLERK**

Town Clerk's Salary	59,945	60,060	61,261	62,486	63,736	82,724
Assistant Town Clerk	-	-	-	8,117	11,138	21,027
Poll Workers	3,660	7,133	8,557	3,271	8,500	8,670
<b>Total Salaries</b>	<b>\$ 63,605</b>	<b>\$ 67,193</b>	<b>\$ 69,818</b>	<b>\$ 73,874</b>	<b>\$ 83,374</b>	<b>\$ 112,421</b>
Election Expenses	4,973	4,217	7,993	8,058	17,681	16,824
Education Expenses	-	-	160	1,200	1,200	1,400
Office Expenses & Supplies	14,715	5,630	7,858	7,441	7,832	9,914
<b>Total Expenses</b>	<b>\$ 19,688</b>	<b>\$ 9,847</b>	<b>\$ 16,010</b>	<b>\$ 16,699</b>	<b>\$ 26,713</b>	<b>\$ 28,138</b>
<b>Total Town Clerk Budget</b>	<b>\$ 83,292</b>	<b>\$ 77,039</b>	<b>\$ 85,828</b>	<b>\$ 90,573</b>	<b>\$ 110,087</b>	<b>\$ 140,559</b>

**ECONOMIC DEV., PLANNING, & CONSERVATION**

Director of Economic Development, Planning & Conserva	-	-	-	48,874	-	-
Town Planner	37,198	46,300	49,550	-	43,801	83,067
Zoning Administrator Stipend	-	4,000	4,000	-	-	-
Conservation Agent	-	-	-	20,108	-	-
Conservation Agent - Part-Time (TM Tra	11,296	11,451	4,172	-	21,420	21,848
Administrative Assistant	-	-	-	-	11,138	-
Conservation Stipends	-	-	-	-	1,400	1,400
Planning Members' Stipends	800	-	-	-	1,800	1,800
<b>Total Salaries</b>	<b>\$ 49,294</b>	<b>\$ 61,751</b>	<b>\$ 57,722</b>	<b>\$ 68,981</b>	<b>\$ 79,559</b>	<b>\$ 108,115</b>
Conservation Expenses	5,984	5,910	14,032	17,844	3,300	3,000
Planning Expenses	5,203	4,047	6,964	7,000	7,000	7,000
Planning Contracted Services	-	-	-	-	-	-
Vehicle Stipends	-	-	-	-	-	360
Merrimack Valley Planning Assessment	2,415	2,475	2,537	2,600	2,665	2,576
ZBA Contracted Services & Expenses	1,570	-	-	500	-	-
<b>Total Expenses</b>	<b>\$ 15,172</b>	<b>\$ 12,432</b>	<b>\$ 23,533</b>	<b>\$ 27,943</b>	<b>\$ 12,965</b>	<b>\$ 12,936</b>
<b>Total Economic Dev., Planning &amp; Con</b>	<b>\$ 64,466</b>	<b>\$ 74,184</b>	<b>\$ 81,255</b>	<b>\$ 96,925</b>	<b>\$ 92,524</b>	<b>\$ 121,051</b>

**MUNICIPAL BUILDINGS**

Custodian/Facilities Salaries	36,884	41,920	42,759	43,514	44,923	58,763
<b>Total Salaries</b>	<b>36,884</b>	<b>41,920</b>	<b>42,759</b>	<b>43,514</b>	<b>44,923</b>	<b>58,763</b>
Lawn & Grounds	10,887	14,376	14,056	12,274	17,000	17,000
Public Relations - Town Wide	5,011	7,200	7,200	7,200	7,200	9,588
Utilities	111,772	99,636	103,038	108,867	110,000	150,000
Copier Lease & Supplies	6,655	6,265	5,113	4,604	7,000	7,000
Town Decor (Winter & Spring)	6,018	6,187	5,014	5,119	6,500	7,500
Repairs & Maintenance	40,984	41,588	36,527	35,000	35,000	35,000
Supplies	9,248	10,359	2,648	13,274	10,000	11,000
<b>Total Expenses</b>	<b>190,574</b>	<b>185,611</b>	<b>173,595</b>	<b>186,338</b>	<b>192,700</b>	<b>237,088</b>
<b>Total Municipal Buildings Budget</b>	<b>\$ 227,459</b>	<b>\$ 227,531</b>	<b>\$ 216,354</b>	<b>\$ 229,852</b>	<b>\$ 237,623</b>	<b>\$ 295,851</b>

**INSURANCE**

Property & Casualty Insurance	172,688	182,236	198,419	216,901	233,260	298,864
Employee Group Life Insurance	2,443	2,528	2,439	2,342	3,000	3,000
Employee Group Health Insurance	404,740	482,829	515,125	527,570	567,630	613,041
<b>Total Insurance Budget</b>	<b>\$ 579,871</b>	<b>\$ 667,593</b>	<b>\$ 715,983</b>	<b>\$ 746,813</b>	<b>\$ 803,890</b>	<b>\$ 914,905</b>

<b>TOTAL GENERAL GOVERNMENT</b>	<b>\$ 1,446,427</b>	<b>#####</b>	<b>\$1,646,065</b>	<b>\$ 1,775,754</b>	<b>\$1,970,333</b>	<b>\$ 2,305,596</b>
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**PUBLIC SAFETY****POLICE DEPARTMENT**

Chief's Salary	125,516	128,026	138,063	140,824	143,640	146,512
Lieutenant's Salary	87,360	89,780	91,226	93,051	94,912	96,809
Sergeant's Salary	228,618	232,541	238,447	187,776	247,135	251,890
Patrolmen's Salary	349,661	431,127	448,519	450,742	581,627	613,331
Communication Salary	259,520	265,415	271,384	281,994	293,368	301,560
Training	16,022	13,492	12,257	15,760	20,400	21,260
Reserves	98,156	69,834	87,561	70,219	58,548	59,720
Overtime	32,495	31,917	22,266	41,299	61,425	64,455
Longevity	-	-	-	-	-	-
Education Incentives	91,824	93,949	97,759	77,922	57,036	58,636

<b>Total Salaries</b>	\$ 1,289,170	#####	\$1,407,481	\$ 1,359,587	\$1,558,091	\$ 1,614,173
Harbormaster Expenses	-	-	-	-	-	-
Expenses	2,372	3,029	3,279	38,753	3,837	3,837
Supplies	8,189	8,271	6,709	9,182	9,366	9,554
Vehicle Maintenance	10,562	11,937	10,132	10,966	12,000	12,000
Equipment Maintenance	17,510	16,403	20,857	20,372	21,682	23,116
Firearms	3,499	3,336	3,500	3,257	4,000	4,080
Clothing Allowance	14,839	13,467	15,367	15,260	18,200	18,200
Association Fees	1,839	1,659	1,789	2,319	2,000	2,000
Communication Expenses	1,518	1,547	1,702	1,929	3,200	4,480
Training	8,729	10,114	10,402	6,845	10,710	14,124
Fuel	23,130	20,346	18,699	25,359	31,500	32,000
<b>Total Expenses</b>	<b>\$ 92,188</b>	<b>\$ 90,110</b>	<b>\$ 92,436</b>	<b>\$ 134,241</b>	<b>\$ 116,495</b>	<b>\$ 123,391</b>
<b>Total Police Budget</b>	<b>\$ 1,381,359</b>	<b>#####</b>	<b>\$1,499,917</b>	<b>\$ 1,493,828</b>	<b>\$1,674,586</b>	<b>\$ 1,737,564</b>

#### **PARKING CLERK**

Expense	15	86	-	-	-	-
<b>Total Parking Clerk Budget</b>	<b>\$ 15</b>	<b>\$ 86</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

#### **FIRE DEPARTMENT**

Chief's Salary	28,173	56,555	77,000	78,540	84,467	88,690
Firefighter Call Wages	95,862	109,258	171,776	143,004	122,000	124,440
Career Salaries	-	-	-	-	-	66,369
Inspector's Salary	5,100	4,686	6,600	9,669	-	-
Company Reporting	13,360	6,873	7,000	-	-	-
EMS Recertification	-	2,285	4,913	4,835	5,000	5,000
Mass Fire Academy Training	-	7,095	6,666	6,883	-	-
Per-Diem Vacation Coverage	-	-	-	-	15,000	17,000
Drill Wages	38,186	26,977	43,299	14,771	43,500	43,500
<b>Total Salaries</b>	<b>\$ 180,683</b>	<b>\$ 213,729</b>	<b>\$ 317,253</b>	<b>\$ 257,702</b>	<b>\$ 269,967</b>	<b>\$ 344,999</b>
Communications	5,050	7,360	7,874	7,169	8,000	8,000
Training Expense	-	2,719	2,884	2,666	3,000	3,000
Fire Equipment & Supplies	25,916	35,066	34,832	31,932	35,000	35,000
Fuel	6,018	5,960	7,726	7,818	8,500	9,500
Association Dues	3,184	2,000	2,500	3,000	3,000	3,100
Annual Testing & Inspecting	11,968	19,286	21,398	17,757	20,000	20,000
Medical Supplies	7,786	6,991	2,407	2,881	3,000	3,000
Vehicle & Equipment Maintenance	14,811	12,985	19,576	18,054	20,000	20,000
<b>Total Expenses</b>	<b>\$ 74,733</b>	<b>\$ 92,367</b>	<b>\$ 99,198</b>	<b>\$ 91,277</b>	<b>\$ 100,500</b>	<b>\$ 101,600</b>
<b>Total Fire Budget</b>	<b>\$ 255,416</b>	<b>\$ 306,096</b>	<b>\$ 416,451</b>	<b>\$ 348,979</b>	<b>\$ 370,467</b>	<b>\$ 446,599</b>

#### **BUILDING DEPARTMENT**

Electrical Inspector	9,180	9,348	9,551	9,583	14,000	14,280
Plumbing & Gas Inspector	10,200	10,404	9,351	10,824	14,000	14,280
Building Inspector	48,844	49,917	50,915	60,720	61,934	63,173
<b>Total Salaries</b>	<b>\$ 68,224</b>	<b>\$ 69,669</b>	<b>\$ 69,817</b>	<b>\$ 81,127</b>	<b>\$ 89,934</b>	<b>\$ 91,733</b>
Continuing Education	935	883	461	-	-	-
Materials	2,190	1,118	1,000	-	-	-
Reimburesements (Mileage & Cell Phon	984	941	1,000	-	-	-
Building Inspector Expenses	1,638	1,990	1,460	-	-	-
Building Department Expenses	-	-	-	4,000	5,000	5,000
Permit Software Expense	6,315	6,120	7,710	8,100	8,100	8,100
<b>Total Expenses</b>	<b>\$ 12,063</b>	<b>\$ 11,052</b>	<b>\$ 11,631</b>	<b>\$ 12,100</b>	<b>\$ 13,100</b>	<b>\$ 13,100</b>
<b>Total Inspectors Budget</b>	<b>\$ 80,287</b>	<b>\$ 80,721</b>	<b>\$ 81,448</b>	<b>\$ 93,227</b>	<b>\$ 103,034</b>	<b>\$ 104,833</b>

#### **EMERGENCY MANAGEMENT**

Director's Stipend	3,016	2,142	2,900	1,300	3,312	3,378
Expenses	467	1,025	1,000	609	1,085	1,085
<b>Total Emergency Management Budget</b>	<b>\$ 3,483</b>	<b>\$ 3,167</b>	<b>\$ 3,900</b>	<b>\$ 1,909</b>	<b>\$ 4,397</b>	<b>\$ 4,463</b>

<b>TOTAL PUBLIC SAFETY</b>	<b>\$ 1,720,559</b>	<b>#####</b>	<b>\$2,001,717</b>	<b>\$ 1,937,943</b>	<b>\$2,152,484</b>	<b>\$ 2,293,460</b>
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#### **EDUCATION**

Pentucket Base Assessment	8,991,562	9,313,740	9,577,507	10,079,119	10,192,767	10,192,767
Pentucket Capital Assessment	548,110	550,761	1,472,758	2,245,566	2,198,912	2,258,585
Essex Tech	190,653	134,832	179,084	172,794	190,000	191,000
Whittier Vocational/Technical Assessme	865,256	732,390	737,271	648,157	782,000	647,000
Bagnall Capital Upgrades	-	-	-	-	-	-
<b>Total Education Budget</b>	<b>\$ 10,595,581</b>	<b>#####</b>	<b>#####</b>	<b>\$13,145,636</b>	<b>#####</b>	<b>\$ 13,289,352</b>

<b>TOTAL EDUCATION</b>	<b>\$ 10,595,581</b>	<b>#####</b>	<b>#####</b>	<b>\$13,145,636</b>	<b>#####</b>	<b>\$ 13,289,352</b>
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#### **PUBLIC WORKS**

**TREE WARDEN**

Tree Warden Stipend	-	-	-	-	-	
Expenses	5,000	24,840	25,000	27,440	20,000	20,000
<b>Total Tree Warden Budget</b>	<b>\$ 5,000</b>	<b>\$ 24,840</b>	<b>\$ 25,000</b>	<b>\$ 27,440</b>	<b>\$ 20,000</b>	<b>\$ 20,000</b>

**HIGHWAYS**

Highway Superintendent's Salary	66,782	90,000	91,800	93,636	95,509	100,356
Highway Salaries	231,473	232,828	221,804	241,852	253,695	258,795
Sick day buy back (Contractual)	-	2,006	2,045	2,152	6,486	2,200
Highway Salary - Part Time	4,116	3,066	5,096	7,002	9,010	12,000
On-Call Stipends					13,050	13,050
Overtime	10,144	14,815	14,442	10,808	17,160	17,503
<b>Total Salaries</b>	<b>\$ 312,515</b>	<b>\$ 342,715</b>	<b>\$ 335,188</b>	<b>\$ 355,450</b>	<b>\$ 394,910</b>	<b>\$ 403,904</b>
Highway Expense	6,409	7,950	8,849	9,220	9,435	9,719
Equipment *Rename from Front Loader	25,580	31,625	36,730	31,625	37,100	18,000
Snow & Ice Removal	220,336	187,847	225,369	254,859	225,000	225,000
Road Machinery Expense	55,784	54,934	54,798	64,230	66,000	76,000
Road Maintenance Expense	124,047	124,740	128,097	134,823	140,000	145,628
Fuel	-	10,031	12,145	18,382	15,525	16,457
<b>Total Expense</b>	<b>\$ 432,156</b>	<b>\$ 417,128</b>	<b>\$ 465,988</b>	<b>\$ 513,138</b>	<b>\$ 493,060</b>	<b>\$ 490,804</b>
<b>Total Highway Budget</b>	<b>\$ 744,671</b>	<b>\$ 759,843</b>	<b>\$ 801,176</b>	<b>\$ 868,588</b>	<b>\$ 887,970</b>	<b>\$ 894,708</b>

**RUBBISH COLLECTION**

Contract Administrator	11,207	11,453	11,682	11,776	12,273	
Contract Expense	534,221	535,059	541,984	564,856	660,637	735,000
<b>Total Rubbish Collection Budget</b>	<b>\$ 545,427</b>	<b>\$ 546,512</b>	<b>\$ 553,666</b>	<b>\$ 576,632</b>	<b>\$ 672,910</b>	<b>\$ 735,000</b>

**CEMETERY**

Commissioner's Stipend	-	-	-	-	450	450
Full Time Wages	39,649	51,310	52,020	53,060	54,652	68,717
Overtime	-	808	1,011	1,414	2,000	2,000
Part Time Wages	12,650	8,465	8,749	8,652	13,107	13,369
<b>Total Salaries</b>	<b>\$ 52,299</b>	<b>\$ 60,582</b>	<b>\$ 61,781</b>	<b>\$ 63,126</b>	<b>\$ 70,209</b>	<b>\$ 84,536</b>
Supplies	4,920	2,444	2,843	3,000	3,000	3,000
Vehicle Fuel	1,037	1,185	1,500	1,500	2,500	3,000
Landscaping	700	288	422	511	800	800
Utilities	3,551	3,274	3,813	3,839	4,400	4,400
Equipment & Maintenance	2,079	1,762	3,252	1,620	4,000	4,000
Expenses	7,813	778	1,976	2,988	2,500	2,500
<b>Total Expenses</b>	<b>\$ 20,101</b>	<b>\$ 9,732</b>	<b>\$ 13,805</b>	<b>\$ 13,458</b>	<b>\$ 17,200</b>	<b>\$ 17,700</b>
<b>Total Cemetery Budget</b>	<b>\$ 72,400</b>	<b>\$ 70,314</b>	<b>\$ 75,586</b>	<b>\$ 76,584</b>	<b>\$ 87,409</b>	<b>\$ 102,236</b>

<b>TOTAL PUBLIC WORKS</b>	<b>\$ 1,367,498</b>	<b>#####</b>	<b>\$1,455,428</b>	<b>\$ 1,549,243</b>	<b>\$1,668,289</b>	<b>\$ 1,751,944</b>
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**HUMAN SERVICES****BOARD OF HEALTH**

Health Members' Stipends	900	600	600	600	900	900
Health Nurse Wages	7,018	11,281	9,374	15,348	19,641	30,048
Health/Sanitation Agent Wages	22,587	24,688	23,969	24,704	36,930	41,870
Part-time Clerk Wages	16,431	19,031	19,412	21,443	23,094	36,227
<b>Total Salaries</b>	<b>\$ 46,936</b>	<b>\$ 55,600</b>	<b>\$ 53,355</b>	<b>\$ 62,095</b>	<b>\$ 80,565</b>	<b>\$ 109,045</b>
Expenses	1,404	1,997	1,992	1,180	2,800	3,200
<b>Total Board of Health Budget</b>	<b>\$ 48,339</b>	<b>\$ 57,598</b>	<b>\$ 55,347</b>	<b>\$ 63,275</b>	<b>\$ 83,365</b>	<b>\$ 112,245</b>

**COUNCIL ON AGING**

Director's Salary	54,673	57,407	58,555	59,905	65,000	74,589
Assistant Director	34,745	35,275	36,153	31,314	37,982	57,393
Outreach Worker	8,338	4,749	12,387	12,698	13,298	20,672
Part Time Van Driver	19,485	20,074	20,337	19,017	21,310	10,868
<b>Total Salaries</b>	<b>\$ 117,241</b>	<b>\$ 117,504</b>	<b>\$ 127,432</b>	<b>\$ 122,934</b>	<b>\$ 137,590</b>	<b>\$ 163,522</b>
Expenses	\$ 7,323	\$ 6,453	\$ 7,000	\$ 5,954	\$ 3,000	\$ 3,500
Vehicle Maintenance	-	4,142	3,445	3,356	1,500	2,500
<b>Total Expenses</b>	<b>\$ 7,323</b>	<b>\$ 10,595</b>	<b>\$ 10,445</b>	<b>\$ 9,311</b>	<b>\$ 4,500</b>	<b>\$ 6,000</b>
<b>Total Council on Aging Budget</b>	<b>\$ 124,564</b>	<b>\$ 128,100</b>	<b>\$ 137,877</b>	<b>\$ 132,245</b>	<b>\$ 142,090</b>	<b>\$ 169,522</b>

**VETERANS**

Veterans' Agent Salary	7,784	7,784	7,412	7,784	9,180	9,364
Veterans' Benefits	21,210	19,377	17,528	20,895	30,000	30,000
<b>Total Veterans Budget</b>	<b>\$ 28,994</b>	<b>\$ 27,161</b>	<b>\$ 24,940</b>	<b>\$ 28,679</b>	<b>\$ 39,180</b>	<b>\$ 39,364</b>

<b>TOTAL HUMAN SERVICES</b>	<b>\$ 201,896</b>	<b>\$ 212,858</b>	<b>\$ 218,165</b>	<b>\$ 224,198</b>	<b>\$ 264,635</b>	<b>\$ 321,130</b>
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**LIBRARY**

Library Director's Salary	63,464	64,733	66,016	67,349	68,696	84,382
Library Staff Wages	109,541	115,715	116,603	113,801	130,022	165,934
Part Time Wages	8,510	7,800	7,904	10,142	11,627	12,000
<b>Total Salaries</b>	<b>\$ 181,515</b>	<b>\$ 188,248</b>	<b>\$ 190,522</b>	<b>\$ 191,292</b>	<b>\$ 210,345</b>	<b>\$ 262,317</b>
Library Materials	46,829	48,696	50,487	51,920	53,006	55,520
Technology	1,020	1,045	1,067	1,059	1,086	1,086
Programs	995	742	1,066	1,058	1,066	1,066
Dues	18,389	18,530	18,894	18,880	20,150	19,500
Training	1,500	1,802	2,132	1,637	2,132	2,132
Supplies	4,162	3,947	4,335	4,236	4,425	5,500
<b>Total Expenses</b>	<b>\$ 72,894</b>	<b>\$ 74,762</b>	<b>\$ 77,981</b>	<b>\$ 78,789</b>	<b>\$ 81,865</b>	<b>\$ 84,804</b>
<b>Total Library Budget</b>	<b>\$ 254,409</b>	<b>\$ 263,010</b>	<b>\$ 268,503</b>	<b>\$ 270,081</b>	<b>\$ 292,210</b>	<b>\$ 347,121</b>

<b>TOTAL LIBRARY</b>	<b>\$ 254,409</b>	<b>\$ 263,010</b>	<b>\$ 268,503</b>	<b>\$ 270,081</b>	<b>\$ 292,210</b>	<b>\$ 347,121</b>
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**DEBT SERVICE**

Long Term Principal	265,000	265,000	265,000	285,580	225,000	225,000
Short Term Principal					60,800	59,877
Long Term Interest	126,763	122,032	111,379	99,763	91,563	82,963
Short Term Interest	-	-	-	1,649	3,011	3,000
Administrative Fees	-	-	1,848	5,405	2,000	5,500
<b>Total Debt Budget</b>	<b>\$ 391,763</b>	<b>\$ 387,032</b>	<b>\$ 378,226</b>	<b>\$ 392,397</b>	<b>\$ 382,374</b>	<b>\$ 376,340</b>

<b>TOTAL DEBT SERVICE</b>	<b>\$ 391,763</b>	<b>\$ 387,032</b>	<b>\$ 378,226</b>	<b>\$ 392,397</b>	<b>\$ 382,374</b>	<b>\$ 376,340</b>
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**UNCLASSIFIED**

Essex County Retirement Contribution	492,313	533,480	580,962	620,551	684,013	717,962
Unemployment Compensation	1,819	1,660	1,660	33,988	2,000	2,000
Medicare Tax	39,377	42,155	47,377	48,060	55,000	71,000
OPEB Trust Fund (Other Post Employ	85,000	85,000	85,000	85,000	85,000	85,000
Sealer of Weights & Measures	750	-	750	-	750	750
Memorial Day Services	500	500	500	-	500	500
Street Lighting	33,000	17,244	16,048	14,885	17,000	17,000
<b>Total Unclassified Budget</b>	<b>\$ 652,759</b>	<b>\$ 680,038</b>	<b>\$ 732,296</b>	<b>\$ 802,484</b>	<b>\$ 844,263</b>	<b>\$ 894,212</b>

<b>TOTAL UNCLASSIFIED</b>	<b>\$ 652,759</b>	<b>\$ 680,038</b>	<b>\$ 732,296</b>	<b>\$ 802,484</b>	<b>\$ 844,263</b>	<b>\$ 894,212</b>
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<b>TOTAL APPROPRIATED OPERATING</b>	<b>\$ 16,630,893</b>	<b>#####</b>	<b>#####</b>	<b>\$20,097,736</b>	<b>#####</b>	<b>\$ 21,579,153</b>
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**OTHER RAISE & APPROPRIATE ARTICLES**

Vets of Foreign Wars - Maintenance for	900	900	900			
Cemetery Engineering Study to Develop	4,000					
Town Code Consultant				1,998	-	
<b>TOTAL OTHER NON-APPROPRIATED</b>	<b>\$ 4,900</b>	<b>\$ 900</b>	<b>\$ 900</b>	<b>\$ 1,998</b>	<b>\$ -</b>	<b>\$ -</b>

**OTHER NON-APPROPRIATED EXPENSES**

Allowance for Abatements & Exemption:	151,407	159,691	113,056	123,256	125,000	125,000
Cherry Sheet Charges	82,140	93,161	103,210	86,569	87,940	91,222
Direct to Library	8,572	9,130	11,115	11,856	11,306	14,023
<b>TOTAL OTHER NON-APPROPRIATED</b>	<b>\$ 242,119</b>	<b>\$ 261,981</b>	<b>\$ 227,381</b>	<b>\$ 221,681</b>	<b>\$ 224,246</b>	<b>\$ 230,245</b>

<b>GRAND TOTAL EXPENSES</b>	<b>\$ 16,877,912</b>	<b>#####</b>	<b>#####</b>	<b>\$20,321,415</b>	<b>#####</b>	<b>\$ 21,809,398</b>
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EXCESS/DEFICI 1,973

3%  
21,811,371.86

	FY24	3%	2%	Level
School Assessment	11,442,246.00	10,498,550.01	10,396,622.34	10,192,767
Override		943,695.99	1,045,623.66	2,450,000

# DRAFT - FOR REVIEW- NOT APPROVED

DEPARTMENT	EXISITING TITLE	GRADE	\$	GROVELAND MAXIMUM HOURLY RATE	HO UR S	ADDED MIN	ADDED MAX	PROPOSED AVERAGE	PROPOSED MEDIAN	CURRENT FY24 BUDGETED	DIFFERENCE BETWEEN FY24 PROPOSED AVERAGE & CURRENT FY24 BUDGETED		DIFFERENCE BETWEEN FY24 PROPOSED MEDIAN & CURRENT FY24 BUDGETED		DIFFERENCE BUDGET AVAILABLE VS TO BE ADDED TO SALARY LINE		NEW SALARY LINE	NEW RATE	% CHANGE PROPOSED VS NEW
											CURRENT FY24 BUDGETED	CURRENT FY24 BUDGETED	BUDGET AVAILABLE VS TO BE ADDED TO SALARY LINE	BUDGET AVAILABLE VS TO BE ADDED TO SALARY LINE					
Accountant	Town Accountant	D	\$	46.35	38	\$ 8.59	\$ 10.45	\$ 107,545.05	\$ 111,186.00	\$ 92,544.00	\$ 15,001.05	\$ 18,642.00	\$ 2,781.94	\$ 15,860.06	\$108,404.06	\$ 55.38	17%		
Assessor	Assessor	D	\$	35.37	32	\$ 15.87	\$ 15.23	\$ 85,583.39	\$ 84,522.24	\$ 60,063.00	\$ 25,520.39	\$ 24,459.24	\$ 3,650.05	\$ 20,809.19	\$ 80,872.19	\$ 48.41	35%		
Building	Building	D	\$	45.63	26	\$ 2.67	\$ 0.39	\$ 65,548.67	\$ 62,458.34	\$ 63,173.00	\$ 2,375.67	\$ -	\$ -	\$ -	\$ 63,173.00	\$ 46.55	0%		
COA	Director	D	\$	31.13	38	\$ 9.73	\$ 7.59	\$ 79,973.66	\$ 75,784.61	\$ 66,300.00	\$ 13,673.66	\$ 9,484.61	\$ 1,415.39	\$ 8,069.23	\$ 74,369.23	\$ 37.99	12%		
Highway	Highway Supertinentend	D	\$	45.74	40	\$ 4.19	\$ 2.57	\$ 104,253.84	\$ 100,871.28	\$ 97,419.00	\$ 6,834.84	\$ 3,452.28	\$ 515.18	\$ 2,937.10	\$100,356.10	\$ 48.06	3%		
Library	Library Director	D	\$	35.57	37	\$ 8.92	\$ 9.42	\$ 85,924.05	\$ 86,893.69	\$ 70,065.00	\$ 15,859.05	\$ 16,828.69	\$ 2,511.34	\$ 14,317.35	\$ 84,382.35	\$ 43.69	20%		
Town Clerk	Town Clerk	D	\$	30.52	38	\$ 11.70	\$ 12.75	\$ 83,752.06	\$ 85,830.37	\$ 65,011.00	\$ 18,741.06	\$ 20,819.37	\$ 3,106.87	\$ 17,712.50	\$ 82,723.50	\$ 41.70	27%		
Health	Health Agent	D	\$	41.62	17	\$ 8.63	\$ 6.37	\$ 44,591.70	\$ 42,586.33	\$ 37,783.00	\$ 6,808.70	\$ 4,803.33	\$ 716.80	\$ 4,086.53	\$ 41,869.53	\$ 47.18	11%		
Treasurer/Collector	Treasurer/Tax Collector	D	\$	39.91	38	\$ 8.53	\$ 5.71	\$ 94,822.09	\$ 89,301.15	\$ 76,500.00	\$ 18,322.09	\$ 12,801.15	\$ 1,910.31	\$ 10,890.84	\$ 87,390.84	\$ 44.64	14%		
Cemetary	Superintendent	C	\$	26.24	40	\$ 7.75	\$ 7.75	\$ 70,971.12	\$ 70,971.12	\$ 55,864.00	\$ 15,107.12	\$ 15,107.12	\$ 2,254.43	\$ 12,852.69	\$ 68,716.69	\$ 32.91	23%		
Health	Public Nurse	C	\$	35.70	12	\$ 16.63	\$ 14.30	\$ 32,779.51	\$ 31,320.00	\$ 22,795.00	\$ 9,984.51	\$ 8,525.00	\$ 1,272.18	\$ 7,252.82	\$ 30,047.82	\$ 47.97	32%		
COA	Assistant Director	C	\$	30.03	37	\$ 1.44	\$ 0.60	\$ 60,776.33	\$ 59,158.78	\$ 47,328.00	\$ 13,448.33	\$ 11,830.78	\$ 1,765.50	\$ 10,065.28	\$ 57,393.28	\$ 29.72	21%		
Planning	Town Planner/ Environmental Program	C	\$	33.21	38	\$ 11.44	\$ 12.67	\$ 87,402.38	\$ 89,800.31	\$ 44,678.00	\$ 42,724.38	\$ 45,122.31	\$ 6,733.59	\$ 38,388.72	\$ 83,066.72	\$ 42.44	86%		
	Assistance Treasurer/Tax Collector	C	\$	28.56	38	\$ 4.75	\$ 5.39	\$ 65,205.21	\$ 66,447.34	\$ 56,826.00	\$ 8,379.21	\$ 9,621.34	\$ 1,435.79	\$ 8,185.55	\$ 65,011.55	\$ 33.21	14%		
Town Clerk	Assistant Town Clerk	B	\$	21.34	15	\$ 9.59	\$ 7.68	\$ 24,219.06	\$ 22,722.66	\$ 11,362.77	\$ 12,856.29	\$ 11,359.89	\$ 1,695.23	\$ 9,664.66	\$ 21,027.43	\$ 26.85	85%		
Health	Adminisitrative Assistant	B	\$	23.24	27	\$ 3.88	\$ 2.81	\$ 38,222.93	\$ 36,714.87	\$ 33,447.00	\$ 4,775.93	\$ 3,267.87	\$ 487.66	\$ 2,780.21	\$ 36,227.21	\$ 25.70	8%		
Facilities (maintenance)	Facilities Coordinator	B	\$	21.51	40	\$ 7.75	\$ 7.75	\$ 61,094.88	\$ 61,094.88	\$ 45,466.00	\$ 15,628.88	\$ 15,628.88	\$ 2,332.29	\$ 13,296.59	\$ 58,762.59	\$ 28.14	29%		
Library	Adult Services &	B	\$	21.47	37	\$ 8.29	\$ 7.43	\$ 57,478.46	\$ 55,817.46	\$ 42,134.45	\$ 15,344.01	\$ 13,683.01	\$ 2,041.91	\$ 11,641.10	\$ 53,775.55	\$ 27.84	28%		
COA	Outreach Worker	B	\$	20.39	16	\$ 5.04	\$ 5.84	\$ 21,239.14	\$ 21,907.30	\$ 13,630.00	\$ 7,609.14	\$ 8,277.30	\$ 1,235.22	\$ 7,042.08	\$ 20,672.08	\$ 24.75	52%		
Library	Youth Services Librarian	B	\$	21.47	37	\$ 8.29	\$ 7.43	\$ 57,478.46	\$ 55,817.46	\$ 42,134.45	\$ 15,344.01	\$ 13,683.01	\$ 2,041.91	\$ 11,641.10	\$ 53,775.55	\$ 27.84	28%		
Library	Senior Library Assistant	B	\$	19.18	19	\$ 3.90	\$ 5.04	\$ 22,288.36	\$ 23,389.25	\$ 18,892.57	\$ 3,395.79	\$ 4,496.68	\$ 671.04	\$ 3,825.64	\$ 22,718.21	\$ 23.53	20%		
Library	Library Assistant	A	\$	16.18	19	\$ 3.57	\$ 2.63	\$ 19,075.79	\$ 18,164.82	\$ 15,937.53	\$ 3,138.27	\$ 2,227.29	\$ 332.38	\$ 1,894.91	\$ 17,832.44	\$ 18.47	12%		
Library	Library Assistant	A	\$	16.18	19	\$ 3.57	\$ 2.63	\$ 19,075.79	\$ 18,164.82	\$ 15,937.53	\$ 3,138.27	\$ 2,227.29	\$ 332.38	\$ 1,894.91	\$ 17,832.44	\$ 18.47	12%		
Fire	Fire Lieutenant (FT)	\$	27.88	40	\$ 5.32	\$ 6.54	\$ 34,656.33	\$ 35,934.48	\$ 29,689.00	\$ 4,967.33	\$ 6,245.48	\$ 932.01	\$ 5,313.47	\$ 35,002.47	*Only 1/2	18%			
Fire	Firefighter (FT)	\$	26.44	40	\$ 3.75	\$ 4.05	\$ 31,523.00	\$ 31,831.56	\$ 28,718.50	\$ 2,804.50	\$ 3,113.06	\$ 464.56	\$ 2,648.50	\$ 31,367.00	*Only 1/2	9%			
											\$ 301,782.47	\$ 285,706.98	\$ 42,635.98	\$243,071.00					
WATER & SEWER																			
Water& Sewer	Superintendent	C	\$	42.37	40	\$ 8.44	\$ 7.30	\$ 106,091.28	\$ 103,710.96	\$ 90,276.12	\$ 15,815.16	\$ 13,434.84	\$ 2,004.88	\$ 11,429.96	\$101,706.08	\$ 48.71	13%		
Water & Sewer	Office Manager	C	\$	33.29	38	\$ -	\$ -	\$ 65,165.18	\$ 65,165.18	\$ 67,803.70	\$ -	\$ -	\$ -	\$ -	\$ 67,803.70	\$ 33.29	0%		
Water & Sewer	Adminisitrative Assittant	C	\$	24.00	38	\$ 3.69	\$ 4.23	\$ 54,203.18	\$ 55,260.23	\$ 47,919.60	\$ 6,283.58	\$ 7,340.63	\$ 1,095.44	\$ 6,245.19	\$ 54,164.79	\$ 27.67	13%		

*SPECIAL SELECTMEN'S MEETING  
EXECUTIVE SESSION  
MINUTES  
Thursday, October 20, 2022  
Groveland Town Hall  
183 Main Street, Back Hall Conference Room  
Groveland, MA 01834*

Members present: Edward Watson, Jason Naves, Kathleen Kastrinelis, Daniel MacDonald, Mark Parenteau

Others present: Rebecca Oldham, Lynne Stanton, Richard Fitzgerald, Mrs. Fitzgerald

Chairman Watson opened the meeting at 6:03PM. Roll call vote: Selectman MacDonald, yes; Selectman Kastrinelis, yes; Selectmen Parenteau, yes; Selectman Naves, nay, Selectman Watson, yes

Chairman Watson made a motion to enter into executive session in accordance with M.G.L. c. 30A, sec. 21(a)(1) – to discuss the discipline or dismissal of a public employee/official and not return to Open Session. Roll call vote to enter Executive Session. Roll call vote: Selectman MacDonald, yes; Selectman Kastrinelis, yes; Selectmen Parenteau, yes; Selectman Naves, nay, Selectman Watson, yes

Chairman Watson asked Lynne Stanton to explain the recommendation for dismissal.

Lynne Stanton explained the interaction with the employee. Discussed the employee's unwillingness to follow direction. Spoke about experience with van trips. Spoke about the van maintenance and repair issues. Stated that no employee improvement program would be helpful and therefore recommended the Board vote to dismiss.

Selectman MacDonald asked, is it reasonable to inquire about routes and the height of the can in his role? Was there any unfair question that you determined unreasonable and argumentative?

Lynne responded, yes, I do believe those questions are reasonable. But to contact the dealer after the staff had taken care of the issue is excessive. Reiterated the employee also took the initiative to contact Amesbury Chevrolet about making further inspections without being given the authority to do so.

Mr. Fitzgerald read his written statement. *See written statement attached to these minutes.*

Selectman Kastrinelis stated that she hears what is being said but that we need to be mindful of the bigger picture. We have had much turnover in the COA, and we are trying to establish some stability. Maybe we wait and pause before we act. I do not believe Mr. Fitzgerald did anything awful. But there is a hierarchy and there is a level of respect, and everything must go through the Director.

Mr. Fitzgerald stated that his biggest concern was vehicle safety. But that also the rules of the town mandate that the Director cannot dismiss an employee without cause.

Selectman Kastrinelis stated as an 'employee at will' there does not need to be cause. Are you here because you want to continue in this job?

Mr. Fitzgerald answered yes.

Selectman MacDonald asked were you told not to worry about it, the van?

Mr. Fitzgerald answered no.

Selectmen MacDonald stated there is diplomacy and you should be able to disagree with the boss but there is tact. Were you concerned 100% about the van? Or was there something else?

Mr. Fitzgerald stated, is there a clash of personalities? There appears to be. I was overzealous in pushing a safety issue. But it was first and foremost the safety of the riders and my concerns were not being taken seriously.

Selectmen MacDonald asked Mr. Fitzgerald if he would you do anything differently.

Mr. Fitzgerald stated yes, I would have put it in writing to the Board of Selectmen, Town Administrator and COA Director and Chair stating the vehicle should not be driven until the safety issues were resolved. I would have established a paper trail of my concerns.

Lynne stated that once we heard there was a check engine light, we took it to get addressed. Safety is paramount. That was not pushed off or delayed.

Chairman Watson questioned why the van was brought to a local repair shop when the vehicle is under warranty. The vehicle should also have a GPS in the vehicle.

Lynne stated each driver has a phone that has GPS on it, and they use google maps. We also brought it to Dave Martin because we wanted to get the issue resolved quickly.

Selectman MacDonald made a motion to retain Richard Fitzgerald and those disagreements will remain in the past.

Selectman Kastrinelis offered a friendly amendment to retain Richard Fitzgerald and note we have documented this meeting and expect there to be a positive change.

Selectman MacDonald accepted the amendment. Selectman Kastrinelis seconded the motion. Roll call vote: Selectman MacDonald, yes; Selectman Kastrinelis, yes; Selectmen Parenteau, yes; Selectman Naves, nay, Selectman Watson, yes.

Selectman Naves stated that the personality conflict will remain and therefore cannot support reinstating Mr. Fitzgerald.

Motion to adjourn at 7:26PM. Roll call vote: Selectman MacDonald, yes; Selectman Kastrinelis, yes; Selectmen Parenteau, yes; Selectman Naves, yes, Selectman Watson, yes.

*Minutes Respectfully Submitted by Rebecca Oldham*





## **BOARD OF SELECTMEN**

### **Meeting Minutes**

**Tuesday, January 3, 2023**

*Groveland Town Hall*

*183 Main Street, Groveland, MA 01834*

This meeting was in-person and also broadcast live on Groveland Public Access, Channel 9, as well as through Microsoft Teams virtual meeting software for remote access.

**Present:** Chair Ed Watson, Selectmen Jason Naves, Kathleen Kastrinelis, Daniel MacDonald, Mark Parenteau.  
Rebecca Oldham, Town Administrator

**CALL MEETING TO ORDER:** Chair Watson called the meeting to order at 6:30 pm.

**PUBLIC COMMENT:** *Written submissions for public comment must be made before the start of the meeting per the Board of Selectmen's Public Comment Policy amended November 13, 2017.*

- None.

#### **APPROVE WARRANTS:**

PW # 23-27 \$ 205,654.95

A motion was moved by Selectman Naves and seconded by Selectman Kastrinelis to approve Warrant PW#23-27 in the amount of \$205,654.95. Voted: 5-0.

BW# 23-27 \$ 2,329,773.88

A motion was moved by Selectman Naves and seconded by to approve Warrant BW#23-27 in the amount of \$ 2,329,773.88. Voted: 5-0.

#### **APPROVAL OF THE MINUTES:**

- 1) December 5, 2022, Board of Selectmen Meeting Minutes:

A motion was moved by Selectman Kastrinelis and seconded by Selectman MacDonald to table this discussion until later in the meeting after Discussion & Possible Vote.  
Voted: 5-0.

#### **APPOINTMENTS OF THE BOARD:**

- 2) Appointment of Eva Pappalardo of 888 Salem Street Groveland, to Library Page for the Langley-Adams Library. The position is for 5-9 hours per week at a rate of \$15.00/hour contingent upon a successful CORI.

Chair Watson noted that there was a letter from the Library Director and the applicant in the packet.

A motion was moved by Selectman Naves and seconded by Selectman Kastrinelis to appoint Eva Pappalardo of 888 Salem Street Groveland, to Library Page for the Langley-Adams Library. The position is for 5-9 hours per week at a rate of \$15.00/hour contingent upon a successful CORI. Voted: 5-0.

#### **DISCUSSION & POSSIBLE VOTE:**

- 3) Review request for agenda item from Selectman Kastrinelis – Appointment of Bill O'Neil to the Recreation Committee:

Selectman Kastrinelis noted concerns with the discussion at the last meet which resulted in removal of Bill O'Neil from the Parks Committee. Mr. O'Neil was given a letter that told him who was making the complaint – Selectman Kastrinelis did not have that letter in her packet for the meeting – this is why she was asking who made the complaint. Selectman Kastrinelis reached out to the individual who wrote the letter and he noted that it was not his intention to make a complaint against a public official.

Chair Watson felt that the Board could not continue to have this conversation because the individual was not present; the individual could request this discussion be held in Executive Session. There was a decision made and in order to bring it up again, one of the individuals that voted to remove would have to change their vote and other than that Chair Watson thinks it will be out of order to even consider it further.

Selectman Kastrinelis expressed a second concern that this Board entered into Executive Session by roll call vote and the Chairman declared a recess, the Board went off camera, there was no vote or roll call for the recess, the Board then resumed on camera and did not come out of Executive Session as we should have; we continued the meeting still in the Executive Session but it was aired on television; the vote that was taken was taken without a roll call vote and we adjourned as if we were in a regular meeting. Selectman Kastrinelis believes that the minutes correctly reflect the facts except for the fact that the Chairman declared the recess, the Board did not vote on that.

Chair Watson responded that the Board did not have to vote on the recess, it was called to clear the room and the individual was asked a couple of times if he wanted an Executive Session and the response was no. Again, Chair Watson did not feel it was appropriate to continue this conversation without the individual present.

Selectman Kastrinelis noted the minutes should reflect that the Chair called for the recess.

Selectman MacDonald noted that his recollection of the facts was that this was a moot point because Bill O'Neil waived his right to Executive Session and if Selectman Kastrinelis wants to change the minutes we could put in there that Bill waived his right to Executive Session.

Chair Watson moved the meeting to the next agenda item.

#### **VOTES OF THE BOARD:**

- 4) 28 Groveland Commons Way, Right of First Refusal:

A motion was moved by Selectman Kastrinelis and seconded by Selectman Naves to choose not to exercise the Right of First Refusal for 28 Groveland Commons Way.

Voted: 5-0.

- 5) Accept the resignation of Theresa Dunn from the Finance Board effective December 20, 2022:

A motion was moved by Selectman Kastrinelis and seconded by Selectman Naves to accept the resignation of Theresa Dunn from the Finance Board effective December 20, 2022. Voted: 5-0.

Selectman Kastrinelis spoke highly of Theresa Dunn and encouraged anyone interested to step up and contribute to the Finance Board.

Selectman MacDonald thanked Theresa Dunn and noted that we could use some people with financial background who can scrutinize numbers.

Chair Watson also thanked Theresa for her service.

- 6) Accept the Disclosure Form for Police Chief Jeffrey Gillen -Law Enforcement Outreach program at the United States Holocaust Museum in Washington, D.C. – April 13<sup>th</sup> – expenses are \$370.00.  
A motion was moved by Selectman Naves and seconded by Selectman Kastrinelis to  
Accept the Disclosure Form for Police Chief Jeffrey Gillen -Law Enforcement Outreach program at the United States Holocaust Museum in Washington, D.C. Voted: 5-0.

**TOWN ADMINISTRATOR'S TIME:**

TA Oldham reported: It was brought to her attention that during the review of her contract that there is an annual performance evaluation that shall occur before May; TA Oldham requested that the Board take that into consideration, to further discuss and honor the terms of the contract. This will be scheduled. Selectman Kastrinelis has a sample form that could be on the next agenda for review – Chair Watson agreed to review at the next meeting.

**SELECTMEN'S TIME & REPORTS:** *Time to be used to make statements, propose future agenda items, or congratulate residents/teams on accomplishments; this time should not be used to initiate a discussion.*

**Selectman Kastrinelis:** went to the dog park, with her puppy and there were several people there having a good time, it was clean, and the dogs had a good time. There were many compliments about the dog park and Selectman Kastrinelis extended the compliments back to Selectman Naves and TA Oldham who were involved with this project.

**Selectman Naves:** the dog park is not officially open yet, however, felt that no one was going to chase anyone away. Also, attempted to clarify his decision at the last meeting in regards to the removal of Bill O'Neil from the Parks Committee. Selectman Naves indicated that people questioned the manner that he spoke that it looked like he was speaking against Bill O'Neil staying on the Parks Committee and then he voted to keep Bill on the Board and Selectman Naves explained that he didn't vote to keep Bill on the committee, and he just didn't vote to knock him off the committee because he didn't want it to appear that it was an attack on people that volunteer for the community. He does back up what he said to Bill at the meeting and if there were not enough votes of the Board to remove him, he would have voted differently – he would have voted to remove him from the Board. Chair Watson advised Selectman Naves to stop speaking on this issue.

**OLD OR UNFINISHED BUSINESS:**

**Selectman MacDonald:** asked TA Oldham for the status of Law Firms. TA Oldham reported that she has been speaking to a local firm Mead, Talerman and Costa in Newburyport and they have agreed to help with some of the Warrant process for the Annual Town Meeting. The cost is half of what the current firm charges. Happy New Year, hopefully we do the right thing going forward, we can't do anything about the past.

**Selectman Parenteau:** asked TA Oldham if we had received any bids on the water fountains at the Bagnall School. TA Oldham noted that we are waiting until spring to put anything together.

**OTHER ITEMS NOT REASONABLY ANTICIPATED AT TIME OF POSTING:**

**CORRESPONDENCE:**

- 7) PRSD Invitation to Joint Meeting on January 24<sup>th</sup> at 6PM.

**ADJOURNMENT:**

A motion was moved by Selectman MacDonald and seconded by Selectman Parenteau to adjourn the meeting at Voted: 5-0.

*The next regularly scheduled meeting of the Board of Selectmen will be Tuesday, January 17, 2023, at 6:30PM.*

*Respectfully submitted,*

*Katherine T. Ingram*

**23-27 BILLS WARRANT BREAKDOWN:**

<i>Town:</i>	<i>\$ 32,942.60</i>
<i>W/S:</i>	<i>\$ 18,346.30</i>
<i>Payroll Withholding:</i>	<i>\$ 37,693.82</i>
<i>Health Insurance:</i>	<i>\$</i>
<i>Light Bills:</i>	<i>\$ 595,652.32</i>
<i>Grants &amp; Revolving:</i>	<i>\$ 338,831.92</i>
<i>Chapter 90:</i>	<i>\$</i>
<i>Pentucket Assessment:</i>	<i>\$ 1,032,639.92</i>
<i>Essex Tech Assessment:</i>	<i>\$</i>
<i>Whittier Assessment:</i>	<i>\$ 273,667.00</i>
<i>Capital:</i>	<i>\$</i>



## BOARD OF SELECTMEN

### Meeting Minutes

**Tuesday, January 17, 2023**

*Groveland Town Hall*

*183 Main Street, Groveland, MA 01834*

This meeting was in-person and also broadcast live on Groveland Public Access, Channel 9, as well as through Microsoft Teams virtual meeting software for remote access.

**PRESENT:** Chair Ed Watson, Selectmen Mark Parenteau, Jason Naves, Kathleen Kastrinelis.  
Rebecca Oldham, Town Administrator

**ABSENT:** Selectman Daniel MacDonald

**CALL MEETING TO ORDER** – Chair Watson called the meeting to order at 6:30 pm.

**PUBLIC COMMENT:** *Written submissions for public comment must be made before the start of the meeting per the Board of Selectmen's Public Comment Policy amended November 13, 2017.*

- Lana Desrosier, Groveland School Committee Member. A new Liaison position has been created in an effort to improve communications especially in regards to the budget process.
- Chair Watson read a letter from Tracy Guilford regarding Groveland's upcoming 175<sup>th</sup> Anniversary in 2025. Tracy respectfully requests that the Board consider the appointment of the Groveland Activities Committee and also a warrant article to set up a donation account. This will be a future agenda item.

#### **APPROVE WARRANTS:**

*PW # 23-29 \$ 188,996.18*

A motion was moved by Selectman Naves and seconded by Selectman Kastrinelis to approve Warrant PW # 23-29 in the amount of \$ 188,996.18. Voted: 4-0. One absent.

*BW# 23-29 \$ 455,197.50*

A motion was moved by Selectman Naves and seconded by Selectman Kastrinelis to approve Warrant BW # 23-29 in the amount of \$ 455,197.50. Voted: 4-0. One absent.

#### **APPROVAL OF THE MINUTES:**

- 1) December 5, 2022, Board of Selectmen Meeting Minutes

A motion was moved by Selectman Kastrinelis and seconded by Selectman Parenteau to approve the December 5, 2022, Board of Selectmen Meeting Minutes. Voted: 4-0. One absent.

#### **APPOINTMENTS OF THE BOARD:**

- 2) Appointment of Maureen Lee-Locke to **temporary** Outreach Coordinator for the COA. The position is up to 14 hours/week at a rate of \$17.87/hr.

A motion was moved by Selectman Kastrinelis and seconded by Selectman Parenteau to appoint Maureen Lee-Locke to **temporary** Outreach Coordinator for the COA. The position is up to 14 hours/week and at a rate of \$17.87/hour effective Friday, January 20, 2023. Voted: 4-0. One absent.

### **DISCUSSION & POSSIBLE VOTE:**

3) Interview/Appointment for the Board of Registrars

Candidates: Leah Crane; Rebecca Beaucher; Matt Guillory;

Beth Cunniff, Town Clerk was present and addressed the Board and noted that she reached out to the Democratic Committee to see if they had anyone to recommend. Currently there is one Republican and two Unenrolled members on the Board of Registrars. There should be a Democrat, so the Democratic Committee submitted three names for the Board to choose from. The term will be April 1, 2023 – June 30, 2025. Matt Guillory is currently the Treasurer for the Democratic Committee, and he cannot hold a position there and be a Registrar. Matt was not made aware of this prior to the meeting. Rebecca Beaucher was present and introduced herself to the Board and shared her background and noted that she wanted to be more involved with the Town and wants to help voters voices be heard in Groveland.

A motion was moved by Selectman Kastrinelis and seconded by Selectman Naves to appoint Rebecca Beaucher as a Democrat on the Board of Registrars effective April 1, 2023 – June 30, 2025. Voted: 4-0. One absent.

4) Review Town Administrator Evaluation Template, Selectman Kastrinelis:

Chair Watson noted that he heard from Selectman MacDonald who asked for this to be tabled because he wants to weigh in on this.

A motion was moved by Selectman Kastrinelis and seconded by Selectman Parenteau to table the review of the Town Administrator Evaluation Template. Voted: 4-0. One absent.

5) Request the Board of Assessors to Evaluate the Overlay and Release Excess

TA Oldham is looking for a formal vote requesting the Board of Assessors to Evaluate the Overlay and Release Excess.

A motion was moved by Selectman Kastrinelis and seconded by Selectman Parenteau to Request the Board of Assessors to Evaluate the Overlay and Release Excess. Voted: 4-0. One absent.

### **VOTES OF THE BOARD:**

- None.

### **TOWN ADMINISTRATOR'S TIME:**

- None.

**SELECTMEN'S TIME & REPORTS** *Time to be used to make statements, propose future agenda items, or congratulate residents/teams on accomplishments; this time should not be used to initiate a discussion.*

**Selectman Naves:** thanked the Highway Department for all they have done keeping the roads cleared and for picking up all of the Christmas Trees. Chair Watson agreed they did a great job.

### **OLD OR UNFINISHED BUSINESS:**

**Selectman Kastrinelis:** thank you to Rebecca for overseeing the project – they removed the fencing behind 46 Washington Street. Planning to go to the School Committee Meeting on the 24<sup>th</sup>. Shared a copy of a response from the School Superintendent.

### **OTHER ITEMS NOT REASONABLY ANTICIPATED AT TIME OF POSTING:**

- **Selectman Kastrinelis:** asked for the BOS to informally agree on a process for the Mail in Ballot public hearing on the 30<sup>th</sup>. Time limits, ask people to sign in. Chair Watson noted the Board has

*Groveland Board of Selectmen Meeting  
Tuesday, January 17, 2023 at 6:30PM  
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held Public Hearings before and felt it should be something that is fluid. Chair Watson did not feel it was necessary to have people sign up ahead of time. Selectman Naves agreed with Chair Watson people may have the same questions or comments and may not wish to speak if someone else has already asked the same question or made the same comment. Selectman Parenteau agreed with having a time limit of 3-4 minutes. Chair Watson doesn't want to limit anyone from speaking but agreed 3-4 minutes seemed reasonable.

## **CORRESPONDENCE**

- 6) PRSD Invitation to Joint Meeting on January 24th at 6PM.
- 7) Fire Department – Funding for equipment racks.

## **ADJOURNMENT:**

A motion was moved by Selectman Kastrinelis and seconded by Selectman Parenteau to adjourn the meeting at 7:03 pm. Voted: 4-0. One absent.

*The next regularly scheduled meeting of the Board of Selectmen will be Monday, January 30, 2023, at 6:30PM.*

*Respectfully submitted,*

*Katherine T. Ingram*

## **23-29 BILLS WARRANT BREAKDOWN:**

<i>Town:</i>	<i>\$ 113,486.48</i>
<i>W/S:</i>	<i>\$ 243,617.40</i>
<i>Payroll Withholding:</i>	<i>\$ 27,689.57</i>
<i>Health Insurance:</i>	<i>\$</i>
<i>Light Bills:</i>	<i>\$ 118,299.73</i>
<i>Grants &amp; Revolving:</i>	<i>\$ (47,895.68) **\$65,300 was reclassified- Water/Sewer to cover their share of the backhoe- expense is \$17,404.32</i>
<i>Chapter 90:</i>	<i>\$</i>
<i>Pentucket Assessment:</i>	<i>\$</i>
<i>Essex Tech Assessment:</i>	<i>\$</i>
<i>Whittier Assessment:</i>	<i>\$</i>
<i>Capital:</i>	<i>\$</i>



## **BOARD OF SELECTMEN**

### **Meeting Minutes**

**Monday, January 30, 2023**

*Groveland Town Hall*

*183 Main Street, Groveland, MA 01834*

This meeting was in-person and also broadcast live on Groveland Public Access, Channel 9, as well as through Microsoft Teams virtual meeting software for remote access.

**Present:** Chair Ed Watson, Selectmen Daniel MacDonald, Mark Parenteau, Jason Naves, Kathleen Kastrinelis.  
Rebecca Oldham, Town Administrator.

**CALL MEETING TO ORDER – Chair Watson called the meeting to order at 6:30 pm.**

#### **PUBLIC HEARING:**

6:30PM: Notice is hereby given to the Town of Groveland Residents that a public hearing is scheduled for MONDAY January 30, 2023, at 6:30pm before the Board of Selectmen on the issue of the Votes Act of 2022. To determine if the board will act on the Vote by Mail and Early in Person Voting for the Local Election, May 1, 2023. The Board of Selectmen, upon hearing a review of the Votes Act of 2022 by the Town Clerk and receipt of the proposed schedule for Early in Person Voting, voted by the Board of Registrars will decide whether to enact the local options.

Selectman Naves read the Public Hearing notice.

Beth Cunniff, Town Clerk was present and addressed the Board to explain the new law regarding vote by mail under the Votes Act of 2022.

Members of the Public were present and addressed the BOS and the Town Clerk.

Selectman MacDonald asked about time and financial burden this has on the Town Clerk office. Town Clerk Cunniff explained that it is a pretty good time burden – there is no pay for the extra work for the Clerk's Office. Associated costs are calculated for poll workers and costs associated with mailing the ballots out – this has been submitted to the State and will hopefully be reimbursed.

Selectman MacDonald asked if ballot information is kept confidential; Town Clerk Cunniff responded that there is no early calculating until election day; the number of people that have voted would be available.

1. Increase in voter turnout?

TC - We have only had early voting for one local election so far during 2020 – the turnout was relatively poor – 720 votes – 486 (68%) of which were vote by mail.

2. Diane Plantamura, 22 Mill Street – Early in person voting costs versus mail in voting costs.

TC - Hours were extensive for mail in voting. In person early voting costs are known because Election Workers are paid \$11.00 per hour. The State has reimbursed for the State Elections – not local. Reimbursement is not guaranteed.



Chair Watson invited those who wished to speak in favor of mail-in voting for the local election to come to the podium:

1. Diane Plantamura, 22 Mill Street addressed the Board representing 138 Citizens of Groveland (signatures in hand). They are in support of mail in voting for municipal elections. Signatures were given to the BOS.
2. Doreen Blades, 16 Hillview Drive, spoke in favor of offering mail in voting for municipal elections. Mail in voting is key to have the ability to vote. It is an affront to all voters if we don't offer mail in voting. Encouraged the BOS to support this.
3. Adriana Woods, 652 Salem Street, shared a few words regarding the positive correlation between mail in voting and increasing voter turnout; noted that the Town Clerk addressed concerns that Selectman MacDonald referenced at a previous BOS meeting regarding safety of mail in voting. Asked the BOS to please not opt out of vote by mail.
4. John Grohall, 15 Evergreen, vote by mail makes it more convenient for voters to vote which results in higher voter turnout – this is a good thing for democracy. There has been zero evidence of fraud in our elections – if anyone has information, please bring it forward. This makes common sense and voting should be accessible to all of the residents in Groveland. Please do not take choices away from the voters.
5. Bill O'Neil, 45 Elm Park. Besides financial implications – what is the great impetus in this discussion. Chair Watson stated this is the time for statements not questions.
6. Matthew Guillory, 18 Chestnut Street – urged the BOS to not opt of mail in voting for the local election and asked that any BOS member who wanted to vote for this to please provide a reason why. There is no evidence of widespread fraud. Opting out for some elections might cause confusion among voters.
7. Becky Beaucher, 765 Salem Street –provided statistics on vote by mail for Groveland that she found on the Secretary of States website. It appears residents relied heavily on vote by mail during state elections. Please leave the voting process as is for local elections. The process to opt out of mail in voting seems to be unnecessary and a waste of time and energy – there other more important topics that should be discussed. This decision is only for this year – hopefully we won't have to be here again next year discussing voters rights for Groveland.

There was a brief pause – the audio was not working.

8. Beth Greenhagen, 7 Seven Star Road – loves voting (in person) but if she needed to vote by mail, she would be devastated without it. All of the people in Groveland deserve the right to vote including by mail.
9. Selectman Kastrinelis read a letter submitted by Inga Burger, 5 Pinewood Lane, who is out of the country presently. Expressed strong opposition of depriving the citizens in Groveland their right to avail themselves to mail in voting for all elections. Consistency to have the same rules for all elections is important – the goal should be to make it easier to vote not more cumbersome. Please vote no to opting out of mail in voting for local elections.

Chair Watson invited those who wished to speak in favor of opting out of mail-in voting for the local election to come to the podium:

1. Dick Hodges, 35 Union Street – some of the challenges that we've been talking about – tried to look at this from a common-sense perspective. The risk of fraud is his main concern – this is vulnerable to being stolen, altered or forged. Would like to see everyone have to present ID at the polls. Encouraged the BOS to vote no on mail in voting.

#### **BOS Discussion:**

Selectman MacDonald noted if there is any possibility of fraud (more than zero) - one bad ballot is one too many. There are no safeguards in place. Believes in voter ID. Believes the violin stories if you are

sick there are absentee ballots available. Everyone who has the ability to get off the couch and vote should.

Selectman Naves noted the research that he did shows that the proven fraud was done by someone on the inside. No excuse mail in ballots will encourage people to vote. There are checks and balances in place.

Selectman Kastrinelis noted that she would like to see all the elections handled the same way otherwise it gets confusing for the voters. More people are paying attention to politics because they have voting options. Trusts the Town Clerk and the Board of Registrars to do the right thing.

Chair Watson noted this public hearing was held to hear from the residents. The Constitution is silent on the issue.

Mail-in voting:

A motion was moved by Selectman MacDonald to opt out of mail -in voting for the annual Town Election– there was not a second moved – motion failed.

In person voting:

A motion was moved by Selectman Kastrinelis and seconded by Selectman Naves to allow in person voting at the local election and approve the schedule created by the Board of Registrars and presented in the memo by the Town Clerk. Voted: 5-0.

The Board closed the Public Hearing.

**PUBLIC COMMENT:** *Written submissions for public comment must be made before the start of the meeting per the Board of Selectmen's Public Comment Policy amended November 13, 2017.*

- None.

**APPROVE WARRANTS:**

PW # 23-31 \$219,180.80

A motion was moved by Selectman Naves and seconded by Selectman Kastrinelis to approve Warrant PW # 23-31 in the amount of \$219,180.80. Voted: 5-0.

BW# 23-31 \$1,536,320.51

A motion was moved by Selectman Naves and seconded by Selectman Kastrinelis to approve BW# 23-31 \$1,536,320.51. Voted: 5-0.

**APPROVAL OF THE MINUTES:**

- None.

**APPOINTMENTS OF THE BOARD:**

- Review appointment of the COA Director and consider for endorsement:  
Shawn Cass was present and addressed the Board. Shawn introduced himself and expressed his excitement in starting the position. The COA voted unanimously to approve Shawn.  
A motion was moved by Selectman Kastrinelis and seconded by Selectman Naves to appoint Shawn Cass, COA Director effective January 31, 2023. Voted: 5-0.

**DISCUSSION & POSSIBLE VOTE:**

- Request for creation of Revolving Account for Town Celebration - Tracy Gilford

Tracy Gilford was present and addressed the Board. The Town will celebrate its 175<sup>th</sup> anniversary in 2025. Hopefully by starting to fundraise now there will not be a need to ask for money from the town budget. TA Oldham worked with the Town Accountant and determined that a special revenue account would be best to set up – this does not require a Town Meeting vote.

- Review Town Administrator Performance Evaluation Form – Selectman Kastrinelis: Selectman Kastrinelis had submitted paperwork for the Board to review ahead of the meeting. Selectman Kastrinelis explained that this evaluation form came from the Town of Auburn – it can be used as a template. Selectman Naves noted he reviewed the template and felt it is very comprehensive.

A motion was moved by Selectman Kastrinelis and seconded by Selectman Naves to approve the Town Administrator Performance Evaluation Form as is. Voted: 4-0-1. Chair Watson abstained.

- Additional information request for Pentucket Regional School District – Selectman MacDonald
  - Teachers' compensation:
  - Spending on secondary education vs primary education: Selectman MacDonald noted there was a meeting last week with the Superintendent and the School Committees from the three towns. Superintendent Bartholomew provided a presentation. Selectman MacDonald wants full disclosure and transparency and would like the BOS to send a formal request for numbers for each classroom for grades 7-12 so the voters have all the information; how many students in each class, including electives and how much the teachers are paid to teach those classes. There is talk of cutting elementary school teachers and Selectman MacDonald feels primary education is more important than secondary education; you learn to read and then read to learn.

Selectman Kastrinelis noted that the discussion at the meeting was that if there were cuts to be made, the cuts would be made at the secondary level.

Business Manager, Gregory LaBreque was present and addressed the Board. There are a lot of variables when it comes to teachers pay – teachers are required to teach five classes a day and it varies how many students are in each classroom. Selectman MacDonald feels there is money in the school district that is wasted. Greg noted that he has been called a lot of things but being accused of wasting money is not one of them. Even if nothing is changed or added, there will not be enough money. Greg will request the data tomorrow.

Selectman Kastrinelis provided some information that Dr. Bartholomew noted at the meeting. She understood from the meeting that there cannot be any further cuts at the elementary level. Also, noted that the Town budget is really tight as well.

- Official Town Seal vs. Logo - Selectman Watson: Chair Watson would like to see the Town Seal used on all official town business instead of the picture of the gazebo that is being used. TA Oldham noted that the Town Seal is used for all legal documents, minutes, etc. Town Clerk Cunniff noted that some Boards & Committees are using the gazebo on their minutes and agendas but could not confirm which Boards & Committees when questioned.

A motion was moved by Selectman MacDonald and seconded by Selectman Watson to use the Official Seal on all official documents including public notices, minutes, agendas, etc. Voted: 3-0-2. Selectmen Kastrinelis and Naves abstained.

#### **VOTES OF THE BOARD:**

- None.

#### **TOWN ADMINISTRATOR'S TIME:**

TA Oldham noted the detailed budget book is in the packet and provided an overview - numbers are estimates right now. Phone updates are nearing completion. The Wage & Classification study should be completed on Tuesday. A grant was received from the Massachusetts Office of Disability – will be used to install automatic doors at Town Hall and the Police Station. Field and property use permit is online.

**SELECTMEN'S TIME & REPORTS** *Time to be used to make statements, propose future agenda items, or congratulate residents/teams on accomplishments; this time should not be used to initiate a discussion.*

**Selectman Parenteau:** there are screws sticking out of the gazebo where the Christmas decorations were and asked TA Oldham to have the Highway Department remove them.

**Selectman Kastrinelis:** would like to draft a letter to the State Representative and State Senator regarding the Pentucket Circuit Breaker, Regional Transportation and the 14% increase to the out of district cost.

**Selectman Naves:** addressed derogatory terms in regards to the political sense can be very divisive and urged caution when speaking especially if we are looking to our state officials for assistance.

#### **OLD OR UNFINISHED BUSINESS:**

- None.

#### **OTHER ITEMS NOT REASONABLY ANTICIPATED AT TIME OF POSTING**

- Newly elected State Representative Adrienne Ramos was present and addressed the Board to introduce herself.

#### **CORRESPONDENCE**

- Board of Selectmen Meeting Minutes December 19, 2022
- Invitation to the Memorial Service for the Four Chaplains from the American Legion

#### **ADJOURNMENT:**

A motion was moved by Selectman MacDonald and seconded by Selectman Kastrinelis to adjourn the meeting. Voted: 5-0.

The next regularly scheduled meeting of the Board of Selectmen will be Monday, February 13, 2023, at 6:30PM.

*Respectfully submitted,*

*Katherine T. Ingram*

#### **23-31 BILLS WARRANT BREAKDOWN:**

Town:	\$	76,596.69
W/S:	\$	19,052.28
Payroll Withholding:	\$	38,899.17

*Groveland Board of Selectmen Meeting  
Monday, January 30, 2023 at 6:30PM  
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<i>Health Insurance:</i>	\$
<i>Light Bills:</i>	\$ 335,535.75
<i>Grants &amp; Revolving:</i>	\$ 33,596.70
<i>Chapter 90:</i>	\$
<i>Pentucket Assessment:</i>	\$ 1,032,639.92
<i>Essex Tech Assessment:</i>	\$
<i>Whittier Assessment:</i>	\$
<i>Capital:</i>	\$