



Town of West Newbury
Select Board
Monday, December 19, 2022 @ 5:30pm
381 Main Street, Town Office Building
www.wnewbury.org

AGENDA

Executive Session: 5:30pm in 1910 Building, 381 Main Street: Select Board office

- ❖ MGL Ch. 30A §21(a) 6: To consider the purchase, exchange, lease or value of real property if the chair declares that an open meeting may have a detrimental effect on the negotiating position of the public body (*0 Poorhouse Lane; 31 Dole Place*);
- ❖ MGL Ch. 30A §21(a) 3: To discuss strategy with respect to collective bargaining or litigation if an open meeting may have a detrimental effect on the bargaining or litigating position of the public body and the chair so declares (*Police Union contract*);
- ❖ MGL Ch. 30A §21(a) 2: To conduct strategy sessions in preparation for negotiations with nonunion personnel or to conduct collective bargaining sessions or contract negotiations with nonunion personnel (*wage / classification study for non-Union personnel; Town Manager contract*);
- ❖ MGL Ch. 30A §21(a) 7: To comply with, or act under the authority of, any general or special law or federal grant-in-aid requirements (*potential engagement of Special Counsel services*).

The Board may take a brief recess between the Executive Session and the Open Session beginning at 7 PM.

Open Session: 7:00pm by in-person attendance or remote participation (instructions below)

Announcements:

- This meeting is being broadcast on local cable TV and recorded for rebroadcast on the local cable channels and on the internet. Meeting also accessible by remote participation; instructions below.
- Call for volunteers! Open positions on Boards/Commissions/Committees. See www.wnewbury.org/volunteer
- Reminder to subscribe for emailed Town agendas/news/announcements at www.wnewbury.org/subscribe

Regular Business

- A. Presentation of FY22 Audit – *Tony Roselli, Roselli, Clark & Associates, CPAs*
- B. Presentation of recommendations by Page School Feasibility Study Working Group
- C. Review of Committee/Commission recommendations re Mill Pond All Persons Trail project
- D. Review of draft Wage/Classification study; consideration of Board endorsement of grade/step schedule, designation of non-union personnel into position grades, and review of FY23 non-union compensation
- E. Review updated memo regarding personnel appointment authority
- F. Discussion of FY24 Conservation staffing and Intermunicipal Agreement with Merrimac
- G. Requests for renewal of Retail Liquor licenses for 2023 – *Town Clerk's Office*
 - a. GN Enterprises Inc. d/b/a West Newbury Pizza Company (*restaurant/wines and malt §12*)
 - b. West Newbury Food Mart, Inc. (*package store/all alcoholic beverages §15*)
- H. Requests for renewal of Class II Used Car Dealer licenses for 2023 – *Town Clerk's Office*
 - a. Newburyport Automotive, Inc. (330 Main Street)
 - b. RTI Enterprises, Inc. (289 Main Street)
 - c. Crane Neck Auto, LLC (5 Crane Neck Street)
- I. Review of proposed updates to 1-day liquor license paperwork – *James Blatchford, Town Clerk*
- J. Review of proposed updates to Special Event Permit Guidelines – *James Blatchford, Town Clerk*
- K. Recap of recent working meetings re Sea Level Rise projections / scenarios
- L. Meeting minutes: November 7, 2022; November 14, 2022

Town Manager Updates

- M. MassDOR certification of FY23 tax rate
- N. FY22 OPEB Actuarial Valuation
- O. Follow-up from recent ratings call with Moody's
- P. Middle Street Bridge updates
- Q. Public Notice from National Grid: 45 Day Yearly Operational Plan, opportunity for review/comment
- R. Follow up meeting assignment; placing items for future agendas

Addendum to Meeting Notice regarding Remote Participation

Public participation in this meeting of the West Newbury Select Board will be available via remote participation. For this meeting, members of the public who wish to listen to the meeting may do so in the following manner:

Zoom Meeting

Phone: (646) 558 8656
Meeting ID: 871 2149 2380
Passcode: 509901
Join at:

<https://us06web.zoom.us/j/87121492380?pwd=VndxTEsvdHhJalZzZ1FmMTlTdUNrQT09>

Every effort will be made to ensure that the public can adequately access the proceedings in real time, via technological means. In the event that we are unable to do so, despite best efforts, we will post on the West Newbury website an audio or video recording of proceedings as soon as practicable after the meeting.

Town Manager

From: COA
Sent: Friday, December 16, 2022 10:29 AM
To: Manning-Leonard, Judy
Cc: Emily Puteri; Town Manager
Subject: THANK YOU

Good morning Judy,

I know I speak for everyone in attendance, we thoroughly enjoyed the musical performance yesterday!!

Thank you Judy for working with us, and please thank each of your students for me!



Warm regards,
Christine

Christine Marshall

West Newbury Council on Aging Director
978-363-1104 | coa@wnewbury.org



SAGE CENTER
social | activities | growth | education



September 26, 2022

Roselli, Clark & Associates
Certified Public Accountants
500 West Cummings Park, Suite 4900
Woburn, Massachusetts 01801

Gentlemen:

This representation letter is provided in connection with your audit(s) of the financial statements of the Town of West Newbury, which comprise the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information as of June 30, 2022 and the respective changes in financial position and, where applicable, cash flows for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, make it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of the date of this letter above, the following representations made to you during your audit.

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated August 3, 2022 including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with applicable criteria.
2. The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government required by generally accepted accounting principles to be included in the financial reporting entity.
3. We acknowledge our responsibility 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.

4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
5. Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
6. Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with requirements of U.S. GAAP.
7. Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.
8. The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole for each opinion unit. A list of the uncorrected misstatements is attached to the representation letter.
9. The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
10. Guarantees, whether written or oral, under which the Town of West Newbury is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

11. We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documents, and other matters.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the Town of West Newbury from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of governing authorities or summaries of actions of recent meeting for which minutes have not yet been prepared.
12. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
13. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
14. We have no knowledge of any fraud or suspected fraud that affects the Town of West Newbury and involves –
 - a) Management,
 - b) Employees who have significant roles in internal control, or

c) Others where the fraud could have a material effect on the financial statements.

15. We have no knowledge of any allegations of fraud or suspected fraud affecting the Town of West Newbury' financial statements communicated by employees, former employees, regulators, or others.
16. We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
17. We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
18. We have disclosed to you the identity of the Town of West Newbury' related parties and all the related party relationships and transactions of which we are aware.

Government-specific

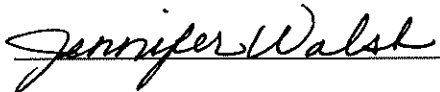
19. Other than the one instance we have discussed with you, there have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
20. We have taken timely and appropriate steps to remedy fraud, noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse that you have reported to us, if any.
21. We have a process to track the status of audit findings and recommendations, if any.
22. We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
23. We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report, as necessary.
24. The Town of West Newbury has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.
25. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts; and legal and contractual provisions for reporting specific activities in separate funds.
26. We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.
27. We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts of other financial data significant to the audit objectives.
28. We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.

29. There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
30. As part of the audit, you assisted with preparation of the financial statements and related notes. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and related notes.
31. The Town of West Newbury has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
32. The Town of West Newbury has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
33. The financial statements include all component units as well as joint venture with an equity interest, and properly disclose all other joint ventures and other related organizations.
34. The financial statements properly classify all funds and activities in accordance with GASB Statement No. 34.
35. All funds that meet the quantitative criteria in GASBS Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
36. Components of net position (net investment in capital assets; restricted; and unrestricted), and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
37. Investments, derivative instruments, and land and other real estate held by endowments are properly valued.
38. Provisions for uncollectible receivables have been properly identified and recorded.
39. Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
40. Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
41. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
42. Special and extraordinary items that were identified as such, (if any) are appropriately classified and reported.

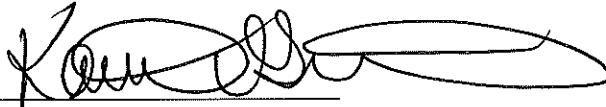
43. Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.
44. Capital assets, including infrastructure assets, are properly capitalized, reported, and, if applicable, depreciated.
45. We have appropriately disclosed the Town of West Newbury's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net assets were properly recognized under the policy.
46. We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.
47. We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.



Town Manager



Town Accountant



Treasurer/Collector

ROSELLI, CLARK & ASSOCIATES
Certified Public Accountants

TOWN OF WEST NEWBURY, MASSACHUSETTS

Management Letter

Year Ended June 30, 2022



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ROSELLI, CLARK & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS

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Woburn, MA 01801

Telephone: (781) 933-0073

www.roselliclark.com

Honorable Select Board
Town of West Newbury
West Newbury, Massachusetts

In planning and performing our audit of the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Town of West Newbury, Massachusetts, (the "Town") as of and for the year ended June 30, 2022, 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.

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 entity's financial statements will not be prevented or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, material weaknesses may exist that have not been identified.

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

Roselli Clark & Associates

Roselli, Clark & Associates
Certified Public Accountants
Woburn, Massachusetts
September 26, 2022

OVERVIEW

In 2022, the Town continued to make improvements to its overall financial and administrative processes. Hamstrung in the past few years through turnover, Covid and transitioning to a Town Manager form of government (in favor of the former structure which included the Select Board as the chief administrative officials), operations finally began to stabilize.

For the second consecutive year the audit is complete prior to September 30 and many of the lingering management letter issues have been resolved.

While the Town's reserves met some headwinds due to a downturn in the financial markets, levels are still more than adequate to satisfy the tier one rating metrics and are highlighted as follows:

1. Unassigned fund balance ended at about \$5.6 million, an increase of \$0.2 million.
2. OPEB assets decreased to about \$2.6 million due to unrealized losses in the asset portfolio of \$0.3 million.
3. Stabilization funds decreased to \$3.3 million due to unrealized losses in the asset portfolio of \$0.2 million.
4. Unused levy capacity increased to \$1.6 million.

In fact, in July 2022 the Town was rewarded with a bond rating increase to AAA by Standard and Poor. This was after years of establishing and enforcing financial policies and increasing reserves through effective budget, capital, and debt management.

Standard and Poor offered the following in their rating review in July 2022:

“The one-notch upgrade reflects the town's improved reserve levels from 28% of expenditures, or \$4.1 million, at fiscal year-end 2018 to 34% of expenditures (\$5.4 million) at FYE 2021. In addition, surplus operating performance over the last three fiscal years has resulted in reserves significantly higher than state-peers, which we expect it will maintain.”

In reaching their assessment, Standard and Poor rated West Newbury as very strong in 4 of 7 key metrics and strong in the other 3 metrics. It is expected that West Newbury will be able to maintain this bond rating if it continues to operate at a level which we believe is sustainable.

The Town should be proud of this accomplishment as its investment grade securities are now at the top of the rating scale.

Subsequent to our audit, we learned that the Town Accountant/Business Manager has resigned her position. The Town was already over utilizing all positions in its financial and administrative operations to multi-task daily operations. The burden placed on these employees exponentially grew during fiscal 2022 and was compounded by the management of the CARES, FEMA and ARPA funds received. Especially relative to the reporting burdens associated with these grants. This caused the employees in these functions to wear many hats and often work well more than the hours worked by peers in similar towns.

At the time of this resignation, the Town was already in the process of implementing changes to the overall financial process, which included reassigning duties previously completed by the Town Manager/Finance Office, to more broadly assign these duties to other Town departments and this is expected to make this transition much more efficient than it would otherwise have been under the previous structure.

In addition, the vacancy was filled internally by the Town Manager/Finance Department Assistant thus familiarity with Town operations is a bonus.

Once the Town Manager/Finance Department Assistant position is backfilled, management expects the Town's administrative and financial process to maintain the progress that has been made in recent years and build on this with continued new efficiencies.

INFORMATIONAL ITEMS

Management of Long-term liabilities

The following discussion serves as an update to our observations in the prior years.

a. OPEB

As previously discussed, the Town's OPEB Trust was impacted by the downturn in the financial markets. This is consistent with plans all over the State. The Plan lost about \$300,000 and dropped to a funding ratio of 88%, but this was unavoidable and is still a great position to be in. Standard and Poor commented that the Town's OPEB was in a credit positive situation.

While this market valuation drop is most likely not permanent, the Town could adopt a strategy of funding the loss over a five-year period with the probability that the plan assets could recover before this funding is completed and thereby place the OPEB back on track near 100%.

b. Pension

The Town contributes to the Essex County Contributory Retirement System. The System has done an excellent job over the past few years addressing its funded ratio. As of December 31, 2021, the ratio was 67% which is about 12% greater than it was in 2020. In addition, the Town's portion of the pension liability has been reduced to \$6.8 million, which is 10% lower than the prior year. Based on this, it appears things are going in the proper direction.

At our suggestion, the Town established a pension stabilization fund. This will be instrumental in smoothing out annual costs when annual assessments start spiking. We encourage the Town to continue to fund this stabilization fund to mitigate the efforts of rising assessments in the future. To date, all funding to this reserve have been funded from free cash. The Town should consider also receiving an annual match from the Water Enterprise Fund that could go to a separately dedicated pension stabilization set up for Water Department employees.

Network Security

The Town has taken some strong strides in addressing network security. The role of the Chief Assessor was revised to include the functions of Cyber-Security Coordinator. This designation had previously been held by the collective efforts of the Finance Office. The shift was designed with the mind-set that this critical function would be overseen by an office that had the bandwidth to adequately service such responsibilities. This has provided the Town with some much-needed support in this area. Given that municipalities are major targets for cyber-crime, this is a great step.

FINDINGS AND RECOMMENDATIONS

Town Manager Act (repeated)

In prior years we discussed how the new Town Manager Act which was approved by the legislature in fiscal year 2018 was a very challenging implementation since the Town had never had a Town Manager nor any other appointed professional administrator and was previously overseen by a 3-member elected Board of Selectmen. We also recommended that the Town evaluate a Town Charter in favor of the current legal framework for Town operations, which includes the Town Manager Act read in conjunction with various other applicable statutes, bylaws and policies. The lack of clarity regarding where various authorities rest, created inefficiencies that continued to affect the Town's operations in fiscal year 2022.

The Town has taken steps to address this issue. Specifically, a full-time Executive Assistant was added to the fiscal 2023 budget. While this position has yet to be filled, this is a significant step. The Town expects to advertise this position shortly. The intended role of this individual is to manage many of the burdensome less technical aspects of the department. This along with the reassignment of a number of duties as previously discussed, will further reduce some of the workload of the Town Manager and allow the Town Manager to focus on the more important aspects of the position from a macro level.

The Town continues to evaluate the creation of a Town Charter and we continue to recommend this.

Treasurer's Office

The Treasurer's Office is currently streamlined, efficient and operating as intended. This has been a long four-year challenge for the Town. The mission has been accomplished through the appointment of an individual with the necessary skillset and experience for the position, in addition to a very strong collaborative effort of the entire financial team.

The last remaining item that is in the process of being addressed is disposing of all the old, abandoned checks through a tailing process. We sat with the Treasurer and walked through the steps that should be accomplished to dispose of these stale checks and expect that it will be completed before the end of fiscal 2023.

ROSELLI, CLARK & ASSOCIATES
Certified Public Accountants

TOWN OF WEST NEWBURY, MASSACHUSETTS

Report on Examination of the Basic Financial Statements and
Additional Information

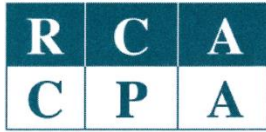
Year Ended June 30, 2022



TOWN OF WEST NEWBURY, MASSACHUSETTS

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INDEPENDENT AUDITORS' REPORT

The Honorable Members of the Board of Selectmen
Town of West Newbury, Massachusetts

Opinion

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 West Newbury, Massachusetts, (the Town) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Town as of June 30, 2022, and the respective changes in financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements taken as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance

therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatements 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, 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's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Roselli Clark & Associates

Roselli, Clark and Associates
Certified Public Accountants
Woburn, Massachusetts
September 26, 2022

Management's Discussion and Analysis

As the management of the Town, we offer readers of the accompanying financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2022.

Financial Highlights

- The assets and deferred outflows of financial resources of the Town exceeded its liabilities and deferred inflows of financial resources at the close of the most recent fiscal year by over \$33.6 million (*total net position*). Nearly \$29.5 million represented net position of governmental activities and nearly \$4.2 million represented net position of the business-type activities.
- The government's total net position increased by over \$1.0 million. This was due to an increase of approximately \$0.9 million in governmental activities and over \$0.1 million in business-type activities as expenditures were lower than expectations and revenues exceeded forecast.
- The Town's Unassigned Fund Balance reported in the General Fund was over \$5.6 million (32.7% of General Fund expenditures). Total Fund Balance in the General Fund was approximately \$6.9 million (40.0% of General Fund expenditures). Furthermore, reported fund balances in the Town's Community Preservation Fund, Library Trust Fund and the Combined Nonmajor Governmental Funds were approximately \$3.5 million, \$1.3 million and \$1.1 million, respectively.
- The Town's total long-term debt decreased by approximately \$0.4 million; the decrease was due to regularly scheduled maturities in both business-type and governmental funds.

Overview of the Financial Statements

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

Government-wide Financial Statements - The *government-wide financial statements* are designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private-sector business. The *statement of net position* presents information on all of the Town's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal 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 fiscal periods (e.g., uncollected taxes and earned but unused vacation leave.)

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenue (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 of the Town include general government, public safety, highways and streets, sanitation, education, community development, health and human services, culture and recreation, fringe benefits, and debt service. The business-type activities of the Town consist completely of the Town's water 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. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Accounting guidelines distinguish fund balance between amounts that are considered nonspendable, such as fund balance associated with inventories, and other amounts that are classified based on the relative strength of the constraints that control the purposes for which specific amounts can be spent. Beginning with the most binding constraints, fund balance amounts will be reported in the following classifications:

- Restricted - amounts constrained by external parties, constitutional provision, or enabling legislation
- Committed - amounts constrained by a government using its highest level of decision-making authority
- Assigned - amounts a government intends to use for a particular purpose
- Unassigned - amounts that are not constrained at all will be reported in the general fund or in other major funds if negative

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 financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal 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. Reconciliations are provided in the basic financial statements to help the reader understand the differences, as indicated within the table of contents.

The Town maintains a number of individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, community preservation fund, and library trust fund which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation.

The Town adopts an annual appropriated budget for its general fund. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with this budget. This schedule has been prepared as required supplementary information and can be found along with the corresponding notes in this report.

Proprietary Funds – The Town maintains only one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

The proprietary fund financial statements provide separate information for the water enterprise fund.

Fiduciary funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The Town includes the activities of its Other Postemployment Trust Benefits Trust fund and poor and scholarship funds. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the Town’s own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the 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.

Other Information – In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Town’s proportionate share of the net pension liability, contributions to pension plan, and the Town’s progress in funding its obligation to provide other postemployment benefits to its employees as well as the Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. In the case of the Town, the assets and deferred outflows of financial resources of the Town exceeded liabilities and deferred inflows of financial resources by over \$33.6 million at the close of the most recent fiscal year. The condensed statement of net position is as follows:

	<u>Governmental activities</u>		<u>Business activities</u>		<u>Total</u>	
	June 30					
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<u>Assets</u>						
Current and other assets	\$ 14,143,303	\$ 14,034,753	\$ 2,293,736	\$ 2,349,759	\$ 16,437,039	\$ 16,384,512
Capital assets, net	<u>24,051,241</u>	<u>22,956,973</u>	<u>5,155,472</u>	<u>5,006,453</u>	<u>29,206,713</u>	<u>27,963,426</u>
Total assets	<u>38,194,544</u>	<u>36,991,726</u>	<u>7,449,208</u>	<u>7,356,212</u>	<u>45,643,752</u>	<u>44,347,938</u>
<u>Deferred Outflows of Resources</u>	<u>1,360,736</u>	<u>1,049,444</u>	<u>127,078</u>	<u>98,884</u>	<u>1,487,814</u>	<u>1,148,328</u>
<u>Liabilities</u>						
Long term liabilities	7,030,886	7,731,087	2,144,892	2,219,589	9,175,778	9,950,676
Other liabilities	<u>1,165,722</u>	<u>531,311</u>	<u>1,100,000</u>	<u>1,100,000</u>	<u>2,265,722</u>	<u>1,631,311</u>
Total liabilities	<u>8,196,608</u>	<u>8,262,398</u>	<u>3,244,892</u>	<u>3,319,589</u>	<u>11,441,500</u>	<u>11,581,987</u>
<u>Deferred Inflows of Resources</u>	<u>1,898,452</u>	<u>1,213,275</u>	<u>165,886</u>	<u>115,219</u>	<u>2,064,338</u>	<u>1,328,494</u>
<u>Net Position</u>						
Net investment in capital assets	23,756,241	22,356,976	2,813,812	2,727,127	26,570,053	25,084,103
Restricted	5,854,914	5,564,524	-	-	5,854,914	5,564,524
Unrestricted	<u>(150,935)</u>	<u>643,997</u>	<u>1,351,696</u>	<u>1,293,161</u>	<u>1,200,761</u>	<u>1,937,158</u>
Net Position	<u>\$ 29,460,220</u>	<u>\$ 28,565,497</u>	<u>\$ 4,165,508</u>	<u>\$ 4,020,288</u>	<u>\$ 33,625,728</u>	<u>\$ 32,585,785</u>

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

An additional portion of the Town’s net position represents resources that are subject to external restrictions on how they may be used. *Unrestricted net position* reflects the remainder of net position; a balance of over \$1.2 million.

Condensed changes in net position data is presented as follows:

	<u>Governmental activities</u>		<u>Business activities</u>		<u>Total</u>	
			June 30			
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<u>Revenues</u>						
Program revenues:						
Charges for services	\$ 506,918	\$ 679,753	\$ 1,016,139	\$ 1,097,425	\$ 1,523,057	\$ 1,777,178
Operating grants and contributions	680,939	863,527	-	-	680,939	863,527
Capital grants and contributions	409,385	150,000	4,500	6,000	413,885	156,000
General revenues:						
Property taxes	15,386,172	15,236,382	-	-	15,386,172	15,236,382
Intergovernmental	373,350	214,969	-	-	373,350	214,969
Other	762,716	1,057,837	(20,321)	6,182	742,395	1,064,019
Total revenues	<u>18,119,480</u>	<u>18,202,468</u>	<u>1,000,318</u>	<u>1,109,607</u>	<u>19,119,798</u>	<u>19,312,075</u>
<u>Expenses</u>						
General government	1,584,771	1,965,830	-	-	1,584,771	1,965,830
Public safety	2,718,022	2,980,644	-	-	2,718,022	2,980,644
Education	9,297,474	8,952,568	-	-	9,297,474	8,952,568
Public works	2,113,991	1,720,110	-	-	2,113,991	1,720,110
Health and human services	718,986	802,518	-	-	718,986	802,518
Culture and recreation	782,563	426,129	-	-	782,563	426,129
Debt service	8,950	15,900	-	-	8,950	15,900
Water	-	-	855,098	795,055	855,098	795,055
Total expenses	<u>17,224,757</u>	<u>16,863,699</u>	<u>855,098</u>	<u>795,055</u>	<u>18,079,855</u>	<u>17,658,754</u>
Change in net position	894,723	1,338,769	145,220	314,552	1,039,943	1,653,321
Net position, beginning of year	<u>28,565,497</u>	<u>27,226,728</u>	<u>4,020,288</u>	<u>3,705,736</u>	<u>32,585,785</u>	<u>30,932,464</u>
Net position, end of year	<u>\$ 29,460,220</u>	<u>\$ 28,565,497</u>	<u>\$ 4,165,508</u>	<u>\$ 4,020,288</u>	<u>\$ 33,625,728</u>	<u>\$ 32,585,785</u>

Governmental Activities - The Town relies significantly on property taxes, which, during 2022, made up approximately 84.9% of total governmental activities revenues, an increase of over \$0.1 million over the prior year. In Massachusetts, Town's cannot increase property taxes more than 2.5% of the prior year commitment, plus new growth and voted operating and debt exclusions; so, this increase met the statutory amount expected that was raised on the Town certified tax recap. All other revenue amounts were either consistent with the prior year or not material in amount.

Major expenses were for education which continues to be an area that the Town devotes significant resources. Education represented 54.0% of total expenses; this was consistent with the prior year amount of 53.1%. All other functional expense categories were (1) up slightly (2) flat with the prior year primarily due to a modest increase in benefits that were allocated to each function or (3) not significant.

Business-type Activities - Major revenue sources consist of revenue from water user charges which represented approximately 100% of total revenues. Water expenses represented 100% of total business-type expenses. Revenues decreased by 10% over the prior year due to decreased consumption and loss on investments. Expenses were consistent with the prior year.

Financial Analysis of the Governmental Funds

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

Governmental Funds - The focus of the Town's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the

Town's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The General Fund is the chief operating fund of the Town. At the end of the current fiscal year, unassigned fund balance in the general fund was over \$5.6 million, while total fund balance reached approximately \$6.9 million. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures. Unassigned fund balance represented approximately 32.7% of total general fund expenditures, while total fund balance represented approximately 40.0% of that same amount.

The Town's governmental funds balance sheet reported a combined ending fund balance of over \$12.7 million. In addition to the \$6.9 million in the general fund previously discussed, there were also restricted fund balances in the Community Preservation Fund, Library Trust Fund and combined Nonmajor funds of over \$3.5 million, nearly \$1.3 million and nearly \$1.1 million, respectively.

The General Fund balance decreased by about \$0.5 million primarily due to the timing of spending down Town Meeting articles in the Public Works department.

The Community Preservation Fund balance increased by nearly \$0.1 million over the prior year; this was primarily due to less voted projects as compared to lower State matched revenue.

The Library Trust Fund met the criteria for presentation as a major fund in the current year. The fund's restricted fund balance was consistent with the prior year as activity was minimal.

The combined Nonmajor funds increased by approximately \$0.2 million; this was mainly due to timing of revenues and expenditures as these funds are intended to net over time.

Proprietary Funds - The Town's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. At the end of the year, net position of the water fund was approximately \$4.2 million, which increased over \$0.1 million from the prior year.

Fiduciary funds - The Town's fiduciary funds include nearly \$2.6 million for a trust established to account for the Town's other postemployment benefit activities. In addition, the Town maintains over \$0.3 million in various private purpose activities that are also accounted for within its fiduciary funds

General Fund Budgetary Highlights

There were no major differences in the final amended budget to the original budget.

A budget to actual schedule for the general fund has been provided as required supplementary information.

Capital Asset and Debt Administration

Capital Assets - The Town's investment in capital assets for its governmental and business-type activities as of June 30, 2022, amounts to over \$29.2 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, infrastructure, machinery and equipment and reflects a small increase from prior year, as additions approximated depreciation.

Additional information on the Town capital assets can be found in Note II, subsection D.

Long-term Debt - At the end of the current fiscal year, the Town had total debt outstanding of nearly \$1.9 million; this includes approximately \$0.3 million in governmental activities and approximately \$1.6 million in business-type activities. This represented a decrease of nearly \$0.4 million over the prior year due to regularly scheduled maturities.

The Town's bond rating was increased AAA from Standard and Poor; this means its investment grade is very strong and is one level below the highest rating the agency sets.

State statutes limit the amount of general obligation debt a governmental entity may issue to 5.0% percent of its total equalized valuation. The current debt limitation for the Town is approximately \$57.5 million, which is significantly in excess of the Town's outstanding general obligation debt.

Additional information on the Town's debt can be found Note II, Section E, F and G of this report.

Economic Factors and Next Year's Budgets and Rates

- The region's unemployment rate remains robust as a byproduct of stimulus activities from the Federal Government. Unemployment rates are at 40-year lows.
- Inflation is trending near 40-year highs and efforts to battle this by the Federal Government are causing borrowing rates to spike near 20-year highs.
- The Town's real estate tax base is made up of approximately 97.6% residential real estate tax. Its commercial, industrial and personal property taxes make up the remainder of the tax base at 2.3%. In addition, Chapter 580 of the Acts of 1980, more commonly referred to as Proposition 2 ½, limits the Town's ability to increase taxes in any one year by more than two and one-half percent (2 ½%) of the previous year tax levy
- The Town's housing market is robust and continues to rank at the top of the State averages.

The above items were considered when the Town developed its budget for fiscal year 2023 which was authorized by Annual Town Meeting in May 2022 and it expects to set its tax rate before December 31, 2022.

Requests for Information

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to the Office of the Town Manager, Town Hall, 381 Main Street, West Newbury, Massachusetts, 01985.

TOWN OF WEST NEWBURY, MASSACHUSETTS

STATEMENT OF NET POSITION

JUNE 30, 2022

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and cash equivalents	\$ 8,919,086	\$ 1,468,897	\$ 10,387,983
Investments	4,939,470	447,120	5,386,590
Receivables, net of allowance for uncollectibles:			
Property taxes	82,924	-	82,924
Departmental and other	158,018	-	158,018
Intergovernmental	43,805	-	43,805
User charges	-	377,719	377,719
Capital assets, not being depreciated	9,741,087	2,823,722	12,564,809
Capital assets, net of accumulated depreciation	14,310,154	2,331,750	16,641,904
Total Assets	38,194,544	7,449,208	45,643,752
Deferred Outflows of Resources			
Related to other postemployment benefit liability	441,708	77,999	519,707
Related to net pension liability	919,028	49,079	968,107
Total Deferred Outflows of Resources	1,360,736	127,078	1,487,814
Liabilities			
Warrants and accounts payable	365,247	-	365,247
Accrued payroll and withholdings	52,283	-	52,283
Other liabilities	43,669	-	43,669
Unearned revenues	704,523	-	704,523
Bond anticipation notes payable	-	1,100,000	1,100,000
Noncurrent liabilities:			
Due within one year	370,339	39,386	409,725
Due in more than one year	6,660,547	2,105,506	8,766,053
Total Liabilities	8,196,608	3,244,892	11,441,500
Deferred Inflows of Resources			
Related to net other postemployment benefit liability	181,534	20,170	201,704
Related to net pension liability	1,716,918	145,716	1,862,634
Total Deferred Inflows of Resources	1,898,452	165,886	2,064,338
Net Position			
Net investment in capital assets	23,756,241	2,813,812	26,570,053
Restricted:			
Nonexpendable permanent funds	18,120	-	18,120
Community preservation	3,510,090	-	3,510,090
Other purposes	2,326,704	-	2,326,704
Unrestricted	(150,935)	1,351,696	1,200,761
Total Net Position	\$ 29,460,220	\$ 4,165,508	\$ 33,625,728

See accompanying notes to basic financial statements.

TOWN OF WEST NEWBURY, MASSACHUSETTS

**STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022**

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Primary government:							
<u>Governmental Activities:</u>							
General government	\$ 1,584,771	\$ 199,886	\$ 43,953	\$ -	\$ (1,340,932)		\$ (1,340,932)
Public safety	2,718,022	201,602	161,503	-	(2,354,917)		(2,354,917)
Education	9,297,474	-	5,263	-	(9,292,211)		(9,292,211)
Public works	2,113,991	18,072	200	409,385	(1,686,334)		(1,686,334)
Health and human services	718,986	11,814	413,010	-	(294,162)		(294,162)
Culture and recreation	782,563	75,544	57,010	-	(650,009)		(650,009)
Interest	8,950	-	-	-	(8,950)		(8,950)
Total Governmental Activities	17,224,757	506,918	680,939	409,385	(15,627,515)		(15,627,515)
<u>Business-Type Activities:</u>							
Water	855,098	1,016,139	-	4,500	-	\$ 165,541	165,541
Total Primary Government	\$ 18,079,855	\$ 1,523,057	\$ 680,939	\$ 413,885	(15,627,515)	165,541	(15,461,974)
<u>General Revenues:</u>							
					15,386,172	-	15,386,172
					860,867	-	860,867
					70,988	-	70,988
					373,350	-	373,350
					(169,139)	(20,321)	(189,460)
					16,522,238	(20,321)	16,501,917
					894,723	145,220	1,039,943
<u>Net Position:</u>							
					28,565,497	4,020,288	32,585,785
					\$ 29,460,220	\$ 4,165,508	\$ 33,625,728

See accompanying notes to basic financial statements.

TOWN OF WEST NEWBURY, MASSACHUSETTS

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2022**

	General	Community Preservation	Library Trust Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets:					
Cash and cash equivalents	\$ 4,011,527	\$ 3,054,162	\$ 198,073	\$ 1,655,324	\$ 8,919,086
Investments	3,331,397	455,928	1,076,862	75,283	4,939,470
Receivables, net of allowance for uncollectibles					
Property taxes	82,787	137	-	-	82,924
Departmental and other	153,198	-	-	4,820	158,018
Intergovernmental	-	-	-	43,805	43,805
Total Assets	<u>7,578,909</u>	<u>3,510,227</u>	<u>1,274,935</u>	<u>1,779,232</u>	<u>14,143,303</u>
Total Deferred Outflows of Resources	-	-	-	-	-
Total Assets and Deferred Outflows of Resources	<u>\$ 7,578,909</u>	<u>\$ 3,510,227</u>	<u>\$ 1,274,935</u>	<u>\$ 1,779,232</u>	<u>\$ 14,143,303</u>
Liabilities:					
Warrants and accounts payable	\$ 365,247	\$ -	\$ -	\$ -	\$ 365,247
Accrued payroll and withholdings	52,283	-	-	-	52,283
Other liabilities	43,669	-	-	-	43,669
Unearned revenues	-	-	-	704,523	704,523
Total Liabilities	<u>461,199</u>	<u>-</u>	<u>-</u>	<u>704,523</u>	<u>1,165,722</u>
Deferred Inflows of Resources:					
Unavailable revenues - property taxes	82,787	137	-	-	82,924
Unavailable revenues - other	153,198	-	-	4,820	158,018
Total Deferred Inflows of Resources	<u>235,985</u>	<u>137</u>	<u>-</u>	<u>4,820</u>	<u>240,942</u>
Fund Balances:					
Nonspendable	-	-	7,500	10,620	18,120
Restricted	38,316	3,510,090	1,267,435	1,059,269	5,875,110
Committed	996,657	-	-	-	996,657
Assigned	222,779	-	-	-	222,779
Unassigned	5,623,973	-	-	-	5,623,973
Total Fund Balances	<u>6,881,725</u>	<u>3,510,090</u>	<u>1,274,935</u>	<u>1,069,889</u>	<u>12,736,639</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 7,578,909</u>	<u>\$ 3,510,227</u>	<u>\$ 1,274,935</u>	<u>\$ 1,779,232</u>	<u>\$ 14,143,303</u>

See accompanying notes to basic financial statements.

TOWN OF WEST NEWBURY, MASSACHUSETTS

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

JUNE 30, 2022

Total Governmental Fund Balances	\$ 12,736,639
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	24,051,241
Other long-term assets are not available to pay for current-period expenditures and, therefore, are reported as unavailable revenue in the governmental funds.	240,942
Deferred outflows and inflows of resources to be recognized in future pension and OPEB expense are not available resources and, therefore, are not reported in the funds:	
Deferred outflows related to net pension liability	919,028
Deferred inflows related to net pension liability	(1,716,918)
Deferred outflows related to net other postemployment benefits liability	441,708
Deferred inflows related to net other postemployment benefits liability	(181,534)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the government funds:	
Bonds and notes payable	(326,091)
Net pension liability	(6,265,807)
Net other postemployment benefit liability	(309,039)
Compensated absences	(129,949)
Net Position of Governmental Activities	<u>\$ 29,460,220</u>

See accompanying notes to basic financial statements.

TOWN OF WEST NEWBURY, MASSACHUSETTS

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

	General	Community Preservation	Library Trust Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:					
Property taxes	\$ 15,114,834	\$ 371,423	\$ -	\$ -	\$ 15,486,257
Intergovernmental	428,820	342,531	-	667,663	1,439,014
Excise taxes	859,952	-	-	915	860,867
License and permits	201,438	-	-	-	201,438
Departmental and other revenue	268,829	-	-	169,214	438,043
Penalties and interest on taxes	70,988	-	-	-	70,988
Fines and forfeitures	13,604	-	-	-	13,604
Investment income	(191,370)	3,929	21,824	(3,522)	(169,139)
Contributions and donations	-	-	-	24,660	24,660
Total Revenues	<u>16,767,095</u>	<u>717,883</u>	<u>21,824</u>	<u>858,930</u>	<u>18,365,732</u>
Expenditures:					
Current:					
General government	1,325,918	11,853	-	22,908	1,360,679
Public safety	1,999,234	-	-	152,068	2,151,302
Education	9,151,440	-	-	-	9,151,440
Public works	2,073,854	-	-	381,132	2,454,986
Health and human services	674,681	363,367	-	30,067	1,068,115
Culture and recreation	395,063	257,916	15,000	63,572	731,551
Pension and other fringe benefits	1,206,280	-	-	-	1,206,280
State and county tax assessments	84,208	-	-	-	84,208
Debt service:					
Principal	305,000	-	-	10,363	315,363
Interest	8,950	-	-	-	8,950
Total Expenditures	<u>17,224,628</u>	<u>633,136</u>	<u>15,000</u>	<u>660,110</u>	<u>18,532,874</u>
Net Change in Fund Balances	(457,533)	84,747	6,824	198,820	(167,142)
Fund Balances - Beginning	<u>7,339,258</u>	<u>3,425,343</u>	<u>1,268,111</u>	<u>871,069</u>	<u>12,903,781</u>
Fund Balances - Ending	<u>\$ 6,881,725</u>	<u>\$ 3,510,090</u>	<u>\$ 1,274,935</u>	<u>\$ 1,069,889</u>	<u>\$ 12,736,639</u>

See accompanying notes to basic financial statements.

TOWN OF WEST NEWBURY, MASSACHUSETTS

**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**

		Total
Net Change in Fund Balances - Total Governmental Fund Balances	\$	(167,142)
<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. The net amounts are reflected here as reconciling items:</p>		
Capital outlays	\$ 1,927,570	
Disposal of capital assets	(10,883)	
Depreciation expense	(822,421)	
Net effect of reporting capital assets		1,094,266
<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 has any effect on Net Position. Also governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued; whereas these amounts are amortized in the Statement of Activities. The net amount presented here as a reconciling item represents the following differences:</p>		
Repayments of debt	315,363	
Net effect of reporting long-term debt		315,363
<p>Revenues in the Statement of Activities that do not provide current financial are reported as unavailable in the Statement of Revenues, Expenditures and Changes in Fund Balances. Therefore, the recognition of revenue of various types of accounts receivable differ between the two statements. The amount presented represents the difference in unavailable revenue.</p>		
		(246,252)
<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>		
Compensated absences	(20,361)	
Other postemployment benefits	(68,689)	
Pension benefits	(12,462)	
Net effect of reporting long-term liabilities		(101,512)
Change in Net Position of Governmental Activities	\$	894,723

See accompanying notes to basic financial statements.

TOWN OF WEST NEWBURY, MASSACHUSETTS

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS**

JUNE 30, 2022

	Business-type Activities Enterprise fund
	Water
Assets:	
Current assets:	
Cash and cash equivalents	\$ 1,468,897
Investments	447,120
User fees receivable	377,719
Total current assets	2,293,736
Noncurrent assets:	
Capital assets, not being depreciated	2,823,722
Capital assets, net of accumulated depreciation	2,331,750
Total noncurrent assets	5,155,472
Total Assets	7,449,208
Deferred Outflows of Resources	
Related to net other postemployment benefit liability	77,999
Related to net pension liability	49,079
Total Deferred Outflows of Resources	127,078
Liabilities:	
Current liabilities:	
Bond anticipation notes payable	1,100,000
Bonds and notes payable	35,000
Compensated absences	4,386
Total current liabilities	1,139,386
Noncurrent liabilities:	
Bonds and notes payable	1,535,000
Compensated absences	4,385
Other postemployment benefit liability	34,338
Net pension liability	531,783
Total noncurrent liabilities	2,105,506
Total Liabilities	3,244,892
Deferred Inflows of Resources	
Related to net other postemployment benefit liability	20,170
Related to net pension liability	145,716
Total Deferred Inflows of Resources	165,886
Net Position:	
Net investment in capital assets	2,813,812
Unrestricted	1,351,696
Total Net Position	\$ 4,165,508

See accompanying notes to basic financial statements.

TOWN OF WEST NEWBURY, MASSACHUSETTS

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

	Business-type Activities Enterprise Fund
	<u>Water</u>
Operating Revenues:	
Charges for services	\$ 920,604
Other	95,535
Total Operating Revenues	<u>1,016,139</u>
Operating Expenses:	
Operating costs	670,067
Depreciation	108,349
Total Operating Expenses	<u>778,416</u>
Operating Income (Loss)	<u>237,723</u>
Nonoperating Revenues (Expenses):	
Investment income	(20,321)
Investment expense	(76,682)
Total Nonoperating Revenues (Expenses)	<u>(97,003)</u>
Income (Loss) Before Capital Contributions and Transfers	140,720
Capital Contributions:	
System development fees	4,500
Change in Net Position	<u>145,220</u>
Total Net Position - Beginning	<u>4,020,288</u>
Total Net Position - Ending	<u>\$ 4,165,508</u>

See accompanying notes to basic financial statements.

TOWN OF WEST NEWBURY, MASSACHUSETTS

**STATEMENT OF CASH FLOW
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2022**

	Business-type Activities Enterprise Fund
	Water
Cash Flows From Operating Activities:	
Receipts from users	\$ 971,007
Payments to employees	(351,241)
Payments to vendors	(283,331)
	<u>336,435</u>
Net Cash Provided by Operating Activities	<u>336,435</u>
Cash Flows from Capital and Related Financing Activities	
System development fees	4,500
Acquisition and construction of capital assets	(257,368)
Issuance of bonds and notes	1,100,000
Payment of bonds and notes	(1,100,000)
Principal payments on bonds and notes	(47,029)
Interest expense	(76,682)
	<u>(376,579)</u>
Net Cash (Used for) Capital and Related Financing Activities	<u>(376,579)</u>
Cash flows from Investing Activities	
Investment purchases	(447,120)
Investment income	(20,321)
	<u>(467,441)</u>
Net Cash Provided by (Used for) Investing Activities	<u>(467,441)</u>
Net Change in Cash and Cash Equivalents	(507,585)
Cash and Cash Equivalents:	
Beginning of year	1,976,482
End of year	<u>\$ 1,468,897</u>
Reconciliation of Operating Income to Net Cash Provided By (Used for) Operating Activities:	
Operating loss	\$ 237,723
Depreciation expense	108,349
Changes in assets, deferred inflows, and liabilities:	
Receivables (net)	(16,938)
Deferred outflows of resources	(28,194)
Net other postemployment benefit asset	12,496
Payables	(1,388)
Deferred inflows of resources	50,667
Net other postemployment benefit liability	34,338
Net pension liability	(60,618)
	<u>(60,618)</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ 336,435</u>

See accompanying notes to basic financial statements.

TOWN OF WEST NEWBURY, MASSACHUSETTS

STATEMENT OF FIDUCIARY NET POSITION

JUNE 30, 2022

	<u>Other Postemployment Benefits Trust</u>	<u>Private Purpose Trust Funds</u>
Assets:		
Cash and cash equivalents	\$ 203,779	\$ -
Certificates of deposit	-	229,939
Mutual funds	171,046	-
Equities	1,246,357	-
Fixed Income	478,024	-
Government securities	417,237	-
Other	48,076	-
Receivables	-	106,379
	<u>2,564,519</u>	<u>336,318</u>
Total Assets		
Net Position:		
Held in trust for other postemployment benefits	2,564,519	-
Held in trust for other purposes	-	336,318
	<u>2,564,519</u>	<u>336,318</u>
Total Net Position	<u>\$ 2,564,519</u>	<u>\$ 336,318</u>

See accompanying notes to basic financial statements.

TOWN OF WEST NEWBURY, MASSACHUSETTS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
YEAR ENDED JUNE 30, 2022

	<u>Other Postemployment Benefits Trust</u>	<u>Private Purpose Trust Funds</u>
Additions:		
Contributions:		
Employer	\$ 115,824	\$ -
Total contributions	<u>115,824</u>	<u>-</u>
Investment income:		
Interest and dividends	<u>(305,703)</u>	<u>(13,112)</u>
Total Additions	<u>(189,879)</u>	<u>(13,112)</u>
Deductions:		
Benefits paid	100,824	-
Health and human services	<u>-</u>	<u>825</u>
Total Deductions	<u>100,824</u>	<u>825</u>
Change in Net Position	(290,703)	(13,937)
Net Position - Beginning	<u>2,855,222</u>	<u>350,255</u>
Net Position - Ending	<u>\$ 2,564,519</u>	<u>\$ 336,318</u>

See accompanying notes to basic financial statements.

TOWN OF WEST NEWBURY, MASSACHUSETTS

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2022

I. Summary of Significant Accounting Policies

The basic financial statements of the Town have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to state and local governments. GAAP is prescribed by the Governmental Accounting Standards Board (GASB), which is the primary standard-setting body for state and local governmental entities. The following is a summary of the more significant policies and practices used by the Town:

A. Reporting Entity

The Town of West Newbury is located in Essex County and was incorporated as a town in 1819. An elected three-member Board of Selectmen governs the Town with an appointed Town Manager that enforces the policies of the Selectmen. Each Board of Selectmen member serves three-year terms. The Town provides governmental services for the territory within its boundaries, including police and fire protection, highway services, water, trash collection, street maintenance, parks and recreational facilities. Water services are funded almost entirely with user charges.

Component units, while separate entities, are in substance part of the governmental operations if the significance of their operations and/or financial relationship with the Town meet certain criteria. Pursuant to these criteria there are no component units required to be included in the financial statements.

The Town is a member community of the Pentucket Regional School District that provides educational services to the three-member communities of West Newbury, Groveland and Merrimac. This joint venture assesses each community its share of operational and debt service costs based on student population and other factors. In fiscal year 2022, the Town's share of the operating, capital and debt service expenses was \$8,932,879. There is no equity interest reported in these financial statements. Complete audited financial statements can be obtained directly from the District's administrative office located at 22 Main Street, West Newbury, MA 01985. The Town also is assessed a much smaller amount from a regional vocational and technical school.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the 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 normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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 government funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

Major Fund Criteria – Major funds must be reported if both of the following criteria are met:

- 1) The total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expenses of an individual governmental or enterprise fund are at least ten percent of the corresponding element for all funds of that category or type, and
- 2) 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 five percent of the corresponding elements for all governmental and enterprise funds combined.

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

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

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 a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the fiscal year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenue*. For the most part, the effect of interfund activity has been removed from the government-wide financial statements.

The governmental fund financial statements are reported using *the current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when susceptible to accrual (i.e. measurable and available). Revenues are considered to be *available* when they are 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 interest on general long-term debt which is recognized when payment is due, certain compensated absences, claims and judgments which are recognized when the obligations are expected to be liquidated with current expendable available resources.

The Town considers property tax revenues to be available if they are collected within 60 days after the end of the fiscal year. Investment income associated with the current fiscal period is susceptible to accrual and has been recognized as revenue of the current fiscal period. All other revenue items are considered to be measurable and available only when the cash is received and are recognized as revenue at that time.

The government reports the following major governmental funds:

General Fund – is the government’s primary operating fund. It accounts for all financial resources of the general government except those required to be accounted for in another fund.

Community Preservation Fund – is used to account for funds received in accordance with the state Community Preservation Act. Funds are used to acquire or develop open space and recreational facilities, historic resources and affordable housing.

Library Trust Fund – are used to account for financial resources that are restricted to the extent that only earnings, not principal, may be used for purposes that support the Town’s public library.

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:

Special Revenue Funds – are used to account for the proceeds of specific revenue sources (other than capital projects funds) that are restricted or committed to expenditures for specified purposes.

Permanent Funds – are used to account for financial resources that are restricted to the extent that only earnings, not principal, may be used for purposes that support the governmental programs.

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

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues are user charges and fees, while operating expenses consist of salaries, ordinary maintenance, assessments, indirect costs and depreciation. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The government reports the following major proprietary fund:

Water Enterprise Fund - is used to account for user charges collected to finance costs associated with operating and maintaining the Town’s water utility.

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

The government reports the following fiduciary funds:

Other Postemployment Benefits Trust Fund – is used to accumulate funds for future payments of other post-employment benefits for retirees such as health and life insurance.

Private-Purpose Funds – is used to account for trust arrangements under which principal and income benefit individuals, private organizations or other governments. This fund is used for educational scholarships and needy citizen benefit funds.

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity

Deposits and Investments – The Town’s cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments for the Town are reported at fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. Accordingly, the change in fair value of its investments is recognized as an increase or decrease to investment assets and investment income.

Receivables – Real estate and personal property taxes are assessed on January 1 every year. Bills are sent quarterly and are due on August 1, November 1, February 1, and May 1, or thirty days subsequent to the mailing date. Interest accrues on delinquent taxes at the rate of 14% per annum. Property taxes levied are recorded as receivables in the fiscal year of the levy.

Real estate taxes and water user fees may be secured through a lien process within 60 days after the due date and are considered 100% collectible. Accordingly, an allowance for uncollectible balances for these receivables is not reported. All personal property tax, excise tax and other departmental receivables are shown net of an allowance for uncollectible balances comprised of those outstanding amounts greater than five years old.

Inventories and Prepaid Items – Inventories, which are not material to the basic financial statements, are considered to be expenditures at the time of purchase. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets – Capital assets, which include land, buildings and improvements, machinery and equipment, vehicles, and infrastructure (e.g. roads, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the estimated fair market value at the date of donation. Net interest incurred during the construction phase of capital assets of business-type activities, if material is included as part of the capitalized value of the assets constructed.

All purchases and construction costs in excess of \$5,000 are capitalized at the date of acquisition or construction, respectively, with expected lives of greater than two years. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Capital assets (excluding land and construction-in-process) are depreciated using the straight-line method over the following estimated useful lives:

Buildings and improvements	40 years
Machinery, equipment, and vehicles	2-12 years
Infrastructure	60 years

Interfund Balances – Activity between funds that are representative of lending arrangements outstanding at the end of the fiscal year are referred to as either *due to/from other funds* or *advances to/from other funds*. All other outstanding balances between funds are reported as due to/from other funds. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as *internal balances*.

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 in the individual fund statements. Transfers between and within governmental and fiduciary funds are eliminated from the governmental activities in the statement of activities. Any residual balances outstanding between the governmental activities and the business –type activities are reported in the statement of activities as *transfers, net*.

Investment Income – Investment income derived from major and nonmajor governmental funds is legally assigned to the general fund unless otherwise directed by state law. Investment income of the permanent funds is retained in the funds. Investment income of the proprietary funds is voluntarily assigned to the general fund.

Compensated Absences – It is the Town’s policy to not permit employees to accumulate earned but unused vacation benefits beyond their annual contract date, which falls on June 30. Compensated absence liabilities related to both governmental and business-type activities are normally paid from the funds reporting the payroll and related expenditures. Amounts related to these benefits are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in Governmental Funds only if they have matured.

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

In the governmental fund financial statements, the face amount of long-term debt issued is reported as other financing sources. Premiums received on a debt issuance are reported as other financing sources while discounts are reported as other financing uses. Issuance costs are exclusively reported as general government expenditures regardless of whether they are withheld from the actual proceeds.

Deferred Outflows/Inflows of Resources – In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

The Town only has two types of items that qualify for reporting as deferred outflows of resources reported on the government-wide statement of net position that relates to outflows from changes in the net pension and net other postemployment benefits liabilities. These outflows will be recognized in pension and benefits expense in future years.

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

inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

The Town has three types of items which qualify for reporting in this category. The first arises under a modified accrual basis of accounting and, accordingly, the item *unavailable revenue* is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and other. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The second type of item that qualifies for reporting as a deferred inflow is reported on the government-wide statement of net position. This relates to inflows from changes in the net pension and net other postemployment benefits liabilities which will be recognized in pension and benefits expense in future years.

Net Position – In the government-wide financial statements, 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 related debt.

Net position is reported as restricted when amounts are not available for appropriation or are legally restricted by outside parties for a specific use. Net position has been *restricted* for the following:

Nonexpendable permanent funds represent the endowment portion of donor restricted trusts that support governmental programs.

Community preservation represents assets that are restricted by state law for the purposes of acquiring or developing open space and recreational facilities, historic resources and affordable housing.

Other purposes represent assets that are restricted by grantors, donors and state laws for specific governmental programs and uses.

Fund Equity – In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent in which the Town is required to honor constraints on the specific purpose for which amounts in the funds can be spent.

Stabilization Funds – The Town maintains a general stabilization fund which may be used for any municipal purpose upon a two-thirds vote of the Town Meeting. The balance of the fund totals \$3,331,397, at June 30, 2022 and is reported as unassigned fund balance in the General Fund.

The Town maintains a water stabilization fund which may be used for any water enterprise purpose upon a two-thirds vote of the Town Meeting. The balance of the fund totals \$447,120 at June 30, 2022 and is reported as unrestricted net position in the Water Enterprise Fund.

Fund balance is reported in five components – nonspendable, restricted, committed, assigned, and unassigned as described below:

Nonspendable represents amounts that cannot be spent because they are either (a) not in spendable form (i.e. inventory or prepaid) or (b) legally or contractually required to be maintained intact such as the corpus of an endowment.

Restricted represents amounts that have constraints placed either externally by third-parties (creditors, grantors, contributors, or laws or regulations of other governments) or by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the Town to assess, levy, charge or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement (compelled by external parties) that those resources be used only for the specific purposes stipulated in the legislation.

Committed represents amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Town’s highest level of decision-making authority, which consists of the Town Meeting members through Town Meeting Votes. Those committed amounts cannot be used for any other purpose unless the Town Meeting removes or changes the specified use by taking the same type of action (through Town Meeting Votes) it employed previously to commit those amounts.

Assigned represents amounts that are constrained by the Town’s intent to be used for specific purposes but are neither restricted nor committed. The Town has by ordinance authorized the Town Administrator to assign fund balance. The Town Meeting may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year’s appropriated budget.

Unassigned represents amounts that have not been restricted, committed or assigned to specific purposes within the general fund. The general fund is the only fund that reports a positive unassigned fund balance amount. Other governmental funds besides the general fund can only report a negative unassigned fund balance amount.

When both restricted and unrestricted resources are available for use, it is the Town’s policy to use restricted resources first, then unrestricted resources (committed, assigned and unassigned) as they are needed. When unrestricted resources (committed, assigned and unassigned) are available for use it is the Town’s policy to use committed resources first, then assigned, and then unassigned as they are needed.

The Town has not established financial policies with respect to maintaining minimum fund balance amounts.

Encumbrances - The Town’s encumbrance policy regarding the general fund is to (1) classify encumbrances that arise from the issuance of purchase orders resulting from normal purchasing activity approved by the Town Administrator as assigned, and (2) classify encumbrances that result from an action of the Town Meeting as committed. Encumbrances of funds already restricted or committed are included within the classification of those fund balances and not reported separately. The Town reports \$30,437 of encumbrances from normal purchasing activity in the general fund as assigned and \$996,657 of encumbrances from Town Meeting votes in the General Fund as committed. There are no encumbrances reported in any other fund.

The following table reflects the Town's fund equity categorizations:

	General Fund	Community Preservation Act Fund	Library Trust Fund	Nonmajor Governmental Funds	Total
Nonspendable:					
Nonexpendable trust funds	\$ -	\$ -	\$ 7,500	\$ 10,620	\$ 18,120
Restricted:					
General government	-	-	-	602,845	602,845
Public safety	-	-	-	48,173	48,173
Public works	-	-	-	18,117	18,117
Health and human services	-	-	-	81,977	81,977
Culture and recreation	-	-	1,267,435	209,963	1,477,398
Community preservation	-	3,510,090	-	-	3,510,090
Municipal buildings	38,316	-	-	-	38,316
Other purposes	-	-	-	98,194	98,194
Committed:					
General government	158,267	-	-	-	158,267
Public safety	15,000	-	-	-	15,000
Public works	823,390	-	-	-	823,390
Assigned:					
General government	22,877	-	-	-	22,877
Public safety	4,313	-	-	-	4,313
Public works	3,047	-	-	-	3,047
Health and human services	200	-	-	-	200
Subsequent years' budget	192,342	-	-	-	192,342
Unassigned	5,623,973	-	-	-	5,623,973
	<u>\$ 6,881,725</u>	<u>\$ 3,510,090</u>	<u>\$ 1,274,935</u>	<u>\$ 1,069,889</u>	<u>\$ 12,736,639</u>

E. Excess of Expenditures Over Appropriations and Deficits

During Fiscal Year 2022, the Town incurred no deficits.

F. Use of Estimates

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 fiscal year. Actual results could vary from estimates that were used.

II. Detailed Notes to All Funds

A. Deposits 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 trust funds are held separately from those of other funds.

State laws and regulations require the Town to invest funds only in pre-approved investment instruments which include but are not necessarily limited to bank deposits, money markets, certificates of deposit, U.S. obligations, repurchase agreements, and State Treasurer's investment pool ("the Pool"). In addition, the statutes impose various limitations on the amount and length of investments and deposits. Repurchase agreements cannot be for a period of over ninety days, and the underlying security must be a United States obligation. During the fiscal year, the Town did not enter into any repurchase agreements.

Custodial Credit Risk: Deposits - In the case of deposits, this is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Town's deposit policy requires the Town to maintain no more than 25% of the Town's cash balance in any one institution. At year-end, the carrying amount of the Town's deposits was \$10,591,762 and the bank balance was \$11,352,565. Of the Town's bank balance, \$7,684,235 was covered by either federal depository insurance or by the depositors' insurance fund and \$3,668,330 was uninsured and uncollateralized.

Custodial Credit Risk: Investments - In the case of investments, this is the risk that in the event of the invested party not being able to provide required payments to investors, ceasing to exist, or filing of bankruptcy, the Town may not be able to recover the full amount of its principal investment and/or investment earnings. The Town's formal policy requires that investments in corporate bonds must be investment grade A or higher by Moody's or Standard and Poor.

United States governmental obligations totaling \$2,627,404, corporate bond holdings totaling \$853,236, and equity securities totaling \$2,119,630 are exposed to custodial credit risk because the related securities are uninsured, unregistered and are held by the counterparty.

Fair Value of Investments - The Town reports its investments at fair value. When actively quoted observable prices are not available, the Town generally uses either implied pricing from similar investments or valuation models based on net present values of estimated future cash flows (adjusted as appropriate for liquidity, credit, market and/or other risk factors).

The Town categorizes its fair value measurements within the fair value hierarchy established by GAAP. This hierarchy is based on valuation inputs used to measure the fair value of the asset or liability. The three levels of the hierarchy are as follows:

- *Level 1* - Inputs are quoted prices in active markets for identical investments at the measurement date.
- *Level 2* - Inputs (other than quoted prices included in Level 1) are either directly or indirectly observable for the investment through correlation with market data at the measurement date and for the duration of the instrument's anticipated life.
- *Level 3* - Inputs reflect the Town's best estimate of what market participants would use in pricing the investment at the measurement date.

The following table presents the Town's investments carried at fair value on a recurring basis in the statement of net position at June 30, 2022:

	Total	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investments by fair value level				
Debt securities:				
U.S. Government obligations	\$ 2,627,404	\$ 2,627,404	\$ -	\$ -
Corporate bonds	853,236	-	853,236	-
Negotiable certificates of deposit	2,328,922	-	2,328,922	-
Total debt securities	5,809,562	2,627,404	3,182,158	-
Equity securities:				
Common stock	2,119,630	2,119,630	-	-
Exchange traded funds	48,076	48,076	-	-
Total equity securities	2,167,706	2,167,706	-	-
Total investments by fair value level	\$ 7,977,268	\$ 4,795,110	\$ 3,182,158	\$ -

Debt and equity securities classified in Level 1 are valued using prices quoted in active markets for those securities. Negotiable certificates of deposit and repurchase agreements are classified in Level 2 and are valued using matrix pricing based on the securities' relationship to benchmark quoted prices. Bond mutual funds are classified in Level 2 and are valued at the published fair value per share for each fund.

Interest Rate Risk: Investments – Debt securities are subject to interest rate risk. Such securities may be adversely affected by changes in interest rates, which may negatively affect the fair value of individual debt instruments, through fair value losses arising from increasing interest rates. The Town does not have formal investment policies that limit investment maturities as a way of managing its exposure to fair value losses arising from rising interest rates.

At June 30, 2022, the Town's investments had the following maturities:

Investments	Total	Time Until Maturity (Years)		
		<1	1 - 5	6 - 10 Years
U.S. Government obligations	\$ 2,627,404	\$ -	\$ 2,216,442	\$ 410,962
Corporate bonds	853,236	25,000	755,225	73,011
Negotiable certificates of deposit	2,328,922	823,268	1,505,654	-
Total Town Investments with Maturities	\$ 5,809,562	\$ 848,268	\$ 4,477,321	\$ 483,973

Concentration of Credit Risk – The Town places a limit of 25% of its total investments on the amount that may be invested in any one issuer excluding Treasury securities. The Town does not maintain balances in any single investment that exceeds more than 25% of the Town's total investments

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

At June 30, 2022, the credit quality ratings of the Town's investments were as follows:

Bond Ratings	Investments		
	Government Obligations	Corporate Fixed Income	Certificate of Deposit
Aaa	\$ 2,627,404	\$ -	\$ -
Aa2	-	75,047	-
Aa3	-	74,156	-
A1	-	121,871	-
A2	-	259,034	-
A3	-	77,529	-
Baa1	-	103,352	-
Baa2	-	118,195	-
Baa3	-	24,052	-
Not rated	-	-	2,328,922
	<u>\$ 2,627,404</u>	<u>\$ 853,236</u>	<u>\$ 2,328,922</u>

B. Receivables

Receivables as of year-end for the Town's individual major and nonmajor governmental funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	Gross Amount	Allowance for Uncollectibles	Net Amount
Receivables:			
Real estate and personal property taxes	\$ 82,787	\$ -	\$ 82,787
Tax liens, deferrals, and foreclosures	98,921	-	98,921
Excise	50,803	-	50,803
Other	4,544	-	4,544
Community preservation surcharges	137	-	137
Title V betterments	3,750	-	3,750
Intergovernmental	43,805	-	43,805
Total	<u>\$ 284,747</u>	<u>\$ -</u>	<u>\$ 284,747</u>

Receivables as of year-end for the Town's proprietary fund are as follows:

	Gross Amount	Allowance for Uncollectibles	Net Amount
Receivables:			
Water user fees	<u>\$ 377,719</u>	<u>\$ -</u>	<u>\$ 377,719</u>

Governmental funds report deferred inflows of resources in connection with receivable for revenues that are considered unavailable to liquidate liabilities of the current period. The following identifies the components of deferred inflows of resources in the governmental funds:

	General	Other	
	Fund	Governmental	
	Fund	Funds	Total
Receivables type:			
Real estate and personal property taxes	\$ 82,787	\$ -	\$ 82,787
Tax liens, deferrals, and foreclosures	98,921	-	98,921
Excise	50,803	-	50,803
Other	3,474	1,070	4,544
Community preservation surcharges	-	137	137
Title V betterments	-	3,750	3,750
Total	<u>\$ 235,985</u>	<u>\$ 4,957</u>	<u>\$ 240,942</u>

C. Interfund Receivables, Payables and Transfers

The Town did not report any interfund receivables, payable or transfers for the fiscal year ended June 30, 2022.

D. Capital Assets

Capital assets for the year ended June 30, 2022, were as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<i>Governmental Activities:</i>				
Capital assets not being depreciated:				
Land	\$ 9,453,482	\$ -	\$ -	\$ 9,453,482
Construction in progress	66,304	232,184	(10,883)	287,605
Total capital assets not being depreciated	<u>9,519,786</u>	<u>232,184</u>	<u>(10,883)</u>	<u>9,741,087</u>
Capital assets being depreciated:				
Buildings	14,155,260	458,324	-	14,613,584
Improvements other than buildings	1,716,172	-	-	1,716,172
Infrastructure	9,379,975	729,996	-	10,109,971
Machinery and equipment	1,295,368	82,340	-	1,377,708
Vehicles	3,052,809	424,726	(246,950)	3,230,585
Total capital assets being depreciated	<u>29,599,584</u>	<u>1,695,386</u>	<u>(246,950)</u>	<u>31,048,020</u>
Less accumulated depreciation for:				
Buildings	(8,034,107)	(370,787)	-	(8,404,894)
Improvements other than buildings	(1,440,465)	(19,242)	-	(1,459,707)
Infrastructure	(3,354,649)	(180,466)	-	(3,535,115)
Machinery and equipment	(749,688)	(83,620)	-	(833,308)
Vehicles	(2,583,483)	(168,306)	246,950	(2,504,839)
Total accumulated depreciation	<u>(16,162,392)</u>	<u>(822,421)</u>	<u>246,950</u>	<u>(16,737,863)</u>
Total capital assets being depreciated, net	<u>13,437,192</u>	<u>872,965</u>	<u>-</u>	<u>14,310,157</u>
Governmental activities capital assets, net	<u>\$ 22,956,978</u>	<u>\$ 1,105,149</u>	<u>\$ (10,883)</u>	<u>\$ 24,051,244</u>
<i>Business Activities - Water:</i>				
Capital assets not being depreciated:				
Land	\$ 395,662	\$ -	\$ -	\$ 395,662
Construction in process	2,247,932	180,128	-	2,428,060
Total capital assets not being depreciated	<u>2,643,594</u>	<u>180,128</u>	<u>-</u>	<u>2,823,722</u>
Capital assets being depreciated:				
Infrastructure	5,418,598	26,819	-	5,445,417
Improvement other than buildings	5,570	-	-	5,570
Machinery and equipment	138,324	-	-	138,324
Vehicles	75,522	50,421	-	125,943
Total capital assets being depreciated	<u>5,638,014</u>	<u>77,240</u>	<u>-</u>	<u>5,715,254</u>
Less accumulated depreciation for:				
Infrastructure	(3,094,873)	(92,761)	-	(3,187,634)
Improvement other than buildings	(5,571)	-	-	(5,571)
Machinery and equipment	(104,006)	(5,728)	-	(109,734)
Vehicles	(70,705)	(9,860)	-	(80,565)
Total accumulated depreciation	<u>(3,275,155)</u>	<u>(108,349)</u>	<u>-</u>	<u>(3,383,504)</u>
Total capital assets being depreciated, net	<u>2,362,859</u>	<u>(31,109)</u>	<u>-</u>	<u>2,331,750</u>
Business activities capital assets, net	<u>\$ 5,006,453</u>	<u>\$ 149,019</u>	<u>\$ -</u>	<u>\$ 5,155,472</u>

Depreciation expense was charged to functions/programs as follows:

Governmental Activities:		Business-Type Activities:	
General government	\$ 104,496	Water	<u>\$ 108,349</u>
Public safety	232,668		
Education	135,151		
Public works	312,113		
Health and human services	12,113		
Culture and recreation	<u>25,880</u>		
	<u>\$ 822,421</u>		

E. Temporary Debt

The Town is authorized to borrow on a temporary basis to fund the following:

Current Operating Costs – Prior to the collection of revenues, expenditures may be financed through the issuance of revenue (RANS) or tax anticipation notes (TANS).

Capital Projects and Other Approved Costs – Projects may be temporarily funded through the issuance of bond anticipation notes (BANS) or grant anticipation notes (GANS). In certain cases, prior to the issuance of these temporary notes, the governing body must take the necessary legal steps to authorize the issuance of the general obligation bonds. Temporary notes may not exceed the aggregate amount of bonds authorized or the grant award amount.

Temporary notes are general obligations of the Town and carry maturity dates that are limited by state law. Interest expenditures and expenses for temporary debt are accounted for in the general fund and enterprise funds, respectively.

The Town reported temporary debt activity during the current fiscal year as follows:

Type	Interest Rate	Maturity Date	July 1, 2021	Additions	Retirements	June 30, 2022
Business-type Activities - Water:						
BAN	2.00%	7/15/2021	\$ 1,100,000		\$ (1,100,000)	\$ -
BAN	1.50%	7/14/2022	<u>-</u>	<u>1,100,000</u>	<u>-</u>	<u>1,100,000</u>
Total Notes Payable			<u>\$ 1,100,000</u>	<u>\$ 1,100,000</u>	<u>\$ (1,100,000)</u>	<u>\$ 1,100,000</u>

F. Long-Term Obligations

The Town issues general obligation bonds and notes to provide funds for the acquisition and construction of major capital facilities. General obligation bonds and notes have been issued for both governmental and business-type activities. Additionally, the Town incurs various other long-term obligations relative to associated personnel costs.

State law permits the Town, under the provisions of Chapter 44, Section 10, to authorize indebtedness up to a limit of 5.0 percent of its equalized valuation. Debt issued in accordance with this section of the law is designated as being “inside the debt limit.” In addition, the Town

may authorize debt in excess of that limit for specific purposes. Such debt, when issued, is designated as being “outside the debt limit”.

The following reflects the current year activity in the long-term liability accounts:

	Beginning Balance	Additions	Deletions	Ending Balance	Due within one year
Governmental Activities:					
Bond and note indebtedness	\$ 600,000	\$ -	\$ (305,000)	\$ 295,000	\$ 295,000
Notes from direct borrowings and placements	41,454	-	(10,363)	31,091	10,364
Compensated absences	109,589	75,155	(54,795)	129,949	64,975
Other post employment benefits liability/(asset)	(112,468)	707,282	(285,775)	309,039	-
Net pension liability	6,980,049	1,720,517	(2,434,759)	6,265,807	-
Total Governmental Activities	<u>\$ 7,618,624</u>	<u>\$ 2,502,954</u>	<u>\$ (3,090,692)</u>	<u>\$ 7,030,886</u>	<u>\$ 370,339</u>
Business-type Activities: Water					
Bond and note indebtedness	\$ 1,605,000	\$ -	\$ (35,000)	\$ 1,570,000	\$ 35,000
Notes from direct borrowings and placements	12,029	-	(12,029)	-	-
Compensated absences	10,159	3,692	(5,080)	8,771	4,386
Other post employment benefits liability/(asset)	(12,496)	78,587	(31,753)	34,338	-
Net pension liability	592,401	146,021	(206,639)	531,783	-
Total Business-type Activities: Water	<u>\$ 2,207,093</u>	<u>\$ 228,300</u>	<u>\$ (290,501)</u>	<u>\$ 2,144,892</u>	<u>\$ 39,386</u>

The governmental activities liabilities will be liquidated by the general fund. The business-type activities liabilities will be liquidated by the water enterprise fund. The following is a summary of long-term debt and future year maturities as of June 30, 2022:

Description of Issue	Maturing Year	Interest Rate	Beginning Balance	Additions	Maturities	Ending Balance
Governmental Activities:						
General obligation bonds	2025	2.00 - 4.00%	\$ 600,000	\$ -	\$ (305,000)	\$ 295,000
MCWT notes (Title V)	2024	0.00 - 5.25%	41,454	-	(10,363)	31,091
Total Governmental Bond and Note Indebtedness			<u>641,454</u>	<u>-</u>	<u>(315,363)</u>	<u>326,091</u>
Business-type Activities - Water:						
FHA loan	2022	5.00%	12,029	-	(12,029)	-
General obligation bonds	2048	3.00 - 5.00%	1,605,000	-	(35,000)	1,570,000
Total Water Bond and Note Indebtedness			<u>1,617,029</u>	<u>-</u>	<u>(47,029)</u>	<u>1,570,000</u>
Total Long-Term Bond and Note Indebtedness - All			<u>\$ 2,258,483</u>	<u>\$ -</u>	<u>\$ (362,392)</u>	<u>\$ 1,896,091</u>

Governmental Activities - Total Bond and Note Indebtedness				
Year Ending <u>June 30,</u>	Principal		Interest	
	GO Bonds	Direct	GO Bonds	Direct
2023	\$ 295,000	\$ 10,364	\$ 2,950	\$ -
2024	-	10,364	-	-
2025	-	10,363	-	-
Total	<u>\$ 295,000</u>	<u>\$ 31,091</u>	<u>\$ 2,950</u>	<u>\$ -</u>

Business-type Activities: Water - Total Bond and Note Indebtedness				
Year Ending <u>June 30,</u>	Principal		Interest	
	GO Bonds	Direct	GO Bonds	Direct
2023	\$ 35,000	\$ -	\$ 52,687	\$ -
2024	40,000	-	50,812	-
2025	40,000	-	48,812	-
2026	45,000	-	46,687	-
2027	45,000	-	44,437	-
2028-2032	250,000	-	194,360	-
2033-2037	290,000	-	153,260	-
2038-2042	340,000	-	105,334	-
2043-2047	395,000	-	47,487	-
2048	90,000	-	1,463	-
Total	<u>\$ 1,570,000</u>	<u>\$ -</u>	<u>\$ 745,339</u>	<u>\$ -</u>

Authorized and Unissued Debt – The Town’s authorized and unissued debt as of June 30, 2021:

Septic Loan	\$ 4,911
MCWT	3,100
Soldiers & Sailors Memorial Building	<u>1,250,000</u>
Total	<u>\$ 1,258,011</u>

III. Other Information

A. Retirement System

Plan Description – The Town contributes to the Essex Regional Retirement System (the System), a cost-sharing multiple-employer defined benefit pension plan established under Chapter 32 of the Commonwealth of Massachusetts General Laws (MGL) and administered by the Essex Regional Retirement Board. Stand-alone audited financial statements for the year ended December 31, 2021 were issued and may be obtained by writing to the Essex Regional Retirement System, 491 Maple Street, Suite 202, Danvers MA 01923.

Membership – Membership in the System as of December 31, 2021, was as follows:

Retired participants and beneficiaries receiving benefits	2,039
Inactive participants entitled to a return of their employee contributions	972
Active members	<u>3,118</u>
Total	<u>6,129</u>

Benefit Terms – The System provides retirement, disability and death benefits to plan members and beneficiaries. Chapter 32 of the MGL assigns authority to establish and amend benefit provisions of the plan. 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 directly. Cost-of-living adjustments granted after 1997 must be approved by the Board and are borne by the System.

Membership in the System is mandatory for all full-time employees and non-seasonal, part-time employees who, in general, regularly work more than twenty hours per week. Members of the System do not participate in the federal Social Security retirement system.

Massachusetts contributory retirement system benefits are uniform from retirement system to retirement system. The System provides for retirement allowance benefits up to a maximum of 80% of a participant’s highest three-year or five-year average annual rate of regular compensation, depending on the participant’s date of hire. Benefit payments are based upon a participant’s age, length of creditable service, level of compensation and job classification.

Contributions Requirements – The System has elected provisions of Chapter 32, Section 22D (as amended) of Massachusetts General Laws, which require that a funding schedule be established to fully fund the pension plan by June 30, 2040. Under provisions of this law, participating employers are assessed their share of the total retirement cost based on the entry age, normal actuarial cost method.

The Town contributed \$778,764 to the System in fiscal year 2022, which was the actuarially determined contribution requirement for the fiscal year. The Town’s contributions as a percentage of covered payroll was approximately 27.6% in fiscal year 2022.

Net Pension Liability – At June 30, 2022, the Town reported a liability of \$6,797,590 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. These figures were updated by the

independent actuary as of December 31, 2021. There were no material changes made in this update to the actuarial assumptions (see below) nor were there any material changes to the System's benefit terms since the actuarial valuation.

The Town's proportion of the net pension liability is based on a projection of the Town's long-term share of contributions to the System relative to the projected contributions of all employers. The Town's proportion was approximately 1.96% at December 31, 2021.

Pension Expense – The Town recognized \$792,283 in pension expense in the statement of activities in fiscal year 2022.

Deferred Outflows of Resources and Deferred Inflows of Resources – At June 30, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual earnings	-	1,506,845
Changes in assumptions	752,978	-
Changes in proportion differences	243,483	-
Differences between expected and actual experience	566	207,997
Changes in proportion differences	-	147,792
	<u>\$ 997,027</u>	<u>\$ 1,862,634</u>

The deferred outflows of resources and deferred inflows of resources are expected to be recognized in the Town's pension expense as follows:

<u>Year Ended June 30,</u>	<u>Amount</u>
2022	\$ (38,080)
2023	(327,170)
2024	(320,090)
2025	<u>(180,267)</u>
Total	<u>\$ (865,607)</u>

Discount Rate – The discount rate used to measure the total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumed plan member contributions were made at the current contribution rate and that employer contributions will be made at rates equal to the actuarially determined contribution rates and the member rate. Based on those assumptions, the Retirement System'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.

Actuarial Valuation – The measurement of the System’s total pension liability is developed by an independent actuary. The latest actuarial valuation was performed as of January 1, 2022. The significant actuarial assumptions used in the January 1, 2022 actuarial valuation included:

Investment rate of return	Full prefunding: 7.0% per year, net of investment expenses
Discount Rate	7.0%
Inflation	2.75%
Salary Increases	7.5% decreasing to 3.75% after 5 years of service
Cost of Living Adjustment	2% of first \$14,000 in 2021 and 3% of first \$14,000 thereafter
Pre-Retirement Mortality	RP-2014 Employee Mortality Table projected generationally with Scale MP 2021
Post-Retirement Mortality	RP-2014 Healthy Annuitant Mortality Table projected generationally with Scale MP 2021
Disabled Mortality	RP-2014 Healthy Annuitant Mortality Table set forward two years projected generationally with Scale MP 2021

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. The target allocations and best estimates of arithmetic real returns for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Expected Investment Rate of Return
Domestic Equity	22.00%	6.11%
International Equity	11.50%	6.49%
International Emerging Markets	4.50%	8.12%
Core fixed income	15.00%	0.38%
High Yield Fixed Income	8.00%	2.48%
Real Estate	10.00%	3.72%
Timberland	4.00%	3.44%
Hedge Fund, GTAA, Risk Parity	10.00%	2.63%
Private Equity	15.00%	9.93%
	100.00%	

Sensitivity Analysis – The following presents the Town’s proportionate share of the net pension liability calculated using the discount rate of 7.0% as well as the Town’s proportionate share of the net pension liability using a discount rate that is one percentage point lower or one percentage greater than the current rate of 7.0%.

Net Pension Liability			
Discount Rate			
Current Rate	1% lower	Current	1% greater
7.0%	\$ 9,192,852	\$ 6,797,590	\$ 4,786,131

B. Risk Financing

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

The Town participates in a health insurance risk pool administered by the Southeastern Massachusetts Health Group (the Group). The Group offers a variety of premium based plans to its members with each participating governmental unit charged a premium for coverage based on rates established by the Group. In the event the Group is terminated, the Town would be obligated to pay its proportionate share of a deficit, should one exist.

C. Tax Abatements

The Town enters into property tax abatements with local businesses as an incentive for economic growth, including expansion of current facilities and job opportunities for local residents. The agreements are commonly referred to as tax increment financing, or TIF, agreements. Under Massachusetts General Law Chapter 40, Section 59, property owners may be granted property tax abatements of up to 100% of the value of a tax increment for a maximum term of twenty years provided the property is located in a TIF zone. TIF zones are approved by the Massachusetts Economic Assistance Coordinating Council. Furthermore, the Town Meeting must approve all TIF agreements.

For the fiscal year ended June 30, 2022, the Town did not abate any property taxes under this program to any property owners.

D. Other Postemployment Benefits (OPEB)

The Town administers a single-employer defined benefit healthcare plan (the “OPEB Plan”) that provides health, dental and life insurance benefits (other postemployment benefits) to retirees and their dependents/beneficiaries in accordance with Section 20 of Massachusetts General Law Chapter 32B.

An employee shall become eligible to retire under this plan upon the completion of 10 years of creditable service and the attainment of age 55 as an active member or with 20 years of service regardless of age.

Specific benefit provisions and contribution rates are established by collective bargaining agreements, state law and Town ordinance. All benefits are provided through the Town’s premium-based insurance programs, and these include comprehensive medical insurance. Pre-65 retirees are provided with HMO Blue New England Plan and Post 65 retirees have Medex II.

Employees Covered by Benefit Terms – The following employees were covered by the benefit terms as of June 30, 2022:

Active employees	44
Inactives currently receiving	<u>18</u>
Total	<u>62</u>

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:

Investment rate of return	6.00%
Single Equivalent Discount Rate	6.00%
Inflation	2.40%
Health Care Trend Rate	7.0%; trending down to 4.0%
Pre-Retirement Mortality - General and Public Safety Employees	RP-2014 Employees Mortality Table base year 2019 projected with generational mortality improvement using Scale BB
Post-Retirement Mortality - General and Public Safety Employees	RP-2014 Healthy Annuitant Mortality Table base year 2019 projected with generational mortality improvement using Scale BB

Key Changes in Assumptions – There were no significant assumption changes.

Contributions – The contribution requirements of OPEB Plan members and the Town are established and may be amended by the Town. Retirees contributed 50% of the set premium for medical insurance during fiscal 2022. The remainder of the cost is funded from taxation.

The Town currently contributes enough money to the Plan to maintain over 80% funding status. The costs of administering the OPEB Plan are paid by the Town.

For the year ended June 30, 2022, the Town’s average contribution rate was 3.8% of covered-employee payroll.

Net OPEB Liability – The Town’s net OPEB asset was measured as of June 30, 2022 and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation as of July 1, 2020.

Discount Rate – The discount rate used to measure the total OPEB liability was 6.00% which was based on the long-term investment rate of return.

Long Term Expected Rate of Return – The long-term expected rate of return on OPEB Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB Plan investment expense and inflation) are developed for each major asset class.

These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return were as reflected in the following table:

Asset Class	Target Allocation	Expected Investment Rate of Return
Cash and equivalents	2.50%	0.00%
Large cap value stocks	24.00%	4.66%
Large cap growth stocks	24.00%	4.66%
International equity	9.00%	5.88%
Emerging equity	3.00%	5.88%
Short-term fixed income	10.00%	1.30%
Intermediate fixed income	27.50%	1.33%
	100.00%	

Sensitivity Analyses – The following presents the Town’s net OPEB liability as well as what the Town’s net OPEB liability would be if it were calculated using a discount rate that is 1.0% lower or 1.0% higher than the current discount rate as well as if the healthcare cost trend rates are 1% lower or higher than the current healthcare cost trend rates:

Net OPEB Liability (asset)					
Discount Rate					
Current Rate	1% lower	Current	1% greater		
6.00%	\$ 778,719	\$ 343,377	\$ (8,513)		
Health Care Rate					
Current Rate	1% lower	Current	1% greater		
7.0% trending to 4.0%	\$ (88,787)	\$ 343,377	\$ 891,352		

Changes in the Net OPEB Liability (Asset) – The following table summarizes the changes in the net OPEB liability for the year ended June 30, 2022:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability/(Asset) (a) - (b)
Balances at June 30, 2021	\$ 2,730,258	\$ 2,855,222	\$ (124,964)
Changes for the year:			
Service cost	121,092	-	\$ 121,092
Interest	168,056	-	168,056
Changes in assumptions	(10,686)	-	(10,686)
Difference between expected and actual experience	-	-	-
Employer contributions	-	115,824	(115,824)
Benefit payments withdrawn from trust	-	(100,824)	100,824
Net investment income	-	(305,703)	305,703
Benefit payments	(100,824)	-	(100,824)
Net changes	177,638	(290,703)	468,341
Balances at June 30, 2022	\$ 2,907,896	\$ 2,564,519	\$ 343,377

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB – For the year ended June 30, 2022, the Town recognized OPEB expense of \$102,938. Deferred outflows of resources and deferred inflows of resources related to OPEB at June 30, 2022 were reported as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ 234,003	\$ 10,117
Differences between actual and expected experience	66,793	191,587
Differences between expected and actual earnings	189,991	-
	<u>\$ 490,787</u>	<u>\$ 201,704</u>

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

June 30,	
2023	\$ 91,095
2024	98,004
2025	70,551
2026	84,681
2027	(36,614)
thereafter	(18,634)
	<u>\$ 289,083</u>

Net OPEB Liability/(Asset) – The components of the net OPEB liability/(asset) of the Town at June 30, 2022 were as follows:

Total OPEB Liability	\$	2,907,896
Plan fiduciary net position		<u>(2,564,519)</u>
Net OPEB liability	\$	<u>343,377</u>
Plan fiduciary net position as a percentage of the total OPEB liability		88.2%

Investment Custody – In accordance with Massachusetts General Laws, the Town Treasurer is the custodian of the OPEB Plan and since the Town has not designated a Board of Trustees, the Town Treasurer is also the Trustee and as such is responsible for the general supervision of the management, investment and reinvestment of the OPEB Plan assets. OPEB Plan assets may be invested and reinvested by the custodian consistent with the prudent investor rule established in Chapter 203C and may, with the approval of the State Retiree Benefits Trust Fund Board of Trustees, be invested in the State Retiree Benefits Trust Fund established in Section 24 of Chapter 32A. OPEB Plan assets must be segregated from other funds and not be subject to the claims of any general creditor of the Town.

Investment Policy – The OPEB Plan follows the same investment policies that apply to all other Town Trust funds. Notably it can be invested in accordance with State Statutes that govern Trust investments including PRIM which is an external investment pool managed by the State.

Investment Rate of Return – For the year ended June 30, 2022, the annual money-weighted rate of return on investments, net of investment expense, was negative 10.66%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

- E. Commitments and Contingencies** – The Town is party to certain legal claims, which are subject to many uncertainties, and the outcome of individual litigation matters is not always predictable with assurance. Although the amount of liability, if any, at June 30, 2022, cannot be ascertained, management believes that any resulting liability, if any, should not materially affect the basic financial statements of the Town at June 30, 2022.

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal and state governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Town expects such amounts, if any, to be immaterial.

The Town is subject to certain Federal arbitrage laws in accordance with long-term borrowing agreements. Failure to comply with the rules could result in the payment of penalties. The amount of penalties, if any, cannot be determined at this time, although the Town expects such amounts, if any, to be immaterial.

F. Implementation of New GASB Pronouncements

Current Year Implementations

In June 2017, the GASB issued GASB Statement No. 87, *Leases*. This Statement redefined the manner in which long-term leases are accounted and reported. As amended, the provisions of this Statement became effective in fiscal year 2022. The adoption of this standard did not have a material impact on the Town's financial statements.

In June 2018, the GASB issued GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*. This statement established accounting requirements for interest costs incurred before the end of a construction period. As amended, the provisions of this Statement became effective in fiscal year 2022. The adoption of this standard did not have a material impact on the Town's financial statements.

In June 2020, the GASB issued GASB Statement No. 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*. The objective of this Statement was to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution OPEB plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code Section 457 deferred compensation plans that meet the definition of a pension plan and for benefits provided through those plans. The provisions of this Statement became effective in fiscal year 2022. The adoption of this standard did not have a material impact on the Town's financial statements.

Future Year Implementations

In May 2019, the GASB issued GASB Statement No. 91, *Conduit Debt Obligations*. The objective of this Statement is to standardize the reporting of conduit debt obligations by issuers by clarifying the existing definition of conduit debt obligation, among other matters. As amended, the provisions of this Statement are effective for financial reporting periods beginning after December 15, 2021 (fiscal year 2023). The Town is currently evaluating whether adoption will have a material impact on the financial statements.

In March 2020, the GASB issued GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements. The provisions of this Statement are effective for financial reporting periods beginning after June 15, 2022 (fiscal year 2023). The Town is currently evaluating whether adoption will have a material impact on the financial statements.

In May 2020, the GASB issued GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. The objective of this Statement is to address accounting for subscription-based information technology arrangements to government end users based on the standards established in Statement No. 87, as amended. The provisions of this Statement are effective for financial reporting periods beginning after June 15, 2022 (fiscal year 2023). The

Town is currently evaluating whether adoption will have a material impact on the financial statements.

In June 2022, the GASB issued GASB Statement No. 100, *Accounting Changes and Error Corrections – An Amendment of GASB Statement No 62*. The objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent and comparable information for decision making or assessing accountability. The provisions of this Statement are effective for financial reporting periods beginning after June 15, 2023 (fiscal year 2024). The Town is currently evaluating whether adoption will have a material impact on the financial statements.

In June 2022, the GASB issued GASB Statement No. 101, *Compensate Absences*. The objective of this Statement is to update the recognition and measurement guidance for compensated absences by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The provisions of this Statement are effective for financial reporting periods beginning after December 15, 2023 (fiscal year 2025). The Town is currently evaluating whether adoption will have a material impact on the financial statements.

TOWN OF WEST NEWBURY, MASSACHUSETTS

REQUIRED SUPPLEMENTARY INFORMATION - PENSIONS
YEAR ENDED JUNE 30, 2022

SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
(dollar amounts are in thousands)

	Year Ended June 30,							
	2022	2021	2020	2019	2018	2017	2016	2015
Town's proportion of the net pension liability (asset)	1.960%	1.908%	1.969%	1.969%	1.823%	1.888%	1.853%	1.906%
Town's proportionate share of the net pension liability (asset)	\$ 6,798	\$ 7,572	\$ 8,297	\$ 8,316	\$ 6,835	\$ 7,274	\$ 6,733	\$ 6,466
Town's covered-employee payroll	\$ 2,827	\$ 2,733	\$ 2,630	\$ 2,598	\$ 2,495	\$ 2,205	\$ 2,379	\$ 2,288
Town's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	240.5%	277.1%	315.5%	320.1%	273.9%	329.9%	283.0%	282.6%
Plan fiduciary net position as a percentage of the total pension liability	67.0%	55.5%	55.5%	51.9%	55.4%	51.1%	51.0%	52.3%

SCHEDULE OF THE TOWN CONTRIBUTIONS TO PENSION PLAN
(dollar amounts are in thousands)

	Year Ended June 30,							
	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 779	\$ 737	\$ 707	\$ 687	\$ 594	\$ 572	\$ 656	\$ 509
Contributions in relation to the actuarially determined contribution	779	737	707	687	594	572	656	509
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Town's covered-employee payroll	\$ 2,827	\$ 2,733	\$ 2,630	\$ 2,598	\$ 2,495	\$ 2,205	\$ 2,379	\$ 2,288
Contributions as a percentage of covered-employee payroll	27.6%	27.0%	26.9%	26.4%	23.8%	25.9%	27.6%	22.2%

This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, information is presented for those years in which information is available.

See accompanying independent auditors' report.

TOWN OF WEST NEWBURY, MASSACHUSETTS

**REQUIRED SUPPLEMENTARY INFORMATION - UNAUDITED
YEAR ENDED JUNE 30, 2022**

**SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
LAST 10 FISCAL YEARS**

	June 30					
	2022	2021	2020	2019	2018	2017
Total OPEB liability:						
Service cost	\$ 121,092	\$ 90,925	\$ 76,045	\$ 58,719	\$ 57,287	\$ 55,931
Interest	168,056	178,645	172,364	137,033	129,610	126,392
Difference between expected and actual experience	-	(261,637)	-	169,157	-	-
Changes in assumptions	(10,686)	(1,178)	278,802	207,010	-	-
Other	-	-	(56,374)	-	-	(58,609)
Benefit payments	(100,824)	(87,769)	(91,712)	(77,336)	(85,824)	(73,798)
Net change in total OPEB liability	177,638	(81,014)	379,125	494,583	101,073	49,916
Total OPEB liability - beginning of year	2,730,258	2,811,272	2,432,147	1,937,564	1,836,491	1,786,575
Total OPEB liability - end of year (a)	<u>\$ 2,907,896</u>	<u>\$ 2,730,258</u>	<u>\$ 2,811,272</u>	<u>\$ 2,432,147</u>	<u>\$ 1,937,564</u>	<u>\$ 1,836,491</u>
Plan fiduciary net position:						
Contributions - employer	\$ 115,824	\$ 87,769	\$ 91,712	\$ 77,336	\$ 85,824	\$ 73,798
Net investment income	(305,703)	475,222	131,132	179,419	209,981	133,214
Benefit payments	(100,824)	(87,769)	(91,712)	(77,336)	(85,824)	(73,798)
Net change in Plan fiduciary net position	(290,703)	475,222	131,132	179,419	209,981	133,214
Plan fiduciary net position - beginning of year	2,855,222	2,380,000	2,248,868	2,069,449	1,859,468	1,726,254
Plan fiduciary net position - end of year (b)	<u>\$ 2,564,519</u>	<u>\$ 2,855,222</u>	<u>\$ 2,380,000</u>	<u>\$ 2,248,868</u>	<u>\$ 2,069,449</u>	<u>\$ 1,859,468</u>
Net OPEB liability (asset) - end of year (a) - (b)	<u>\$ 343,377</u>	<u>\$ (124,964)</u>	<u>\$ 431,272</u>	<u>\$ 183,279</u>	<u>\$ (131,885)</u>	<u>\$ (22,977)</u>
Plan fiduciary net position as a percentage of the total OPEB liability	88.19%	104.58%	84.66%	92.46%	106.81%	101.25%
Covered-employee payroll	\$ 3,029,899	\$ 2,835,247	\$ 2,695,931	\$ 2,625,945	\$ 2,661,029	\$ 2,596,126
Net OPEB liability/(asset) as a percentage of covered-employee payroll	11.33%	-4.41%	16.00%	6.98%	-4.96%	-0.89%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years in which information is available.

See independent auditors' report.

TOWN OF WEST NEWBURY, MASSACHUSETTS

**REQUIRED SUPPLEMENTARY INFORMATION - UNAUDITED
YEAR ENDED JUNE 30, 2022**

**SCHEDULE OF CONTRIBUTIONS
LAST 10 FISCAL YEARS**

	June 30					
	2022	2021	2020	2019	2018	2017
Actuarially-determined contribution	\$ 122,248	\$ 118,387	\$ 91,529	\$ -	\$ 59,869	\$ 121,807
Contributions in relation to the actuarially-determined contribution	(115,824)	(87,769)	(91,712)	(77,336)	(85,824)	(121,807)
Contribution deficiency (excess)	<u>\$ 6,424</u>	<u>\$ 30,618</u>	<u>\$ (183)</u>	<u>\$ (77,336)</u>	<u>\$ (25,955)</u>	<u>\$ -</u>
Covered-employee payroll	\$ 3,029,899	\$ 2,835,247	\$ 2,695,931	\$ 2,625,945	\$ 2,661,029	\$ 2,596,126
Contribution as a percentage of covered-employee payroll	3.82%	3.10%	3.40%	2.95%	3.23%	4.69%
Valuation Date	July 1, 2020					
Amortization Period	30 years					
Investment rate of return	6.00%					
Single Equivalent Discount Rate	6.00%					
Inflation	2.40%					
Healthcare cost trend rates	7.0% to 4.0%					
Actuarial Cost Method	Individual Entry Age Normal					
Asset Valuation Method	Market Value of Assets as of Reporting Date					

**SCHEDULE OF INVESTMENT RETURNS
LAST 10 FISCAL YEARS**

	June 30					
	2022	2021	2020	2019	2018	2017
investment expense	-10.66%	19.97%	5.83%	8.67%	11.79%	7.43%

Note: These schedules are presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years in which information is available.

See independent auditors' report.

TOWN OF WEST NEWBURY, MASSACHUSETTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - GENERAL FUND
 YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Budgetary Amounts	Encumbrances and continuing appropriations	Actual Budgetary Adjusted	Variance Positive (Negative)
	Original Budget	Final Budget				
REVENUES						
Real estate and personal property taxes, net	\$ 14,835,236	\$ 14,835,236	\$ 15,114,834		\$ 15,114,834	\$ 279,598
Intergovernmental	400,718	400,718	428,820		428,820	28,102
Motor vehicle and other excises	776,600	776,600	859,952		859,952	83,352
License and permits	200,000	200,000	201,438		201,438	1,438
Departmental and other revenue	253,818	253,818	268,829		268,829	15,011
Penalties and interest on taxes	45,000	45,000	70,988		70,988	25,988
Fines, Fees and forfeitures	10,000	10,000	13,604		13,604	3,604
Investment income	20,000	20,000	7,765		7,765	(12,235)
Total Revenues	16,541,372	16,541,372	16,966,230		16,966,230	424,858
EXPENDITURES						
General government	1,818,079	1,846,079	1,360,428	\$ 181,144	1,541,572	304,507
Public safety	2,149,236	2,164,236	1,999,234	19,313	2,018,547	145,689
Education	9,152,788	9,152,788	9,151,440	-	9,151,440	1,348
Public works	2,814,191	2,993,281	2,092,240	826,437	2,918,677	74,604
Health and human services	764,580	764,580	674,681	200	674,881	89,699
Culture and recreation	403,737	403,737	395,063	-	395,063	8,674
Fringe Benefits	1,194,101	1,194,101	1,191,280	-	1,191,280	2,821
State and county tax assessments	84,268	84,268	84,208	-	84,208	60
Debt service	313,950	313,950	313,950	-	313,950	-
Total Expenditures	18,694,930	18,917,020	17,262,524	\$ 1,027,094	18,289,618	627,402
OTHER FINANCING SOURCES (USES)						
Transfers in	1,267,325	1,267,325	1,267,325		1,267,325	-
Transfers out	(1,291,261)	(1,291,261)	(1,291,261)		(1,291,261)	-
Total Other Financing Sources (Uses)	(23,936)	(23,936)	(23,936)		(23,936)	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES/USE OF PRIOR YEAR BUDGETARY FUND BALANCE						
	(2,177,494)	(2,399,584)	\$ (320,230)		\$ (1,347,324)	\$ 1,052,260
Other Budgetary Items:						
Undesignated surplus (free cash)	\$ 1,009,261	\$ 1,231,351				
Prior year encumbrances	1,117,761	1,117,761				
Miscellaneous	50,472	50,472				
Total Other Budgetary Items	2,177,494	2,399,584				
Net Budget	\$ -	\$ -				

See accompanying independent auditors' report.
 See accompanying notes to required supplementary information.

TOWN OF WEST NEWBURY, MASSACHUSETTS

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2022**

I. Budgetary Basis of Accounting

Budgetary Information – An annual budget is legally adopted for the General Fund. Financial orders are initiated by department heads, recommended by the Board of Selectmen and approved by the Town Meeting members at the Town’s annual meeting in May. Expenditures may not legally exceed appropriations at the department level, or in the categories of salary and non-salary expenses. Department heads may transfer, without Town meeting approval, appropriation balances from one expenditure account to another within each budget categories. The Town Meeting, however, must approve any transfer of unencumbered appropriation balances between departments or categories. At the close of each fiscal year, unencumbered appropriation balances lapse or reverts to unreserved fund balance.

The Town adopts an annual budget for the general fund in conformity with the guidelines described above.

The Town Accountant has the responsibility to ensure that budgetary control is maintained in the manner in which the appropriations were voted at Town Meeting. Budgetary control is exercised through the Town’s accounting system.

Budgetary-to-GAAP Reconciliation – The Town’s general fund is prepared on a basis other than GAAP. A reconciliation of the budgetary-basis to GAAP-basis results for the General Fund for the fiscal year ended June 30, 2022, is as follows:

	<u>Basis of Accounting Differences</u>	<u>Fund Perspective Differences</u>	<u>Total</u>
Revenues on a budgetary basis			\$ 16,966,230
Stabilization investment income	\$ -	\$ (199,135)	(199,135)
Revenues on a GAAP basis	<u>\$ -</u>	<u>\$ (199,135)</u>	<u>\$ 16,767,095</u>
Expenditures on a budgetary basis			\$ 17,262,524
Enterprise Fund indirect costs reported as expenditures	\$ (52,896)	\$ -	(52,896)
OPEB contribution	-	15,000	15,000
Expenditures on a GAAP basis	<u>\$ (52,896)</u>	<u>\$ 15,000</u>	<u>\$ 17,224,628</u>
Other financing sources (uses) on a budgetary basis			\$ (97,966)
OPEB contribution	\$ -	\$ 15,000	15,000
Stabilization transfers, net	-	82,966	82,966
Other financing sources (uses) on a GAAP basis	<u>\$ -</u>	<u>\$ 97,966</u>	<u>\$ -</u>



Town of West Newbury
381 Main Street
West Newbury, Massachusetts 01985

B

Christine Wallace, P.E.
DPW Program & Project Manager
978-363-1100, Ext. 130
dpwprojects@wnewbury.org

MEMORANDUM

TO: Town of West Newbury Select Board
FROM: Christine Wallace, P.E., DPW Program & Project Manager
DATE: December 16, 2022
RE: Report on the Page School Feasibility Study Working Group

Background

Voters at the May 2022 Annual Town Meeting appropriated \$85,000 for a Feasibility Study for the Page School. A previous assessment study was performed in 2009 but many changes have taken place over the past 13 years, including upgrades to the building and major water leaks. The building has a long list of capital needs which is updated annually based on collaborative efforts of the Town (which owns the building, and is responsible for capital improvements) and the Pentucket Regional School District (which leases and maintains most of the building, other than the portion leased to the Children's Castle).

To assist with decision-making on the future of the Page School, an updated assessment is needed. In September 2022, the Select Board appointed the following members to a Working Group charged with recommending how best to scope the study prior to selecting a consultant:

Wayne Amaral, DPW Director
Justin Bartholomew, PRSD Superintendent
Bob Danforth, PRSD Facilities Manager
Elisa Grammer, Capital Improvements Committee
Greg Hadden, PRSD Facilities Manager
Angus Jennings, Town Manager
Nathan Kelly, Resident
Rick Parker, Select Board
Emily Puteri, Page School Principal
Christine Wallace, DPW Project Manager

Working Group Tasks Completed

- Inventoried Materials: Reviewed *the Page School Facilities Assessment Study* dated Feb. 12, 2009, completed by Dore & Whittier Architects. Compiled and documented relevant

records such as plans, construction documents, maintenance records, test results, reports, and studies, as available.

- Held two Working Group meetings on November 1 and November 22, 2022.
- Participated in a guided tour of the Page School on November 8, 2022.
- Created a Project Webpage with relevant documents, meeting minutes, and supporting materials at: <https://www.wnewbury.org/home/town-projects/pages/page-school-feasibility-study>
- Prepared a draft Scope of Work for use in an anticipated vendor procurement/selection process.

Action Needed from the Select Board

- Feedback on the Draft Scope of Work (see attached)
- Feedback on Anticipated Procurement Process:

The Town will follow the state and town policy for procurement and we will request that the Select Board appoint the Design Selection Committee at a future Select Board meeting. For more detail on the town's policy, see:

https://www.wnewbury.org/sites/g/files/vyhlf1436/f/uploads/west_newbury_board_of_selectmen_designer_process_-_amended_11-12-19.pdf

Next Steps/Anticipated Schedule

- Finalize Scope of Work and Working Group disbands – January 2023
- CPO sends out a Request for Qualifications (RFQ) – late January
- Proposals Due – late February
- Interviews – March
- Vendor Selection – late March
- Execute Vendor Contract – April
- Expected Project Completion – end of November 2023

SCOPE OF WORK OUTLINE

Page School Feasibility Study

Draft 12-16-22

1. INTRODUCTION

A. Overview of the Building and Site

B. Purpose

- 1) To provide an independent architectural and engineering assessment of the building and site
- 2) Identify deficiencies
- 3) Estimate costs to fix the deficiencies under different scenarios
- 4) Identify “Tipping Point” of renovate vs build new

C. Methodology

- 1) The assessment includes:
 - a. Review of the 2009 Dore & Whittier Assessment Study and other available documentation as provided by the DPW Project Manager
 - b. A walk-through survey of the property with property management personnel to visually observe the material systems and components for the purpose of providing identifying physical deficiencies to the extent that they are observable:
 - c. Regular communication with the DPW Project Manager and project team
- 2) The assessment does not include:
 - a. Testing or invasive testing of the building or any system
 - b. Testing of Exterior Lintels (this will be evaluated separately)
 - c. Testing of potable water distribution system, but rather evaluate any recent test results from drinking and cooking water sources
 - d. Educational, Programmatic, or Space Assessment (this will be performed concurrently by school officials and members of the project team)
 - e. Preparation of plans

2. BUILDING AND SITE ASSESSMENT

A. Building Codes and Accessibility Assessment

The consultant will work with Town’s Inspectional Services Department to evaluate current compliance with the building code, energy code, ADA, and other applicable codes. Based on the amount and type of repairs recommended, identify what thresholds may be crossed that will trigger other compliance requirements and what the cost implications may be.

B. Building Assessment

- 1) Structural Analysis
- 2) Architectural Analysis

- 3) Roof Analysis
- 4) Exterior Walls
- 5) Floors
- 6) Interior Elements
- 7) Vertical Transportation
- 8) HVAC
- 9) Plumbing Systems
- 10) Potable Water Distribution System
- 11) Fire Protection
- 12) Electrical
- 13) Lighting
- 14) Telephone
- 15) Technology Infrastructure
- 16) Fire Alarm and Life Safety
- 17) Security
- 18) Emergency Communications Evaluation:
 - a. Current infrastructure & methods of announcement and classroom 2-way communications
 - b. Current infrastructure and methods of 911 communications
 - c. Current telephone system capabilities to support 911 / reverse 911 communications to facility and classrooms

C. Site Assessment

- 1) Drainage
- 2) Septic system
- 3) Other Utilities
- 4) Playground and Fields
- 5) Parking
- 6) Site Access, Traffic Safety, Signage
- 7) Pedestrian Accommodations and ADA Compliance

D. Environmental and Hazardous Materials Assessment

3. RECOMMENDATIONS AND COST ESTIMATES

A. Recommended Repairs and Opinions of Probable Costs

Prepare a list of recommended repairs to address present observed physical deficiencies, along with general scope and preliminary budget cost estimates for these repairs. These estimates are for components or systems exhibiting patent or significant deferred maintenance requiring major repairs or replacement. Repairs or replacements that could be classified as cosmetic, decorative, part or parcel of a building renovation program, normal preventative maintenance, or that are the responsibility of tenants, are not included.

- 1) Immediate - Expenditures that require immediate action as a result of existing or potentially unsafe conditions, building code violations, poor or deteriorated condition of critical element or system, or a condition that if left "as is" with an extensive delay in correction, would result in or contribute to critical element or system failure within one year or would lead to significantly escalated repair costs.
- 2) Years 1 through n (1,2,3 etc.) - Deficiencies which may not warrant immediate attention, but which require repairs or replacements that should be undertaken on a priority basis taking precedence over routine preventative maintenance. Deferred maintenance or deficiency resulting from improper design, installation and/or quality of original material or systems. Repairs that fall into the category of an ongoing maintenance/replacement problem, components or systems that have realized or exceeded their expected useful life.

B. Ancillary Costs

Identify broader, ancillary costs of keeping the Page School operational such as future operation and maintenance costs, climate-change requirements, energy costs, fire truck and other special equipment needs.

C. Costs to Build New Similar Schools

Research and provide a list of costs for recent new construction of schools in Massachusetts similar in size to the Page School.

4. APPENDICES

- A. Relevant Prior Test Results, Drawings, Studies, or other Materials
 - B. Additional photo documentation as needed
-

DELIVERABLES

- 1) Project Schedule showing Tasks and Deliverables to complete the project within 6–9-month span
- 2) In-person kickoff meeting with Town project team
- 3) Guided Tour of the School for Visual Inspections
- 4) Monthly check-ins via Zoom with Town Project Manager and Team
- 5) Draft Report for project team to review and comment
- 6) Public Meeting Presenting Findings with appropriate presentation materials
- 7) Final Report to include items as outlined above

Town Manager

From: Town Manager
Sent: Thursday, December 1, 2022 4:32 PM
To: Robin Pendergast [redacted]; Patricia Reeser; Brad Buschur
Cc: [redacted]; Graham Bacheller; Selectboard
Subject: RE: Mill Pond trail process update?

Hi all,

Based on the input over the past couple of days, incl. a call a short time ago w Ryan, this topic will be pushed back to 12/19 to allow a bit more time for the committees/members to ensure that, when the Board does take this up, it has a clear understanding of the various inputs.

Thanks,
Angus

From: Town Manager
Sent: Wednesday, November 30, 2022 10:44 AM
To: Robin Pendergast [redacted]; Patricia Reeser
[redacted]; Brad Buschur [redacted]
Cc: [redacted] Graham Bacheller [redacted]; Selectboard <selectboard@wnewbury.org>
Subject: RE: Mill Pond trail process update?

Hi all,

I'm following up on the correspondence below. I did receive some individual responses, but nothing that represented a shared position of the three Committees/Commission. The Select Board's goal in urging each Committee/Commission to designate a member to work together on this, I think, had been that the 3 entities would come to a shared recommendation.

I'm working with Archie to finalize the Select Board agenda for 12/5 and we are looking to get this project agenda'd, ideally for 12/5 but if it's not ready it could be pushed back to 12/19 if needed. Even if there isn't a shared recommendation, if whatever process took place this fall has at least clarified each parties' positions, this would help the Board to move forward.

Please let me know what we can expect so I can advise Archie as to when this will be timely for further Board review –

Thanks,
Angus

From: Town Manager
Sent: Saturday, November 5, 2022 11:24 AM
To: Robin Pendergast [redacted]; Patricia Reeser

[REDACTED]; Brad Buschur [REDACTED]
Cc: [REDACTED]; Graham Bacheller [REDACTED] Selectboard <selectboard@wnewbury.org>
Subject: RE: Mill Pond trail process update?

Hi,

Looking ahead to upcoming Select Board agendas (11/21, 12/5, 12/19), please let me know when the working group (comprised of designees of MPC, OSC, and PRC) would be prepared to present a recommendation (or, as the case may be, competing recommendations) to the Select Board.

Thanks,
Angus

From: Town Manager
Sent: Thursday, October 13, 2022 1:41 PM
To: Robin Pendergast [REDACTED] Patricia Reeser
[REDACTED] Brad Buschur [REDACTED]
Cc: [REDACTED] Graham Bacheller [REDACTED]; Selectboard <selectboard@wnewbury.org>
Subject: Mill Pond trail process update?

Hi,

Please find attached the earlier draft work product from the landscape designer, but broken into a “phase 1” and “phase 2.”

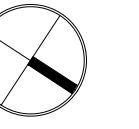
Ryan stopped in earlier to pay a tax bill and told me that there has been 1 or more mtg among the designees of Mill Pond Comm, OSC and P&R Comm. Glad to know the process is moving forward.

I know that this project is on tonight’s P&R Comm [agenda](#), but I haven’t yet spoken w Brad to know what they’ll be discussing. I thought I’d reach out to each of you (w/copy to the 2 Chairs not on the working group) to see if I could get an update on where things stand and how you recommend we proceed.

The Select Board will have its regularly scheduled November mtgs on 11/7 and 11/21, so ideally we can include this project for discussion on one of those agendas.

Thanks,
Angus

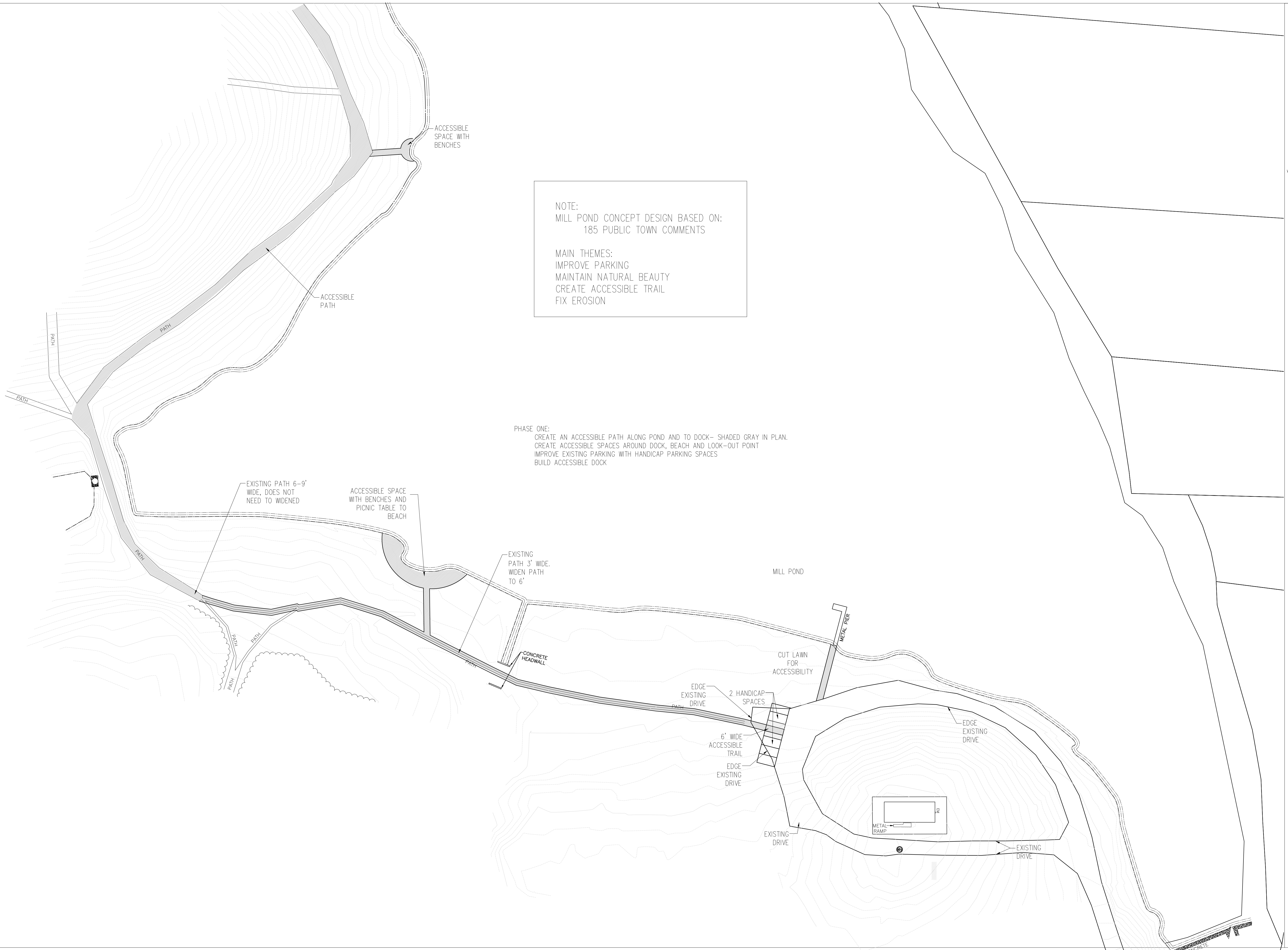
Angus Jennings, Town Manager
Town of West Newbury
Town Office Building
381 Main Street
West Newbury, MA 01985
(978) 363-1100 x111
townmanager@wnewbury.org

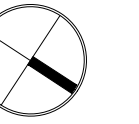


NOTE:
MILL POND CONCEPT DESIGN BASED ON:
185 PUBLIC TOWN COMMENTS

MAIN THEMES:
IMPROVE PARKING
MAINTAIN NATURAL BEAUTY
CREATE ACCESSIBLE TRAIL
FIX EROSION

PHASE ONE:
CREATE AN ACCESSIBLE PATH ALONG POND AND TO DOCK— SHADED GRAY IN PLAN.
CREATE ACCESSIBLE SPACES AROUND DOCK, BEACH AND LOOK-OUT POINT
IMPROVE EXISTING PARKING WITH HANDICAP PARKING SPACES
BUILD ACCESSIBLE DOCK





NOTE:
MILL POND CONCEPT DESIGN BASED ON:
185 PUBLIC TOWN COMMENTS

MAIN THEMES:
IMPROVE PARKING
MAINTAIN NATURAL BEAUTY
CREATE ACCESSIBLE TRAIL
FIX EROSION

PHASE TWO:
CHANGE EXISTING ROAD ALONG POND TO AN ACCESSIBLE TRAIL
WIDEN ROAD BEHIND CABIN TO A TWO-WAY ROAD
ADD PARKING BEHIND CABIN





Town of West Newbury

381 Main Street
West Newbury, Massachusetts 01985

Angus Jennings, Town Manager
978-363-1100, Ext. 111 Fax 978-363-1826
townmanager@wnewbury.org

E

TO: Select Board
FROM: Angus Jennings, Town Manager
DATE: December 17, 2022
RE: Updated memo RE: Appointing authorities for Town personnel

An earlier memo summarizing the various personnel appointment authorities in the Town of West Newbury was presented to the Board at its meeting on October 17, 2022. That memo included two unresolved questions, which the Board subsequently referred to Town Counsel for review. The attached memo has been updated to reflect the advice from Counsel on those two matters (Conservation, and Health), and has also been updated to include Reserve Officers, which were unintentionally omitted from the earlier memo.



Town of West Newbury

381 Main Street

West Newbury, Massachusetts 01985

Angus Jennings, Town Manager

978-363-1100, Ext. 111 Fax 978-363-1826

townmanager@wnewbury.org

TO: Select Board
FROM: Angus Jennings, Town Manager
DATE: December 17, 2022 (*updated from prior draft dated Oct. 16, 2022*)
RE: Appointing authorities for Town personnel

This memo is intended to summarize the various personnel appointment authorities in the Town of West Newbury, taking into account the Town Manager Act (Ch. 97 of the Acts of 2017), and other applicable statutes.

The most recent Employee Compensation Schedule (approved by the Select Board on 6/27/22) includes the following 22 departments:

- | | |
|-----------------------|--------------------------------------|
| 1. Town Manager | 12. Emergency Management |
| 2. Select Board | 13. Dispatch |
| 3. Assessing | 14. Inspectional Services |
| 4. Finance Department | 15. ZBA |
| 5. Town Clerk | 16. DPW / Bldgs. & Grounds |
| 6. Conservation | 17. Health |
| 7. Planning | 18. Council on Aging |
| 8. Police | 19. Library |
| 9. Harbormaster | 20. Water |
| 10. Animal Control | 21. Recreation |
| 11. Fire | 22. Community Preservation Committee |

These separate departments correspond – generally, though not exactly – to the approved operating budget. There are more sections of the approved operating budget, since some budgeted sections do not include West Newbury personnel costs (i.e. schools, employee benefits, debt service, etc.). Each section of the budget that includes personnel costs has a salary/wages line item.

Personnel appointment authorities are generally specified in the Town Manager Act, Sec. 10(a):

The town manager of the town of West Newbury shall appoint and may remove all department heads as the term may be defined in the town departmental and organizational structure and any other employees for which a method of selection is not provided in this act or by law.

Because the Town Manager Act as written includes deference to other statutory appointment authorities, a review of all applicable statutes is required in order to present a complete summary of appointment authorities. The enclosed summary table provides the relevant statutory references.

Summary of Personnel Appointment Authorities, Town of West Newbury

UPDATED Dec 17, 2022

<u>Department</u>	<u>Staff Position</u>	<u>Appointing Authority</u>	<u>Citation</u>
1. Town Manager	Town Manager	Select Board	Town Manager Act, Sec. 4(e)
	Executive Assistant	Town Manager	Town Manager Act, Sec. 10(a)
2. Select Board	Resident Services Administrator	Town Manager	Town Manager Act, Sec. 10(a)
3. Assessing	Chief Assessor/GIS Coordinator	Town Manager	Town Manager Act, Sec. 10(a)
	Assessors Clerk	Town Manager	Town Manager Act, Sec. 10(a)
	Office coverage (part-time)	Town Manager	Town Manager Act, Sec. 10(a)
4. Finance Department	Town Accountant/Business Manager	Select Board	Town Manager Act, Sec. 4(e)
	Treasurer/Collector	Town Manager	Town Manager Act, Sec. 10(a)
	Asst. to the Town Manager and Finance Dept.	Town Manager	Town Manager Act, Sec. 10(a)
	Office coverage (part-time)	Town Manager	Town Manager Act, Sec. 10(a)
	Accounting support (part-time)	Town Manager	Town Manager Act, Sec. 10(a)
5. Town Clerk	Town Clerk	Town Manager	Town Manager Act, Sec. 10(a)
	Assistant Town Clerk	Town Manager	Town Manager Act, Sec. 10(a)
	Office coverage (part-time)	Town Manager	Town Manager Act, Sec. 10(a)
6. Conservation	Conservation Agent	Town Manager*	Town Manager Act, Sec. 10(a)
6. Conservation	Conservation Agent	Conservation Commission*	Intermunicipal Agreement with Town of Merrimac
<p><i>* Note: Per statute, Conservation Agent appointment authority rests with Town Manager, per advice of Town Counsel. Under the terms of the present Intermunicipal Agreement with Merrimac, "West Newbury's appointment would be made by vote of its Conservation Commission."</i></p>			
7. Planning	Town Planner	Town Manager	Town Manager Act, Sec. 10(a)
	Administrative Assistant to the Town Planner/Planning Board	Town Manager	Town Manager Act, Sec. 10(a)
8. Police	Police Chief	Select Board	Town Manager Act, Sec. 4(e)
	Sergeant (3)	Select Board	Mass. Gen. Laws. Ch. 41, Sec. 97A
	Patrol Officer (5)	Select Board	Mass. Gen. Laws. Ch. 41, Sec. 97A
	School Resource Officer/Patrol Officer	Select Board	Mass. Gen. Laws. Ch. 41, Sec. 97A
	Police Reserve Officers	Select Board	Mass. Gen. Laws. Ch. 41, Sec. 97A
	Administrative Assistant	Town Manager	Town Manager Act, Sec. 10(a)
9. Harbormaster	Harbormaster	Select Board	Mass. Gen. Laws Ch. 40, Sec. 4A - Intermunicipal Agreement (Town does not appoint specific personnel)
			Mass. Gen. Laws Ch. 40, Sec. 4A - Intermunicipal Agreement (Town does not appoint specific personnel)
10. Animal Control	Animal Control Officer	Select Board	
11. Fire	Board of Fire Engineers	Select Board	Mass. Gen. Laws Ch. 48, Sec. 45
	Chief Engineer	Board of Fire Engineers	Mass. Gen. Laws Ch. 48, Sec. 46
	Assistant Fire Chief	Board of Fire Engineers	Mass. Gen. Laws Ch. 48, Sec. 46
	Deputy Fire Chief	Board of Fire Engineers	Mass. Gen. Laws Ch. 48, Sec. 46
	Lieutenant	Board of Fire Engineers	Mass. Gen. Laws Ch. 48, Sec. 46
	Lieutenant & Mechanic	Board of Fire Engineers	Mass. Gen. Laws Ch. 48, Sec. 46
	Steward - Garden Street	Board of Fire Engineers	Mass. Gen. Laws Ch. 48, Sec. 46

Summary of Personnel Appointment Authorities, Town of West Newbury

UPDATED Dec 17, 2022

<u>Department</u>	<u>Staff Position</u>	<u>Appointing Authority</u>	<u>Citation</u>
	Steward - Central Station	Board of Fire Engineers	Mass. Gen. Laws Ch. 48, Sec. 46
	Training Officer	Board of Fire Engineers	Mass. Gen. Laws Ch. 48, Sec. 46
	Alarm Operator	Board of Fire Engineers	Mass. Gen. Laws Ch. 48, Sec. 46
	General Administration	Board of Fire Engineers	Mass. Gen. Laws Ch. 48, Sec. 46
	Fire Alarms	Board of Fire Engineers	Mass. Gen. Laws Ch. 48, Sec. 46
	Fire Drills	Board of Fire Engineers	Mass. Gen. Laws Ch. 48, Sec. 46
12. Emergency Management	EMA Director	Town Manager	Ch. 639 of the Acts of 1950, Sec. 13
	EMA Deputy Director	Town Manager	Ch. 639 of the Acts of 1950, Sec. 13
13. Dispatch	Dispatchers, full-time (4)	Town Manager	Town Manager Act, Sec. 10(a)
	Dispatchers, part-time	Town Manager	Town Manager Act, Sec. 10(a)
14. Inspectional Services	Building Inspector	Town Manager	Town Manager Act, Sec. 10(a)
	Electrical Inspector	Town Manager	Mass. Gen. Laws Ch. 143, Sec. 3
	Plumbing Inspector	Town Manager	Mass. Gen. Laws Ch. 143, Sec. 3
	Administrative Assistant	Town Manager	Town Manager Act, Sec. 10(a)
	Alternate Inspector	Town Manager	Mass. Gen. Laws Ch. 143, Sec. 3
15. ZBA	Administrative Assistant	Town Manager	Town Manager Act, Sec. 10(a)
16. DPW / Bldgs. & Grounds	DPW Director	Select Board	Ch. 184 of the Acts of 2005
	Chief Procurement Officer (stipend)	Select Board	Mass. Gen. Laws Ch. 41, Sec. 103
	Programs & Projects Manager	Town Manager	Town Manager Act, Sec. 10(a)
	Lead Operator (Working Foreperson)	Town Manager	Town Manager Act, Sec. 10(a)
	Experienced Operator (2)	Town Manager	Town Manager Act, Sec. 10(a)
	Buildings & Grounds Foreman	Town Manager	Town Manager Act, Sec. 10(a)
	Buildings & Grounds Custodian	Town Manager	Town Manager Act, Sec. 10(a)
	Business Administrator	Town Manager	Town Manager Act, Sec. 10(a)
	Seasonal (part-time)	Town Manager	Town Manager Act, Sec. 10(a)
17. Health	Health Agent	Board of Health	Mass. Gen. Laws Ch. 111, Sec. 27
	Administrative Assistant	Board of Health	Mass. Gen. Laws Ch. 111, Sec. 27
	Recycling Coordinator	Board of Health	Mass. Gen. Laws Ch. 111, Sec. 27
18. Council on Aging	COA Director	Town Manager	Town Manager Act, Sec. 10(a)
	Nutrition Coordinator	Town Manager	Town Manager Act, Sec. 10(a)
19. Library	Library Director	Board of Library Trustees	Mass. Gen. Laws Ch. 78, Sec. 34
	Children's Librarian	Library Director	} [SEE NOTE BELOW]
	Staff Librarian (2)	Library Director	
	Youth Services Librarian	Library Director	
	Assistant Librarian	Library Director	
	On-Call Library Assistant (2)	Library Director	
<p><i>Note: Library Director job description includes within responsibilities "hires employees," and past practice has been for the Library Director to hire other Library personnel and simply keep the Board of Library Trustees informed of personnel changes.</i></p>			
20. Water	Superintendent	Town Manager	Town Manager Act, Sec. 10(a)
	Licensed Operator (2)	Town Manager	Town Manager Act, Sec. 10(a)

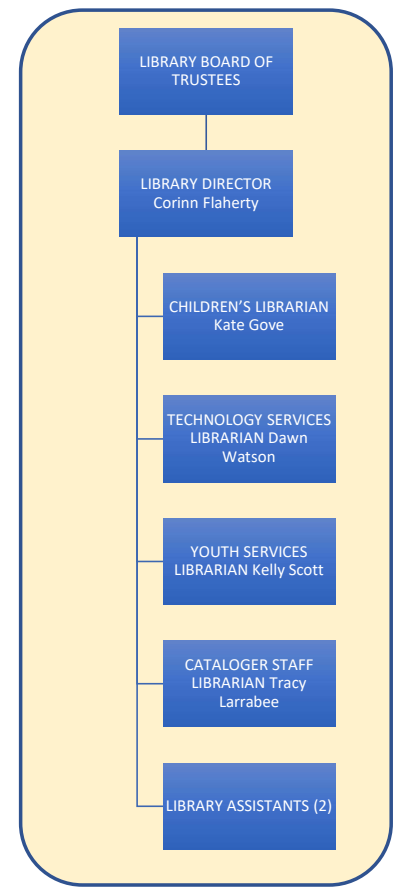
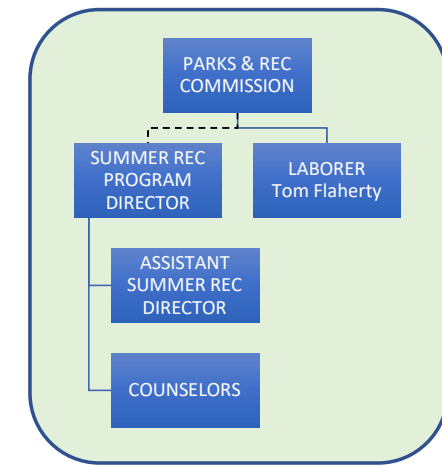
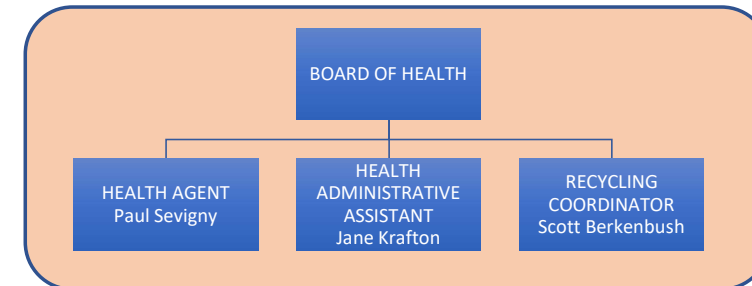
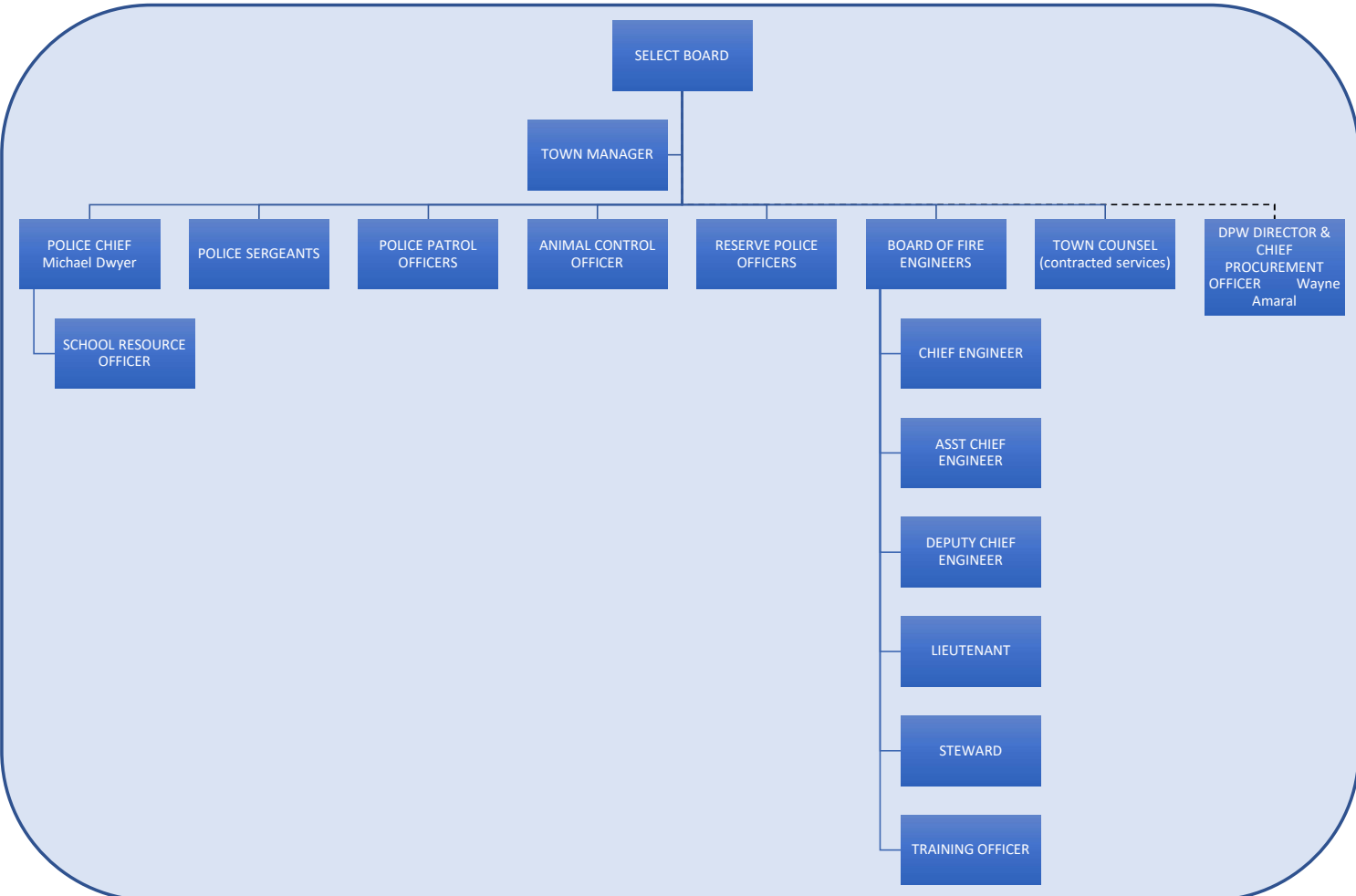
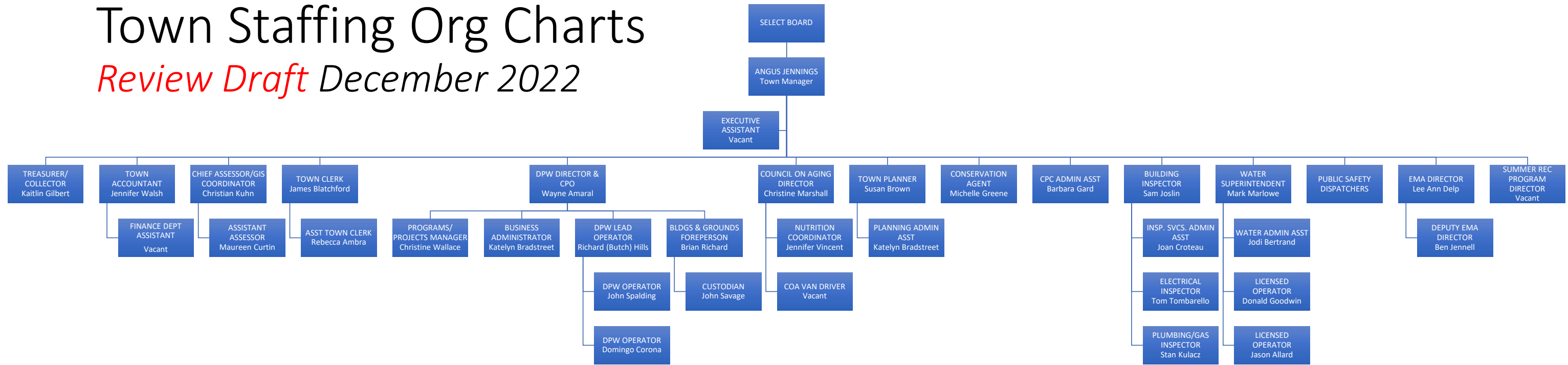
Summary of Personnel Appointment Authorities, Town of West Newbury

UPDATED Dec 17, 2022

<u>Department</u>	<u>Staff Position</u>	<u>Appointing Authority</u>	<u>Citation</u>
	Administrative Assistant	Town Manager	Town Manager Act, Sec. 10(a)
	Seasonal (part-time)	Town Manager	Town Manager Act, Sec. 10(a)
21. Recreation	Summer Program Director	Town Manager	Town Manager Act, Sec. 10(a)
	Assistant Summer Program Director	Parks & Rec Commission	Mass. Gen. Laws Ch. 45, Sec. 5
	Counselor (6 +/-)	Parks & Rec Commission	Mass. Gen. Laws Ch. 45, Sec. 5
	Laborer	Parks & Rec Commission	Mass. Gen. Laws Ch. 45, Sec. 5
22. Community Preservation Committee	CPC Administrative Assistant	Town Manager	Town Manager Act, Sec. 10(a)
<i>Source: Angus Jennings, Town Manager, UPDATED Dec. 17, 2022</i>			
Note: Statutory references may be found online at https://www.mass.gov/legis			

Town Staffing Org Charts

Review Draft December 2022



Angus Jennings, Town Manager

**INTERMUNICIPAL AGREEMENT BETWEEN THE
TOWNS OF WEST NEWBURY AND MERRIMAC
FOR SHARED CONSERVATION AGENT SERVICES**

THIS AGREEMENT dated as of August 9, 2021 (“Agreement”) by and between the **TOWN OF WEST NEWBURY**, a Massachusetts municipal corporation, acting by and through its Board of Selectmen (hereinafter referred to as “West Newbury”), and the **TOWN OF MERRIMAC**, a Massachusetts municipal corporation, acting by and through its Board of Selectmen (hereinafter referred to as “Merrimac”) (collectively, the parties shall hereinafter be referred to as the “Municipalities”).

WHEREAS, the Municipalities have each determined that it is mutually beneficial to share between them the services and costs of a Conservation Agent as more fully described hereinafter;

WHEREAS, West Newbury is willing and capable serving as the Lead Party;

WHEREAS, each Municipality has authority to enter into this Agreement pursuant to G.L. c. 40, §4A and has obtained authorization by vote of its Board of Selectmen as attested to by certified copies thereof attached hereto in Appendix A;

NOW, THEREFORE, the Municipalities, in mutual consideration of the covenants contained herein, intending to be legally bound thereby, agree under seal as follows:

1. PURPOSE

The purpose of this Agreement is to establish a contractual relationship between the Municipalities for a shared Conservation Agent and for shared associated costs and expenses.

2. LEAD PARTY

A. The Municipalities hereby designate West Newbury as the lead party (hereinafter the “Lead Party”).

B. The Lead Party shall:

1. Employ through its standard personnel practices a full-time Conservation Agent. All necessary steps in the hiring process of the Conservation Agent and maintenance of related employment records shall be the responsibility of the Lead Party; however, the Conservation Agent shall be hired with the mutual agreement of the Municipalities, with each Municipality having, inter alia, the opportunity to: a) review and comment on each qualified candidate’s resume; and b) participate in candidate interviews. West Newbury’s appointment would be made by vote of its Conservation Commission, with the rate of pay subject to approval of its Select Board. Merrimac’s appointment would be made by vote of its Board of Selectmen, upon recommendation of its Conservation Commission.

2. Provide all fringe benefits to which the Conservation Agent is entitled under the Lead Party's standard personnel practices.
3. Maintain separate, accurate, and comprehensive records of all services performed by the Conservation Agent for each Municipality and all funds received by the Lead Party from Merrimac pursuant to this agreement. All bills and payrolls submitted for work done under this Agreement shall be plainly marked to indicate that the work was done under the authority hereof.

3. THE SHARED CONSERVATION AGENT

- A. The Conservation Agent shall perform for each Municipality the duties listed in the job descriptions attached hereto in Appendix B. Changes to the job description in West Newbury shall be made in accordance with the procedures established in the West Newbury Personnel Policy or, in the absence of any such prescribed procedures, shall not be made without the approval of both the West Newbury Conservation Commission and the Select Board. Changes to the job description in Merrimac shall not be made without the approval of the Merrimac Board of Selectmen. Any proposed changes to the job descriptions that would materially affect the Agent's work schedule or availability to the other community shall not be made without the mutual agreement of the Towns.
- B. The Conservation Agent shall provide services for each Municipality as follows: 25 hours per week on behalf of West Newbury, 10 hours per week on behalf of Merrimac (hereinafter referred to as "Staffing Schedule"). The details of the Staffing Schedule, including rate of pay, hours of work, and availability for inquiries in each Municipality, shall be determined jointly by the Town Manager/Administrator of the Municipalities.

Supervision of the duties and responsibilities of the Conservation Agent in West Newbury shall be provided by the Conservation Commission or its designee. Supervision of the duties and responsibilities of the Conservation Agent in Merrimac shall be provided by Conservation Commission or its designee.

- C. While providing services in or for Merrimac under this Agreement, the Conservation Agent shall be deemed to be engaged in the service and employment of the Lead Party, notwithstanding that such service activity or undertaking is being performed in or for Merrimac.
- D. The Conservation Agent shall prepare and submit biweekly timesheets to the Lead Party in accordance with the schedule and policy for payroll processing. The time spent on behalf of Merrimac for each payroll period shall bear the signature of the Merrimac Conservation Commission Chair or written designee.
- E. An annual performance evaluation of the Conservation Agent will be prepared by the Lead Party with input from Merrimac's Town Administrator or his/her designee in the other Municipalities. Any disciplinary action rising to the level of potential suspension or termination of the Conservation Agent shall be by the Lead Party in accordance with its standard personnel practices, but such decisions shall be made in consultation with the other Municipality.

4. ALL PARTIES

- A. Notwithstanding any other provision of this Agreement, each Municipality, at its own cost and expense, shall provide the Conservation Agent with the necessary office space, office equipment and supplies, software, applications and forms, and other tools, equipment and materials necessary for the performance of services in or for that Municipality.
- B. Each Municipality shall supply the Conservation Agent with access to complete copies, including supplements and revisions, of its respective personnel contacts and agreements, records and files, support documents and by-laws.
- C. All files, including closed and inactive files, records and support documents shall be permanently stored at the office of the generating Municipality.
- D. The Municipalities agree to allow the Conservation Agent to use such vacation, sick and personal days and other paid leave as he/she may be entitled to receive under the standard personnel practices of the Lead Party. No Municipality shall make any demand on or take any action with respect to the Conservation Agent that is in violation of his/her rights under personnel policies of the Lead Party or under any applicable legislation.
- E. Prior to January 15 of each year of this Agreement, the Lead Municipality, with the assistance of the Conservation Agent, will annually prepare a report of the activities of the Conservation Agent during the preceding 12-month period.

5. TERM /TERMININATION

- A. The initial term of this Agreement shall begin as of the date of hire of the Conservation Agent, and extend through June 30, 2022 (the “Initial Term”). Thereafter, the term of this Agreement shall automatically renew on an annual basis for additional one-year terms (“Extended Terms”), with said terms beginning on July 1 of each year, unless either party, by vote of its Board of Selectmen, by no later than January 15th of each year, votes to withdraw from the Agreement.
- B. In the event that either Municipality votes not to renew this Agreement during either the Initial Term or an Extended Term, this Agreement shall terminate effective June 30th of that year. Both Municipalities shall continue to perform all obligations under this Agreement until the effective date of termination. The Lead Party shall prepare a full statement of each Municipality’s outstanding financial obligations for the remainder of the then current fiscal year with any final payments due within thirty (30) days of the end of the current fiscal year.
- C. If a Municipality defaults on payment of any assessment or otherwise breaches this Agreement during either the Initial Term or an Extended Term, such Municipality shall be subject to termination upon a written determination of the Town Manager/Administrator of the Lead Municipality. Upon termination, the Lead

Municipality shall prepare a full statement of the terminated Municipality's outstanding unpaid financial obligations for the remainder of the then current term and present the same to the terminated Municipality for payment within thirty (30) days thereafter.

- D. Termination or breach of this Agreement shall not relieve either Municipality from any obligations of indemnification that may have arisen hereunder prior to such termination or breach nor from any financial obligations that by agreement extends beyond the termination date.

6. BUDGET AND ASSESSMENTS

- A. The Lead Party shall establish for each fiscal year, subject to appropriation, the annual operating budget for the provision of shared Conservation Agent services (hereinafter "Budget"). The Budget shall include, but not be limited to, the cost of the Conservation Agent's wages, taxes, retirement contributions, paid time off, recruitment costs, professional development, dues, cell phone, mileage reimbursement, training costs, and any other costs related to the proper functioning of this Agreement.
- B. The Municipalities shall share the cost of the total Budget in proportion to the percentages set forth in Exhibit A: Conservation Agent Shared Services Cost Allocation.
- C. On July 1st of each fiscal year of this Agreement, Merrimac shall be assessed its share of the Budget that fiscal year, which shall be automatically due and payable to the Lead Party in that fiscal year without further notice in equal quarterly installments on July 1, October 1, January 1, and April 1. On a quarterly basis during each year of this Agreement, the Lead Party shall prepare and distribute to Merrimac an expense report summarizing the incurred costs of the program for the prior quarter.
- D. In the event that the Agent staff position is vacant for some portion of the budget year, Merrimac's costs shall be prorated to exclude that period of time, and West Newbury shall be under no obligation to provide services to Merrimac during the period of vacancy.
- E. By February 1st of each fiscal year, the designees of the Municipalities shall meet to agree on the Budget for the next fiscal year. The Budget and Fee Structure shall be reviewed and adjusted, if necessary, in accordance with each Municipality's typical annual budget process.
- F. Notwithstanding any other provision in this Agreement to the contrary, the Municipalities agree that, following dissolution or termination of this Agreement, each shall be responsible for continuing their shared respective contribution for the Conservation Agent's retirement, unemployment and/or workers' compensation benefits that may accrue while the Municipality was a party to this Agreement.

7. INDEMNIFICATION

- A. This Agreement is by and between the Municipalities which have executed it with the understanding that it is intended for their mutual benefit and is not intended to confer any express or implied benefits on any other person or entity. This Agreement is not intended to confer third-party beneficiary status on any person or entity.
- B. It is expressly understood that the services provided hereunder are deemed for public and governmental purposes and all privileges and immunities from liability enjoyed by the Municipalities shall extend to their participation hereunder and to the activities so undertaken to the fullest extent provided by law.
- C. Notwithstanding the final sentence of G.L. c. 40, §4A, to the extent permitted by law, each Municipality (the “Indemnifying Municipality”) separately agrees to indemnify the Lead Party, including all officials, officers, employees, agents, servants and representatives, from and against any claim arising out of the duties performed by the Conservation Agent pursuant to this Agreement in or on behalf of the Indemnifying Municipality for any claim of liability, loss, damages, costs and expenses for personal injury or damage to real or personal property by reason of any negligent act or omission by the Conservation Agent while performing services for the Indemnifying Party. As to any claim or occurrence, the express indemnification set forth above shall be limited to the services provided by Conservation Agent for the specified Municipality.
- D. An Indemnifying Municipality’s obligation to indemnify under this Section shall be limited to and benefited by the immunities or limitations of damages which may be extended to them by operation of law. Furthermore, the Indemnifying Municipalities shall not be liable for any claims arising from the following:
 - a) Violations of state or federal civil rights statutes;
 - b) Violations of state or federal discrimination statutes;
 - c) Wrongful termination claims;
 - d) Violations of any state or federal statute dealing with employment practices; and
 - e) Claims that are covered by any insurance policy.

8. ASSIGNMENT

No party shall assign or transfer any of its rights or interests in or to this Agreement, or delegate any of its obligations hereunder, without the prior written consent of the others.

9. CONFLICT RESOLUTION

The Town Manager/Administrator of the Municipalities shall confer periodically with one another and with their respective Conservation Commissions (or designees) in order to address matters of policy, operations and logistics as may be necessary. The Municipalities may hold additional meetings to discuss and resolve any conflicts that may arise including, but not limited to, disagreements regarding the needs of each Municipality and changes to the Staffing Schedule or Fee Schedule. Both Municipalities must agree, acting through their Boards of Selectmen/Select Boards, on any recommendations to adjust the Staffing Schedule or Fee Schedule or resolve a conflict.

10. AMENDMENTS

Except as otherwise expressly provided, this Agreement may be amended only by the unanimous written consent of all of the Municipalities as of the date of the Amendment. A proposed amendment must be approved by the governing body of each Party to be effective.

11. SEVERABILITY AND COMPLIANCE WITH APPLICABLE LAW

Should any term, portion, or provision of this Agreement or the application thereof to any person or circumstances be in conflict with any local, state or federal law or otherwise be rendered unenforceable or ineffectual the validity of the remaining parts terms portions or provisions or the application thereof to other persons or circumstances shall be deemed severable and shall not be affected thereby. The Municipalities further intend for this Agreement to be modified to comply with any applicable local, state or federal law should it be determined not to be in compliance and to remain binding between them as so modified. In particular, but without limiting the generality of the foregoing, the Municipalities intend for this Agreement to remain binding against each of them notwithstanding any legal requirement that would alter the term hereof or change the way in which any party is required to pay its share of assessments. The Municipalities will remain bound hereunder subject to such modified terms.

12. NOTICES

Any notice permitted or required hereunder to be given or served on either Municipality shall be in writing signed in the name of or on behalf of the party giving or serving the same. Notice shall be deemed to have been received at the time of actual receipt of any hand-delivery, upon the date of verified delivery by courier of package delivery service, or three (3) business days after the date of any properly addressed notice sent by mail as set forth below:

For WEST NEWBURY: Town of West Newbury
ATTN: Town Manager
381 Main Street
West Newbury, MA 01985

For MERRIMAC: Town of Merrimac
ATTN: Town Administrator
2 School Street
Merrimac, MA 01860

13. MISCELLANEOUS PROVISIONS

- A. Entire Understanding: This Agreement represents the entire understanding of the Municipalities with respect to its subject matter.

- B. Governing Law. This Agreement shall be governed by the laws of the Commonwealth of Massachusetts and venue for any action shall be in the Superior Court of Essex County.
- C. Binding Effect. All of the terms and provisions of this Agreement shall be binding on and inure to the benefit of and be enforceable by the respective parties hereto, their successors and assigns.
- D. Headings. The headings used herein are for convenience only and shall not be considered in any interpretation of any disputes over the terms of this Agreement.
- E. Joint Drafting. Each Municipality acknowledges that it has participated equally in the drafting of this Agreement and that each has or had consulted with legal counsel of its own choosing in entering into this agreement.

IN WITNESS WHEREOF, the Parties have caused this agreement to be executed and attested by their proper officers hereunto duly authorized and their official seals to be hereto affixed as of the day and year first above written.

For the TOWN OF WEST NEWBURY

By: Angus Jennings Date: 9/29/21

Angus Jennings, Town Manager
Title:

Duly authorized
by vote of Select Board on August 9, 2021

For the TOWN OF MERRIMAC

By: B. S. B. Date: 9/28/21

Chair, BOS
Title:

**Conservation Agent Shared Services
FY23 Cost Allocation**

Combined # Hours	40
Weeks in FY23	52.2
F.I.C.A.	1.45%
FY23 ERRS Appropriation	29%
Hourly pay rate	\$ 28.5928

Payment Schedule

Budget

Wage	\$ 59,701.77
Health Insurance	\$ -
FICA	\$ 865.68
ERRS	\$ 17,313.51
Travel/Training	\$ 3,528.00
Total Cost	\$ 81,408.95
Less Health Ins.	* \$ -
Shared Cost	\$ 81,408.95

1-Aug	\$ 6,360.08
(Jul - Sep)	
1-Nov	\$ 6,360.08
(Oct - Dec)	
1-Feb	\$ 6,360.07
(Jan - Mar)	

Municipality

West Newbury	27.5 \$ 55,968.66
Merrimac	12.5 \$ 25,440.30
Annualized total cost:	40.0 \$ 81,408.95

1-May	\$ 6,360.07
(Apr - Jun)	
FY23 Total:	<u><u>\$ 25,440.30</u></u>

**Note: West Newbury would pay all of Town share of employee health insurance (currently 65%) because employee would qualify for health insurance solely based hrs/wk in West Newbury.*



Jean M. Lorizio, Esq.
Commission Chairman

Commonwealth Of Massachusetts
Alcoholic Beverages Control Commission
95 Fourth Street, Suite 3
Chelsea, MA 02150-2358

G

2023
Retail License Renewal

License Number:	[REDACTED]	Municipality:	WEST NEWBURY
License Name :	Gn Enterprises Inc	License Class:	Annual
DBA :	West Newbury Pizza Company	License Type:	Restaurant
Premise Address:	282 Main Street West Newbury, MA 01985	License Category:	Wines and Malt
Manager:	Dennis Gikas		

I hereby certify and swear under penalties of perjury that:

1. I am authorized to sign this renewal pursuant to M.G.L. Chapter 138;
2. The renewed license is of the same class, type, category as listed above;
3. The licensee has complied with all laws of the Commonwealth relating to taxes; and
4. The premises are now open for business (if not, explain below).

Dennis Gikas
Signature

11/21/22
Date

Dennis GIKAS
Printed Name

President
Title

Additional Information:

Please complete and return this form to the Local Licensing Authority.





Jean M. Lorizio, Esq.
Commission Chairman

Commonwealth Of Massachusetts
Alcoholic Beverages Control Commission

95 Fourth Street, Suite 3
Chelsea, MA 02150-2358

2023
Retail License Renewal

License Number: [REDACTED] Municipality: WEST NEWBURY
 License Name : W Newbury Food Mart Inc License Class: Annual
 DBA : License Type: Package Store
 Premise Address: 275 Main Street West Newbury, MA 01985 License Category: All Alcoholic Beverages
 Manager: Elaine Fowler

I hereby certify and swear under penalties of perjury that:

1. I am authorized to sign this renewal pursuant to M.G.L. Chapter 138;
2. The renewed license is of the same class, type, category as listed above;
3. The licensee has complied with all laws of the Commonwealth relating to taxes; and
4. The premises are now open for business (if not, explain below).

Elaine M Fowler
Signature

11-17-22
Date

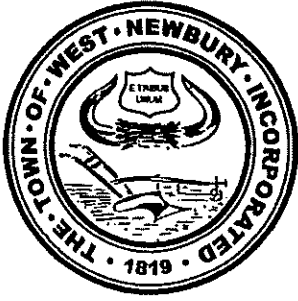
ELAINE M FOWLER
Printed Name

Treas
Title

Additional Information:

Please complete and return this form to the Local Licensing Authority.



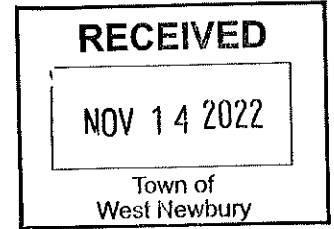


TOWN OF WEST NEWBURY

James RW Blatchford
Town Clerk

381 Main Street
West Newbury, MA 01985
978-363-1100 ext. 110
Townclerk@wnewbury.org

H



November 10, 2022

Richard Daher
Newburyport Automotive Inc.
330 Main Street
West Newbury, MA 01985

Re: Class II Used Licenses for 2023

Dear Mr. Daher:

Your Class II license will expire **January 1, 2023**. All documentation must be received no later than **December 12, 2022** as authorization for renewal will be considered by the Select Board December 19, 2022.

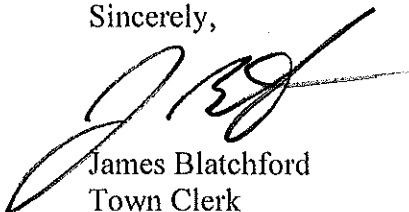
Please complete and return the enclosed documentation along with a copy of your Workers' Compensation Insurance policy and insurance bond. All Class II Used Car Dealer Licensees must hold a \$25,000 bond to obtain a dealer's license (MGL Ch.40 §58). The Town of West Newbury requires all Class II Licensees to include a copy of the bond to be placed on file. Additionally, please enclose a check for \$20.00 made payable to *Town of West Newbury* for the licensing fee.

Please mail or drop off the renewal documents to: Town Clerk's Office
381 Main St.
West Newbury, MA 01985

As you license will expire **January 1, 2023**, it is imperative to complete the renewal process before this date to remain in compliance with Massachusetts General Law, Massachusetts Registry of Motor Vehicles, and the Town of West Newbury.

If you have any questions, please contact the Clerk's Office at any time (978) 363-1100 ext 110 or email townclerk@wnewbury.org

Sincerely,



James Blatchford
Town Clerk



Town of West Newbury

381 Main Street, West Newbury, MA 01985 | 978-363-1100, Ext. 115 | selectmen@wnewbury.org

Class II Used Car License Applicants:

I certify under the penalties of perjury that I, to my best knowledge and belief, have filed all state tax returns and paid all state taxes required under law.

NewburyPort Automotive Inc.
*Signature of Individual
Or Corporate Name (Mandatory)

[Signature]
By: Corporate Officer

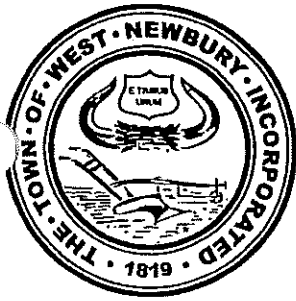
NewburyPort Automotive Inc. 330 Main Street
Print Name and Address

[Redacted]
**Social Security # or Federal ID #

11/14/2022
Date

*This license will not be issued unless the applicant signs this certification clause.

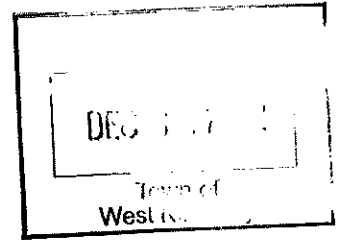
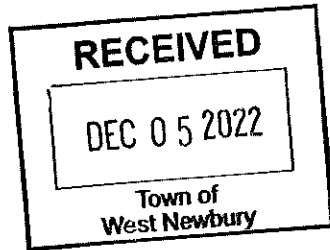
**Your social security number will be furnished to the Massachusetts Department of Revenue to determine whether you have met tax filing or tax payment obligations. Licensees who fail to correct their non-filing or delinquency will be subject to license suspension or revocation. This request is made under the authority of M.G.L. c. 62C s49A.



TOWN OF WEST NEWBURY

James RW Blatchford
Town Clerk

381 Main Street
West Newbury, MA 01985
978-363-1100 ext. 110
Townclerk@wnewbury.org



November 10, 2022

Rami Issa
RTI Enterprises, Inc.
289 Main Street
West Newbury, MA 01985

Re: Class II Used Licenses for 2023

Dear Mr. Issa:

Your Class II license will expire **January 1, 2023**. All documentation must be received no later than **December 12, 2022** as authorization for renewal will be considered by the Select Board December 19, 2022.

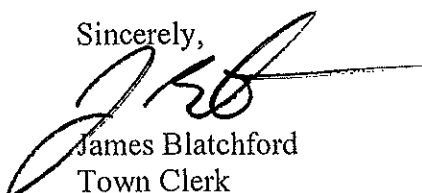
Please complete and return the enclosed documentation along with a copy of your Workers' Compensation Insurance policy and insurance bond. All Class II Used Car Dealer Licensees must hold a \$25,000 bond to obtain a dealer's license (MGL Ch.40 §58). The Town of West Newbury requires all Class II Licensees to include a copy of the bond to be placed on file. Additionally, please enclose a check for \$20.00 made payable to *Town of West Newbury* for the licensing fee.

Please mail or drop off the renewal documents to: Town Clerk's Office
381 Main St.
West Newbury, MA 01985

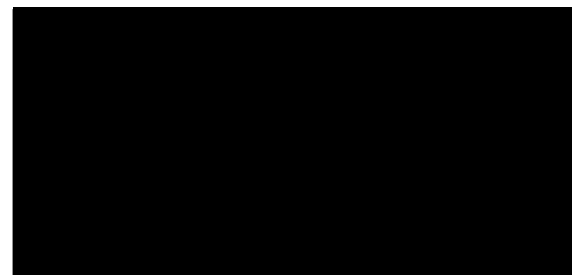
As your license will expire **January 1, 2023**, it is imperative to complete the renewal process before this date to remain in compliance with Massachusetts General Law, Massachusetts Registry of Motor Vehicles, and the Town of West Newbury.

If you have any questions, please contact the Clerk's Office at any time (978) 363-1100 ext 110 or email townclerk@wnewbury.org

Sincerely,



James Blatchford
Town Clerk





Town of West Newbury

381 Main Street, West Newbury, MA 01985 | 978-363-1100, Ext. 115 | selectmen@wnewbury.org

Class II Used Car License Applicants:

I certify under the penalties of perjury that I, to my best knowledge and belief, have filed all state tax returns and paid all state taxes required under law.

RTI Enterprises, Inc DBA Main Street Auto President
*Signature of Individual By: Corporate Officer
Or Corporate Name (Mandatory)

RTI Enterprises Inc, DBA Main Street Auto 289 Main St. West Newbury MA 01985
Print Name and Address

[Redacted]
**Social Security # or Federal ID #

11-28-22
Date

*This license will not be issued unless the applicant signs this certification clause.

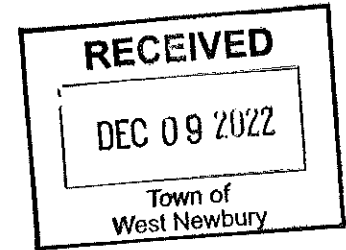
**Your social security number will be furnished to the Massachusetts Department of Revenue to determine whether you have met tax filing or tax payment obligations. Licensees who fail to correct their non-filing or delinquency will be subject to license suspension or revocation. This request is made under the authority of M.G.L. c. 62C s49A.



TOWN OF WEST NEWBURY

James RW Blatchford
Town Clerk

381 Main Street
West Newbury, MA 01985
978-363-1100 ext. 110
Townclerk@wnewbury.org



November 10, 2022

Mike Riley
Crane Neck Auto, LLC
5 Crane Neck Street
West Newbury, MA 01985

Re: Class II Used Licenses for 2023

Dear Mr. Riley:

Your Class II license will expire **January 1, 2023**. All documentation must be received no later than **December 12, 2022** as authorization for renewal will be considered by the Select Board December 19, 2022.

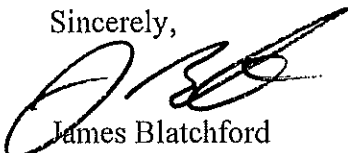
Please complete and return the enclosed documentation along with a copy of your Workers' Compensation Insurance policy and insurance bond. All Class II Used Car Dealer Licenses must hold a \$25,000 bond to obtain a dealer's license (MGL Ch.40 §58). The Town of West Newbury requires all Class II Licensees to include a copy of the bond to be placed on file. Additionally, please enclose a check for \$20.00 made payable to *Town of West Newbury* for the licensing fee.

Please mail or drop off the renewal documents to: Town Clerk's Office
381 Main St.
West Newbury, MA 01985

As your license will expire **January 1, 2023**, it is imperative to complete the renewal process before this date to remain in compliance with Massachusetts General Law, Massachusetts Registry of Motor Vehicles, and the Town of West Newbury.

If you have any questions, please contact the Clerk's Office at any time (978) 363-1100 ext 110 or email townclerk@wnewbury.org

Sincerely,



James Blatchford
Town Clerk



Town of West Newbury

381 Main Street, West Newbury, MA 01985 | 978-363-1100, Ext. 115 | selectmen@wnewbury.org

Class II Used Car License Applicants:

I certify under the penalties of perjury that I, to my best knowledge and belief, have filed all state tax returns and paid all state taxes required under law.

*Signature of Individual
Or Corporate Name (Mandatory)

By: Corporate Officer

MICHAEL RILEY 5 CRAWFORD AVE ST WEST NEWBURY MA 01985
Print Name and Address

[REDACTED]
**Social Security # or Federal ID #

12/5/22
Date

*This license will not be issued unless the applicant signs this certification clause.

**Your social security number will be furnished to the Massachusetts Department of Revenue to determine whether you have met tax filing or tax payment obligations. Licensees who fail to correct their non-filing or delinquency will be subject to license suspension or revocation. This request is made under the authority of M.G.L. c. 62C s49A.

Current form of application



TOWN OF WEST NEWBURY SELECT BOARD

I

381 Main Street, West Newbury MA 01985

Phone: 978-363-1100 Fax: 978-363-1117

selectboard@wnewbury.org

APPLICATION FOR APPROVAL OF ONE-DAY LIQUOR LICENSE

Name of person completing the application: _____

Address of applicant: _____

Event: _____

Date of event: _____ Starting and ending time of event: _____

Application for sale:

All alcoholic Beverages: _____

Wines and Malt Beverages Only _____

Wines Only: _____

Malt Beverages Only: _____

The activity is:

For profit: _____

Non-profit: _____

Signature of Applicant: _____

Date: _____

Received by: _____

Date: _____

Date to be reviewed by the Select Board: _____



Updated form of application

TOWN OF WEST NEWBURY SELECT BOARD

381 Main Street, West Newbury MA 01985

Phone: 978-363-1100 Fax: 978-363-1117

townclerk@wnewbury.org

APPLICATION FOR APPROVAL OF ONE-DAY LIQUOR LICENSE

Name of applicant: _____

Address of applicant: _____

Applicant phone number: _____ Applicant e-mail: _____

Name of Event: _____

Address of Event: _____

Date of event: _____ Rain Date: _____ Hours of event: _____

Is the event open to the General Public? Yes No

The entity is:

For profit: _____

Non-profit: _____ (certificate of nonprofit status required)

Application for sale of alcohol:

All alcoholic Beverages (nonprofit only): _____ (\$100)

Wines and Malt Beverages Only _____ (\$50)

Expected Number of people to attend: _____

Please describe the steps that will be taken to prohibit minors from the area alcohol will be served _____

MGL, CH. 138, § 14: The Local Licensing Authorities may issue special licenses for the sale of Wine and Malt Beverages to any enterprise; however, Special Licenses for the sale of All Alcoholic Beverages may ONLY be issued to Non-Profit Organizations (proof of non-profit status is required). A caterer must obtain a Special License when arranging for the delivery of alcohol on which they shall make a profit.

One day licensees MUST purchase Alcoholic beverages from an authorized source approved by the Alcoholic Beverages Control Commission (ABCC). Licensees CANNOT accept donations of alcohol from anyone. The purchase of alcoholic beverages from a package store is prohibited. A list of authorized sources can be found [here](#).

The Town of West Newbury requires all applicants to submit liquor liability insurance (\$1M/\$2M), Workers' Compensation Affidavit as required by M.G.L. Chapter 152, and proof of TIPS certification for all individuals who will sell, serve, or dispense alcoholic beverages.

NO PERSON shall be granted a one-day license more than 30 times in a calendar year.

TOWN OF WEST NEWBURY LIABILITY DISCLAIMER FOR ONE-DAY LIQUOR LICENSE

By exercising the privileges of this One-day Liquor License in serving persons with alcoholic beverages, the Licensee is potentially exposed to significant liability for injuries and damages to the persons served or to others who are injured or damaged by the persons served. Your acceptance and exercise of this Special One-day License will be deemed to be acknowledgment that you are aware of this potential liability. You are encouraged to discuss the risks associated with exercising your privileges of this One-day License and the appropriate precautions to avoid injuries, damage and liability to others with your legal advisor. The Town of West Newbury and the Select Board as the Local License Authority shall not be liable to the Licensee or to others if injury or damage shall result from the exercise of this One-day Liquor License. By signing this form, the Applicant acknowledges that he/she understands and will comply with all applicable liquor regulations set forth by the Alcoholic Beverages Control Commission and the Licensing Authority of the Town of West Newbury.

I certify under the pains and penalties of perjury that the above information is true and that I will comply with all applicable Alcohol Control Laws of the State of Massachusetts and policies of the Town of West Newbury.

Signature of Applicant: _____ Date: _____

FOR INTERNAL USE ONLY- APPROVALS AND CONDITIONS FOR LICENSE

Police Approval: _____

Police Detail Required Yes No

Conditions of Approval: _____

Fire Department Approval: _____

Fire Department Detail Required: Yes No

Board of Health Approval: _____

Approved by a vote of the Select Board: _____ Date: _____

Select Board Conditions of Approval: _____

Attest:

Town Clerk



Town of West Newbury Special Event Permit

Welcome and Instructions:

It is the goal of the Town of West Newbury to work with event managers and organizers to help ensure that the events taking place in our community are both safe and successful, while minimizing the impact on our residents and businesses. We hope that you find the instructions set forth in this manual helpful in planning and preparing to carry out your special event.

Please review the instructions, and rules and regulations governing special events. Complete the Special Event Application Form and submit it to the Town of West Newbury, ~~Board of Selectmen's Office~~ Town Clerk's Office, 381 Main Street, West Newbury, MA 01985.

Fulfilling the Guidelines for Special Events does not guarantee event approval. The Town of West Newbury reserves full discretion to approve, to disapprove or to limit any type of special event. If you have any questions, please contact the ~~Selectmen's Office~~ Town Clerk's Office at selectmen@wnewbury.org ~~Townclerk@wnewbury.org~~ or (978) 363-1100 ext. ~~415~~ 110.

Guidelines for Special Events

A **special event** is any activity that occurs upon public or private property that affects the ordinary use of parks, playgrounds, fields, buildings, public streets, rights-of-way or sidewalks. Special Events may include festivals, fairs, concerts, holiday celebrations, parades, athletic tournaments, road or bicycle races, etc.

Individuals or organizations wishing to hold events on public property, or on private property but which may have an impact on public property such as (but not limited to) roads and Town parks, within the Town limits must obtain a Special Event Permit from the Town of West Newbury. Event sponsors must submit a substantially complete application at a minimum of 60 (sixty) days before the event. If the application is submitted less than 60 days before the event, the applicant must pay a \$100 administrative fee or has the option of changing the date. The administrative fee applies to all for profit and nonprofit persons or organizations. The Town reserves the right to deny any application which it determines may create an undue burden on the Town's public safety departments and an undue nuisance to the Town and neighbors to the potential event.

Permit Posting: Special event permits shall be posted at greeting areas or main entrances at events. Event organizers and managers are reminded that they may be asked by Town staff to show proof of permit during the event.

Hours: Event activities are prohibited before 9:00 AM and after 10:00 PM in residential areas or such other hours as the ~~Board of Selectmen~~Select Board set forth. Loudspeakers, amplified music, bullhorn or public address systems during event hours are strictly regulated and must be specifically approved as a part of the permit. The ~~Board of Selectmen~~Select Board reserves the right to require other time restrictions depending on the type of event requested and the impact it may have on the Town and the abutting neighborhood(s).

Alcohol: Alcohol is prohibited on all Town of West Newbury public property, including buildings, parks, playgrounds, fields, etc without the written consent of the Select Board. A one-day liquor license may be granted, at the sole discretion of the ~~Board of Selectmen~~Select Board. In order to apply for a One Day Permit, applicants must provide a Certificate of Insurance, with the Town of West Newbury named as an Additional Insured, in the minimum amount of \$1,000,000 for each Occurrence and \$~~3~~2,000,000 General Aggregate for both General Liability and Liquor Liability, as a precondition for obtaining permits. For events larger than 250 people, applicants must also provide an Umbrella Coverage that would sit over both the General Liability and Liquor Liability. The Certificate of Insurance must include all coverage deemed necessary for the event, as specified by the Town of West Newbury and Town Manager, including an indemnification and hold harmless clause. This Certificate must be submitted to the ~~Board of Selectmen's~~Town Clerk's Office no later than ten (10) business days before the event. Special Event Permits will not be issued without submission of a Certificate of Insurance.

Restrooms/Trash/Cleanup: The Town of West Newbury may require event organizers to provide temporary toilet facilities. Temporary toilet facilities must be cleaned daily. Trash must be disposed of in approved containers. Daily trash pickup and disposal by the permit holder is required. The applicant must clean the right-of-way or public property of all rubbish and debris, returning it to its pre-event condition at the conclusion of the event. The event organizer may be required to arrange with the Department of Public Works for trash pickup and disposal, and to pay all costs associated with the aforementioned requirement. If the permit holder fails to clean up debris and trash within the specified period, cleanup will be arranged by the Town and all costs will be charged to the permit holder.

Traffic & Parking: Parking is permitted in designated areas only. The Police and Fire Departments require that all entries, exits and fire lanes be maintained. The Police Department reserves the right to require that detail officers be hired at the expense of the permit holder where deemed necessary by the Chief of Police.

Signs: Permits are required for temporary signs. No signs may be affixed to trees, buildings, or street fixtures.

Smoking: Smoking is not permitted in or on any public facility or on school grounds. "Smoking" includes carrying or having in one's possession a lighted or heated cigarette, cigar, or pipe, or a lighted or heated tobacco or plant product intended for human consumption through inhalation whether natural or synthetic in any manner or in any form. "Smoking" includes the use of an electronic smoking or "vaping" device.

Fireworks: Fireworks are not permitted without the prior approval of the West Newbury ~~Board of Selectmen~~Select Board and West Newbury Fire Department.

Tents: Tents require an inspection and permit from the Town of West Newbury Health, Building, and Fire Departments. Such structures require a flame-resistant certificate issued by an acceptable testing laboratory, and a site plan indicating a fire lane accessing the tent or trailer, a fire extinguisher on-site, and acknowledgement that no smoking, fireworks, or open flames will be permitted in or near the tent.

Security/Traffic Control: Events may require the hiring of police officers to provide for security and/or traffic control.

Police Detail: For indoor functions, a minimum of one police detail officer is required for up to one hundred guests. For indoor functions with greater than one hundred guests, a minimum of two police detail officers are required. For outdoor functions, a minimum of two police detail officers are required for every one hundred guests. Special Event Permit holders must contact the West Newbury Police Department at 978-363-1213 to coordinate detail officers at least ten (10) days prior to the event. All details must be paid for in advance of the event. At the sole discretion of the Chief of Police, the police department may require additional officers on site depending on the type of event, the location and other particulars.

Fire Watch Detail: For indoor functions where there are no working sprinklers, a fire watch detail is required. The fire chief will determine how many fire fighters will be required depending on the location and size of the event.

First Aid and Medical: Events may require provisions for first aid and medical personnel, including but not limited to Town of West Newbury Fire Department and/or the town's ambulance service. To be determined by the fire department prior to issuance of a Special Event Permit.

Enforcement: Town of West Newbury Police, Fire, or other staff so designated by the ~~Board of Selectmen~~Select Board may require that a resident, event employee or participant leave any park or public facility for violation of rules and regulations, and/or for violation of conditions applied by the ~~Board of Selectmen~~Select Board in their issuance of a Special Event Permit.

Insurance: All applicants must provide a Certificate of Insurance, with the Town of West Newbury named as an Additional Insured, in the minimum amount of \$1,000,000 for each Occurrence and \$~~3~~2,000,000 General Aggregate for commercial general liability as a precondition for obtaining permits. The Certificate of

Insurance must include all coverage deemed necessary for the event, as specified by the Town of West Newbury and Town Manager, including an indemnification and hold harmless clause in a form acceptable to Town Counsel. This Certificate and verification of Worker's Compensation Coverage must be submitted to the Town Manager's Office no later than ten (10) business days before the event. Special Event Permits will not be issued without submission of a Certificate of Insurance.

Additional Permitting and Cost Requirements: Depending upon the Special Event, additional permits may be required by Town of West Newbury Departments. These may include, but are not limited to, permits for temporary food preparation, athletic field use, field lighting, merchandise sales, raffle licenses, and indoor space needs. The organizers of the event are responsible for obtaining any additional permits or licenses and are responsible for any additional costs incurred by the Town of West Newbury as determined by representatives of each Town Department before the issuance of the Special Event Permit.

Special Event Application

Organization or Group _____

Person Making Reservation _____

Mailing Address _____

Phone _____ e-mail _____

Event Date: _____ Start Time _____ End _____

Time _____

Reason for Event _____

Number of attendees _____

Check Appropriate Block:

_____ Resident _____ Non-resident

_____ Fund Raising Group _____ Non-Profit _____ Commercial _____ Other

Submit your application (with all maps, diagrams and attachments as required).

Provide a Schedule of Events along with a Sketch Plan which addresses:

1. The location of the event on the property _____

2. For road or walk race, a detailed map of the route _____

3. Features and attractions _____

4. Participant circulation _____

5. Proposed parking including how you will handle overflow parking _____

6. Any proposed road closures _____

7. Location of trash receptacles and dumpsters_____

8. Location of temporary toilet facilities_____

9. Accessible routes for the disabled or mobility impaired_____

10. Locations, size and number of any tents, trailers or temporary structures

11. Location, size, and description of any signage or banners

12. If food will be served or sold at the event, you must contact the West Newbury Board of Health to discuss Food and Beverage regulations before you submit your application. If required, your food permit must be submitted before final approval of the Special Event.

13. If Police Details and/or Firefighters/EMTs will be required, contact the West Newbury Police Department and West Newbury Fire Department to secure services. Only Police Officers may direct traffic on town streets. Evidence that Police and/or Fire Personnel have been secured must be presented before the approval of the final Special Event Permit._____

14. Provide a Certificate of Insurance to the Town Manager’s Office no later than ten (10) business days before the event. Final Special Event Permits will not be issued without submission of a Certificate of Insurance_____

Name: _____ Event: _____

I/we agree and hold harmless and/or indemnify the said Town of West Newbury against any and all claims or liabilities for personal injury or property damage arising out of use of said property. If the application is submitted less than 60 days before the event, the applicant must pay a \$100 administrative fee or has the option of changing the date. The administrative fee applies to all for profit and nonprofit persons or organizations.

Individual/Authorized Signature for Group

Date

Chief of Police's Signature: _____ Date: _____

Requests and comments:

Fire Chief's Signature: _____ Date: _____

Requests and comments:

Approval granted if signed here by ~~Board of Selectmen~~ Select Board Date: _____

Chair

Requests and comments:

Town Manager

From: Town Manager
Sent: Wednesday, December 7, 2022 5:29 PM
To: Elisa Grammer; Elizabeth Callahan; Rick Parker; [REDACTED]; Nancy Pau;
[REDACTED]
Subject: Materials from today's mtg w Newburyport City Engineer, 1 of 2
Attachments: 1 Newburyport Climate Resiliency Plan 10-08-2020 FINAL.pdf

Please find attached – due to file size, 1 more email to follow.

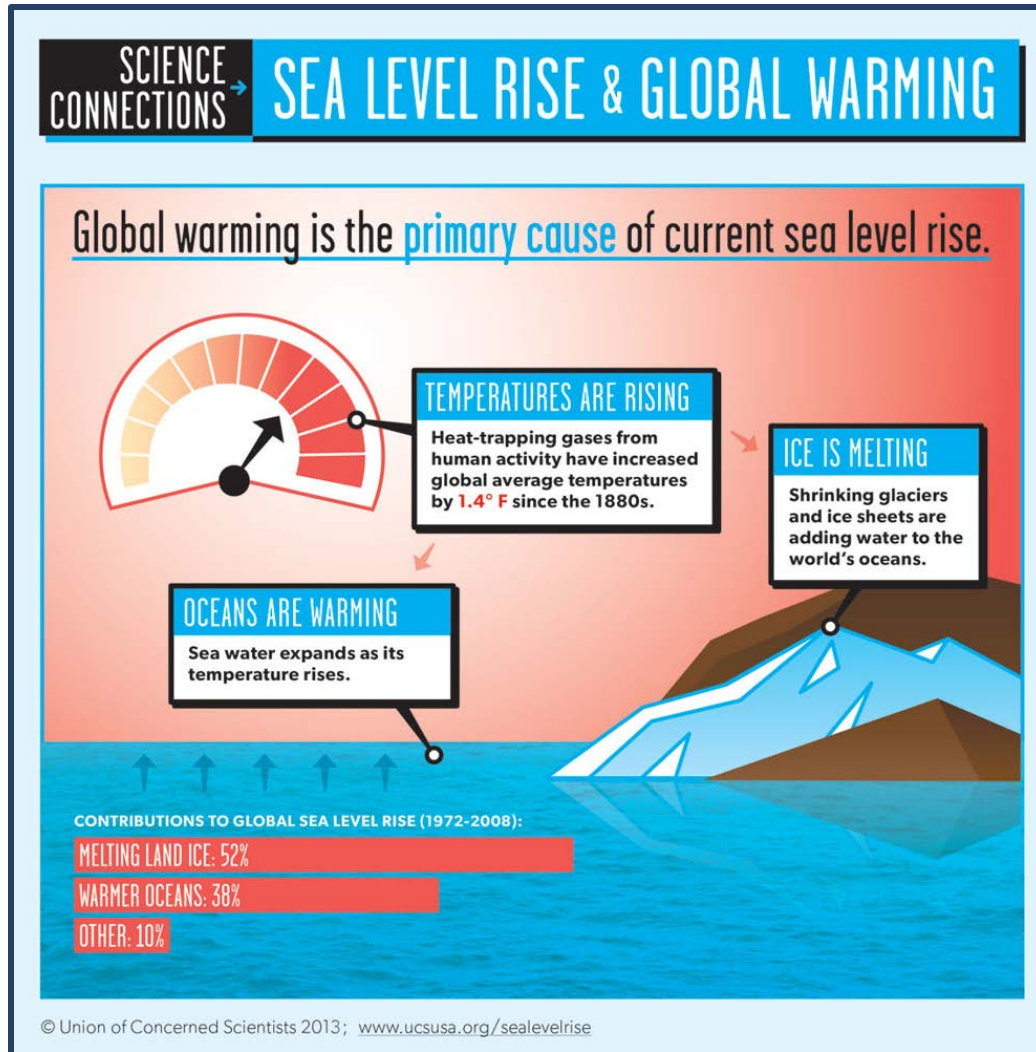


Figure 8. Sea Level Rise Causes

In general, sea level rise (SLR) projections are all based on those developed by NOAA through the U.S. Interagency Sea Level Rise Task Force which was charged with developing Global Sea Level Rise scenarios for the 2018 National Climate Assessment¹. Differences among sea level rise scenarios are based upon emissions assumptions and local factors. Output from the Interagency SLR report was used by the Boston Research Advisory Group (BRAG) to develop regional sea level rise scenarios for Boston². Due to the influence of regional-scale processes such as land subsidence, variations in the speed of the Gulf Stream, and the gravitational effect of melting ice sheets, Regional Sea Level Rise (RSLR) in Boston will likely exceed the global average throughout the 21st century, regardless of which emissions trajectory is followed. BRAG's RSLR projections for Boston are applicable to Newburyport not only because of geographic proximity (Boston lies only some 30 miles to the south), but also because an extensive panel of experts incorporated a suite of regional and global scale processes into the Global Sea Level Rise data used by the 2018 National Climate Assessment to develop RSLR projections for Boston.

¹ Global and Regional Sea Level Rise Scenarios for the United States. Sweet, W. V., R. E. Kopp, C. P. Weaver, J. Obeysekera, R. M. Horton, E. R. Thieler, and C. Zervas, 2017. NOAA, National Ocean Service.

² Climate Change and Sea Level Rise Projections for Boston. The BRAG Report June 1, 2016.

City of Newburyport, Massachusetts

Modeling Future Effects of Coastal Storms and Sea Level Rise

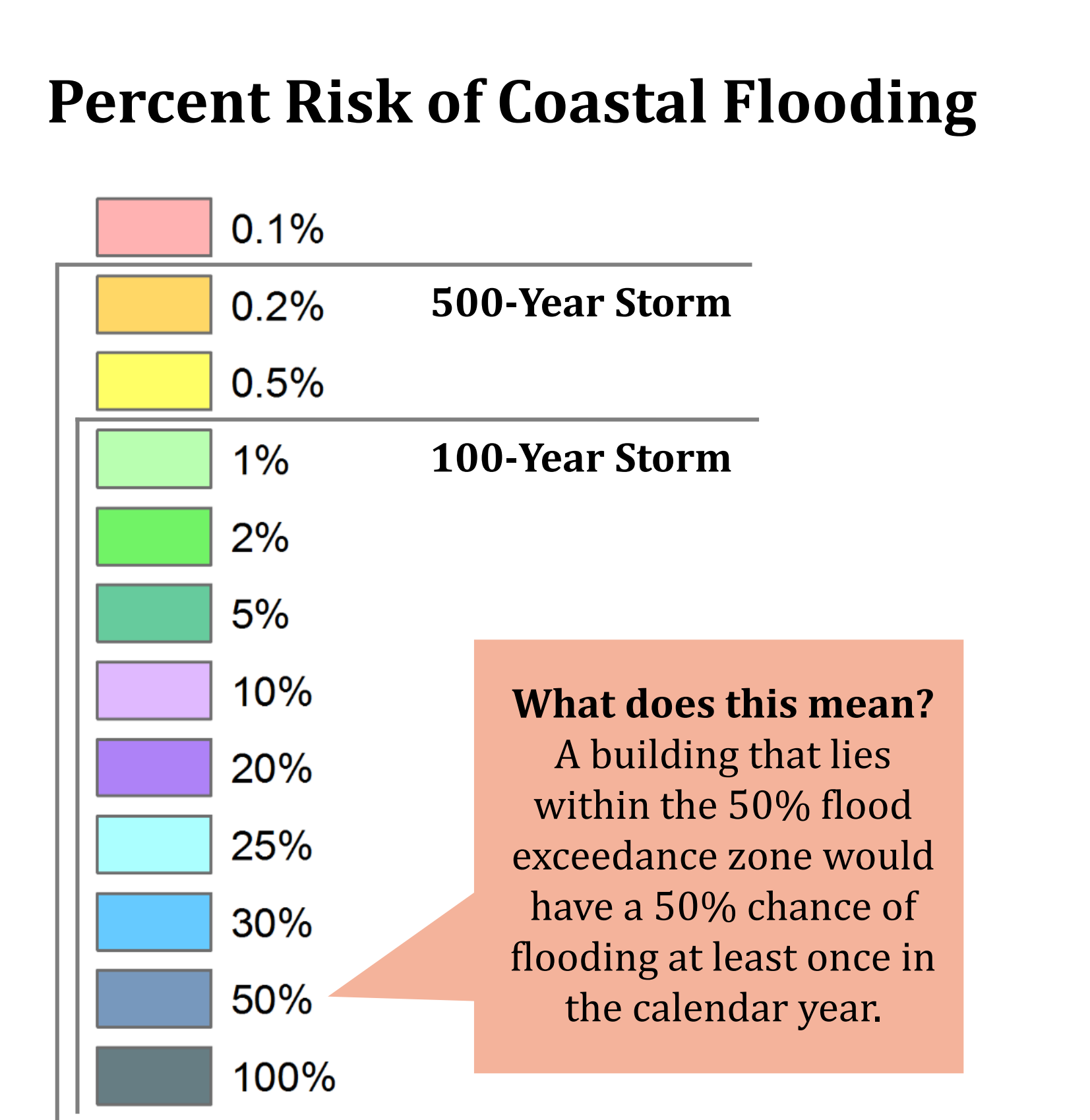
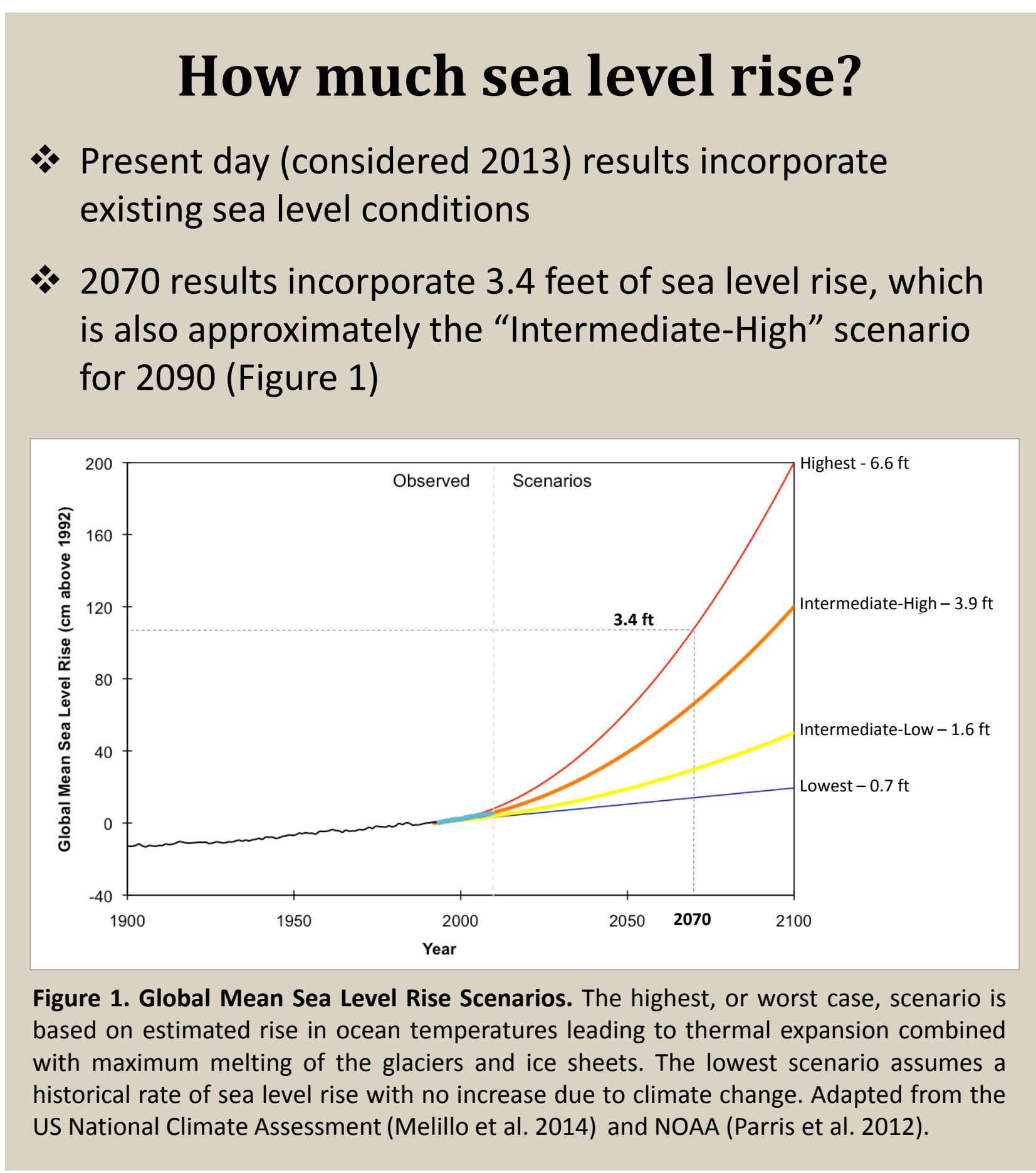
Introduction

Like many communities along the North Shore of Massachusetts, the City of Newburyport is vulnerable to climate-driven hazards, including sea level rise and storm surge. Predicted sea level rise and increased storm surge have the potential to significantly impact the city's coastal economy and the natural systems that the community depends upon. Understanding where and how these hazards are likely to impact the community is a necessary first step in addressing vulnerability.

Given its exposure to climate-driven hazards, the City of Newburyport took part in a mapping effort to identify areas that are particularly vulnerable to coastal inundation. This poster highlights the results of this effort and is intended to help support the City of Newburyport as it works to identify adaptation strategies that reduce its vulnerability to sea level rise and storm surge.

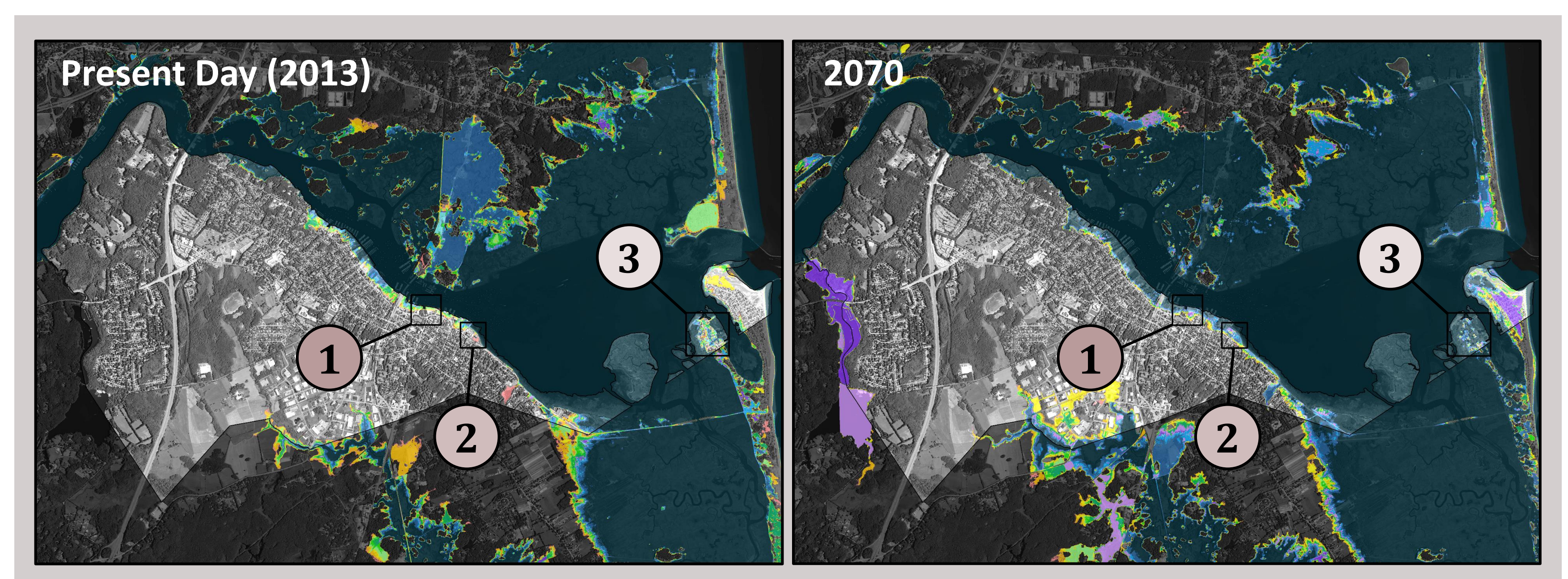
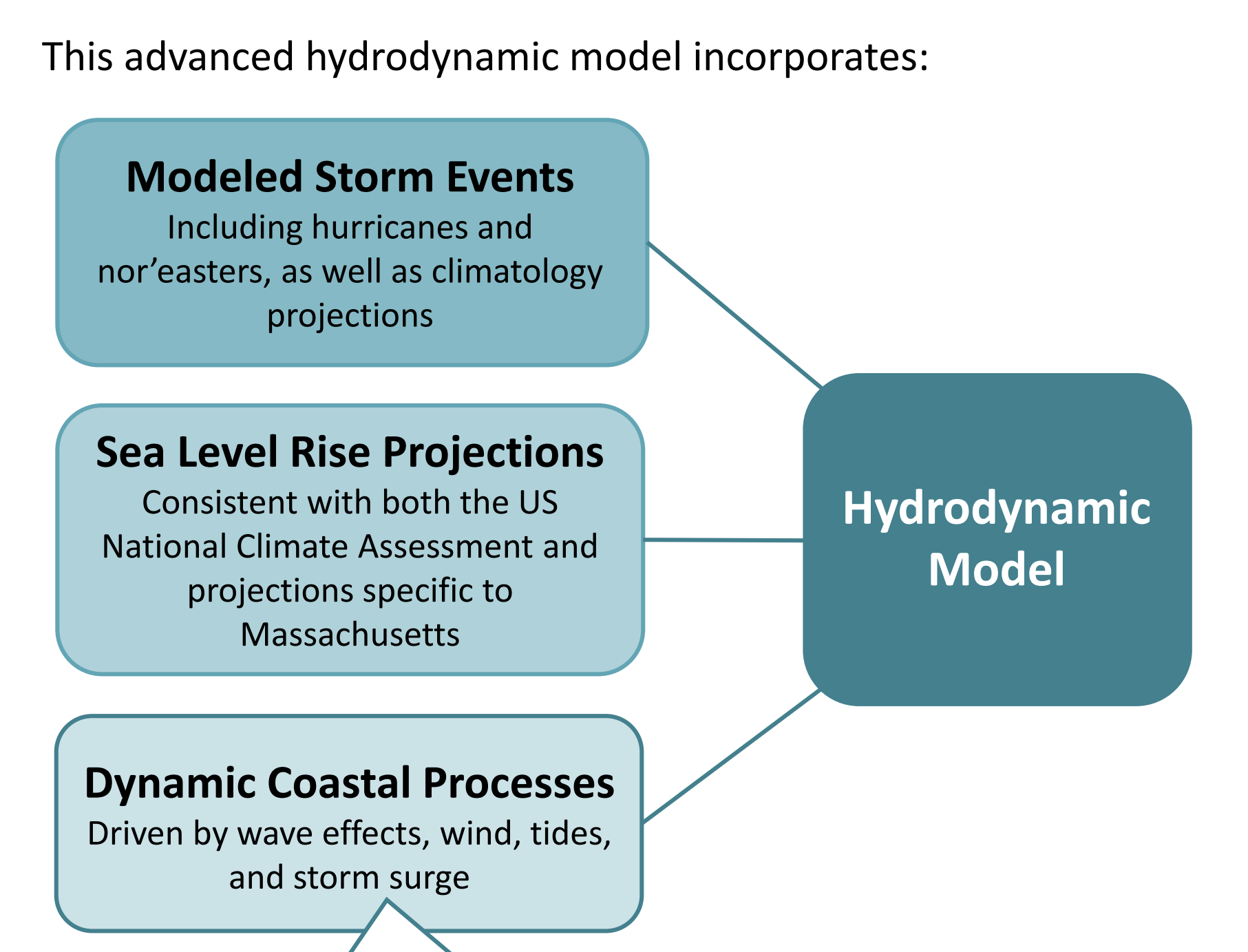
Coastal Inundation Probability

Probability of inundation is defined as the likelihood that at least 2 inches of flood water will encroach on the land at a particular location at least once in a calendar year. Note that the 1% probability of inundation shown on the present day maps (2013) roughly corresponds to the Federal Emergency Management Agency's (FEMA) 100-year storm.

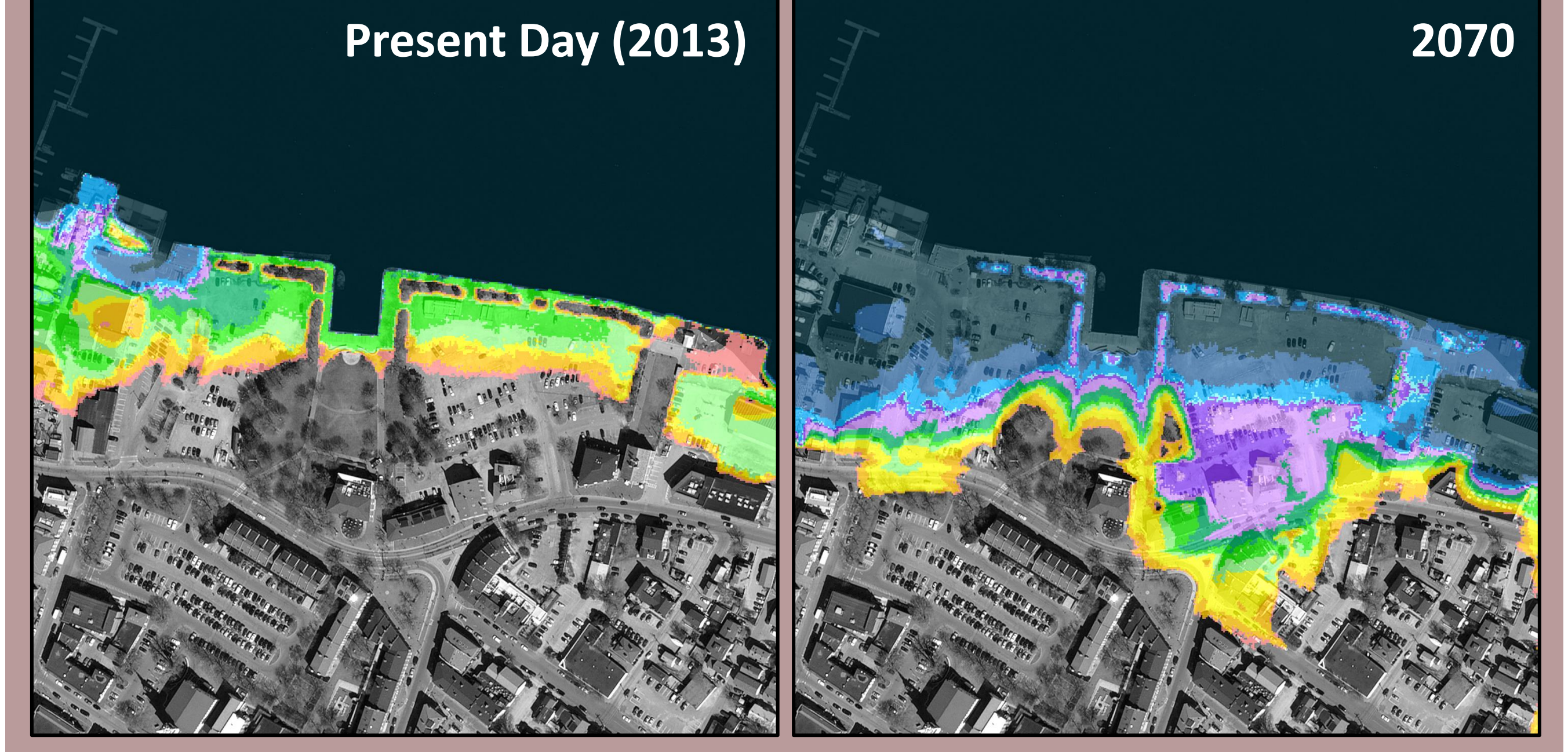


Mapping Coastal Flooding

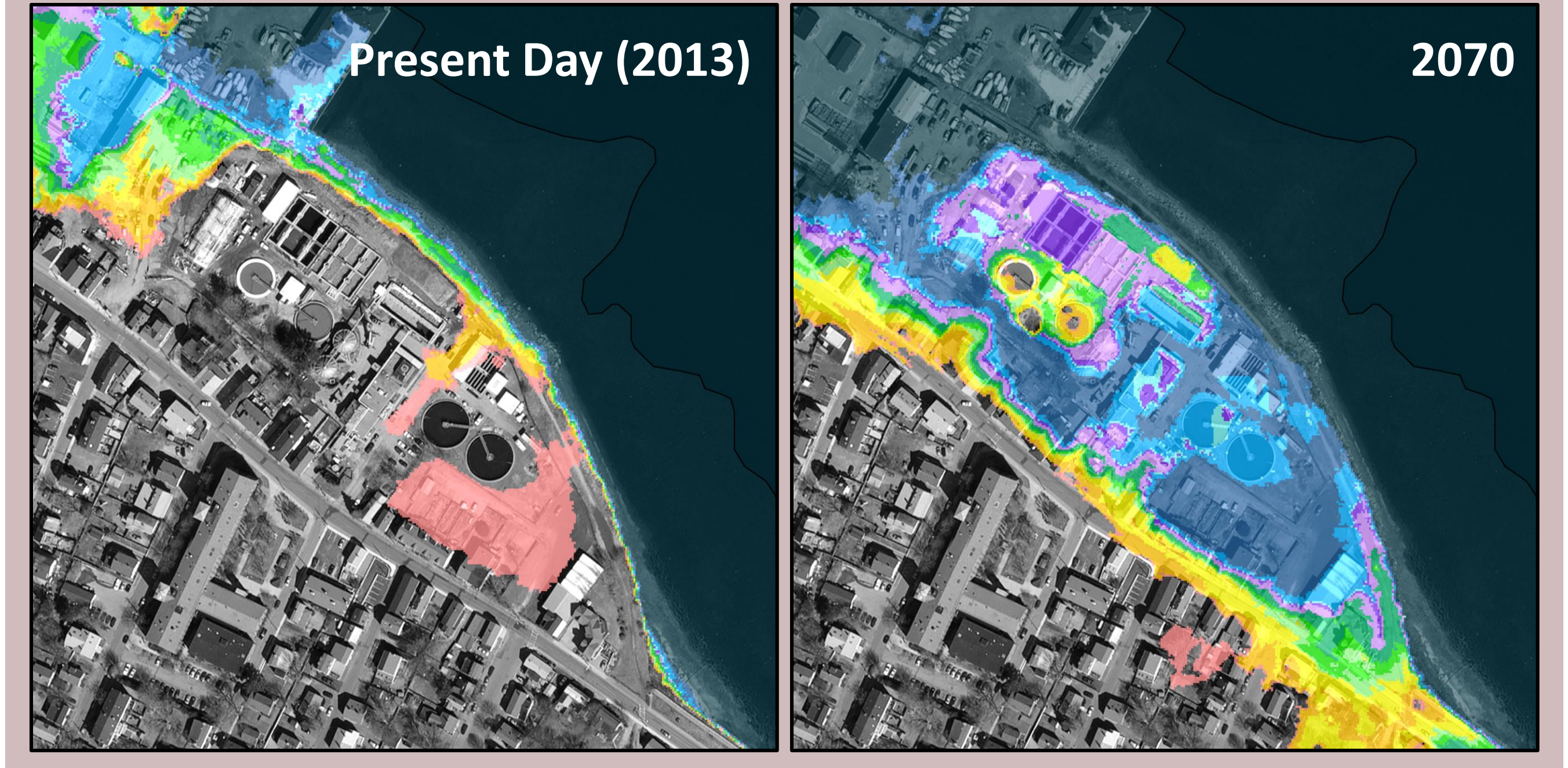
These maps illustrate current (2013) and future (2070) probability of coastal inundation in Newburyport, Massachusetts. Results are based on a hydrodynamic model developed for the Massachusetts Department of Transportation (Famely et al. 2016). Note: This data does not take into account inland freshwater flooding.



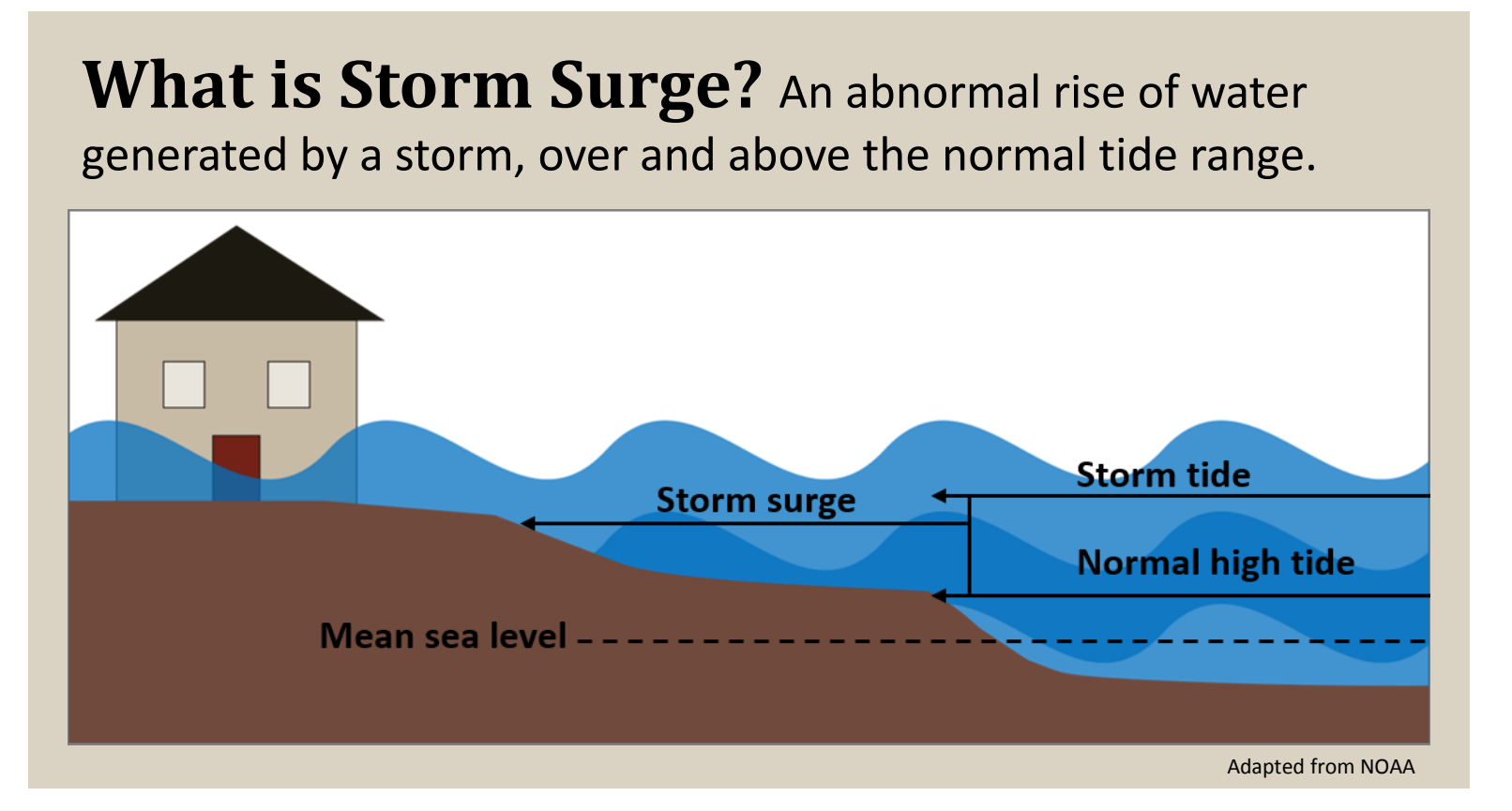
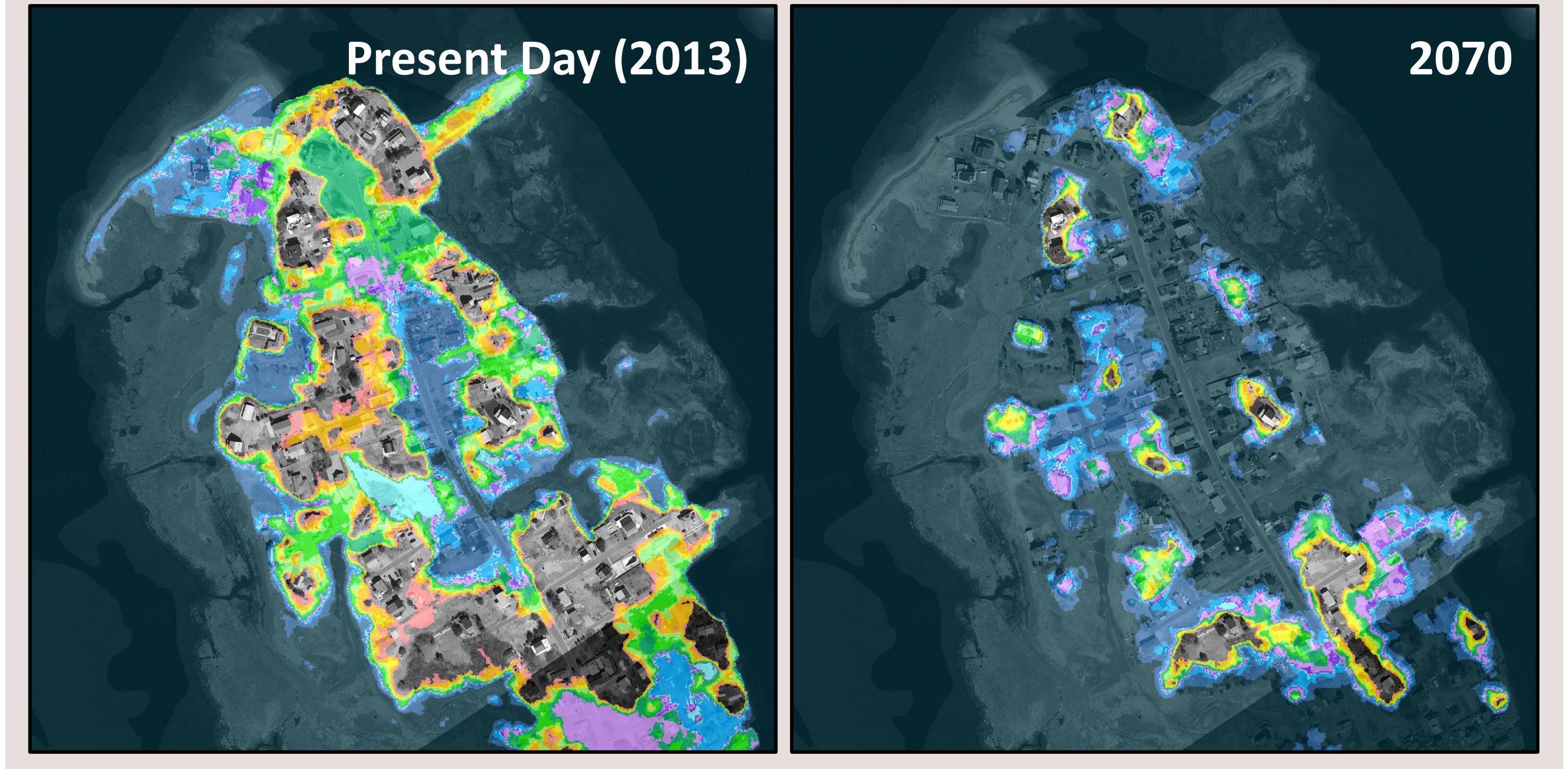
1 Central Waterfront



2 Waste Water Treatment Plant



3 Plum Island Old Point Neighborhood

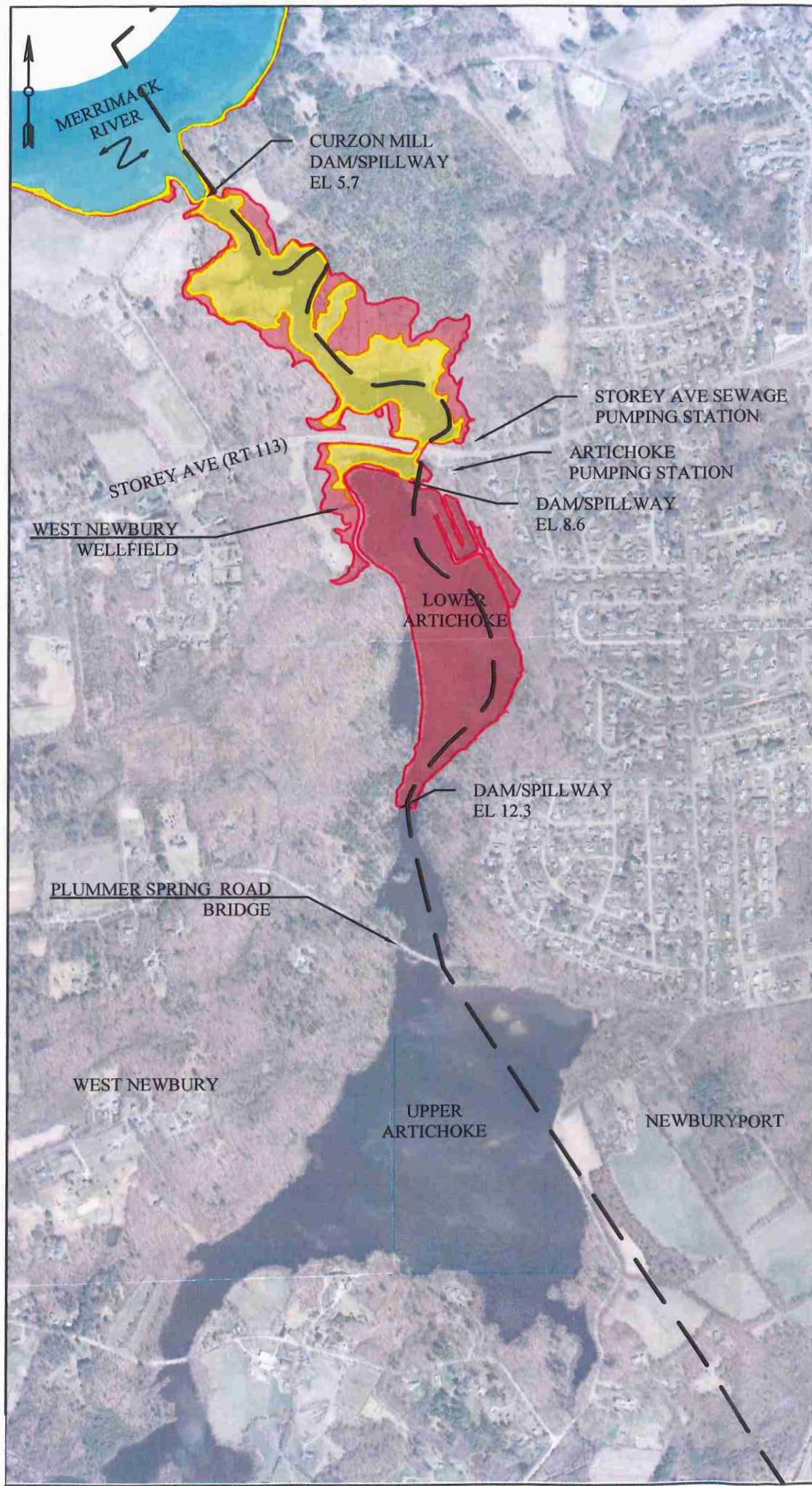


Created by the National Wildlife Federation with funding provided by the Massachusetts Office of Coastal Zone Management through their Coastal Community Resilience Grant Program.

Literature Cited
 Famely, J., K. Bosma and B. Hoffnagle. 2016. *Sea Level Rise and Storm Surge Inundation Mapping – Great Marsh Communities (Essex County, MA)*. Prepared by Woods Hole Group for National Wildlife Federation and U.S. Geological Survey.
 Melillo, J.M., T.C. Richmond, and G.W. Yohe, Eds. 2014. *Climate Change Impacts in the United States: The Third National Climate Assessment*. Washington, DC: U.S. Global Change Research Program, 841.
 Parris, A., P. Bromirski, V. Burkett, D. Cayan, M. Culver, J. Hall, R. Horton, K. Knutti, R. Moss, J. Obeysekera, A. Sallenger, and J. Weiss. 2012. *Global Sea Level Rise Scenarios for the United States National Climate Assessment*. NOAA Tech Memo OAR CPO-1. Silver Spring, MD: National Oceanic and Atmospheric Administration, 37.

Data Source: Bosma, K., E. Douglas, P. Kirshen, K. McArthur, S. Miller and C. Watson. 2016. *MassDOT-FHWA Pilot Project Report: Climate Change and Extreme Weather Vulnerability Assessments and Adaptation Options for the Central Artery*. Photo Science, Inc. (2012). State of Massachusetts (Raster DEM): LIDAR for the North East – ARRA and LIDAR for the North East Part II. (USGS Contract: G10PC00026, ARRA LIDAR Task Order Numbers) USGS Contract: G10PC00026 Task Order Number: G10PD02143 Task Order Numbers: G10PD01027 (ARRA) and G10PD02143 (non-ARRA). Aerial Imagery: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community. Coordinate System: NAD 1983 StatePlane Massachusetts Mainland FIPS 2001. Maps created by the National Wildlife Federation using: ArcGIS 10.3 for Desktop (v10.30.1332)

mHW + SLR



MEAN HIGH WATER with FUTURE SEA LEVEL RISE LOWER and UPPER ARTICHOKE RESERVOIRS

LEGEND

- MEAN HIGH WATER (MHW) (Current Day) █
- MHW + 2' SEA LEVEL RISE (2050) █
- MHW + 3' SEA LEVEL RISE (2070) █
- MHW + 6' SEA LEVEL RISE (2100) █
- CITY BOUNDARY

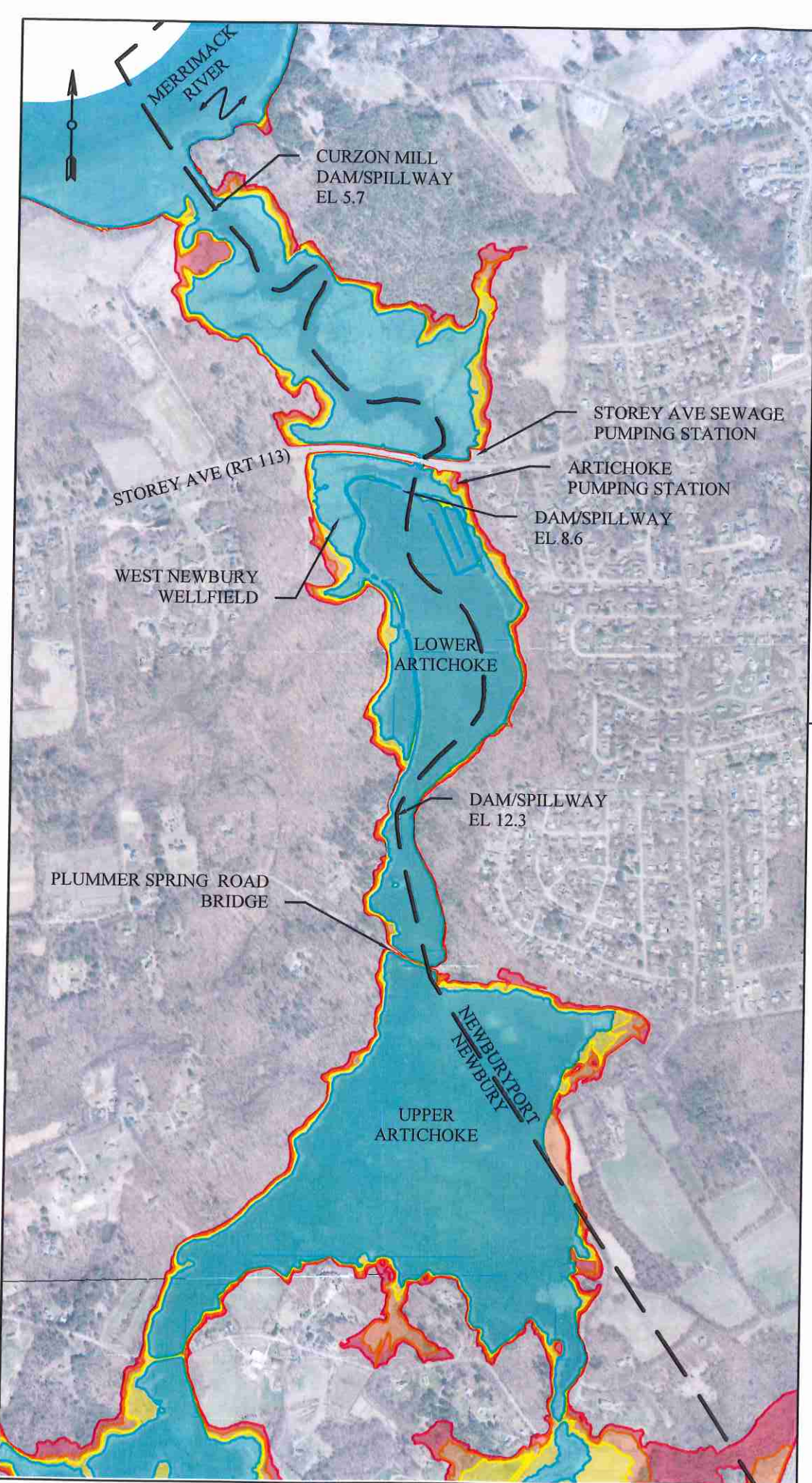
NOTE:
1. MHW = ELEVATION 5.0 ±



PREPARED BY:
CITY OF NEWBURYPORT
ENGINEERING DIVISION
DATE: OCT. 2019






DATA SOURCES:
MassGIS 2013/14 ORTHOMOSAIC and 2011 TOPOGRAPHIC DATA SETS
DATUM: NAVD88

FEMA + SLR



FEMA FLOOD INUNDATION MAPS with
FUTURE SEA LEVEL RISE
LOWER and UPPER ARTICHOKE
RESERVOIRS

LEGEND

FEMA +0'		(Current Day)
FEMA +2'		(2050)
FEMA +3'		(2070)
FEMA +6'		(2100)
CITY BOUNDARY		

NOTE:

1. FEMA = 100 YEAR BASE FLOOD ELEVATION (BFE)
2. FEMA FLOOD ZONE AREAS AS DEPICTED HEREIN ARE APPROXIMATE AS THEY COINCIDE WITH THE TOPOGRAPHIC ELEVATIONS PROVIDED BY MASSGIS. SEE DATA SOURCE REFERENCES. THESE FLOOD ZONES ARE FOR RESILIENCY PLANNING AND ILLUSTRATIVE PURPOSES ONLY AND SHALL NOT BE CONSTRUED AS OFFICIAL FLOOD ZONES. FOR OFFICIAL FLOOD ZONE LOCATIONS, REFER TO FEMA FLOOD INSURANCE RATE MAPS.



PREPARED BY:
CITY OF NEWBURYPORT
ENGINEERING DIVISION
DATE: OCT. 2019

DATA SOURCES:

MassGIS 2013/14 ORTHOMOSAIC and 2011 TOPOGRAPHIC DATA SETS
FEMA F.I.R.M'S JULY 3, 2012 and JULY 16th, 2014
DATUM: NAVD88



**Town of West Newbury
Select Board**

Monday, November 7, 2022 @ 7:00pm

381 Main Street, Town Office Building

www.wnewbury.org

Open Session Meeting Minutes-DRAFT

L

Open Session: Open Session was called to order at 7:15pm by Chairperson Archibald

Participation at the meeting:

David Archibald, Richard Parker, and Wendy Reed; *Select Board Members*

Angus Jennings, *Town Manager*

Bob Janes

Elisa Grammer

Rob Phillips

Kevin Bowe

Sue Brown, *Town Planner*

Announcements:

- This meeting is being broadcast on local cable TV and recorded for rebroadcast on the local cable channels and on the internet. Meeting also accessible by remote participation; see agenda for details.
- Call for volunteers! Open positions on Boards/Commissions/Committees. See www.wnewbury.org/volunteer
- Reminder to subscribe for emailed Town agendas/news/announcements at www.wnewbury.org/subscribe

Regular Business

A. Proposed Maintenance Program for Town-Owned Cemeteries; and request to install Elmer Burnham plaque – West Newbury Historical Commission

Bob Janes appeared before the Select Board in person (see exhibit A page 3-20 for details) and proposed spring and fall clean ups to be completed at the Quaker Cemetery. Janes estimated the cost for spring and fall maintenance would be \$800-\$2000 annually. Elisa Grammer appeared before the Select Board in person and recommended the fall clean up to commence once the ground had frozen in an effort to minimally disturb the soil. The Select Board, Janes, and Grammer discussed if the expense would be part of the Historical Commission budget or another department. Grammer stated the Historical Commission did not have the funds available in the current year budget and discussed DPW involvement as the cemetery was town-owned. The Select Board members stated that if the expense could not be covered out of the DPW budget this year, the the maintenance would need to be put on hold until it could be built into the budget the following year. The Select Board discussed the approval needed through the Conservation Commission and the filing fees associated with the request. It was determined the Select Board would pay the filing fee of \$150 as the land was under the care and custody of the Select Board. It was also determined the Historic Commission would be required to file a request every 3 years with the Conservation Commission.

Grammer proposed displaying the Elmer Burnham plaque in the gazebo off Bachelor Street close to Burnham Field in order to shelter it from the elements. The Select Board discussed displaying the plaque in the dugout instead of the gazebo. Jennings informed the Select Board they could recommend the placement of the plaque in the dugout but Park & Recreation would have the final approval. Jennings stated that if the plaque was to be placed in gazebo, the Select Board could vote to approve that placement location. **Archibald made a motion to recommend the plaque be placed in the dugout. Parker seconded.** Jennings stated Park & Recreation would be contacted and asked to place this item for discussion on the next meeting agenda. **Motion unanimously passed (3 Yes, 0 No, 0 Abstain).** **Reed made a motion to approve the RDA for work at the Quaker Cemetery and have the Town Manager sign on the Select Board's behalf. Parker seconded.** **Motion unanimously passed (3 Yes, 0 No, 0 Abstain).**

B. Process/timeline for Soldiers & Sailors procurement process

Jennings reviewed the zoning amendment article that did not pass at the Fall Town Meeting and asked if the Select Board's intent was to move forward with the disposition process (see exhibit B page 21-32 for details). The Select Board and Jennings discussed if a Zoning Board of Appeals finding would be required prior to the disposition and the need for a completed Historic Preservation Restriction.

Rob Phillips appeared before the Select Board in person and requested to stabilize the building to ensure no further deterioration would occur. Phillips stated that any investment made by the town to secure the building would make the property more attractive to future interested parties. Phillips stated that the current economic challenges could delay potential parties from moving forward with disposition. Phillips expressed concern surrounding the building potentially collapsing if structural stabilization did not take place and a buyer could not be found to purchase the building in its current state.

Ann O'Sullivan appeared before the Select Board in person in support of stabilizing the building as this would allow the town additional time to figure out what to do with the building. O'Sullivan stated that the

zoning would need to be addressed before a buyer could be secured. O’Sullivan suggested stabilizing the building and revisiting what to do with the building in the following years.

Kevin Bowe appeared before the Select Board in person and stated that a municipal use of the building was unlikely. Bowe expressed concerns surrounding the suggestion for the town hold onto the property and to revisit disposition in the following years.

Archibald stated the issues concerning the purpose of the building, parking, and the substandard lot size would remain the same in the years to come. Parker stated the opinion that the town should move forward with the disposition process and historic preservation. Jennings informed the Select Board that the disposition of the building would be labeled as a surplus and the Assessor would be asked to provide value of the property. Jennings stated that if an interested party did not move forward with procurement, the town could revisit disposition the following year as all of the required templates would be place. Archibald stated the topic was not an easily solvable problem and the Board would need to move on to other topics listed on the agenda. **No motion was made at this time.**

C. Update from recent site visit with MassDOT regarding proposed Rocks Village Bridge signage

Parker reviewed the site visit conducted with Wayne Amaral, DPW Director, and John Gregg, MassDOT Traffic Operations Engineer, of the proposed crash bar signage placement (see exhibit C page 33-38 for details). Parker stated the signage would not be visible from the adjacent houses and it would take roughly 9 months for MassDOT to create the sign. **No motion was made at this time.**

D. Recent award of One Stop Rural and Small Town grant to support planning efforts relative to MBTA Communities legislation – review of potential scope, budget and staffing/division of labor

Town Planner, Sue Brown, appeared before the Select Board remotely (see exhibit D page 39-43 for details). Brown stated the awarded grant was reviewed but the scope had not been determined. The Select Board, Jennings, and Brown discussed if the town should accept the grant in the full amount and the need to educate the community on the state mandate. Jennings stated the deadline for the action plan was January 31, 2023. Brown informed the Select Board that by meeting the deadline the town would be in compliance until the end of 2025. Brown and Jennings discussed the risk to the Housing Authority funding if compliance was not met. The Select Board requested Planning Board input and discussed accepting the grant in the full amount. Jennings discussed concerns on entering into the contract with the state until community support was determined. Discussion continued surrounding contacting the state to see if a multi-phase approach where funds could be used in incremental amounts would be possible. **No motion was made at this time.**

E. Discussion of Select Board priorities for discussion with Planning Board at Nov. 15 Planning Board meeting

The Select Board and Jennings reviewed the list of ongoing projects for the Planning Board to prioritize. Jennings stated a clear direction of priorities would improve communication between the Select Board and the Planning Board, as well as, provide clear direction for the new Town Planner. **No motion was made at this time.**

F. Request to authorize submittal of Safe Routes to Schools grant application to advance/implement recommendations from Route 113/Page School/Pipestave intersection safety audit

Jennings requested administrative approval to submit the Safe Routes to Schools grant application and for the Select Board to sign a letter of support (see exhibit F page 44-50 for details). Jennings stated the only change to the original scope was the extension of the sidewalk past the recycling area. Jennings informed the Select Board the submission deadline was November 18, 2022. **Parker made a motion to authorize submittal of grant application. Reed seconded. Motion unanimously passed (3 Yes, 0 No, 0 Abstain).** Jennings reviewed the list of committees, organizations, and individuals that would be asked to sign a letter of support. Reed suggested to add a youth sports organizations or Park & Recreation to the list. Jennings stated a draft of the letter of support would be brought before the board once completed.

G. Discussion of Pentucket Regional Agreement; recap of School Committee “State of the School District” meeting held on November 1st

The Select Board discussed the projected 14% increase in cost for out-of-district special education tuition (see exhibit G page 51-130 for details) and the economic challenges the district would face. The Select Board members discussed the format of the School Committee “State of the School District” meeting and provided feedback. Archibald stated multiple financial topics should have been discussed instead of focusing on one topic. Reed wished the meeting had been more interactive and asked if there would be an opportunity to specifically discuss the regional agreement. Archibald suggested to seek West Newbury Finance Committee comment and the Select Board could add further comment as needed. With one clear message from the town, West Newbury could then meet with Merrimac and Groveland to create a unified message to bring forth. Jennings stated the comments could be reviewed at the next Select Board meeting before approaching the other towns. **No motion was made at this time.**

H. Update and request for Board direction regarding proposed Whetstone Greenway project

Jennings gave a brief update and asked the Board if an area should be put aside for a future path to connect to the Follinsbee Lane neighborhood (see exhibit H page 132-162 for details). The Select Board discussed the new design and questioned why the design was more preferable as the construction cost would increase. Jennings gave a brief history of the project proposal brought before the previous Select Board and the CPC. The Select Board continued to discuss the changes in the design. It was decided to reach out to the Park & Recreation Chairperson for more information concerning the changes in the design. **No motion was made at this time.**

I. Review of proposed changes to FY23 staffing plan

Jennings explained this item would increase DPW support, include increased responsibilities, and to transfer funds from the Select Board salaries & wages into the Public Works salaries & budgets. **Parker made a motion to reduce the Select Board administrative hours from 22 hours to zero and increasing the DPW administrative hours from 15 to 34 hours per week. Archibald seconded. Motion unanimously passed (3 Yes, 0 No, 0 Abstain).**

J. Review employee requests for carry-over of unused FY22 vacation time until December 31, 2022 (cont'd from 10/24)

The Select Board reviewed the list of employee requests to carry-over unexpended FY22 vacation hours. **Archibald made a motion to carry forward the FY22 unexpended vacation hours through December 7, 2022. Parker seconded. Motion unanimously passed (3 Yes, 0 No, 0 Abstain).**

K. Review of request for early closure of Library on day before Thanksgiving

The Select Board and Jennings discussed how an early closure had been done in the past but had been announced that day. Discussion continued concerning how the early closure could be a union issue moving forward. **Archibald made a motion for the Town Manager to make the call for an early dismissal at his discretion. Parker seconded. Motion unanimously passed (3 Yes, 0 No, 0 Abstain).**

L. Request for approval of Dispatch Union contract

Items L, M, and N were taken together. Jennings reviewed the union contracts and stated the board had previously agreed to the MOU (see exhibit L page 163-182 for details). Jennings stated that one edit the Select Board had previously approved would be needed in each of the contracts and a finalized version would be made available once completed. **Parker made a motion to approve and sign the contracts when finalized version is available. Archibald seconded. Motion unanimously passed (3 Yes, 0 No, 0 Abstain).**

M. Request for approval of Police Union contract

See item L for details (exhibit M page 183-210).

N. Request for approval of Highway Union contract

See item N for details (exhibit N page 211-246).

O. Meeting minutes: October 25, 2021; October 3, 2022

Reed discussed clarification needed for the October 25, 2021 minutes and requested to strike one sentence (see exhibit O pages 247-252 for details). Parker abstained from voting on both sets of minutes. **Reed made a motion to accept the minutes from October 25, 2021 as amended. Archibald seconded. Motion unanimously passed (2 Yes, 0 No, 1 Abstain). Reed made a motion to accept the minutes from October 3, 2022. Archibald seconded. Motion unanimously passed (2 Yes, 0 No, 1 Abstain).**

Town Manager Updates

P. Update regarding Wage/Classification Study; process/timeline to finalize wage/classification study

Jennings stated the job descriptions had not been completed (see exhibit P page 253-254 for details) and recommended to place this item on the agenda for the special meeting the following Monday to discuss the descriptions, classifications, and comparable wages. **No motion was made at this time.**

Q. Updated report regarding West Newbury hiring/appointment authorities

Jennings stated the appendix had been updated and noted the Library Board of Trustees had delegated all appointments at the Library to the Library Director. **No motion was made at this time.**

R. Review of proposed updates to Capital Improvements Program

Jennings stated a draft had been circulated and the town was at a very good starting point (see exhibit R page 255-271 for details). Jennings informed the board it would be their decision which FY24 projects would be brought forward. **No motion was made at this time.**

S. Update from initial meeting of Page School Feasibility Study Working Group

Jennings stated a site visit was scheduled the following day (see exhibit S page 272-276 for details) and discussed creating a series of informational videos on the project. Jennings stated the working group would submit a recommendation for scope of work in December. **No motion was made at this time.**

T. Town Clerk report regarding October 24, 2022 Special Town Meeting

No update at this time.

U. Green Communities Annual Report submitted on November 4, 2022

Parker discussed the energy updates made to the Town Office Building and difference they had made to decrease the energy usage (see page 277-278 for details). **No motion was made at this time.**

V. Follow up meeting assignment; placing items for future agendas

The Select Board and Jennings discussed placing the Mill Pond design project, the pricing for the electronic vehicle stations, an update from the Police Chief with an annual report/statistics for the town, and an update on the Middle Street Bridge to an upcoming agenda.

Archibald made a motion to adjourn. Parker seconded. Motion unanimously passed (3 Yes, 0 No, 0 Abstain). Open session adjourned at 10:23pm.



**Town of West Newbury
Select Board
Monday, November 14, 2022 @ 7:00pm**
381 Main Street, Town Office Building
www.wnewbury.org

Open Session Meeting Minutes- DRAFT

Open Session: Open Session was called to order at 7:00pm by Chairperson Archibald

Participation at the meeting:

David Archibald, Richard Parker, and Wendy Reed *Select Board Members*
Angus Jennings, *Town Manager*
James Blatchford, *Town Clerk*

Announcements:

- This meeting is being broadcast on local cable TV and recorded for rebroadcast on the local cable channels and on the internet. Meeting also accessible by remote participation; see agenda for details.
- Call for volunteers! Open positions on Boards/Commissions/Committees. See www.wnewbury.org/volunteer
- Reminder to subscribe for emailed Town agendas/news/announcements at www.wnewbury.org/subscribe

Regular Business

A. Review of draft work products from Wage/Classification Study; process/timeline to finalize study

Jennings updated the Select Board on the progress of the draft job descriptions and stated eight position descriptions remained to be reviewed. Jennings stated the draft job descriptions would be circulated to staff for comment and hoped to discuss finalization at the December 5th meeting. Jennings hoped any rate changes could be approved at the December 19th meeting in order for retroactive pay to be included in employee 2022 tax documentation. **No motion was made at this time.**

B. Follow up meeting assignment; placing items for future agendas

No items were noted to be placed on future agendas.

Archibald made a motion to adjourn open session and to return to executive session. Parker seconded. Motion unanimously passed (3 yes, 0 No, 0 Abstain). Open session adjourned at 7:07pm.

Town Manager

From: [REDACTED]
Sent: Tuesday, December 13, 2022 2:05 PM
To: Town Accountant; Finance Admin; Town Manager; Town Treasurer; Selectboard; Christian Kuhn; Assistant Assessor; [REDACTED]
Cc: [REDACTED]
Subject: Tax Rate Approval Notification - West Newbury - 2023

Massachusetts Department of Revenue Division of Local Services

Geoffrey E. Snyder, Commissioner of Revenue
Sean R. Cronin, Senior Deputy Commissioner of Local Services

West Newbury Assessors

Date: 12/13/2022

Dear Assessors:

The Fiscal Year 2023 tax rate has been certified by the Bureau of Accounts for West Newbury.

The four pages of the Tax Rate Recapitulation form and the Levy Limit worksheet (not applicable to districts) are available on the Division of Local Services website:

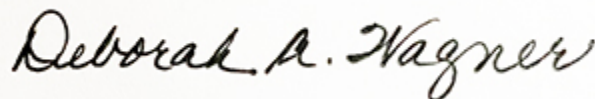
[Tax Rate Recapitulation Form](#)

[Levy Limit Worksheet](#)

Page one of the Tax Rate Recapitulation form includes the Director of Accounts' electronic signature and the date of approval. This letter is your notification of approval pursuant to Massachusetts General Laws Chapter 59, section 23. Please forward copies of this notification to other officials as you deem appropriate.

We wish to thank you for your cooperation and assistance in the tax rate setting process.

Sincerely,



Deborah A. Wagner

Director of Accounts
Massachusetts Department of Revenue

This email and any files transmitted with it are confidential and intended solely for the use of the individual or entity to whom they are addressed. If you have received this mail in error please notify the postmaster at dor.state.ma.us.

TAX RATE RECAPITULATION

Fiscal Year 2023

I. TAX RATE SUMMARY

la. Total amount to be raised (from page 2, IIe)	\$ 20,459,722.81
lb. Total estimated receipts and other revenue sources (from page 2, IIIe)	5,123,133.32
lc. Tax Levy (Ia minus Ib)	\$ 15,336,589.49
ld. Distribution of Tax Rates and levies	

CLASS	(b) Levy percentage (from LA5)	(c) Ic above times each percent in col (b)	(d) Valuation by class (from LA-5)	(e) Tax Rates (c) / (d) x 1000	(f) Levy by class (d) x (e) / 1000
Residential	97.3510	14,930,323.23	1,353,610,071.00	11.03	14,930,319.08
Net of Exempt					
Open Space	0.0000	0.00	0.00	0.00	0.00
Commercial	0.8151	125,008.54	11,333,470.00	11.03	125,008.17
Net of Exempt					
Industrial	0.2040	31,286.64	2,837,100.00	11.03	31,293.21
SUBTOTAL	98.3701		1,367,780,641.00		15,086,620.46
Personal	1.6299	249,971.07	22,662,650.00	11.03	249,969.03
TOTAL	100.0000		1,390,443,291.00		15,336,589.49

MUST EQUAL 1C

Signatures

Assessors

[Loretta A Harrigan, Board of Assessors , West Newbury , chief.assessor@wnewbury.org 978-363-1100 | 11/28/2022 1:14 PM](#)

Comment: yes

[Jenn Poliseno, Board of Assessors , West Newbury , chief.assessor@wnewbury.org 978-363-1100 | 12/1/2022 1:19 PM](#)

Comment: yes

[Richard Baker, Board of Assessors , West Newbury , chief.assessor@wnewbury.org 978-363-1100 | 12/1/2022 1:54 PM](#)

Comment: Yes

Documents

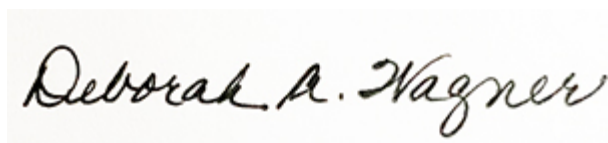
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Do Not Write Below This Line --- For Department of Revenue Use Only

Reviewed By: Bobbi Colburn
Date: 12/13/2022
Approved: Andrew Nelson
Director of Accounts: Deborah A. Wagner

TAX RATE RECAPITULATION

Fiscal Year 2023

A handwritten signature in black ink on a light beige rectangular background. The signature reads "Deborah A. Wagner" in a cursive script.

TAX RATE RECAPITULATION**Fiscal Year 2023****II. Amounts to be raised**

Ila. Appropriations (col.(b) through col.(g) from page 4)		20,354,947.81
Ilb. Other amounts to be raised		
1. Amounts certified for tax title purposes	0.00	
2. Debt and interest charges not included on page 4	0.00	
3. Final Awards	0.00	
4. Retained Earnings Deficit	0.00	
5. Total cherry sheet offsets (see cherry sheet 1-ER)	9,893.00	
6. Revenue deficits	0.00	
7. Offset receipts deficits Ch. 44, Sec. 53E	0.00	
8. CPA other unappropriated/unreserved	0.00	
9. Snow and ice deficit Ch. 44, Sec. 31D	0.00	
10. Other :	0.00	
TOTAL Ilb (Total lines 1 through 10)		9,893.00
Ilc. State and county cherry sheet charges (C.S. 1-EC)		84,882.00
Ild. Allowance for abatements and exemptions (overlay)		10,000.00
Ile. Total amount to be raised (Total Ila through Ild)		20,459,722.81

III. Estimated receipts and other revenue sources

IIIa. Estimated receipts - State		
1. Cherry sheet estimated receipts (C.S. 1-ER Total)	438,821.00	
2. Massachusetts school building authority payments	0.00	
TOTAL IIIa		438,821.00
IIIb. Estimated receipts - Local		
1. Local receipts not allocated (page 3, col (b) Line 24)	1,389,493.51	
2. Offset Receipts (Schedule A-1)	0.00	
3. Enterprise Funds (Schedule A-2)	1,032,148.00	
4. Community Preservation Funds (See Schedule A-4)	674,050.00	
TOTAL IIIb		3,095,691.51
IIIc. Revenue sources appropriated for particular purposes		
1. Free cash (page 4, col (c))	542,531.81	
2. Other available funds (page 4, col (d))	796,089.00	
TOTAL IIIc		1,338,620.81
IIId. Other revenue sources appropriated specifically to reduce the tax rate		
1a. Free cash..appropriated on or before June 30, 2022	0.00	
1b. Free cash..appropriated on or after July 1, 2022	250,000.00	

TAX RATE RECAPITULATION

Fiscal Year 2023

2.	Municipal light surplus	0.00	
3.	Other source :	0.00	
	TOTAL III d		<u>250,000.00</u>
III e.	Total estimated receipts and other revenue sources		<u>5,123,133.32</u>
	(Total III a through III d)		
IV.	Summary of total amount to be raised and total receipts from all sources		
a.	Total amount to be raised (from II e)		<u>20,459,722.81</u>
b.	Total estimated receipts and other revenue sources (from III e)	<u>5,123,133.32</u>	
c.	Total real and personal property tax levy (from I c)	<u>15,336,589.49</u>	
d.	Total receipts from all sources (total IV b plus IV c)		<u>20,459,722.81</u>

TAX RATE RECAPITULATION

Fiscal Year 2023

LOCAL RECEIPTS NOT ALLOCATED *

	Receipt Type Description	(a) Actual Receipts Fiscal 2022	(b) Estimated Receipts Fiscal 2023	Percentage Change
==>	1. MOTOR VEHICLE EXCISE	858,791.33	870,000.00	1.31
	2. OTHER EXCISE			
==>	a.Meals	0.00	0.00	0.00
==>	b.Room	0.00	0.00	0.00
==>	c.Other	2,075.89	1,800.00	-13.29
==>	d.Cannabis	0.00	0.00	0.00
==>	3. PENALTIES AND INTEREST ON TAXES AND EXCISES	70,988.04	55,000.00	-22.52
==>	4. PAYMENTS IN LIEU OF TAXES	89,828.82	20,000.00	-77.74
	5. CHARGES FOR SERVICES - WATER	0.00	0.00	0.00
	6. CHARGES FOR SERVICES - SEWER	0.00	0.00	0.00
	7. CHARGES FOR SERVICES - HOSPITAL	0.00	0.00	0.00
	8. CHARGES FOR SERVICES - SOLID WASTE FEES	0.00	0.00	0.00
	9. OTHER CHARGES FOR SERVICES	0.00	0.00	0.00
	10. FEES	0.00	0.00	0.00
	a.Cannabis Impact Fee	0.00	0.00	0.00
	b.Community Impact Fee Short Term Rentals	0.00	0.00	0.00
	11. RENTALS	161,014.14	161,014.00	0.00
	12. DEPARTMENTAL REVENUE - SCHOOLS	0.00	0.00	0.00
	13. DEPARTMENTAL REVENUE - LIBRARIES	0.00	0.00	0.00
	14. DEPARTMENTAL REVENUE - CEMETERIES	0.00	0.00	0.00
	15. DEPARTMENTAL REVENUE - RECREATION	0.00	0.00	0.00
	16. OTHER DEPARTMENTAL REVENUE	25,230.99	27,000.00	7.01
	17. LICENSES AND PERMITS			
	a.Building Permits	125,865.00	130,661.51	3.81
	b.Other licenses and permits	66,178.47	66,500.00	0.49
	18. SPECIAL ASSESSMENTS	0.00	0.00	0.00
==>	19. FINES AND FORFEITS	13,604.18	12,000.00	-11.79
==>	20. INVESTMENT INCOME	7,764.66	14,000.00	80.30
==>	21. MEDICAID REIMBURSEMENT	0.00	0.00	0.00
==>	22. MISCELLANEOUS RECURRING	30,750.00	31,518.00	2.50
	23. MISCELLANEOUS NON-RECURRING	48,717.01	0.00	-100.00
	24. Totals	1,500,808.53	1,389,493.51	-7.42

Signatures

TAX RATE RECAPITULATION

Fiscal Year 2023

Accounting Officer

I hereby certify that the actual receipts as shown in column (a) are, to the best of my knowledge correct and complete, and I further certify that I have examined the entries made on page 4 of the above-indicated fiscal year tax rate recapitulation form by the City / Town / District Clerk and hereby acknowledge that such entries correctly reflect the appropriations made and the sources from which such appropriations are to be met.

Jennifer Walsh, Assistant to Town Manager , West Newbury , finance.admin@wnewbury.org 978-363-1100 | 11/17/2022 8:51 AM

Comment:

Documents

Documents have been uploaded.

* Do not include receipts in columns (a) or (b) that were voted by the City / Town / District Council or Town Meeting as offset receipts on Schedule A-1, enterprise funds on Schedule A-2, or departmental revolving funds per Chapter 44, Section 53E 1/2. The Recap Page 3 Support form must be submitted to support increases / decreases of estimated receipts to actual receipts.

==> The Recap Page 3 Support form must be submitted to support increases/ decreases of FY 2023 estimated receipts to FY 2022 estimated receipts to be used in calculating the Municipal Revenue Growth Factor (MRGF). The Recap Page 3 Support form must be submitted to list each receipt type included in rows 22 and 23, Miscellaneous Recurring and Non-Recurring.

TAX RATE RECAPITULATION

Fiscal Year 2023

APPROPRIATIONS										AUTHORIZATIONS		
City/Town Council or Town Meeting Dates	FY*	(a) Total Appropriations Of Each Meeting	(b) From Raise and Appropriate	(c) From Free Cash (See B-1)	(d) From Other Available Funds (See B-2)	(e) From Offset Receipts (See A-1)	(f) From Enterprise Funds (See A-2)	(g) From Community Preservation Funds (See A-4)	(h) Departmental Revolving Funds	(i) Borrowing Authorization (Other)	MEMO ONLY	
05/14/2022	2023	10,000.00	0.00	10,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
05/14/2022	2023	14,500.00	0.00	14,500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
05/14/2022	2023	342.00	0.00	342.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
05/14/2022	2022	73,700.00	0.00	0.00	0.00	0.00	73,700.00	0.00	0.00	0.00	0.00	0.00
05/14/2022	2022	28,000.00	0.00	28,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
05/14/2022	2022	97,244.81	0.00	97,244.81	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
05/14/2022	2022	47,845.00	0.00	47,845.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
05/14/2022	2022	34,000.00	0.00	34,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
05/14/2022	2022	15,000.00	0.00	15,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
05/14/2022	2023	397,325.00	0.00	0.00	397,325.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
05/14/2022	2023	50,000.00	0.00	50,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
05/14/2022	2023	75,000.00	0.00	75,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
05/14/2022	2023	15,000.00	0.00	15,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
05/14/2022	2023	2,500.00	0.00	2,500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
05/14/2022	2023	25,000.00	0.00	25,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
05/14/2022	2023	896,994.00	0.00	0.00	0.00	0.00	896,994.00	0.00	0.00	0.00	0.00	0.00
05/14/2022	2023	17,364,083.00	17,364,083.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
05/14/2022	2023	7,500.00	0.00	0.00	0.00	0.00	7,500.00	0.00	0.00	0.00	0.00	0.00
05/14/2022	2023	643,550.00	0.00	0.00	0.00	0.00	0.00	643,550.00	0.00	0.00	0.00	0.00
05/14/2022	2023	10,364.00	0.00	0.00	10,364.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

TAX RATE RECAPITULATION

Fiscal Year 2023

City/Town Council or Town Meeting Dates	FY*	(a) Total Appropriations Of Each Meeting	(b) ** From Raise and Appropriate	(c) From Free Cash (See B-1)	(d) From Other Available Funds (See B-2)	(e) From Offset Receipts (See A-1)	(f) From Enterprise Funds (See A-2)	(g) From Community Preservation Funds (See A-4)	(h) *** Departmental Revolving Funds	(i) Borrowing Authorization (Other)
05/14/2022	2023	85,000.00	0.00	0.00	85,000.00	0.00	0.00	0.00	0.00	0.00
05/14/2022	2023	27,500.00	0.00	0.00	27,500.00	0.00	0.00	0.00	0.00	0.00
05/14/2022	2023	35,900.00	0.00	0.00	35,900.00	0.00	0.00	0.00	0.00	0.00
05/14/2022	2023	65,000.00	0.00	0.00	65,000.00	0.00	0.00	0.00	0.00	0.00
05/14/2022	2023	56,000.00	0.00	0.00	56,000.00	0.00	0.00	0.00	0.00	0.00
05/14/2022	2023	80,000.00	0.00	0.00	80,000.00	0.00	0.00	0.00	0.00	0.00
05/14/2022	2023	39,000.00	0.00	0.00	39,000.00	0.00	0.00	0.00	0.00	0.00
10/24/2022	2023	50,000.00	0.00	50,000.00	0.00	0.00	0.00	0.00	0.00	0.00
10/24/2022	2023	30,000.00	0.00	30,000.00	0.00	0.00	0.00	0.00	0.00	0.00
10/24/2022	2023	15,000.00	0.00	15,000.00	0.00	0.00	0.00	0.00	0.00	0.00
10/24/2022	2023	8,000.00	0.00	8,000.00	0.00	0.00	0.00	0.00	0.00	0.00
10/24/2022	2023	6,500.00	0.00	6,500.00	0.00	0.00	0.00	0.00	0.00	0.00
10/24/2022	2023	2,100.00	0.00	2,100.00	0.00	0.00	0.00	0.00	0.00	0.00
10/24/2022	2023	16,500.00	0.00	16,500.00	0.00	0.00	0.00	0.00	0.00	0.00
10/24/2022	2023	27,500.00	0.00	0.00	0.00	0.00	0.00	27,500.00	0.00	0.00
10/24/2022	2023	3,000.00	0.00	0.00	0.00	0.00	0.00	3,000.00	0.00	0.00
Total		20,354,947.81	17,364,083.00	542,531.81	796,089.00	0.00	978,194.00	674,050.00		

* Enter the fiscal year to which the appropriation relates.

** Appropriations included in column (b) must not be reduced by local receipts or any other funding source.

Appropriations must be entered gross to avoid a duplication in the use of estimated or other sources of receipts.

*** Include only revolving funds pursuant to Chapter 44, Section 53 E 1/2.

Signatures

Clerk

TAX RATE RECAPITULATION

Fiscal Year 2023

I hereby certify that the appropriations correctly reflect the votes taken by City / Town / District Council.

James RW Blatchford, Town Clerk , West Newbury , townclerk@wnewbury.org 978-363-1100 | 11/28/2022 4:47 PM

Comment:

Documents

Documents have been uploaded.

SINGLE-FAMILY PROPERTY TAX BILL COMPARISON TOOL								
	2022 PROPERTY VALUE	FY 2022 TAX RATE	FY 2022 TAX BILL	2023 PROPERTY VALUE	FY 2023 CERTIFIED TAX RATE	EST FY 2023 TAX BILL	EST \$ INCREASE IN BILL	EST % INCREASE IN BILL
10TH PERCENTILE	450,090	13.01	5,855.67	543,200	11.03	5,991.50	135.83	2.32%
20TH PERCENTILE	496,940	13.01	6,465.19	597,100	11.03	6,586.01	120.82	1.87%
30TH PERCENTILE	539,360	13.01	7,017.07	646,300	11.03	7,128.69	111.62	1.59%
40TH PERCENTILE	581,580	13.01	7,566.36	698,400	11.03	7,703.35	137.00	1.81%
50TH PERCENTILE	628,400	13.01	8,175.48	753,400	11.03	8,310.00	134.52	1.65%
60TH PERCENTILE	676,800	13.01	8,805.17	810,000	11.03	8,934.30	129.13	1.47%
70TH PERCENTILE	738,470	13.01	9,607.49	888,900	11.03	9,804.57	197.07	2.05%
80TH PERCENTILE	815,480	13.01	10,609.39	984,400	11.03	10,857.93	248.54	2.34%
90TH PERCENTILE	927,570	13.01	12,067.69	1,144,900	11.03	12,628.25	560.56	4.65%
							EST. TYPICAL INCREASE:	1.87%

Source: Angus Jennings, Town Manager, 12/17/22

N



TOWN OF WEST NEWBURY, MASSACHUSETTS

OTHER POSTEMPLOYMENT BENEFITS PROGRAM

FINANCIAL REPORTING AND DISCLOSURES
Governmental Accounting Standards Board
Statements 74 and 75

Disclosures as of
June 30, 2022

KMS Actuarial, LLC
52 Hunt Road
Kingston, NH 03848

August, 2022



August 29, 2022

Mr. Angus Jennings
Town Manager
Town of West Newbury
Town Office Building
381 Main Street
West Newbury, MA 01985

Dear Angus:

We are pleased to present the enclosed report of the July 1, 2020 actuarial valuation of the retiree health care benefits for the Town of West Newbury. The valuation was prepared in accordance with and for the purpose of financial reporting and disclosures as of June 30, 2022 under the following Governmental Accounting Standards Board (GASB) Statements:

- ◆ GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (GASB 74)
- ◆ GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (GASB 75)

Results are based on liabilities developed in an actuarial valuation performed as of July 1, 2020 and rolled forward to the plan's measurement date of June 30, 2022.

The Principal Valuation Results, including assets, liabilities and the development of future contributions, are provided in Section 1. The Notes to the Financial Statements and the Required Supplementary Information are provided in Sections 2 and 3, respectively. Employer Reporting Amounts under GASB 75 are provided in Section 4. The Summary of Plan Provisions and Actuarial Assumptions and Methods are shown in Sections 5 and 6, respectively. Section 7 summarizes the demographic profile of active members and retired members, covered spouses and survivors. Finally, a Glossary of Terms is provided in Section 8.

Our calculations are based on member census data and other information provided by the Town of West Newbury as well as health plan rates provided by the Town. Although we did not audit the data used in the valuation and disclosure calculations, we believe that the information is complete and reliable.

Liabilities presented in this report are based on a discount rate of 6%, the rate that reflects the long-term expected rate of return on OPEB plan assets. The long-term expected rate of return is based on the target allocations provided in the investment policy statement and long-term expected rates of return by asset class provided by Cambridge Trust and other reliable sources.

Mr. Angus Jennings

August 29, 2022

Page 2

This report was completed in accordance with generally accepted actuarial standards and procedures, and conforms to the Code of Professional Conduct of the American Academy of Actuaries. The actuarial assumptions other than those explicitly applicable to the postemployment benefit plans are consistent with those used by the Essex Regional Retirement System's actuaries for the Retirement System pension valuations.

Future actuarial valuation results may differ significantly from the current results presented in this report. Examples of potential sources of volatility include plan experience differing from that anticipated by the economic or demographic assumptions, the effect of new entrants, changes in economic or demographic assumptions, the effect of law changes and the delayed effect of smoothing techniques.

Our valuation follows generally accepted actuarial methods and we perform such tests as we consider necessary to assure the accuracy of the results. The amounts presented in this report have been appropriately determined according to the actuarial assumptions and methods stated herein.

This report is intended for the sole use of the Town of West Newbury and is intended to provide information to comply with the stated purpose of the report. It may not be appropriate for other purposes.

The expected claims, cost trend rates, and analysis of regulatory changes have been developed based on the expertise of the undersigned health and welfare actuary, Christopher E. Bean, ASA, MAAA. The undersigned credentialed actuaries are Members of the American Academy of Actuaries and together meet the Qualification Standards of the American Academy of Actuaries necessary to render the actuarial opinion contained herein. They are available to answer any questions with regard to this report.

KMS Actuaries is completely independent of the Town of West Newbury and any of its officers or key personnel. None of the actuaries signing this report or anyone closely associated with them has a relationship with the Town of West Newbury, other than as consulting actuary for this assignment, that would impair our independence.

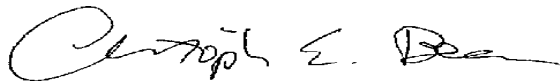
Respectfully submitted,



Linda L. Bournival, FSA, EA
Member, American Academy of Actuaries
(603) 792-9494



Amanda J. Makarevich, FSA
Member, American Academy of Actuaries
(603) 792-9494



Christopher E. Bean, ASA
Member, American Academy of Actuaries
(508) 628-9022

K M S A C T U A R I E S

52 Hunt Road • Kingston, New Hampshire 03848-3456 • phone: (603) 792-9494 • kmsactuaries.com

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EXECUTIVE SUMMARY

Purpose of Report

This report presents the results of the actuarial valuation of the Town of West Newbury's retiree health care benefits as of July 1, 2020. The valuation was prepared in accordance with and for the purpose of financial reporting and disclosures as of June 30, 2022 under the following Governmental Accounting Standards Board (GASB) Statements:

- ◆ GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (GASB 74)
- ◆ GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (GASB 75)

The results as of the measurement date are based on a roll forward of the liabilities developed in the most recent actuarial valuation.

GASB Accounting Standards

In June 2015, the GASB approved two related Statements that significantly changed the way other postemployment benefits (OPEB) plans and governments account and report OPEB liabilities. GASB Statement No. 74 (GASB 74), *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, replaced the requirements of Statement No. 43 and GASB Statement No. 75 (GASB 75), *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, replaced the requirements of Statement No. 45.

The effective date for GASB 74 is for plan years beginning after June 15, 2016, which is the plan year ending June 30, 2017 for the Town of West Newbury. The effective date for GASB 75 is for fiscal years beginning after June 15, 2017, which is the fiscal year ending June 30, 2018 for the Town of West Newbury.

GASB 74 requires OPEB plans to present a statement of fiduciary net position (OPEB plan assets) and a statement of changes in fiduciary net position. Further, the statement requires that notes to financial statements include descriptive information such as the types of benefits provided, the classes of plan members covered and the authority under which benefit terms are established or may be amended. Finally, GASB 74 requires OPEB plans to present in required supplementary information the sources of the changes in the net OPEB liability and information about the actuarially determined contributions compared with the actual contributions made to the plan and related ratios.

GASB 74 and GASB 75 require projected benefit payments be discounted to their actuarial present value using the single rate that reflects (1) a long-term expected rate of return on OPEB plan investments to the extent that the OPEB plan's assets are sufficient to pay benefits and OPEB plan assets are expected to be invested using a strategy to achieve that return and (2) a tax-exempt, high-quality municipal bond rate to the extent that the conditions for use of the long-term expected rate of return are not met.

GASB 75 establishes standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources and OPEB expense by state and local governments.

EXECUTIVE SUMMARY

Town of West Newbury Other Postemployment Benefits Program

The Town of West Newbury administers the retiree health care benefits program - a single-employer defined benefit plan that is used to provide postemployment benefits other than pensions (OPEB) for all permanent full-time employees. The Town provides health care benefits for retirees and their dependents. Benefits are provided through the Massachusetts Interlocal Insurance Association, and the full cost of benefits is shared between the Town and retirees.

Summary of Principal Results

A summary of principal results from the current and prior measurement dates follows:

Disclosure Date	June 30, 2022	June 30, 2021	% Change
Valuation Date	July 1, 2020	July 1, 2020	
Membership Data			
Active Plan Members	44	46	(4.3%)
Inactive Plan Members (excludes covered spouses)	18	20	(10.0%)
Total Plan Members	62	66	(6.1%)
Covered Spouses	6	6	0.0%
Covered Payroll	\$3,029,899	\$2,835,247	6.9%
Net OPEB Liability			
Discount Rate	6.00%	6.00%	
Total OPEB Liability (TOL)	\$2,907,896	\$2,730,258	6.5%
Fiduciary Net Position (FNP)	\$2,564,519	\$2,855,222	(10.2%)
Net OPEB Liability	\$343,377	(\$124,964)	(374.8%)
FNP as % of TOL	88.2%	104.6%	
OPEB Expense			
OPEB Expense	\$192,144	\$101,813	88.7%
Deferred Outflows	\$490,787	\$399,884	
Deferred Inflows	\$201,704	\$502,822	
Recognition Period	7.47	7.47	

EXECUTIVE SUMMARY

Experience Gain and Loss

In developing the Total OPEB Liability, various assumptions are made regarding future premium rates, mortality, retirement, disability and turnover rates. A comparison of the results of the current and prior measurements is made to determine how closely actual experience relates to expected. For the current measurement period, there is no experience gain or loss as the Total OPEB liability was developed from a roll forward of results of the most recent valuation.

Changes of Assumptions

The inflation rate was updated in this valuation. A summary of the impact on the Total OPEB Liability (TOL) of each assumption change is provided below:

◆ Decrease due to change in Inflation Assumption	(11,000)
Total	\$ (11,000)

All of the assumptions used in this valuation are shown in Section 6, Actuarial Assumptions and Methods.

Changes of Benefit Terms

All benefit terms are the same as those used in the prior measurement. A Summary of the Principal Plan Provisions is provided in Section 5.

Total OPEB Liability

The Total OPEB Liability as of the current measurement date, June 30, 2022, is \$2,907,896. The Total OPEB Liability as of the prior measurement date, June 30, 2021, was \$2,730,258. During the current measurement period ending June 30, 2022, the Total OPEB Liability increased by \$177,638, or 6.5%. The development of the Total OPEB Liability for the current measurement period is shown in Section 1, Exhibit 1.2.

Fiduciary Net Position

The Fiduciary Net Position is equal to the market value of assets and as of the current measurement date, June 30, 2022, is \$2,564,519. The Fiduciary Net Position as of the prior measurement date, June 30, 2021, was \$2,855,222. During the plan years ended June 30, 2022 and June 30, 2021, the actual rates of return were -10.66% and 19.97%, respectively. The expected long-term rate of return is 6.00%. The Fiduciary Net Position is shown in Section 1, Exhibit 1.1.

Employer Future Period Contributions

The Town will analyze a variety of funding strategies and subsequently implement them as appropriate with the intention of fully funding the obligation.

EXECUTIVE SUMMARY

Discount Rate

As of the June 30, 2022 measurement date, the OPEB 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 OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. Projected benefit payments are discounted to their actuarial present value using a single discount rate of 6%.

OPEB Expense

The OPEB Expense for the current measurement period ending June 30, 2022, is \$192,144. Benefit changes are recognized immediately and experience gains and losses and assumption changes developed in this valuation are recognized over 7.47 years. Investment gains and losses are recognized over 5 years. The OPEB Expense for the prior measurement period was \$101,813. The development of the OPEB expense for the current measurement period is shown in Section 4, Exhibit 4.2.

COVID-19 Pandemic

The assumptions in this report do not reflect the potential impact of the COVID-19 pandemic on the OPEB program. Especially in the short range, the pandemic is likely to materially affect the economic, demographic and healthcare-specific experience in a way not anticipated by the assumptions on which the projections are based.

SECTION 1 - PRINCIPAL VALUATION RESULTS

Exhibit 1.1 - OPEB Trust Assets

The Town has established an irrevocable trust pursuant to Section 20 of Chapter 32B of the Massachusetts General Laws for the purpose of accumulating assets to prefund the OPEB liabilities. Plan assets segregated and restricted in an OPEB trust must be dedicated to providing plan benefits to retirees and beneficiaries in accordance with the terms of the plan and must be legally protected from creditors of the employer. Further, employer contributions to the trust must be irrevocable. Asset information for the current and prior fiscal years was provided by the Town and is presented below:

Fiscal Year Ended June 30	2022	2021
Trust Fund Composition at Fiscal Year-End		
Cash and Equivalents	\$123,841	\$103,117
Mutual Funds	171,046	145,372
Equities	1,246,357	1,683,630
Fixed Income	557,962	575,836
Government securities	417,237	328,861
Other	48,076	18,406
Total Market Value of Assets	\$2,564,519	\$2,855,222
Asset Activity		
Market value, beginning of year	\$2,855,222	\$2,380,000
Employer Premiums	100,824	87,769
OPEB Trust Contributions	15,000	-
Benefit Payments	(100,824)	(87,769)
Administrative Expenses	-	-
Investment Return	(305,703)	475,222
Market value, end of year	\$2,564,519	\$2,855,222
Money-Weighted Rate of Return	-10.66%	19.97%
(Gain) / Loss on OPEB Plan Investments		
Projected earnings	\$172,136	\$148,750
Actual earnings	(305,703)	475,222
(Gain) / Loss on OPEB plan investments	\$477,839	(\$326,472)

SECTION 1 - PRINCIPAL VALUATION RESULTS

Exhibit 1.2 - Total OPEB Liability

The Total OPEB Liability, developed using the Entry Age Normal funding method, is the portion of the actuarial present value of projected benefit payments that is attributed to past periods of member service. The total OPEB liability as of the June 30, 2022 measurement date was developed from an actuarial valuation as of July 1, 2020 and rolled forward to the OPEB plan's fiscal year-end.

The Service Cost is the portion of the actuarial present value of projected benefit payments that is attributed to a valuation year. Only active employees who have not reached the age at which the probability of retirement is 100% incur a service cost.

Actuarial experience gains and losses arise from the difference between expected and actual experience, excluding amounts related to benefit changes and changes in assumptions or other inputs.

The development of the Total OPEB Liability from the beginning of the measurement period, June 30, 2021 to the end of the measurement period, June 30, 2022 is shown below:

Measurement Date	June 30, 2022
1. Total OPEB Liability, beginning of year:	
a. Actives	\$1,635,668
b. Retirees, Covered Spouses and Survivors	1,094,590
c. Total OPEB Liability at 6% (a. + b.)	\$2,730,258
2. Service Cost	
	\$121,092
3. Expected Benefit Payments	
a. Current retirees	(\$78,018)
b. Future retirees	(22,806)
c. Total (a. + b.)	(\$100,824)
4. Interest [6% x (1.c. + 2. + .5 x 3.c)]	
	\$168,056
5. Changes of benefit terms	
	\$0
6. Differences between expected and actual experience	
	\$0
7. Changes of assumptions or other inputs	
	(\$10,686)
8. Total OPEB Liability, end of year (1.c. + 2. + 3.c. + 4. + 5. + 6. + 7.)	
a. Actives	\$1,827,989
b. Retirees, Covered Spouses and Survivors	1,079,907
c. Total OPEB Liability at 6% (a. + b.)	\$2,907,896

SECTION 1 - PRINCIPAL VALUATION RESULTS

Exhibit 1.3 - Development of Actuarially Determined Employer Contributions

The Town will analyze a variety of funding strategies and subsequently implement them as appropriate with the intention of fully funding the obligation.

The Actuarially Determined Employer Contribution (ADEC) equals the Normal Cost plus a provision for amortizing the Unfunded Actuarial Accrued Liability. We have assumed increasing dollar amortization over an amortization period of 30 years.

Fiscal Year Ending	June 30, 2022	June 30, 2023
Discount Rate	6.00%	6.00%
1. Normal Cost	\$121,092	\$124,959
2. Unfunded Actuarial Accrued Liability		
a. Actuarial Accrued Liability	\$2,730,258	\$2,907,896
b. Actuarial Value of Plan Assets	\$2,855,222	\$2,564,519
Unfunded Actuarial Accrued Liability (Surplus)		
c. (a. - b.)	(\$124,964)	\$343,377
3. Amortization of Unfunded Actuarial Accrued Liability		
a. Unfunded Actuarial Accrued Liability	(\$124,964)	\$343,377
b. Amortization Period in years	30	30
c. Payroll Growth Rate	3.5%	3.5%
d. Amortization Factor	21.68	21.68
e. Amortization Amount (3.a. / 3.d.)	(\$5,764)	\$15,838
4. Interest on 1. and 3.e.	\$6,920	\$8,448
5. Actuarially Determined Employer Contribution (1. + 3.e. + 4.)	\$122,248	\$149,245
6. Actual Employer Contribution to OPEB Trust	\$15,000	TBD
7. Expected Benefit Payments	\$100,824	
8. Total Contribution (6. + 7.)	\$115,824	

SECTION 2 - NOTES TO THE FINANCIAL STATEMENTS

Exhibit 2.1 - Plan Description

Plan Administration

The Town of West Newbury administers the retiree health care benefits program - a single-employer defined benefit plan that is used to provide postemployment benefits other than pensions (OPEB) for all permanent full-time employees.

Plan Membership

At June 30, 2022, OPEB plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefit payments ¹	18
Inactive plan members entitled to but not yet receiving benefit payments	0
Active plan members	44
	<u>62</u>

¹Per paragraph 34a of GASB 74 and further clarified by Question 4.67 of the 2017-2 GASB 74 Implementation Guide, the total shown for inactive plan members or beneficiaries currently receiving benefit payments does not include covered spouses or other dependents.

Benefits Provided

The Town provides health care benefits for retirees and their dependents. Benefits are provided through the Massachusetts Interlocal Insurance Association, and the full cost of benefits is shared between the Town and retirees.

Employer Future Period Contributions

The Town will analyze a variety of funding strategies and subsequently implement them as appropriate with the intention of fully funding the obligation.

SECTION 2 - NOTES TO THE FINANCIAL STATEMENTS

Exhibit 2.2 - Net OPEB Liability

The components of the net OPEB liability at June 30, 2022, were as follows:

Total OPEB liability	\$ 2,907,896
Fiduciary net position	(2,564,519)
Net OPEB liability	\$ 343,377

Fiduciary net position as a percentage of the total OPEB liability 88.19%

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of July 1, 2020, rolled forward to the measurement date and using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.4% per year, based on current economic data, analyses from economists and other experts, and professional judgment.
Discount rate	6 percent, net of investment expenses, including inflation.
Healthcare cost trend rate	7 percent for 2020, decreasing 0.4 percent per year to 5.4 percent, then grading down to an ultimate trend rate of 4 percent, utilizing the Society of Actuaries Getzen Medical Trend Model. The ultimate medical inflation rate is reached in 2075.
Pre-Retirement Mortality - General and Public Safety employees	RP-2014 Employees Mortality Table, projected with generational mortality improvement using scale MP-2019.
Healthy Retiree Mortality - General and Public Safety employees	RP-2014 Healthy Annuitant Mortality Table, projected with generational mortality improvement using scale MP-2019.
Disabled Retiree Mortality Rates - General and Public Safety employees	RP-2014 Blue Collar Mortality Table set forward two years with full generational mortality improvement using Scale MP-2019.

SECTION 2 - NOTES TO THE FINANCIAL STATEMENTS

Exhibit 2.2 - Net OPEB Liability

Long-Term Expected Rate of Return

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage provided in the investment policy statement and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2022 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rates of Return ¹
Cash and Equivalents	2.5%	0.00%
Large Cap Value Stocks	24.0%	4.66%
Large Cap Growth Stocks	24.0%	4.66%
Int'l Dev. Equity	9.0%	5.88%
Int'l Emerging Stocks	3.0%	5.88%
Short Term Bonds	10.0%	1.30%
Intermediate Term Bonds	27.5%	1.33%
Total	100.0%	

¹ provided by Cambridge Trust and other reliable sources.

Discount Rate

The discount rate used to measure the total OPEB liability was 6%. The projection of cash flows used to determine the discount rate assumed that contributions from the Town 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 available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

SECTION 2 - NOTES TO THE FINANCIAL STATEMENTS

Exhibit 2.2 - Net OPEB Liability

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

The following presents the net OPEB liability calculated using the current discount rate of 6 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate 1-percentage point lower (5 percent) or 1-percentage point higher (7 percent) than the current rate:

	1% Decrease (5%)	Assumed Discount Rate (6%)	1% Increase (7%)
Total OPEB Liability	\$ 3,343,238	\$ 2,907,896	\$ 2,556,006
Fiduciary Net Position	(2,564,519)	(2,564,519)	(2,564,519)
Net OPEB Liability	\$ 778,719	\$ 343,377	\$ (8,513)
% Change	126.8%		-102.5%

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

The following presents the net OPEB liability calculated using the current healthcare cost trend rates as well as what the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage point lower (6% year 1 decreasing to 3%) or 1-percentage point higher (8% year 1 decreasing to 5%) than the current healthcare cost trend rates:

	1% Decrease 6% Year 1 Decreasing to 3%	Assumed Healthcare Cost Trend Rates 7% Year 1 Decreasing to 4%	1% Increase 8% Year 1 Decreasing to 5%
Total OPEB Liability	\$ 2,475,732	\$ 2,907,896	\$ 3,455,871
Fiduciary Net Position	(2,564,519)	(2,564,519)	(2,564,519)
Net OPEB Liability	\$ (88,787)	\$ 343,377	\$ 891,352
% Change	-125.9%		159.6%

SECTION 3 - REQUIRED SUPPLEMENTARY INFORMATION

Exhibit 3.1 - Changes in Net OPEB Liability and Related Ratios

Fiscal Year Ended June 30	2022	2021	2020	2019	2018
Total OPEB Liability					
Service cost	\$ 121,092	\$ 90,925	\$ 76,045	\$ 58,719	\$ 57,287
Interest	168,056	178,645	172,364	137,033	129,610
Changes of benefit terms	-	-	(56,374)	-	-
Differences between expected and actual experience	-	(261,637)	-	169,157	-
Changes of assumptions	(10,686)	(1,178)	278,802	207,010	-
Benefit payments	(100,824)	(87,769)	(91,712)	(77,336)	(85,824)
Net change in total OPEB liability	\$ 177,638	\$ (81,014)	\$ 379,125	\$ 494,583	\$ 101,073
Total OPEB liability—beginning	\$ 2,730,258	\$ 2,811,272	\$ 2,432,147	\$ 1,937,564	\$ 1,836,491
Total OPEB liability—ending (a)	\$ 2,907,896	\$ 2,730,258	\$ 2,811,272	\$ 2,432,147	\$ 1,937,564
Plan Fiduciary Net Position					
Contributions—employer	\$ 115,824	\$ 87,769	\$ 91,712	\$ 77,336	\$ 85,824
Net investment income	(305,703)	475,222	131,132	179,419	209,981
Benefit payments	(100,824)	(87,769)	(91,712)	(77,336)	(85,824)
Administrative expenses	-	-	-	-	-
Other	-	-	-	-	-
Net change in plan fiduciary net position	\$ (290,703)	\$ 475,222	\$ 131,132	\$ 179,419	\$ 209,981
Plan fiduciary net position—beginning	\$ 2,855,222	\$ 2,380,000	\$ 2,248,868	\$ 2,069,449	\$ 1,859,468
Plan fiduciary net position—ending (b)	\$ 2,564,519	\$ 2,855,222	\$ 2,380,000	\$ 2,248,868	\$ 2,069,449
Net OPEB liability—ending (a) – (b)	\$ 343,377	\$ (124,964)	\$ 431,272	\$ 183,279	\$ (131,885)
Plan fiduciary net position as a percentage of the total OPEB liability	88.19%	104.58%	84.66%	92.46%	106.81%
Covered payroll	\$ 3,029,899	\$ 2,835,247	\$ 2,695,931	\$ 2,625,945	\$ 2,661,029
Net OPEB liability as a percentage of covered payroll	11.33%	-4.41%	16.00%	6.98%	-4.96%
Discount Rate	6.00%	6.00%	6.25%	7.00%	7.00%

SECTION 3 - REQUIRED SUPPLEMENTARY INFORMATION

Exhibit 3.1 - Changes in Net OPEB Liability and Related Ratios

Fiscal Year Ended June 30	2017	2016	2015	2014	2013
Total OPEB Liability					
Service cost	\$ 55,931				
Interest	126,392				
Changes of benefit terms	-				
Differences between expected and actual experience	-				
Changes of assumptions	-				
Benefit payments	(73,798)				
Net change in total OPEB liability	\$ 108,525				
Total OPEB liability—beginning	\$ 1,727,966				
Total OPEB liability—ending (a)	\$ 1,836,491				
Plan Fiduciary Net Position					
Contributions—employer	\$ 73,798				
Net investment income	133,214				
Benefit payments	(73,798)				
Administrative expenses	-				
Other	-				
Net change in plan fiduciary net position	\$ 133,214				
Plan fiduciary net position—beginning	\$ 1,726,254				
Plan fiduciary net position—ending (b)	\$ 1,859,468				
Net OPEB liability—ending (a) – (b)	\$ (22,977)				
Plan fiduciary net position as a percentage of the total OPEB liability	101.25%				
Covered payroll	\$ 2,596,126				
Net OPEB liability as a percentage of covered payroll	-0.89%				
Discount rate	7.00%				

Note: Only 6 years are presented here and on the previous page, beginning with the year of implementation; 10 years of information will be required.

SECTION 3 - REQUIRED SUPPLEMENTARY INFORMATION

Exhibit 3.1 - Changes in Net OPEB Liability and Related Ratios

Changes of Benefit Terms

All benefit terms are the same as those used in the prior measurement. A Summary of the Principal Plan Provisions is provided in Section 5.

Changes of Assumptions

The inflation rate was updated in this valuation.

SECTION 3 - REQUIRED SUPPLEMENTARY INFORMATION

Exhibit 3.2 - Investment Returns

Fiscal Year Ended June 30	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Annual money-weighted rate of return, net of investment expenses	-10.66%	19.97%	5.83%	8.67%	11.29%	7.72%				

The money-weighted rate of return considers the changing amounts actually invested during a period and weights the amount of OPEB plan investments by the proportion of time they are available to earn a return during that period. The rate of return is then calculated by solving, through an iterative process, for the rate that equates the sum of the weighted external cash flows into and out of the OPEB plan investments to the ending fair value of OPEB plan investments.

Note: Only 6 years are presented here, beginning with the year of implementation; 10 years of information will be required.

SECTION 3 - REQUIRED SUPPLEMENTARY INFORMATION

Exhibit 3.2 - Investment Returns

Calculation of Money-Weighted Rate of Return

	Plan Investments/ Net External Cash Flows (a)	Periods Invested (b)	Period Weight (c)=(b)÷12	(d)=(a) x (1+r _{mw}) ^(c)
Beginning value - July 1, 2021	\$ 2,855,222	12	1.00	\$ 2,550,990
Monthly net external cash flows:				
July	15,000	11	0.92	13,528
August	-	10	0.83	-
September	-	9	0.75	-
October	-	8	0.67	-
November	-	7	0.58	-
December	-	6	0.50	-
January	-	5	0.42	-
February	-	4	0.33	-
March	-	3	0.25	-
April	-	2	0.17	-
May	-	1	0.08	-
June	-	0	0.00	-
Ending value - June 30, 2022				\$ 2,564,519
Money-weighted rate of return:				-10.66%

SECTION 3 - REQUIRED SUPPLEMENTARY INFORMATION

Exhibit 3.3 - Schedule of Employer Contributions

Fiscal Year Ended June 30	2022	2021	2020	2019	2018
Actuarially determined contribution	\$ 122,248	\$ 118,387	\$ 91,529	\$ -	\$ 59,869
Contributions in relation to the actuarially determined contribution	<u>115,824</u>	<u>87,769</u>	<u>91,712</u>	<u>77,336</u>	<u>85,824</u>
Contribution deficiency (excess)	<u>\$ 6,424</u>	<u>\$ 30,618</u>	<u>\$ (183)</u>	<u>\$ (77,336)</u>	<u>\$ (25,955)</u>
Covered payroll	\$ 3,029,899	\$ 2,835,247	\$ 2,695,931	\$ 2,625,945	\$ 2,661,029
Contributions as a percentage of covered payroll	3.82%	3.10%	3.40%	2.95%	3.23%
Discount rate	6.00%	6.25%	7.00%	7.00%	4.00%
Inflation	2.40%	2.20%	2.40%	2.60%	2.50%

SECTION 3 - REQUIRED SUPPLEMENTARY INFORMATION

Exhibit 3.3 - Schedule of Employer Contributions

Fiscal Year Ended June 30	2017	2016	2015	2014	2013
Actuarially determined contribution	\$ 121,807				
Contributions in relation to the actuarially determined contribution	73,798				
Contribution deficiency (excess)	\$ 48,009				
Covered payroll	\$ 2,596,126				
Contributions as a percentage of covered payroll	2.84%				
Discount rate	4.00%				
Inflation	2.50%				

Note: Only 6 years are presented here and on the previous page, beginning with the year of implementation; 10 years of information will be required.

Notes to Schedule

Valuation date

Actuarially determined contributions are determined as of July 1, one year prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions as of current measurement date

Actuarial cost method	Entry Age Normal
Amortization method	Increasing at 3.5% over 30 years on an open
Amortization period	30 years
Asset valuation method	Market value
Healthcare cost trend rates	7 percent for 2020, decreasing 0.4 percent per year to 5.4 percent, then grading down to an ultimate trend rate of 4 percent, utilizing the Society of Actuaries Getzen Medical Trend Model. The ultimate medical inflation rate is reached in 2075.

SECTION 4 - EMPLOYER REPORTING AMOUNTS UNDER GASB 75

Exhibit 4.1 - Deferred Outflows and Deferred Inflows of Resources

Deferred Outflows of Resources and Deferred Inflows of Resources arising from differences between expected and actual experience are recognized in OPEB Expense over the average expected remaining service life of all active and inactive participants.

					Balances at June 30, 2022	
	Experience Losses	Experience Gains	Amounts Recognized in OPEB Expense through June 30, 2022	Deferred Outflows of Resources	Deferred Inflows of Resources	
Year	(a)	(b)	(c)	(a) - (c)	(b) + (c)	
2018	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2019	169,157	-	102,364	66,793	-	-
2020	-	-	-	-	-	-
2021	-	261,637	(70,050)	-	191,587	-
2022	-	-	-	-	-	-
Total				<u>\$ 66,793</u>	<u>\$ 191,587</u>	

Deferred Outflows of Resources and Deferred Inflows of Resources arising from changes of assumptions are recognized in OPEB Expense over the average expected remaining service life of all active and inactive participants.

					Balances at June 30, 2022	
	Increases in the Total OPEB Liability	Decreases in the Total OPEB Liability	Amounts Recognized in OPEB Expense through June 30, 2022	Deferred Outflows of Resources	Deferred Inflows of Resources	
Year	(a)	(b)	(c)	(a) - (c)	(b) + (c)	
2018	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2019	207,010	-	125,272	81,738	-	-
2020	278,802	-	126,537	152,265	-	-
2021	-	1,178	(316)	-	862	-
2022	-	10,686	(1,431)	-	9,255	-
Total				<u>\$ 234,003</u>	<u>\$ 10,117</u>	

SECTION 4 - EMPLOYER REPORTING AMOUNTS UNDER GASB 75

Exhibit 4.1 - Deferred Outflows and Deferred Inflows of Resources

Deferred Outflows of Resources and Deferred Inflows of Resources arising from differences between projected and actual earnings on OPEB Plan investments are recognized in OPEB Expense over five years.

					Balances at June 30, 2022	
Year	Investment Earnings Less Than Projected (a)	Investment Earnings Greater Than Projected (b)	Amounts Recognized in OPEB Expense through June 30, 2022 (c)	Deferred Outflows of Resources (a) - (c)	Deferred Inflows of Resources (b) + (c)	
2018	\$ -	\$ 79,819	\$ (79,819)	\$ -	\$ -	
2019	-	34,558	(27,647)	-	6,911	
2020	26,289	-	15,774	10,515	-	
2021	-	326,472	(130,588)	-	195,884	
2022	477,839	-	95,568	382,271	-	
Subtotal				\$ 392,786	\$ 202,795	
Net				\$ 189,991	\$ -	

Amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources will be recognized in OPEB expense as follows:

Year ended June 30		
2023	\$	91,095
2024	\$	98,004
2025	\$	70,551
2026	\$	84,681
2027	\$	(36,614)
Thereafter		(18,634)
Deferred Outflows	\$	490,787
Deferred Inflows	\$	201,704

SECTION 4 - EMPLOYER REPORTING AMOUNTS UNDER GASB 75

Exhibit 4.2 - OPEB Expense

The OPEB Expense and deferred outflows and inflows of resources primarily result from changes in the components of the net OPEB liability (NOL). Most changes in the NOL are included in the OPEB Expense in the period of the change, including service cost, interest on total OPEB liability, changes in benefit terms and projected earnings on the OPEB plan's investments. Other changes in the net OPEB liability are included in OPEB Expense over the current and future periods. These include the effects on the total OPEB liability of changes of economic and demographic assumptions and differences between expected and actual experience. In addition, the effect on the net OPEB liability of differences between the projected earnings on OPEB plan investments and actual experience with regard to those earnings are included in OPEB expense over the current and future periods. The OPEB Expense for the reporting period ending June 30, 2022 is presented below:

Fiscal Year Ended June 30, 2022

Measurement Date	6/30/2022
1. Service cost	\$ 121,092
2. Interest on the total OPEB liability	
a. Total OPEB liability, beginning of year	2,730,258
b. Service cost, beginning of year	121,092
c. Benefit payments	<u>(100,824)</u>
d. Interest on total OPEB liability = 6.% times (a. + b. + .5 times c.)	168,056
3. Differences between expected and actual experience	(9,434)
4. Changes of benefit terms	-
5. Changes of assumptions	71,908
6. Projected earnings on OPEB plan investments	
a. Plan fiduciary net position, beginning of year	2,855,222
b. Contributions - Employer	115,824
c. Benefit payments	(100,824)
d. Administrative expenses and other	<u>-</u>
e. Total projected earnings	(172,136)
7. Differences between projected and actual earnings on OPEB plan investments	12,658
8. OPEB plan administrative expenses	-
9. Other changes in fiduciary net position	-
10. Total OPEB Expense	<u>\$ 192,144</u>

SECTION 5 - SUMMARY OF PLAN PROVISIONS

Eligibility for Postemployment Benefits Employees of the Town and their dependents are eligible for postemployment medical insurance based on the eligibility requirements under the Essex Regional Retirement System.

Retirement Eligibility General employees hired before April 2, 2012: retire after attaining age 55 with 10 or more years of service or any age with 20 or more years of service

General employees hired after April 1, 2012: retire after attaining age 60 with 10 or more years of service

Public Safety employees hired before April 2, 2012: retire after attaining age 55 or any age with 20 or more years of service

Public Safety employees hired after April 1, 2012: retire after attaining age 55

Ordinary Disability Eligibility Any member who is unable to perform his or her duties due to a non-occupational disability and has ten or more years of creditable service.

Accidental Disability Eligibility Any member who is unable to perform his or her duties due to a job-related disability.

Medical Premiums The total monthly premiums by plan are shown below:

Non-Medicare Plans - July 1, 2021	Individual	Family
Blue Care Elect	\$1,310.30	\$3,506.22
HMO Blue NE Options	\$1,072.26	\$2,869.25
HMO Blue Alternative Options	\$1,024.53	\$2,741.53
Medicare Plans - January 1, 2021		
Medex 2	\$328.29	

Participant Contributions Retired employees contribute 50% of the health plan premium.

Continuation of Coverage to Spouse After Death of Retiree Surviving spouse may continue coverage for lifetime by paying the required medical premium.

Dental Coverage Dental coverage is not offered to retirees.

Life Insurance Coverage Life insurance coverage is not offered to retirees.

SECTION 6 - ACTUARIAL ASSUMPTIONS AND METHODS

Valuation Date	July 1, 2020
Disclosure Date	June 30, 2022
GASB 75 Reporting Date	June 30, 2022
Long-Term Expected Rate of Return	<p>6%, compounded annually, net of fees.</p> <p>A long-term assumption based on capital market expectations by asset class, historical returns and professional judgment. A building block approach was used that considered the target asset allocation, expected returns by asset class and risk analysis to determine a long-term expected average annual rate of return.</p>
Municipal Bond Rate	3.54%, based on the Bond Buyer 20-Bond GO Index published on June 30, 2022.
Discount Rate (GASB)	<p>6%, compounded annually, for the measurement as of June 30, 2022. 6%, compounded annually, for the measurement as of June 30, 2021.</p> <p>The single rate that reflects the long-term expected rate of return on OPEB plan investments to the extent that the OPEB plan's assets, which are expected to be invested using a strategy to achieve that return, are sufficient to pay benefits, and a tax-exempt, high-quality municipal bond rate to the extent that the conditions for use of the long-term expected rate of return are not met.</p>
Discount Rate (ADEC)	6%, compounded annually, for development of the Actuarially Determined Contribution (ADEC) as of June 30, 2022.
Amortization Method	Increasing at 3.5% over 30 years on an open amortization period for partial pre-funding.

SECTION 6 - ACTUARIAL ASSUMPTIONS AND METHODS

Medical Trend Rates

Year	Trend
1	7.00%
2	6.60%
3	6.20%
4	5.80%
5	5.40%
Ultimate	4.00%

Trend rates after year 5 grade down to the ultimate rate of 4 percent utilizing the Society of Actuaries Getzen Medical Trend Model. The ultimate trend rate is reached in 2075.

Health care trend assumptions begin at current levels and grade down over a period of years to a lower level equal to some real rate plus inflation. The principal components of health trend are medical inflation, deductible erosion, cost shifting, utilization, technology and catastrophic claims. The overall effect of these components are expected to decline year by year.

Dental Trend Rates

Dental coverage is not offered to retirees.

Inflation

2.4% per year, based on current economic data, analyses from economists and other experts, and professional judgment.

Payroll Growth

3.5% per year.

Participation Rates

Medical - 65% of eligible retired employees will elect to participate.

Dental - Not offered to retired employees.

Life - Not offered to retired employees.

Medicare - all retired employees are assumed to enroll in Medicare at age 65.

Dependent Status

Male spouses are assumed to be three years older and female spouses are assumed to be three years younger than the retired employee.

50% of employees are assumed to retire with a covered spouse.

For current retirees, the actual census information is used.

SECTION 6 - ACTUARIAL ASSUMPTIONS AND METHODS

Medical Per Capita Costs

The following annual per capita costs are for the fiscal year beginning July 1, 2020 and are applicable to retirees, survivors and spouses. Annual costs for current and future retirees are based on the blended curves shown below, developed using the plan coverages elected by current retirees and survivors and premium rates currently in effect. Future years' costs are based on the first year cost adjusted with trend.

Age	Male	Female
Under 20	\$4,193	\$4,923
20-24	3,304	5,241
25-29	3,438	7,732
30-34	4,319	9,770
35-39	5,417	10,063
40-44	6,751	10,306
45-49	8,520	11,313
50-54	11,229	13,309
55-59	14,592	15,388
60-64	18,726	18,315
65-69	2,995	2,917
70-74	3,589	3,440
75-79	4,238	3,992
80-84	4,871	4,578
85-89	5,427	5,118
90-94	5,907	5,462
95+	6,279	5,282

Retiree Contributions

Annual per capita participant contributions for the fiscal year beginning July 1, 2020 are as follows:

Plan	Contribution
Non-Medicare	\$ 5,879
Medicare	1,904

Actuarial Cost Method

Entry Age Normal. The costs of each employee's postemployment benefits are allocated as a level basis over the earnings of the employee between the employee's date of hire and the assumed exit ages.

Employee Data

Employee and retiree data were compiled and submitted by the Town as of June 30, 2021. We made reasonable adjustments for missing or invalid data.

SECTION 6 - ACTUARIAL ASSUMPTIONS AND METHODS

Use of ProVal

KMS Actuaries has used ProVal to develop the liabilities, normal costs and projected benefit payments in this report. We have a lease agreement with WinTech, the developer of ProVal, and have relied on their system to perform these calculations. The actuaries signing this report and the KMS staff members who were involved in preparing it have a clear understanding of ProVal and have used it only for its intended purpose. We have reviewed the output produced by ProVal for reasonableness and we are not aware of any material inconsistencies, limitations or known weaknesses that would affect this report.

SECTION 6 - ACTUARIAL ASSUMPTIONS AND METHODS

Pre-Retirement Mortality

Pre-retirement mortality rates for General and Public Safety employees are based on the RP-2014 Employees Mortality Table, projected with generational mortality improvement using scale MP-2019.

Healthy Retiree Mortality

Healthy retiree mortality rates for General and Public Safety employees are based on the RP-2014 Healthy Annuitant Mortality Table, projected with generational mortality improvement using scale MP-2019.

Disabled Retiree Mortality Rates

Disabled retiree mortality rates for General and Public Safety employees are based on the RP-2014 Blue Collar Mortality Table set forward two years with full generational mortality improvement using Scale MP-2019.

Turnover Rates

Turnover rates for General and Public Safety employees are as follows:

General Employees		Public Safety	
Service	Rate	Service	Rate
0	15.00%	0	1.50%
1	12.00%	1	1.50%
2	10.00%	2	1.50%
3	9.00%	3	1.50%
4	8.00%	4	1.50%
5	7.60%	5	1.50%
10	5.40%	10	1.50%
15	3.30%	15	0.00%
20	2.00%	20	0.00%
25	1.00%	25	0.00%
30	0.00%	30	0.00%

Disability Rates

Disability rates for General and Public Safety employees are as follows:

General Employees		Public Safety	
Age	Rate	Age	Rate
25	0.02%	25	0.20%
30	0.03%	30	0.30%
35	0.06%	35	0.30%
40	0.10%	40	0.30%
45	0.15%	45	1.00%
50	0.19%	50	1.25%
55	0.24%	55	1.20%
60	0.28%	60	0.85%

55% of the General employee disabilities are job-related.

90% of the Public Safety employee disabilities are job-related.

SECTION 6 - ACTUARIAL ASSUMPTIONS AND METHODS

Retirement Rates

Retirement rates for General and Public Safety employees are as follows:

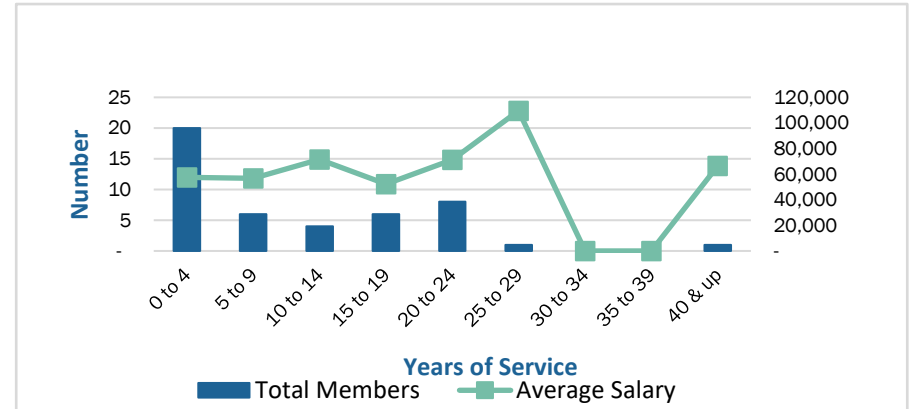
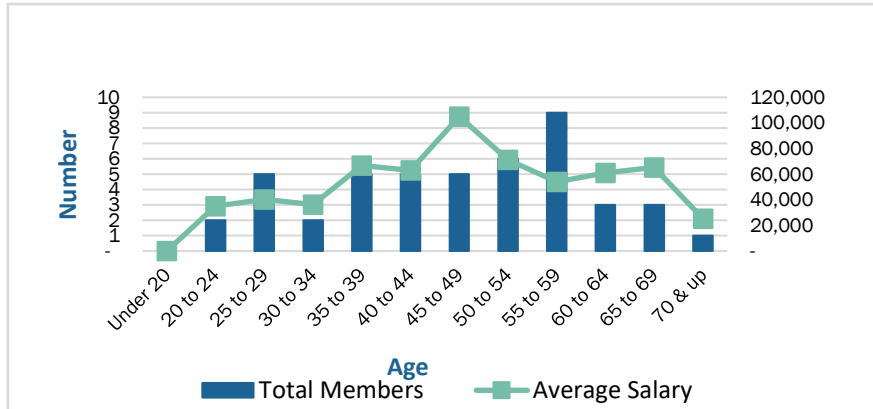
General Employees			Public Safety	
Age	Male	Female	Age	All
45	0.00%	0.00%	45	1.00%
50	1.00%	1.50%	50	2.00%
55	2.00%	5.50%	55	15.00%
60	12.00%	5.00%	60	20.00%
62	30.00%	15.00%	62	25.00%
65	40.00%	15.00%	65	100.00%
69	30.00%	25.00%		
70	100.00%	100.00%		

SECTION 7 - PLAN MEMBER INFORMATION

Exhibit 7.1 - Active Members by Age and Years of Service as of July 1, 2020

Age	Years of Service									Total	Total Salary	Average Salary
	0 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up			
Under 20	-	-	-	-	-	-	-	-	-	-	-	-
20 to 24	2	-	-	-	-	-	-	-	-	2	69,861	34,930
25 to 29	5	-	-	-	-	-	-	-	-	5	201,258	40,252
30 to 34	2	-	-	-	-	-	-	-	-	2	72,669	36,334
35 to 39	3	-	-	2	-	-	-	-	-	5	333,359	66,672
40 to 44	3	1	1	-	-	-	-	-	-	5	315,483	63,097
45 to 49	3	-	-	1	-	1	-	-	-	5	525,324	105,065
50 to 54	1	1	2	1	1	-	-	-	-	6	427,242	71,207
55 to 59	1	2	-	1	5	-	-	-	-	9	485,614	53,957
60 to 64	-	-	-	1	2	-	-	-	-	3	183,334	61,111
65 to 69	-	2	-	-	-	-	-	-	1	3	195,732	65,244
70 & up	-	-	1	-	-	-	-	-	-	1	25,371	25,371
Total	20	6	4	6	8	1	-	-	1	46	2,835,247	61,636
Total Salary	1,149,841	340,423	286,110	313,004	569,869	109,543	-	-	66,457			
Average Salary	57,492	56,737	71,527	52,167	71,234	109,543	-	-	66,457			

Average Age: 47.3 Average Service: 10.2



SECTION 7 - PLAN MEMBER INFORMATION

Exhibit 7.2 - Retired Members, Covered Spouses and Survivors as of July 1, 2020

Age	Non-Medicare Plans			Medicare Plans		Total
	Blue Care Elect	HMO Blue NE Options	HMO Blue Alternative Options	Medex 2		
Under 40	0	0	0	0		0
40 to 44	0	0	0	0		0
45 to 49	0	0	0	0		0
50 to 54	0	0	0	0		0
55 to 59	0	0	0	0		0
60 to 64	0	1	1	0		2
65 to 69	0	0	0	3		3
70 to 74	0	0	0	7		7
75 to 79	0	0	0	5		5
80 to 84	0	0	0	0		0
85 to 89	0	0	0	1		1
90+	0	0	0	2		2
Total	0	1	1	18		20
Covered Spouses	0	0	0	6		6

Average Age: 74.9

SECTION 8 - GLOSSARY OF TERMS

Actuarial Assumptions – Assumptions as to the occurrence of future events affecting OPEB costs, such as mortality, withdrawal, disability and retirement; changes in compensation and OPEB benefits; rates of investment earnings and asset appreciation or depreciation; procedures used to determine the Actuarial Value of Assets; characteristics of future entrants for Open Group Actuarial Cost Methods; and other relevant items.

Actuarial Cost Method (or Funding Method) – A procedure for allocating the Actuarial Present Value of projected benefit payments to the current year (Service Cost) and the past (Total OPEB Liability).

Actuarial Gain or Loss (or Experience Gain or Loss) – A measure of the difference between actual experience and that expected based upon the set of Actuarial Assumptions during the period between the valuation date and the most recent immediately preceding valuation date.

Actuarial Present Value of Projected Benefit Payments – The dollar value on the valuation date of all benefits expected to be paid to current members based upon the Actuarial Assumptions and the terms of the Plan.

Actuarially Determined Contribution – A target or recommended contribution to a defined benefit OPEB plan for the reporting period, determined in conformity with Actuarial Standards of Practice based on the most recent measurement available when the contribution for the reporting period was adopted.

Actuarial Valuation Date – The date as of which an actuarial valuation is performed. This date may be up to 24 months prior to the measurement date and up to 30 months prior to the employer's reporting date.

Deferred Inflow of Resources – Acquisition of resources by a governmental entity that is applicable to future reporting periods. Under GASB 75, deferred inflows of resources are made up of experience gains, assumption changes reducing the Total OPEB Liability and investment gains that are recognized in future reporting periods.

Deferred Outflow of Resources – Consumption of resources by a governmental entity that is applicable to future reporting periods. Under GASB 75, deferred outflows of resources are made up of experience losses, assumption changes increasing the Total OPEB Liability and investment losses that are recognized in future reporting periods.

Discount Rate – Single rate of return that, when applied to all projected benefit payments, results in an actuarial present value of projected benefit payments equal to the sum of:

- (1) a long-term expected rate of return on OPEB plan investments *to the extent that the OPEB plan's assets are sufficient to pay benefits and OPEB plan assets are expected to be invested using a strategy to achieve that return* and
- (2) a tax-exempt, high-quality municipal bond rate *to the extent that the conditions for use of the long-term expected rate of return are not met.*

Employer Future Period Contributions – Contributions made by the employer, generally to an outside trust fund, to pay for future OPEB costs. These are costs in addition to the employer contributions made during the year to pay for ongoing premiums.

SECTION 8 - GLOSSARY OF TERMS

Entry Age Normal Actuarial Cost Method – A method under which the actuarial present value of the projected benefits of each individual in an actuarial valuation is allocated on a level basis over the earnings or service of the individual between entry age and assumed exit age.

Explicit Subsidy – The difference between (a) the blended rates based on combined active and retired member experience and (b) actual cash contributions made by the employer.

Fiduciary Net Position – The fair market value of assets as of the measurement date.

Funded Ratio – The Actuarial Value of Assets expressed as a percentage of the Actuarial Accrued Liability.

GASB – Governmental Accounting Standards Board.

Health Cost Trend Rate – The rate of change in per capita health claims cost over time as a result of factors such as medical inflation, utilization of healthcare services, plan design, and technological developments.

Implicit Subsidy – In an experience-rated healthcare plan that includes both active employees and retirees with blended premium rates for all plan members, the difference between (a) the age-adjusted premiums approximating claim costs for retirees in the group and (b) the blended rates based on combined active and retired member experience.

Long-Term Expected Rate of Return – Long-term expected rate of return on OPEB plan investments expected to be used to finance the payment of benefits, net of investment expenses.

Measurement Date – The date as of which the Total OPEB Liability and Fiduciary Net Position are measured.

Municipal Bond Rate – Yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Net OPEB Liability – The liability of the employer for benefits provided through an OPEB plan. It is calculated as the Total OPEB Liability less the Fiduciary Net Position.

OPEB – Other Postemployment Benefits including medical, dental, vision, hearing and life insurance benefits.

Pay-As-You-Go – A method of financing an OPEB plan under which the contributions to the plan are generally made at about the same time and in about the same amount as benefit payments and expenses becoming due.

Present Value of Future Benefits – The actuarial present value of the cost to finance benefits payable in the future, discounted to reflect the expected effects of the time value of money and the probabilities of payment.

Reporting Date – The last day of the Plan or employer's fiscal year.

SECTION 8 - GLOSSARY OF TERMS

Service Cost – The portion of the actuarial present value of projected benefit amounts that is attributed to a valuation year.

Substantive Plan – The terms of an OPEB plan as understood by the employer and plan members.

Total OPEB Liability – The portion of the actuarial present value of projected benefit amounts that is attributed to past periods of employee service.

Unfunded Actuarial Accrued Liability – The excess of the Actuarial Accrued Liability over the Actuarial Value of Assets.

SECTION 9 - BREAKOUT OF RESULTS BY DEPARTMENT

Department	Town	Water	Total
Summary of Member Data Used in Valuation			
Active Members	42	4	46
Average Age	46.8	52.5	47.3
Average Service	10.0	12.0	10.2
Covered Payroll	2,606,931	228,315	2,835,247
Retired Members and Survivors	20	0	20
Average Age	74.9	-	74.9
Covered Spouses	6	0	6
Expected Benefit Payments	98,046	2,778	100,824
OPEB Trust contributions	15,000	0	15,000
Total Employer Contributions	113,046	2,778	115,824
Beginning Net OPEB Liability - June 30, 2021			
Total OPEB Liability	2,562,787	167,471	2,730,258
Fiduciary Net Position	2,573,901	281,321	2,855,222
Net OPEB Liability	(11,114)	(113,850)	(124,964)
Total OPEB Liability, beginning of year	2,562,787	167,471	2,730,258
Service cost	112,591	8,501	121,092
Interest	157,581	10,475	168,056
Changes of benefit terms	0	0	0
Differences between expected and actual experience	0	0	0
Changes of assumptions	(9,957)	(729)	(10,686)
Benefit payments	(98,046)	(2,778)	(100,824)
Net change in total OPEB liability	162,169	15,469	177,638
Total OPEB Liability, end of year	2,724,956	182,940	2,907,896
Ending Net OPEB Liability - June 30, 2022			
Total OPEB Liability	2,724,956	182,940	2,907,896
Fiduciary Net Position	2,313,768	250,751	2,564,519
Net OPEB Liability	411,188	(67,811)	343,377

SECTION 9 - BREAKOUT OF RESULTS BY DEPARTMENT

Department	Town	Water	Total
Total Deferred Outflows of Resources			
Differences between Expected and Actual Experience	62,696	4,097	66,793
Changes in Assumptions	219,650	14,353	234,003
Differences between Expected and Actual Earnings on OPEB Plan Investments	171,271	18,720	189,991
Total Deferred Outflows of Resources	453,617	37,170	490,787
Total Deferred Inflows of Resources			
Differences between Expected and Actual Experience	179,835	11,752	191,587
Changes in Assumptions	9,496	621	10,117
Differences between Expected and Actual Earnings on OPEB Plan Investments	0	0	0
Total Deferred Inflows of Resources	189,332	12,372	201,704
Total OPEB Expense	184,968	7,176	192,144
Sensitivity of the Net OPEB Liability to Changes in the Discount Rate			
Current Discount Rate: 6%	411,188	(67,811)	343,377
1% Decrease in the Discount Rate: 5%	819,142	(40,423)	778,719
1% Increase in the Discount Rate: 7%	81,436	(89,949)	(8,513)
Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates			
Current Trend Rates	411,188	(67,811)	343,377
1% Decrease in Trend Rates	6,212	(94,999)	(88,787)
1% Increase in Trend Rates	924,689	(33,337)	891,352
Deferred Outflows of Resources and Deferred Inflows of Resources recognized in OPEB Expense			
2023	83,281	7,814	91,095
2024	89,597	8,407	98,004
2025	64,499	6,052	70,551
2026	77,417	7,264	84,681
2027	(33,473)	(3,141)	(36,614)
Thereafter	(17,036)	(1,598)	(18,634)

APPENDIX A - CALCULATION OF SINGLE DISCOUNT RATE

Under GASB 74 and GASB 75, a series of projections and calculations are used to determine the discount rate for the purpose of the measurement of the Total OPEB Liability. The discount rate is the single rate that reflects (1) the long-term expected rate of return on OPEB plan investments that are expected to be used to finance the payment of benefits, to the extent that the OPEB plan's fiduciary net position is projected to be sufficient to make projected benefit payments and OPEB plan assets are expected to be invested using a strategy to achieve that return, and (2) a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher, to the extent that the conditions for use of the long-term expected rate of return are not met.

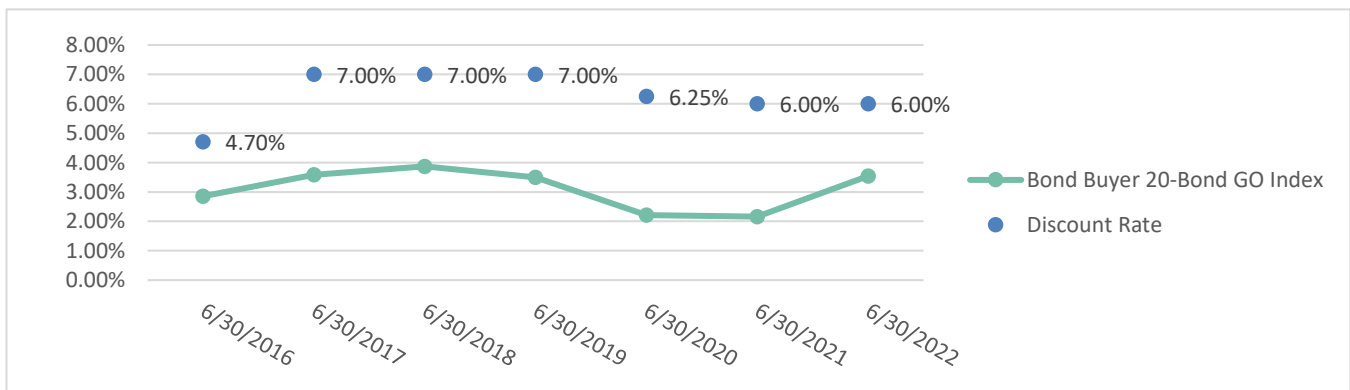
Projected cash flows into and out of the OPEB plan are assumed to be contributions to the OPEB plan, benefit payments, OPEB plan administrative expenses and OPEB plan investment earnings. These projected cash flows are used to project the OPEB plan's fiduciary net position at the beginning of each period. The OPEB plan's projected fiduciary net position at the beginning of each period is compared to the amount of benefit payments projected to occur in that period.

It is assumed that the OPEB plan's fiduciary net position is expected to always be invested using a strategy to achieve the long-term expected rate of return on OPEB plan investments.

The benefit payments that are projected to occur in a period are discounted using the long-term expected rate of return on OPEB plan investments if the amount of the OPEB plan's beginning fiduciary net position is projected to be sufficient to make the benefit payments in that period. In periods in which benefit payments are projected to be greater than the amount of the OPEB plan's fiduciary net position, they are discounted using a municipal bond rate as required by GASB 74.

For purposes of this valuation, liabilities are based on a discount rate of 6%, a long-term investment return rate of 6% and a municipal bond rate of 3.54%, based on the Bond Buyer 20-Bond GO Index published on June 30, 2022. The OPEB 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 OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. Projected benefit payments are discounted to their actuarial present value using a single discount rate of 6%.

Below are the historical Bond Buyer 20-Bond GO Indices and the Town's discount rate used in disclosures since the implementation of GASB 74 and GASB 75:



APPENDIX A - CALCULATION OF SINGLE DISCOUNT RATE

Table 1: Projection of Contributions

Year	Projected Payroll			Projected Contributions			
	Payroll for Current Plan Members (a)	Payroll for Future Plan Members (b)	Total Payroll (c) = (a) + (b)	Employer Contributions (Benefit Payments) (d)	Employer Contributions (OPEB Trust) (e)	Employer Contributions Related to Payroll of Future Employees (f) = (b) * 4.48%	Portion of Employer Contributions for Current Plan Members (g) = (d) + (e) - (f)
2022	2,693,904	-	2,693,904	100,824	15,000	-	115,824
2023	2,530,562	257,629	2,788,191	112,496	-	11,546	100,950
2024	2,411,760	474,018	2,885,778	114,438	-	21,244	93,194
2025	2,290,783	695,997	2,986,780	129,786	-	31,193	98,593
2026	2,146,979	944,338	3,091,317	144,710	-	42,323	102,387
2027	1,995,428	1,204,085	3,199,513	167,522	-	53,964	113,558
2028	1,873,251	1,438,245	3,311,496	195,363	-	64,458	130,905
2029	1,757,745	1,669,653	3,427,398	206,832	-	74,829	132,003
2030	1,655,609	1,891,748	3,547,357	204,122	-	84,783	119,339
2031	1,542,005	2,129,509	3,671,514	204,161	-	95,438	108,723
2032	1,442,326	2,357,691	3,800,017	211,111	-	105,665	105,446
2033	1,366,950	2,566,068	3,933,018	209,626	-	115,004	94,622
2034	1,283,696	2,786,978	4,070,674	201,515	-	124,904	76,611
2035	1,172,108	3,041,040	4,213,148	222,948	-	136,291	86,657
2036	1,096,287	3,264,321	4,360,608	238,653	-	146,297	92,356
2037	1,041,451	3,471,778	4,513,229	239,424	-	155,595	83,829
2038	970,167	3,701,025	4,671,192	255,588	-	165,869	89,719
2039	896,987	3,937,697	4,834,684	287,636	-	176,476	111,160
2040	828,851	4,175,047	5,003,898	285,577	-	187,114	98,463
2041	767,159	4,411,875	5,179,034	291,998	-	197,728	94,270
2042	721,072	4,639,228	5,360,300	297,214	-	207,917	89,297
2043	673,364	4,874,547	5,547,911	303,797	-	218,463	85,334
2044	634,133	5,107,955	5,742,088	299,172	-	228,924	70,248
2045	587,659	5,355,402	5,943,061	313,527	-	240,014	73,513
2046	561,067	5,590,001	6,151,068	329,312	-	250,528	78,784
2047	517,091	5,849,264	6,366,355	305,705	-	262,147	43,558
2048	481,502	6,107,675	6,589,177	320,516	-	273,728	46,788
2049	454,041	6,365,757	6,819,798	319,246	-	285,295	33,951
2050	415,285	6,643,206	7,058,491	308,613	-	297,729	10,884
2051	386,029	6,919,509	7,305,538	317,920	-	310,112	7,808
2052	359,007	7,202,225	7,561,232	332,064	-	322,783	9,281
2053	312,896	7,512,979	7,825,875	357,806	-	336,710	21,096
2054	280,574	7,819,207	8,099,781	395,413	-	350,434	44,979
2055	242,560	8,140,713	8,383,273	406,398	-	364,843	41,555

APPENDIX A - CALCULATION OF SINGLE DISCOUNT RATE

Table 1: Projection of Contributions

Year	Projected Payroll			Projected Contributions			
	Payroll for Current Plan Members (a)	Payroll for Future Plan Members (b)	Total Payroll (c) = (a) + (b)	Employer Contributions (Benefit Payments) (d)	Employer Contributions (OPEB Trust) (e)	Employer Contributions Related to Payroll of Future Employees (f) = (b) * 4.48%	Portion of Employer Contributions for Current Plan Members (g) = (d) + (e) - (f)
2056	189,988	8,486,700	8,676,688	436,184	-	380,349	55,835
2057	157,195	8,823,177	8,980,372	461,348	-	395,429	65,919
2058	127,649	9,167,036	9,294,685	456,735	-	410,840	45,895
2059	99,555	9,520,444	9,619,999	435,464	-	426,679	8,785
2060	72,091	9,884,608	9,956,699	410,504	-	443,000	-
2061	43,599	10,261,584	10,305,183	394,977	-	459,895	-
2062	32,075	10,633,789	10,665,864	341,927	-	476,576	-
2063	13,913	11,025,256	11,039,169	318,387	-	494,120	-
2064	8,065	11,417,475	11,425,540	276,923	-	511,698	-
2065	-	11,825,434	11,825,434	279,994	-	529,982	-
2066	-	12,239,324	12,239,324	275,580	-	548,531	-
2067	-	12,667,700	12,667,700	281,546	-	567,730	-
2068	-	13,111,070	13,111,070	277,478	-	587,600	-
2069	-	13,569,957	13,569,957	282,132	-	608,166	-
2070	-	14,044,905	14,044,905	283,982	-	629,452	-
2071	-	14,536,477	14,536,477	277,986	-	651,483	-
2072	-	15,045,254	15,045,254	280,987	-	674,285	-
2073	-	15,571,838	15,571,838	275,664	-	697,885	-
2074	-	16,116,852	16,116,852	278,494	-	722,311	-
2075	-	16,680,942	16,680,942	277,260	-	747,592	-
2076	-	17,264,775	17,264,775	270,343	-	773,757	-
2077	-	17,869,042	17,869,042	268,005	-	800,839	-
2078	-	18,494,458	18,494,458	262,121	-	828,868	-
2079	-	19,141,764	19,141,764	261,767	-	857,879	-
2080	-	19,811,726	19,811,726	255,815	-	887,904	-
2081	-	20,505,136	20,505,136	247,348	-	918,981	-
2082	-	21,222,816	21,222,816	242,783	-	951,145	-
2083	-	21,965,615	21,965,615	234,986	-	984,435	-
2084	-	22,734,412	22,734,412	231,037	-	1,018,891	-
2085	-	23,530,116	23,530,116	222,677	-	1,054,552	-
2086	-	24,353,670	24,353,670	211,635	-	1,091,461	-
2087	-	25,206,048	25,206,048	202,165	-	1,129,662	-
2088	-	26,088,260	26,088,260	189,985	-	1,169,200	-
2089	-	27,001,349	27,001,349	181,013	-	1,210,123	-

APPENDIX A - CALCULATION OF SINGLE DISCOUNT RATE

Table 1: Projection of Contributions

Year	Projected Payroll			Projected Contributions			
	Payroll for Current Plan Members (a)	Payroll for Future Plan Members (b)	Total Payroll (c) = (a) + (b)	Employer Contributions (Benefit Payments) (d)	Employer Contributions (OPEB Trust) (e)	Employer Contributions Related to Payroll of Future Employees (f) = (b) * 4.48%	Portion of Employer Contributions for Current Plan Members (g) = (d) + (e) - (f)
2090	-	27,946,396	27,946,396	168,242	-	1,252,477	-
2091	-	28,924,520	28,924,520	154,626	-	1,296,313	-
2092	-	29,936,878	29,936,878	138,781	-	1,341,684	-
2093	-	30,984,669	30,984,669	124,135	-	1,388,643	-
2094	-	32,069,132	32,069,132	109,185	-	1,437,246	-
2095	-	33,191,552	33,191,552	95,803	-	1,487,550	-
2096	-	34,353,256	34,353,256	82,921	-	1,539,614	-
2097	-	35,555,620	35,555,620	70,714	-	1,593,500	-
2098	-	36,800,067	36,800,067	59,334	-	1,649,273	-
2099	-	38,088,069	38,088,069	48,931	-	1,706,997	-
2100	-	39,421,151	39,421,151	39,592	-	1,766,742	-
2101	-	40,800,891	40,800,891	31,391	-	1,828,578	-
2102	-	42,228,922	42,228,922	24,344	-	1,892,578	-
2103	-	43,706,934	43,706,934	18,442	-	1,958,819	-
2104	-	45,236,677	45,236,677	13,619	-	2,027,377	-
2105	-	46,819,961	46,819,961	9,788	-	2,098,335	-
2106	-	48,458,660	48,458,660	6,830	-	2,171,777	-
2107	-	50,154,713	50,154,713	4,623	-	2,247,789	-
2108	-	51,910,128	51,910,128	3,026	-	2,326,462	-
2109	-	53,726,982	53,726,982	1,912	-	2,407,888	-
2110	-	55,607,426	55,607,426	1,160	-	2,492,164	-
2111	-	57,553,686	57,553,686	677	-	2,579,390	-
2112	-	59,568,065	59,568,065	381	-	2,669,669	-
2113	-	61,652,947	61,652,947	207	-	2,763,107	-
2114	-	63,810,800	63,810,800	109	-	2,859,816	-
2115	-	66,044,178	66,044,178	56	-	2,959,909	-
2116	-	68,355,724	68,355,724	28	-	3,063,506	-
2117	-	70,748,174	70,748,174	14	-	3,170,729	-
2118	-	73,224,360	73,224,360	5	-	3,281,704	-
2119	-	75,787,213	75,787,213	2	-	3,396,564	-
2120	-	78,439,765	78,439,765	-	-	3,515,444	-

APPENDIX A - CALCULATION OF SINGLE DISCOUNT RATE

Table 2: Projection of the OPEB Plan's Fiduciary Net Position

Year	Projected Beginning Fiduciary Net Position (a)	Employer Contributions for Current Plan Members (b)	Projected Benefit Payments (c)	Projected Administrative Expenses (d)	Projected Investment Earnings (e)	Projected Ending Fiduciary Net Position (f) = (a) + (b) - (c) - (d) +(e)
2022	2,855,222	115,824	100,824	-	(305,703)	2,564,519
2023	2,564,519	100,950	112,496	-	153,525	2,706,498
2024	2,706,498	93,194	114,438	-	161,753	2,847,007
2025	2,847,007	98,593	129,786	-	169,885	2,985,699
2026	2,985,699	102,387	144,710	-	177,872	3,121,248
2027	3,121,248	113,558	167,522	-	185,656	3,252,940
2028	3,252,940	130,905	195,363	-	193,243	3,381,725
2029	3,381,725	132,003	206,832	-	200,659	3,507,555
2030	3,507,555	119,339	204,122	-	207,910	3,630,682
2031	3,630,682	108,723	204,161	-	214,978	3,750,222
2032	3,750,222	105,446	211,111	-	221,843	3,866,400
2033	3,866,400	94,622	209,626	-	228,534	3,979,930
2034	3,979,930	76,611	201,515	-	235,049	4,090,075
2035	4,090,075	86,657	222,948	-	241,316	4,195,100
2036	4,195,100	92,356	238,653	-	247,317	4,296,120
2037	4,296,120	83,829	239,424	-	253,099	4,393,624
2038	4,393,624	89,719	255,588	-	258,641	4,486,396
2039	4,486,396	111,160	287,636	-	263,889	4,573,809
2040	4,573,809	98,463	285,577	-	268,815	4,655,510
2041	4,655,510	94,270	291,998	-	273,399	4,731,181
2042	4,731,181	89,297	297,214	-	277,633	4,800,897
2043	4,800,897	85,334	303,797	-	281,500	4,863,934
2044	4,863,934	70,248	299,172	-	284,968	4,919,978
2045	4,919,978	73,513	313,527	-	287,998	4,967,962
2046	4,967,962	78,784	329,312	-	290,562	5,007,996
2047	5,007,996	43,558	305,705	-	292,615	5,038,464
2048	5,038,464	46,788	320,516	-	294,096	5,058,832
2049	5,058,832	33,951	319,246	-	294,971	5,068,508
2050	5,068,508	10,884	308,613	-	295,179	5,065,958
2051	5,065,958	7,808	317,920	-	294,654	5,050,500
2052	5,050,500	9,281	332,064	-	293,347	5,021,064
2053	5,021,064	21,096	357,806	-	291,163	4,975,517
2054	4,975,517	44,979	395,413	-	288,018	4,913,101
2055	4,913,101	41,555	406,398	-	283,841	4,832,099

APPENDIX A - CALCULATION OF SINGLE DISCOUNT RATE

Table 2: Projection of the OPEB Plan's Fiduciary Net Position

Year	Projected Beginning Fiduciary Net Position (a)	Employer Contributions for Current Plan Members (b)	Projected Benefit Payments (c)	Projected Administrative Expenses (d)	Projected Investment Earnings (e)	Projected Ending Fiduciary Net Position (f) = (a) + (b) - (c) - (d) +(e)
2056	4,832,099	55,835	436,184	-	278,515	4,730,265
2057	4,730,265	65,919	461,348	-	271,953	4,606,789
2058	4,606,789	45,895	456,735	-	264,082	4,460,031
2059	4,460,031	8,785	435,464	-	254,801	4,288,153
2060	4,288,153	-	410,504	-	244,974	4,122,623
2061	4,122,623	-	394,977	-	235,508	3,963,154
2062	3,963,154	-	341,927	-	227,531	3,848,758
2063	3,848,758	-	318,387	-	221,374	3,751,745
2064	3,751,745	-	276,923	-	216,797	3,691,619
2065	3,691,619	-	279,994	-	213,097	3,624,722
2066	3,624,722	-	275,580	-	209,216	3,558,358
2067	3,558,358	-	281,546	-	205,055	3,481,867
2068	3,481,867	-	277,478	-	200,588	3,404,977
2069	3,404,977	-	282,132	-	195,835	3,318,680
2070	3,318,680	-	283,982	-	190,601	3,225,299
2071	3,225,299	-	277,986	-	185,178	3,132,491
2072	3,132,491	-	280,987	-	179,520	3,031,024
2073	3,031,024	-	275,664	-	173,592	2,928,952
2074	2,928,952	-	278,494	-	167,382	2,817,840
2075	2,817,840	-	277,260	-	160,753	2,701,333
2076	2,701,333	-	270,343	-	153,970	2,584,960
2077	2,584,960	-	268,005	-	147,057	2,464,012
2078	2,464,012	-	262,121	-	139,977	2,341,868
2079	2,341,868	-	261,767	-	132,659	2,212,760
2080	2,212,760	-	255,815	-	125,091	2,082,036
2081	2,082,036	-	247,348	-	117,502	1,952,190
2082	1,952,190	-	242,783	-	109,848	1,819,255
2083	1,819,255	-	234,986	-	102,106	1,686,375
2084	1,686,375	-	231,037	-	94,251	1,549,589
2085	1,549,589	-	222,677	-	86,295	1,413,207
2086	1,413,207	-	211,635	-	78,443	1,280,015
2087	1,280,015	-	202,165	-	70,736	1,148,586
2088	1,148,586	-	189,985	-	63,216	1,021,817
2089	1,021,817	-	181,013	-	55,879	896,683

APPENDIX A - CALCULATION OF SINGLE DISCOUNT RATE

Table 2: Projection of the OPEB Plan's Fiduciary Net Position

Year	Projected Beginning Fiduciary Net Position (a)	Employer Contributions for Current Plan Members (b)	Projected Benefit Payments (c)	Projected Administrative Expenses (d)	Projected Investment Earnings (e)	Projected Ending Fiduciary Net Position (f) = (a) + (b) - (c) - (d) +(e)
2090	896,683	-	168,242	-	48,754	777,195
2091	777,195	-	154,626	-	41,993	664,562
2092	664,562	-	138,781	-	35,710	561,491
2093	561,491	-	124,135	-	29,965	467,321
2094	467,321	-	109,185	-	24,764	382,900
2095	382,900	-	95,803	-	20,100	307,197
2096	307,197	-	82,921	-	15,944	240,220
2097	240,220	-	70,714	-	12,292	181,798
2098	181,798	-	59,334	-	9,128	131,592
2099	131,592	-	48,931	-	6,428	89,089
2100	89,089	-	39,592	-	4,158	53,655
2101	53,655	-	31,391	-	2,278	24,542
2102	24,542	-	24,344	-	742	940
2103	940	-	18,442	-	-	-
2104	-	-	13,619	-	-	-
2105	-	-	9,788	-	-	-
2106	-	-	6,830	-	-	-
2107	-	-	4,623	-	-	-
2108	-	-	3,026	-	-	-
2109	-	-	1,912	-	-	-
2110	-	-	1,160	-	-	-
2111	-	-	677	-	-	-
2112	-	-	381	-	-	-
2113	-	-	207	-	-	-
2114	-	-	109	-	-	-
2115	-	-	56	-	-	-
2116	-	-	28	-	-	-
2117	-	-	14	-	-	-
2118	-	-	5	-	-	-
2119	-	-	2	-	-	-
2120	-	-	-	-	-	-

APPENDIX A - CALCULATION OF SINGLE DISCOUNT RATE

Table 3: Actuarial Present Value of Projected Benefit Payments - End of Measurement Period

Year	Projected Beginning Fiduciary Net Position (a)	Projected Benefit Payments (b)	Projected Benefit Payments		Actuarial Present Value of Projected Benefit Payments		
			"Funded" Portion of Benefit Payments (c)	"Unfunded" Portion of Benefit Payments (d)	Present Value of "Funded" Benefit Payments (e)	Present Value of "Unfunded" Benefit Payments (f)	Present Value of Benefit Payments Using the Single Discount Rate (g) = 6%
2023	2,564,519	112,496	112,496	-	109,266	-	109,268
2024	2,706,498	114,438	114,438	-	104,860	-	104,866
2025	2,847,007	129,786	129,786	-	112,192	-	112,203
2026	2,985,699	144,710	144,710	-	118,013	-	118,028
2027	3,121,248	167,522	167,522	-	128,883	-	128,905
2028	3,252,940	195,363	195,363	-	141,795	-	141,824
2029	3,381,725	206,832	206,832	-	141,622	-	141,657
2030	3,507,555	204,122	204,122	-	131,855	-	131,892
2031	3,630,682	204,161	204,161	-	124,415	-	124,455
2032	3,750,222	211,111	211,111	-	121,368	-	121,412
2033	3,866,400	209,626	209,626	-	113,693	-	113,738
2034	3,979,930	201,515	201,515	-	103,107	-	103,153
2035	4,090,075	222,948	222,948	-	107,617	-	107,668
2036	4,195,100	238,653	238,653	-	108,677	-	108,733
2037	4,296,120	239,424	239,424	-	102,857	-	102,913
2038	4,393,624	255,588	255,588	-	103,586	-	103,647
2039	4,486,396	287,636	287,636	-	109,976	-	110,045
2040	4,573,809	285,577	285,577	-	103,008	-	103,077
2041	4,655,510	291,998	291,998	-	99,362	-	99,432
2042	4,731,181	297,214	297,214	-	95,412	-	95,483
2043	4,800,897	303,797	303,797	-	92,005	-	92,077
2044	4,863,934	299,172	299,172	-	85,476	-	85,546
2045	4,919,978	313,527	313,527	-	84,507	-	84,579
2046	4,967,962	329,312	329,312	-	83,737	-	83,812
2047	5,007,996	305,705	305,705	-	73,335	-	73,403
2048	5,038,464	320,516	320,516	-	72,535	-	72,606
2049	5,058,832	319,246	319,246	-	68,159	-	68,227
2050	5,068,508	308,613	308,613	-	62,159	-	62,224
2051	5,065,958	317,920	317,920	-	60,409	-	60,474
2052	5,050,500	332,064	332,064	-	59,525	-	59,592
2053	5,021,064	357,806	357,806	-	60,509	-	60,579
2054	4,975,517	395,413	395,413	-	63,084	-	63,159

APPENDIX A - CALCULATION OF SINGLE DISCOUNT RATE

Table 3: Actuarial Present Value of Projected Benefit Payments - End of Measurement Period

Year	Projected Beginning Fiduciary Net Position (a)	Projected Benefit Payments (b)	Projected Benefit Payments		Actuarial Present Value of Projected Benefit Payments		
			"Funded" Portion of Benefit Payments (c)	"Unfunded" Portion of Benefit Payments (d)	Present Value of "Funded" Benefit Payments (e)	Present Value of "Unfunded" Benefit Payments (f)	Present Value of Benefit Payments Using the Single Discount Rate (g) = 6%
2055	4,913,101	406,398	406,398	-	61,166	-	61,242
2056	4,832,099	436,184	436,184	-	61,933	-	62,012
2057	4,730,265	461,348	461,348	-	61,798	-	61,879
2058	4,606,789	456,735	456,735	-	57,717	-	57,795
2059	4,460,031	435,464	435,464	-	51,914	-	51,987
2060	4,288,153	410,504	410,504	-	46,169	-	46,235
2061	4,122,623	394,977	394,977	-	41,908	-	41,969
2062	3,963,154	341,927	341,927	-	34,226	-	34,277
2063	3,848,758	318,387	318,387	-	30,065	-	30,112
2064	3,751,745	276,923	276,923	-	24,670	-	24,709
2065	3,691,619	279,994	279,994	-	23,531	-	23,570
2066	3,624,722	275,580	275,580	-	21,850	-	21,886
2067	3,558,358	281,546	281,546	-	21,059	-	21,095
2068	3,481,867	277,478	277,478	-	19,580	-	19,614
2069	3,404,977	282,132	282,132	-	18,781	-	18,815
2070	3,318,680	283,982	283,982	-	17,835	-	17,867
2071	3,225,299	277,986	277,986	-	16,470	-	16,500
2072	3,132,491	280,987	280,987	-	15,705	-	15,735
2073	3,031,024	275,664	275,664	-	14,536	-	14,564
2074	2,928,952	278,494	278,494	-	13,854	-	13,881
2075	2,817,840	277,260	277,260	-	13,012	-	13,038
2076	2,701,333	270,343	270,343	-	11,969	-	11,993
2077	2,584,960	268,005	268,005	-	11,194	-	11,217
2078	2,464,012	262,121	262,121	-	10,328	-	10,350
2079	2,341,868	261,767	261,767	-	9,730	-	9,751
2080	2,212,760	255,815	255,815	-	8,971	-	8,991
2081	2,082,036	247,348	247,348	-	8,183	-	8,201
2082	1,952,190	242,783	242,783	-	7,577	-	7,595
2083	1,819,255	234,986	234,986	-	6,919	-	6,935
2084	1,686,375	231,037	231,037	-	6,418	-	6,433
2085	1,549,589	222,677	222,677	-	5,835	-	5,849
2086	1,413,207	211,635	211,635	-	5,232	-	5,245

APPENDIX A - CALCULATION OF SINGLE DISCOUNT RATE

Table 3: Actuarial Present Value of Projected Benefit Payments - End of Measurement Period

Year	Projected Beginning Fiduciary Net Position (a)	Projected Benefit Payments (b)	Projected Benefit Payments		Actuarial Present Value of Projected Benefit Payments		
			"Funded" Portion of Benefit Payments (c)	"Unfunded" Portion of Benefit Payments (d)	Present Value of "Funded" Benefit Payments (e)	Present Value of "Unfunded" Benefit Payments (f)	Present Value of Benefit Payments Using the Single Discount Rate (g) = 6%
2087	1,280,015	202,165	202,165	-	4,715	-	4,727
2088	1,148,586	189,985	189,985	-	4,180	-	4,191
2089	1,021,817	181,013	181,013	-	3,757	-	3,767
2090	896,683	168,242	168,242	-	3,294	-	3,303
2091	777,195	154,626	154,626	-	2,856	-	2,864
2092	664,562	138,781	138,781	-	2,419	-	2,425
2093	561,491	124,135	124,135	-	2,041	-	2,046
2094	467,321	109,185	109,185	-	1,694	-	1,698
2095	382,900	95,803	95,803	-	1,402	-	1,406
2096	307,197	82,921	82,921	-	1,145	-	1,148
2097	240,220	70,714	70,714	-	921	-	924
2098	181,798	59,334	59,334	-	729	-	731
2099	131,592	48,931	48,931	-	567	-	569
2100	89,089	39,592	39,592	-	433	-	434
2101	53,655	31,391	31,391	-	324	-	325
2102	24,542	24,344	24,344	-	237	-	238
2103	940	18,442	-	18,442	-	1,121	170
2104	-	13,619	-	13,619	-	800	118
2105	-	9,788	-	9,788	-	555	80
2106	-	6,830	-	6,830	-	374	53
2107	-	4,623	-	4,623	-	245	34
2108	-	3,026	-	3,026	-	155	21
2109	-	1,912	-	1,912	-	94	12
2110	-	1,160	-	1,160	-	55	7
2111	-	677	-	677	-	31	4
2112	-	381	-	381	-	17	2
2113	-	207	-	207	-	9	1
2114	-	109	-	109	-	5	1
2115	-	56	-	56	-	2	-
2116	-	28	-	28	-	1	-
2117	-	14	-	14	-	1	-
2118	-	5	-	5	-	-	-

APPENDIX A - CALCULATION OF SINGLE DISCOUNT RATE

Table 3: Actuarial Present Value of Projected Benefit Payments - End of Measurement Period

Year	Projected Beginning Fiduciary Net Position (a)	Projected Benefit Payments (b)	Projected Benefit Payments		Actuarial Present Value of Projected Benefit Payments		
			"Funded" Portion of Benefit Payments (c)	"Unfunded" Portion of Benefit Payments (d)	Present Value of "Funded" Benefit Payments (e)	Present Value of "Unfunded" Benefit Payments (f)	Present Value of Benefit Payments Using the Single Discount Rate (g) = 6%
2119	-	2	-	2	-	-	-
2120	-	-	-	-	-	-	-

APPENDIX B - SCHEDULE OF DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES

Year	Differences between Expected and Actual Experience	Recognition Period (Years)	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
2018	-	6.54	-	-	-	-	-	-	-	-	-	-
2019	169,157	6.61	25,591	25,591	25,591	15,611	-	-	-	-	-	-
2020	-	6.61	-	-	-	-	-	-	-	-	-	-
2021	(261,637)	7.47	(35,025)	(35,025)	(35,025)	(35,025)	(35,025)	(35,025)	(16,462)	-	-	-
2022	-	7.47	-	-	-	-	-	-	-	-	-	-
Net Increase (Decrease) in OPEB Expense			(9,434)	(9,434)	(9,434)	(19,414)	(35,025)	(35,025)	(16,462)	-	-	-

Year	Changes of Assumptions	Recognition Period (Years)	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
2018	-	6.54	-	-	-	-	-	-	-	-	-	-
2019	207,010	6.61	31,318	31,318	31,318	19,102	-	-	-	-	-	-
2020	278,802	6.61	42,179	42,179	42,179	42,179	25,728	-	-	-	-	-
2021	(1,178)	7.47	(158)	(158)	(158)	(158)	(158)	(158)	(72)	-	-	-
2022	(10,686)	7.47	(1,431)	(1,431)	(1,431)	(1,431)	(1,431)	(1,431)	(1,431)	(669)	-	-
Net Increase (Decrease) in OPEB Expense			71,908	71,908	71,908	59,692	24,139	(1,589)	(1,503)	(669)	-	-

APPENDIX B - SCHEDULE OF DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES

Year	Differences between Projected and Actual Earnings on OPEB Plan Investments	Recognition Period (Years)	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
2018	(79,819)	5	(15,963)	-	-	-	-	-	-	-	-	-
2019	(34,558)	5	(6,911)	(6,911)	-	-	-	-	-	-	-	-
2020	26,289	5	5,258	5,258	5,257	-	-	-	-	-	-	-
2021	(326,472)	5	(65,294)	(65,294)	(65,295)	(65,295)	-	-	-	-	-	-
2022	477,839	5	95,568	95,568	95,568	95,568	95,567	-	-	-	-	-
Net Increase (Decrease) in OPEB Expense			12,658	28,621	35,530	30,273	95,567	-	-	-	-	-

Town Manager

From: Kreisel, Sara [REDACTED]
Sent: Wednesday, December 14, 2022 12:07 PM
To: Jon-Eric White
Cc: Town Manager; Morrison, Micah
Subject: RE: Public Notice - Waterways License/Permit Application No. 22-WW01-0167-APP

Hi Jon-Eric,

This is, unfortunately, the most convoluted of all of the permits (mainly just because they tend to make a lot of requests for minor changes). Our experience is that Chapter 91 MassDEP staff tend to keep the clock running by asking questions (restarts the 30 -day clocks), but we are working on keeping them on their toes and doing everything in our power to keep the ball moving – and as quickly as possible. For example, we have already explained to this Reviewer that this project has already received 2 public notices (401 WQC and MEPA) but he insisted that this permit also requires a public notice.

We'll continue to keep the ball rolling and update you both.

Thanks again – especially for responding so quickly with your signatures!,
Sara

Sara Kreisel, PWS (she, her)
Ecological Project Manager

[REDACTED]

www.bscgroup.com

I work flexibly and may send emails outside of working hours. I don't expect a response or action outside your own working hours.

From: Jon-Eric White <JEWhite@CityofNewburyport.com>
Sent: Tuesday, December 13, 2022 8:20 AM
To: Kreisel, Sara [REDACTED]
Cc: townmanager@wnewbury.org
Subject: RE: Public Notice - Waterways License/Permit Application No. 22-WW01-0167-APP

Okay....is this standard operating procedure or has our permitting world gone nuts? This appears to be quite excessive to me. I was hoping for a quick approval, BUT, ecological permitting takes time....it just seems like a lot.

Your insight would be most helpful. 😊

From: Morales, Ivan (DEP) [REDACTED]
Sent: Friday, December 9, 2022 8:25 AM
To: Sara Kreisel [REDACTED]
Cc: townmanager@wnewbury.org; Jon-Eric White <JEWhite@CityofNewburyport.com>
Subject: Public Notice - Waterways License/Permit Application No. 22-WW01-0167-APP

Hi Sara,

Attached here is the public notice letter for the referenced License/Permit application. Please follow the instructions therein. Let me know if you have questions.

Thanks,

Ivan



Commonwealth of Massachusetts
Executive Office of Energy & Environmental Affairs

Department of Environmental Protection

100 Cambridge Street 9th Floor Boston, MA 02114 • 617-292-5500

Charles D. Baker
Governor

Karyn E. Polito
Lieutenant Governor

Bethany A. Card
Secretary

Martin Suuberg
Commissioner

December 9, 2022

Town of West Newbury
c/o Sara Kreisel – BSC Group, Inc.
803 Summer Street
Boston, MA 02127

RE: PUBLIC NOTICE OF C.91 WATERWAYS LICENSE APPLICATION No: 22-W01-0167-APP
Middle Street & Plummer Spring Road Rights-of-Way, Waters of Artichoke River (Artichoke
Upper Reservoir), West Newbury and Newburyport, Essex County

Dear Ms. Kreisel:

The Department of Environmental Protection Waterways Regulation Program (the “Department”) has received the License Application you filed on behalf of the Town of West Newbury and the City of Newburyport (the “Applicant”), requesting authorization to perform certain activities in/on/over waters of the Artichoke River (Artichoke Upper Reservoir) in West Newbury and Newburyport, pursuant to M.G.L. Chapter 91, the Public Waterfront Act and its regulations at 310 CMR 9.00, *et. seq.* The Department has assigned this application filing with the above-referenced Waterways License Application Number. Please refer to this application number whenever you submit or request information for this file. Upon review of this application, the Department has determined that this project is a Water-Dependent Use Project.

Attached is the Department's Public Notice form for this application. The Applicant is required to publish this notice, at their expense, in one or more newspapers having circulation in the areas affected by the proposed activity. This notice must be published in the local newspaper **on or before December 23rd, 2022**, the designated Notification Date. The required public comment period shall begin on this designated Notification Date.

The Applicant is required to submit proof of publication to the Department by sending a copy of the newspaper notice showing the date of publication or a copy of the newspaper notice and letter from the newspaper indicating the date the public notice was published. The Department will submit the Public Notice for publication in *The Environmental Monitor*.

This information is available in alternate format. Contact Melixza Esenyie at 617-626-1282.

TTY# MassRelay Service 1-800-439-2370

MassDEP Website: www.mass.gov/dep

Printed on Recycled Paper

Pursuant to 310 CMR 9.13(1), the Applicant is also required to concurrently provide the attached Public Notice along with a copy of the project site plans to everyone identified on the enclosed Notification Mailing List for their review and comment. The Applicant shall send the Notice and project plans by certified mail return receipt requested and submit proof of notification to the Department when completed.

The Department cannot continue its review of this application until the following information/document(s) listed below have been submitted or actions completed. Additional information may be required as the Department continues its review of the application.

- Proof of publication of the Public Notice in accordance with 310 CMR 9.13(1)
- Proof of notification to Abutters and Mailing List (***copy of signed certified mail Return Receipt Cards***)
- Completion of the Public Comment Period
- Response to any comments received during the comment period, as deemed appropriate by the Department; and adequate proof that the responses were sent to all persons that submitted comments during the Public Comment Period
- Response to Public Comments (***if any***)
- Receipt of the Municipal Planning Board Notification Form
- Receipt of a valid 401 Water Quality Certification
- Documentation of all other state regulatory approvals if applicable pursuant to 310 CMR 9.33
- Plans in accordance with the specifications of Appendix A and B of the Waterways License Application instructions and supporting material.
- Any additional plans, documentation, and other information requested by the Department, or a statement by the applicant indicating that no further information will be forthcoming in response to such request

PLEASE NOTE: Final Mylar License Plans and any requisite fees will be required upon notice from the Department after issuance of the DRAFT Chapter 91 License and prior to issuance of the FINAL Chapter 91 License.

Additional information may be required as the Department continues its review of this application. Should you have any questions, please contact me at ivan.morales@mass.gov or (617) 292-5621. Thank you.

Sincerely,



Ivan Morales-Parra, PhD.
Environmental Analyst
Waterways Regulation Program

Cc: Angus Jennings, Town of West Newbury; John-Eric White, City of Newburyport

Enc: Public Notice for Waterways Application Number 22-WW01-0167-APP
Notification Mailing List for Waterways Application Number 22-WW01-0167-APP

**DEPARTMENT OF ENVIRONMENTAL PROTECTION
WATERWAYS REGULATION PROGRAM**

**Notice of License Application pursuant to M.G.L. Chapter 91
Waterways License Application Number 22-WW01-0167-APP**

Applicant: Town of West Newbury & City of Newburyport

Project Location: Middle Street & Plummer Spring Road Rights-of-Way

Public Comments Deadline: January 23, 2023

NOTIFICATION DATE: December 23, 2022

Public Notice is hereby given of the Waterways Application by Town of West Newbury and the City of Newburyport to replace an existing stone arch bridge with a 32.5-foot wide by 45-foot long high strength precast concrete span bridge, with associated retaining wall, stone riprap, and improvement dredging in/on/over waters of Artichoke River (Upper Artichoke Reservoir), West Newbury and Newburyport, Essex County. The proposed project has been determined to be water-dependent.

The Department will consider all written comments on this Waterways Application received by Monday January 23, 2023 (Public Comments Deadline). Failure of any aggrieved person or group of ten (10) citizens or more to submit written comments to the Waterways Regulation Program by the Public Comments Deadline will result in the waiver of any right to an adjudicatory hearing in accordance with 310 CMR 9.13(4)(c). The group of citizens must include no less than five (5) citizens who are residents of the municipality in which the proposed project is located. A public hearing may be held upon request by the Municipal Official.

Project plans and documents for this Waterways Application are on file for public viewing electronically at: <https://eeaonline.eea.state.ma.us/EEA/PublicApp/> (enter “**22-WW01-0167-APP**” in the Search Page as the **Record ID**). If you need assistance, please contact ivan.morales@mass.gov or if you do not have access to email, please leave a voicemail at (857) 276-3013 and you will be contacted with information on alternative options.

It is recommended that documents and correspondence be filed electronically with the email address specified above, when possible, alternatively, comments may be mailed to Ivan Morales at MassDEP Waterways Regulation Program, 100 Cambridge Street, Suite 900, Boston, 02114.

NOTIFICATION MAILING LIST

Notice of License Application pursuant to M.G.L. Chapter 91 Waterways License Application Number 22-WW01-0167-APP

West Newbury Town Manager's Office
West Newbury Select Board
West Newbury Planning Board
West Newbury Conservation Commission

Newburyport Mayor's Office
Newburyport City Council
Newburyport Planning Board
Newburyport Conservation Commission

Massachusetts Division of Fisheries and Wildlife

Natural Heritage & Endangered Species Program
1 Rabbit Hill Road
Westborough, MA 01581

Massachusetts Division of Marine Fisheries

Annisquam River Marine Fisheries Field Station
30 Emerson Street
Gloucester, MA 01930

* **email:** DMF.ENVReview-north@mass.gov

Massachusetts Historical Commission

220 William T. Morrissey Boulevard
Boston, MA 02125

U.S. Army Corps of Engineers

New England District
Regulatory/Permitting Division
696 Virginia Road
Concord, MA 01742

Abutters — pursuant to 310 CMR 9.02, an abutter is defined as the owner of land that shares, along the water's edge, a common boundary or corner with a project site, as well as the owner of land that lies within 50-feet across a water body from such site. Ownership shall be determined according to the records of the local tax assessor office.

Landowners and Easement Holders – pursuant to 310 CMR 9.13(1)(a)(6), all landowners of the project site and all persons/parties having a recorded easement interest on the project site.

* *Parties with an email address listed above have requested that a courtesy copy of the Public Notice also be provided electronically. Please note that the regulations at 310 CMR 9.13 require a public notice be sent via first class mail, return receipt requested, to all parties, and that electronic submission may not satisfy the regulatory standard for providing notice or providing proof of such notification to the Department.*

November 28, 2022

West Newbury Board of Selectmen Chair
381 Main Street
West Newbury, MA 01985



REC'D W. NEWBURY CLERK
'22 DEC 12 AM 10:29

Dear Board of Selectmen Chair:

In compliance with 333 CMR 11.06, 45 Day Yearly Operational Plan Public Notice, Review and Comment, please review National Grid's Yearly Operational Plan (YOP) at the following website (hard copy available upon request): https://www9.nationalgridus.com/transmission/c3-8_standocs.asp

The map(s) for your municipality can also be found on the above website (scroll through the pdf to your municipality). If you have any trouble viewing the maps, please send me an email at mariclaire.rigby@nationalgrid.com.

Please review the YOP map(s) that locate the right-of-way corridors and the plotted location of known sensitive areas including public and private drinking water supplies. If there are any additional sensitive areas located on or near the rights-of-way, please advise us as soon as possible so we may establish GIS permanent records and implement appropriate field protective actions. **We particularly rely on this process to collect corrections to the public wells and to record the location of private wells.**

National Grid's YOP details specific information pertaining to the intended 2023 program. Please note that the YOP also lists the rights-of-way from the 2022 treatment program in case National Grid needs to request a "touch-up" retreatment of scattered locations from our contractor(s). If upon review of the previous year's treatments, National Grid finds a site(s) within your municipality that need follow-up treatments, this letter serves as notification of that follow-up treatment. The individual landowner(s) will also be notified about this work. *Please note that scheduled rights-of-way are subject to change based on workplan constraints.*

This notification also serves as a 21-day herbicide application notification. As detailed in National Grid's Five-Year Vegetation Management Plan (VMP) and Yearly Operational Plan (YOP), this treatment is conducted as a component of an integrated vegetation management (IVM) program that also utilizes mechanical and natural control techniques. National Grid's current Five-Year Vegetation Management Plan (2019-2023) is posted at the following website (hard copy available upon request): <https://www.mass.gov/doc/national-grid-vmp-2019-2023/download>

As described in the VMP and YOP, the program will consist of a late winter-spring mechanical control, cut surface (CST), basal treatment, or dormant stem; a summer selective foliage or cut stubble, and, as necessary, fall CST, basal, or dormant stem treatments.

In compliance with 333 CMR 11.06-11.07, no herbicide applications will occur before the conclusion of the 45-day YOP review period, the 21 day treatment notice and the 48 hour newspaper notice. At the end of these review periods, which can run concurrently, no application shall commence more than ten days before nor conclude more than ten days after the treatment periods listed above.

Potential Treatment Periods*

January 23, 2023 – May 30, 2023	May 30, 2023 - Oct 15, 2023	Oct 15, 2023 – Dec 31, 2023
CST	Foliar	CST
Basal	CST	Basal
Dormant stem	Basal	Dormant Stem
	Cut stubble	

* The exact treatment dates are dependent upon weather conditions and field crew progress.

Commonwealth of Massachusetts recommended herbicides for use in sensitive areas listed in Section 7 (pages 13-15) of the YOP will be selectively applied to target vegetation by experienced, Massachusetts' licensed/certified applicators that walk along the rights-of-way using backpack equipment. Copies of the manufacturers' herbicide labels and fact sheets are also included in the YOP, Appendices 8 and 9.

The work will be performed by one of the following vegetation management vendors:

Lewis Tree Service, Inc. 300 Lucius Gordon Drive West Henrietta, NY 14586 (585) 436-3208	Stanley Tree 662 Great Road North Smithfield, RI (401) 765-4677	Vegetation Control Service, Inc. 2342 Main Street Athol, MA 01331 (978) 249-5348
Lucas Tree Experts 12 Northbrook Drive Falmouth, ME 04105 (800) 339-8873	BluRoc 15 Atwood Dr, Suite 301 Northampton, MA 01060 (413) 887-3653	

This informational 21-day notification follows Chapter 132B, section 6B of the Massachusetts General Laws, 333 CMR 11.05-11.07 Rights of Way Management and Chapter 85, Section 10 of the Acts of 2000. National Grid's vegetation management program is subject to federal and state regulations only. By statute, local permits or rulings are not applicable.

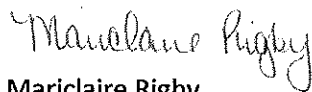
For inquiries concerning safety of the herbicides, please contact:

MDAR-Pesticide Division-ROW Coordinator
251 Causeway Street, Suite 500
Boston, MA 02114-2151
Telephone: (617) 626-1782

A copy of the Environmental Monitor Notice is enclosed and published under the Massachusetts Environmental Policy Act (MEPA).

Please contact me if you have any questions about the application and monitoring of the vegetation management program. Email: mariclaire.rigby@nationalgrid.com Phone: 781-290-8310

Sincerely,



Mariclaire Rigby
Lead Vegetation Strategy Specialist

CC: Board of Health, Conservation Commission, Private and Public Water Suppliers
Massachusetts Department of Agricultural Resources
Assigned vegetation management vendor

THE COMMONWEALTH OF MASSACHUSETTS

EXECUTIVE OFFICE OF ENERGY AND ENVIRONMENTAL AFFAIRS



Department of Agricultural Resources

251 Causeway Street, Suite 500, Boston, MA 02114
617-626-1700 fax: 617-626-1850 www.mass.gov/agr



CHARLES D. BAKER
Governor

KARYN E. POLITO
Lt. Governor

BETHANY A. CARD
Secretary

JOHN LEBEAUX
Commissioner

NOTICE

Pursuant to the provisions of the Rights-of-Way Management Regulations, 333 CMR 11.00, to apply herbicides to control vegetation along rights-of-way, a five year Vegetation Management Plan (VMP) and a Yearly Operational Plan (YOP) must be approved by the Massachusetts Department of Agricultural Resources (MDAR). National Grid has submitted and holds a current VMP, therefore, notice of receipt of a YOP and procedures for public review is hereby given as required by Section 11.06 (3).

National Grid has submitted a YOP to MDAR for 2023 and National Grid's YOP identifies the following municipalities as locations where they intend to use herbicides to treat their electric Rights-of-Way in 2023:

2023 Municipalities						
Abington	Chelmsford	Foxborough	Lowell	North Adams	Shelburne	Wakefield
Amesbury	Chelsea	Franklin	Lynn	North Andover	Somerset	Webster
Andover	Clinton	Georgetown	Lynnfield	North Brookfield	Southborough	Wendell
Attleboro	Colrain	Grafton	Malden	North Reading	Southbridge	Wenham
Avon	Dighton	Great Barrington	Mansfield	Northampton	Stockbridge	West Bridgewater
Ayer	Douglas	Groton	Marlborough	Norton	Stoughton	West Newbury
Barre	Dracut	Groveland	Medway	Oxford	Sturbridge	Westborough
Belchertown	Dunstable	Haverhill	Melrose	Petersham	Sutton	Weymouth
Bellingham	East Bridgewater	Heath	Merrimac	Plainville	Swampscott	Whitman
Bernardston	Easthampton	Holbrook	Methuen	Reading	Swansea	Williamstown
Boxford	Easton	Hudson	Milford	Revere	Tewksbury	Wilmington
Bridgewater	Erving	Lawrence	Millbury	Rowe	Topsfield	Wrentham
Brockton	Everett	Lee	Millville	Salisbury	Tyngsborough	
Buckland	Fall River	Leominster	Monroe	Saugus	Upton	
Charlemont	Florida	Leyden	New Salem	Sheffield	Uxbridge	

In 2023 National Grid will conduct a selective herbicide treatment program on their rights-of-way as part of an Integrated Vegetation Management (IVM) program on transmission and distribution lines.

The intended vegetation control program will be consistent with the guidelines set forth in National Grid's VMP and YOP. Herbicides will be selectively applied to target vegetation by licensed/certified applicators carrying backpack or hand held application equipment.

National Grid will only use herbicides recommended by MDAR for use in sensitive areas for their IVM program. Pursuant to 333 CMR 11.04, no herbicides will be sprayed within any designated "no spray sensitive sites." Instead, mechanical only methods will be used to control vegetation in these areas.

Public notification will be provided to each "affected" municipality at least twenty-one days prior to any herbicide application and in a newspaper notification at least 48 hours before the beginning of the spray season.

In accordance with 333 CMR 11.06 (2), National Grid's YOP includes the identification of target vegetation; methods of identifying, marking and protecting sensitive areas; application techniques; the herbicides, application rates, carriers and

adjuvants proposed for use; alternative control measures, a list of the application companies and YOP supervisor; procedures for handling, mixing and loading herbicides; emergency resources including local, state and federal emergency telephone numbers; maps of the rights-of-way that include mapped sensitive areas, and herbicide fact sheets and labels.

PUBLIC REVIEW

MDAR seeks to verify the location of sensitive areas defined in Section 11.02 and reported in the YOP. MDAR itself has a limited ability to survey the geography, land use and water supplies in all the communities through which rights-of-way pass. Municipalities have most of this information readily available, and the particular knowledge with which to better certify the sensitive areas in their communities. MDAR, therefore, requests, and urges the assistance of the "affected" municipalities in reviewing the completeness and accuracy of the maps contained in the submitted YOP.

The YOP can be viewed on MDAR's website: <http://www.mass.gov/eea/agencies/agr/pesticides/vegetation-management-and-yearly-operation-plans.html> or National Grid's website: https://www9.nationalgridus.com/transmission/c3-8_standocs.asp

MDAR has established the following procedures for this review:

Copies of the YOP and this *Notice* will be sent by the applicant to the Conservation Commission, Board of Health (or designated health agent), the Head of Government (Mayor, City Manager, Chair of the Board of Selectman) and appropriate water suppliers of each municipality where herbicides are to be applied during the calendar year of 2023; and if applicable, to the Natural Heritage Endangered Species Program of the Massachusetts Department of Fisheries and Wildlife, the Massachusetts Water Resource Authority and the Massachusetts Department of Conservation and Recreation. Municipal agencies and officials will have forty-five days, following receipt of the YOP, to review its map for inaccuracies and omissions in the location of "sensitive areas not readily identifiable in the field."

Municipal agencies and officials are requested to forward the YOP to the appropriate official(s) in their municipality who are qualified to certify the accuracy of the sensitive areas indicated on the maps. The maps should then be "corrected" and returned to the applicant and a copy should be sent to MDAR, at the address listed below, within the forty-five day review period. If a city or town needs more time to carry out this review, it should send a written request for an extension to MDAR and cite why there is a "good cause" for requesting additional time.

The applicant is required to make corrections and the corrected maps will be sent back to the city/town that requested the disputed changes within fifteen days of receipt of the request. MDAR will decide whether or not the YOP should be approved without the requested changes. MDAR will consider the "final approval" of a YOP individually for each municipality.

The twenty-one day public review period of the Municipal Notification Letter may serve concurrently with the forty-five day YOP review period in order to provide public notifications as required by 333 CMR 11.06-7, if the applicant has an approved VMP and if all the requisite city-town offices that received copies of the YOP completed their review and all corrections were duly made by the applicant and approved by MDAR.

A failure by the city/town to respond to the applicant's submission of the YOP within the forty-five day period will automatically be considered by MDAR to indicate agreement by the municipal officials with the sensitive area demarcations provided by the applicant in their YOP.

Any questions or comments on the information provided in this *Notice* and the procedures established for the municipal review outlined above should be addressed to:

Clayton Edwards, Rights-of-Way Programs
Massachusetts State Pesticide Bureau
225 Turnpike Road,
Southborough, MA 01772

Any questions or comments regarding the YOP should be addressed to:

Mariclaire Rigby
Lead Vegetation Strategy Specialist
National Grid Vegetation Management Strategy
939 Southbridge Street, Worcester, MA 01610

COMMENT PERIOD ENDS AT THE CLOSE OF BUSINESS (5pm) Friday, January 20, 2023