

OFFICIAL STATEMENT DATED FEBRUARY 11, 2025

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

New Issue

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

TOWN OF BRAINTREE, MASSACHUSETTS  
\$10,115,000 GENERAL OBLIGATION MUNICIPAL PURPOSE LOAN OF 2025 BONDS

**DATED**  
Date of Delivery

**DUE**  
February 1  
(as shown below)

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

Principal of the Bonds will be payable February 1 of the years in which the Bonds mature. Interest on the Bonds will be payable February 1 and August 1, commencing August 1, 2025, until maturity or redemption prior to maturity. Principal and semiannual interest on the Bonds will be paid by U.S. Bank Trust Company, National Association, Boston, Massachusetts, or its successor, as Paying Agent. So long as DTC or its nominee, Cede & Co., is the Bondowner, such payments will be made directly to such Bondowner. Disbursement of such payments to the DTC Participants is the responsibility of DTC and disbursement of such payments to the Beneficial Owners is the responsibility of the DTC Participants and Indirect Participants, as more fully described herein.

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

An opinion of Bond Counsel will be delivered with the Bonds to the effect that the Bonds are valid general obligations of the Town of Braintree, Massachusetts and that, except to the extent paid from other sources, the principal of and interest on the Bonds are payable from taxes that may be levied upon all taxable property in the Town, without limitation as to rate or amount, except as provided under Chapter 44, Section 20 of the General Laws, with respect to that portion of the principal and interest payments that the Town has voted to exempt from the limit imposed by Chapter 59, Section 21C of the General Laws, and subject to the limit imposed by Chapter 59, Section 21C of the General Laws with respect to that portion of the principal and interest payments that the Town has not voted to exempt from that limit.

MATURITIES, AMOUNTS, RATES, YIELDS AND CUSIPS

Due February 1	Principal Amount	Interest Rate	Yield	CUSIP 105026	Due February 1	Principal Amount	Interest Rate	Yield	CUSIP 105026
2026	\$ 830,000	5.00 %	2.55 %	AZ1	2034	\$ 630,000	5.00 %	2.73 %	BH0
2027	810,000	5.00	2.58	BA5	2035	* 630,000	5.00	2.76	BJ6
2028	815,000	5.00	2.60	BB3	2036	* 635,000	4.00	2.85	BK3
2029	815,000	5.00	2.62	BC1	2037	* 655,000	4.00	2.95	BL1
2030	580,000	5.00	2.56	BD9	2038	* 670,000	4.00	3.05	BM9
2031	585,000	5.00	2.57	BE7	2039	* 680,000	4.00	3.15	BN7
2032	595,000	5.00	2.58	BF4	2040	* 570,000	4.00	3.30	BP2
2033	615,000	5.00	2.65	BG2					

The Bonds are offered subject to the final approving opinion of Troutman Pepper Locke LLP (as successor by merger to Locke Lord LLP), Boston, Massachusetts, Bond Counsel, as aforesaid, and to certain other conditions referred to herein and in the Notice of Sale. Hilltop Securities Inc., Boston, Massachusetts has acted as Municipal Advisor to the Town of Braintree, Massachusetts, with respect to the Bonds. The Bonds in definitive form will be delivered to DTC, or its custodial agent, on or about February 26, 2025, against payment to the Town in federal funds.

\*Bonds maturing 2035 through 2040 are priced to the call date of February 1, 2034.

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

## SUMMARY STATEMENT

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

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

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

Issuer: Town of Braintree, Massachusetts.

Issue: \$10,115,000 General Obligation Municipal Purpose Loan of 2025 Bonds, see "THE BONDS Book-Entry Transfer System" herein.

Official Statement Dated: February 11, 2025.

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

Principal Due: Serially February 1, 2026 through February 1, 2040, as detailed herein.

Interest Payable: Semi-annually February 1 and August 1 until maturity or redemption prior to maturity, commencing August 1, 2025.

Purpose and Authority: The Bonds are authorized by the Town for various capital projects under provisions of the Massachusetts General Laws as detailed herein.

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

Security: The Bonds are valid and binding general obligations of the Town and, except to the extent they are paid from other sources, the principal of and interest on the Bonds are payable from taxes which may be levied upon all taxable property in the Town, without limitation as to rate or amount, except as provided under Chapter 44, Section 20 of the General Laws, with respect to that portion of the principal and interest payments that the Town has voted to exempt from the limit imposed by Chapter 59, Section 21C of the General Laws, and subject to the limit imposed by Chapter 59, Section 21C of the General Laws with respect to that portion of the principal and interest payments that the Town has not voted to exempt from that limit.

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

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

Basis of Award: Lowest True Interest Cost (TIC), as of the dated date. **BIDS MUST INCLUDE A PREMIUM OF AT LEAST \$125,000.**

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

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

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

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

Legal Opinion: Troutman Pepper Locke LLP (as successor by merger to Locke Lord LLP), Boston, Massachusetts.

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

Delivery and Payment: It is expected that delivery of the Bonds in book-entry only form will be made to The Depository Trust Company, or to its custodial agent, on or about February 26, 2025, against payment in federal funds.

Issuer Official: Questions concerning the Official Statement should be addressed to: Kristina O'Connell, Treasurer, Town of Braintree, Massachusetts. Telephone: (781) 794-8135 or Cinder McNerney, Regional Managing Director, Hilltop Securities Inc., Boston, Massachusetts. Telephone: (617) 619-4408.

**NOTICE OF SALE**

**TOWN OF BRAINTREE, MASSACHUSETTS  
\$10,945,000\* GENERAL OBLIGATION MUNICIPAL PURPOSE LOAN OF 2025 BONDS**

The Town of Braintree, Massachusetts (the "Town") will receive electronic (as described herein) proposals until **11:00 A.M.**, Eastern Time, Tuesday, February 11, 2025, for the purchase of the following described General Obligation Municipal Purpose Loan of 2025 Bonds of the Town (the "Bonds"):

\$10,945,000\* General Obligation Municipal Purpose Loan of 2025 Bonds payable February 1 of the years and in the amounts as follows:

Due February 1	Principal Amount *	Due February 1	Principal Amount*
2026	\$ 1,060,000	2034	\$ 630,000
2027	1,030,000	2035	** 630,000
2028	1,000,000	2036	** 630,000
2029	1,000,000	2037	** 650,000
2030	585,000	2038	** 670,000
2031	590,000	2039	** 685,000
2032	595,000	2040	** 575,000
2033	615,000		

\*Preliminary, subject to change.

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

The Bonds will be dated their date of delivery. Principal of the Bonds will be payable on February 1 of the years in which the Bonds mature. Interest will be payable on February 1 and August 1, until maturity or redemption prior to maturity, commencing August 1, 2025.

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

The original Bonds to be immobilized at DTC will be approved by Troutman Pepper Locke LLP (as successor by merger to Locke Lord LLP), Boston, Massachusetts, whose opinion will be furnished to the Successful Bidder without charge.

The Bonds maturing on and before February 1, 2034 are not subject to redemption prior to their stated maturity dates. Bonds maturing on and after February 1, 2035 are subject to redemption prior to their stated maturity dates, at the option of the Town, on and after February 1, 2034 either in whole or in part at any time, and if in part, by lot within a maturity, **at the par amount of the Bonds to be redeemed**, plus accrued interest to the date set for redemption.

For Bonds maturing on and after February 1, 2035, bidders may specify that all of the principal amount of such Bonds in any two or more consecutive years may, in lieu of maturing in each such year, be combined to comprise a maturity of term bonds, and shall be subject to mandatory redemption or mature at par, as described above, in each of the years and in the principal amounts specified in the foregoing maturity schedule (which is subject to change as described herein). Each such term bond shall be subject to mandatory redemption commencing on February 1 of the first year which has been combined to form such term bond and continuing on February 1 in each year thereafter until the stated maturity date of that Bond. The amount redeemed or paid at maturity in any year shall be equal to the principal amount for that year set forth in the schedule contained in the Notice of Sale dated February 4, 2025 relating to the Bonds, as the same may be adjusted following pricing, as described below. Bidders may specify no more than three term bonds.

Term bonds, if any, shall be subject to mandatory redemption on February 1 of the year or years immediately prior to the stated maturity of such term bond (the particular Bonds of such maturity to be redeemed to be selected by lot) as indicated in the foregoing maturity schedule (which is subject to change as described herein) at the principal amount thereof plus accrued interest to the redemption date, without premium.

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

### **Bidding Parameters**

Bidders shall state the rate or rates of interest per annum which the Bonds are to bear in a multiple of 1/20 or 1/8 of one percent, but shall not state (a) more than one interest rate for any Bonds having a like maturity, (b) any interest rate which exceeds the interest rate stated for any other Bonds by more than 3 percent or (c) **any coupon in excess of 5.0%. NO BID OF LESS THAN PAR PLUS A PREMIUM OF AT LEAST \$125,000 WILL BE CONSIDERED.**

**The Bond structure does not reflect any premium.** The Town reserves the right to change the aggregate principal amount of the Bonds and the maturity schedule, after the determination of the winning bid, by the amount of the net premium to be received and to restructure the amortization of the remaining principal amount to essentially mirror the current structure. **THE SUCCESSFUL BIDDER MAY NOT WITHDRAW ITS BID OR CHANGE THE INTEREST RATES BID OR THE INITIAL REOFFERING PRICES, AS A RESULT OF ANY CHANGES MADE TO THE ANNUAL PRINCIPAL AMOUNTS WITHIN THESE LIMITS.** The dollar amount bid for the Bonds by the winning bidder will be adjusted, if applicable, to reflect changes in the dollar amount of the amortization schedule. Any price that is adjusted will reflect changes in the dollar amount of the underwriter's discount and original issue premium, if any, but will not change the per bond underwriter's discount (net of insurance premium, if any) provided in such bid. Nor will it change the interest rate specified for each maturity. Any such adjustments will be communicated to the winning bidder for the Bonds by 4 p.m. Eastern Time on the day of the sale.

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

As between proposals which comply with this Notice of Sale, the award will be to the bidder who offers to purchase all the Bonds at the lowest net effective interest rate to the Town. Such interest rate shall be determined on a true interest cost (TIC) basis, which shall mean that rate which, as of February 26, 2025, discounts semi-annually all future payments on account of principal and interest to the price bid, not including interest accrued, if any, which accrued interest shall be paid by the Successful Bidder. The award of the Bonds to the winning bidder will not be effective until the bid has been approved by the Treasurer and the Mayor of the Town. In the event that two or more bidders submit the same lowest true interest cost for the Bonds, the Treasurer shall determine the Successful Bidder by lot from among all such proposals.

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

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

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

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

It shall be a condition to the obligation of the Successful Bidder to accept delivery of and pay for the Bonds that it shall be furnished, without cost, with (a) the approving opinion of the firm of Troutman Pepper Locke LLP (as successor by merger to Locke Lord LLP), Boston, Massachusetts, substantially in the form appearing as Appendix B of the Preliminary Official Statement dated February 4, 2025, (b) a certificate in the form satisfactory to Bond Counsel dated as of the date of delivery of the Bonds and receipt of payment therefor to the effect that there is no litigation pending or, to the knowledge of the signers thereof, threatened which affects the validity of the Bonds or the power of the Town to levy and collect taxes to pay them, (c) a certificate of the Town Treasurer to the effect that, to the best of her knowledge and belief, as of its date and the date of sale the Preliminary Official Statement did not, and as of its date and the date of the delivery of the Bonds, the Final Official Statement did not and does not, contain any untrue statement of a material fact and did not and does not omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading, and (d) a Continuing Disclosure Certificate in the form appearing as Appendix C of the Preliminary Official Statement.

### **Establishment of Issue Price**

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

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

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

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

In the event that the competitive sale requirements are not satisfied, the Town shall so advise the Successful Bidder.

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

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

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

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

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

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

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

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

Additional information concerning the Town of Braintree and the Bonds is contained in the Preliminary Official Statement dated February 4, 2025, to which prospective bidders are directed. The Preliminary Official Statement is provided for informational purposes only and is not a part of this Notice of Sale. Said Preliminary Official Statement is deemed final by the Town except for the omission of the reoffering price(s), interest rate(s), delivery date, the identity of the underwriter(s), and any other pertinent terms of the Bonds depending on such matters, but is subject to change without notice and to completion or amendment in a Final Official Statement. Copies of the Preliminary Official Statement may be obtained from Hilltop Securities Inc., 54 Canal Street, Boston, Massachusetts 02114 (Telephone: 617-619-4400). Within seven (7) business days following the award of the Bonds in accordance herewith, 5 copies of the Final Official Statement will be available from Hilltop Securities Inc. to the Successful Bidder for use in reoffering the Bonds. Upon request, additional copies will be provided at the expense of the requester.

The Bonds in definitive form will be delivered to The Depository Trust Company or its custodial agent on or about February 26, 2025 for settlement in federal funds.

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TOWN OF BRAINTREE, MASSACHUSETTS  
/s/ Kristina O'Connell, Treasurer

February 4, 2025

**Issue Price Certificate for Use If the Competitive  
Sale Requirements Are Met  
\$10,945,000\*  
Town of Braintree, Massachusetts  
General Obligation Municipal Purpose Loan of 2025 Bonds Dated February 26, 2025**

**ISSUE PRICE CERTIFICATE AND RECEIPT**

The undersigned, on behalf of \_\_\_\_\_ (the "Successful Bidder"), hereby certifies as set forth below with respect to the sale of the above-captioned obligations (the "Bonds") of the Town of Braintree, Massachusetts (the "Issuer").

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

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

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

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

**2. Defined Terms.**

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

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

(c) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is February 11, 2025.

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

**3. Receipt.**

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

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

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

Successful Bidder

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

Name:

Title:

\_\_\_\_\_  
\*Preliminary, subject to change.

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

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

**Issue Price Certificate for Use If the Competitive Sale Requirements Are  
Not Met and the 10% Test to Apply  
\$10,945,000\*  
Town of Braintree, Massachusetts  
General Obligation Municipal Purpose Loan of 2025 Bonds Dated February 26, 2025  
ISSUE PRICE CERTIFICATE AND RECEIPT**

The undersigned, on behalf of \_\_\_\_\_ (the “[Successful Bidder][Representative]”), on behalf of itself [and [NAMES OF OTHER UNDERWRITERS]] hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Bonds”) by the Town of Braintree, Massachusetts (the “Issuer”).

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

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

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

2. Defined Terms.

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

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

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

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

[SUCCESSFUL BIDDER][REPRESENTATIVE]

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

Name:

Title:

\*Preliminary, subject to change.

**SALE PRICES  
(To Be Attached)**

**Issue Price Certificate for Use If the Competitive Sale Requirements Are  
Not Met and the Hold the Price Rule Is Used  
\$10,945,000\*  
TOWN OF BRAINTREE, MASSACHUSETTS  
GENERAL OBLIGATION MUNICIPAL PURPOSE LOAN OF 2025 BONDS**

**DATED FEBRUARY 26, 2025**

**ISSUE PRICE CERTIFICATE AND RECEIPT**

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

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

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

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

2. Defined Terms.

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

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

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

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

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

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

[SUCCESSFUL BIDDER] [REPRESENTATIVE]

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

\*Preliminary, subject to change.

**SCHEDULE A**

**SALE PRICES**

**(To be Attached)**

## OFFICIAL STATEMENT

### TOWN OF BRAINTREE, MASSACHUSETTS

#### **\$10,115,000 GENERAL OBLIGATION MUNICIPAL PURPOSE LOAN OF 2025 BONDS**

This Official Statement is provided for the purpose of presenting certain information relating to the Town of Braintree, Massachusetts (the "Town") in connection with the sale of \$10,115,000 stated principal amount of its General Obligation Municipal Purpose Loan of 2025 Bonds (the "Bonds"). The information contained herein has been furnished by the Town, except information attributed to another source.

### THE BONDS

#### **Description of the Bonds**

The Bonds will be dated their date of delivery and will bear interest payable semiannually on February 1 and August 1, commencing August 1, 2025, until maturity or redemption prior to maturity, on each maturity at the rate of interest determined upon their sale in accordance with the Notice of Sale dated February 4, 2025. The Bonds shall mature on February 1 of the years and in the principal amounts as set forth on the cover page of this Official Statement.

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

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

#### **Redemption Provisions**

##### **Optional Redemption**

Bonds maturing on or prior to February 1, 2034 shall not be subject to redemption prior to their stated maturity dates. Bonds maturing on or after February 1, 2035 shall be subject to redemption prior to maturity, at the option of the Town, on or after February 1, 2034, either in whole or in part at any time, and if in part, by lot within a maturity, at the par amount of the Bonds to be redeemed, plus accrued interest to the date set for redemption.

##### **Notice of Redemption**

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

##### **Record Date**

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

## Book-Entry Transfer System

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

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

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

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

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

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

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

Principal and interest payments on securities deposited with DTC will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the issuer of such securities or its paying agent, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and

not of DTC (nor its nominee), the issuer of such securities or its paying agent, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the issuer of such securities or its paying agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

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

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

## Authorization of the Bonds and Use of Proceeds

The following sets forth the purposes, principal amounts, amounts originally authorized, bond anticipation notes outstanding, statutory references, dates of Town approval, and net premium to be applied to project costs for the current offering of Bonds. Proceeds for the projects may be transferred or re-appropriated to other capital projects to the extent the projects are completed or abandoned and such proceeds remain unspent.

Purpose	This Issue	Original Bond Authorization	Bond Anticipation Notes Outstanding (2)	Statutory Reference	Date of Approval	Net Premium to be Applied to Project
DPW Cemetery Equip., Truck & Plow	\$ -	\$ 113,000	\$ 6,000	Ch. 44, s. 7(1)	5/20/2014	\$ 6,000
School Security Measure Enhancement	338,000	1,000,000 (1)	350,000	Ch. 44, s. 7(7)	2/13/2020	12,000
School Floors	25,000	100,000	25,000	Ch. 44, s. 7(1)	3/25/2021	-
Elder Affairs Paving	25,000	50,000	25,000	Ch. 44, s. 7(1)	3/25/2021	-
DPW Asbestos Removal	30,000	100,000	30,000	Ch. 44, s. 7(1)	3/25/2021	-
Police Vehicles	-	324,000	94,000	Ch. 44, s. 7(1)	5/24/2022	94,000
DPW Asbestos Removal	75,000	75,000	75,000	Ch. 44, s. 7(1)	5/24/2022	-
DPW Parking Lot Renovation	80,000	80,000	80,000	Ch. 44, s. 7(1)	5/24/2022	-
DPW Highway ADA Improvements	40,000	40,000	40,000	Ch. 44, s. 7(1)	5/24/2022	-
DPW Recreation ADA Improvements	50,000	50,000	50,000	Ch. 44, s. 7(1)	5/24/2022	-
Water System Improvements	369,000	3,000,000	400,000	Ch. 44, s. 8(5)	5/24/2022	31,000
Golf Mowers	149,000	154,000	154,000	Ch. 44, s. 7(1)	5/24/2022	5,000
Police Vehicles	-	243,000	190,000	Ch. 44, s. 7(1)	5/3/2023	190,000
School Building Repairs HVAC	-	125,000	10,000	Ch. 44, s. 7(1)	5/3/2023	10,000
School Building Renovation	53,000	235,000	53,000	Ch. 44, s. 7(1)	5/3/2023	-
School Technology	151,000	151,000	151,000	Ch. 44, s. 7(9)	5/3/2023	-
School Library Books	-	145,000	145,000	Ch. 44, s. 7(1)	5/3/2023	145,000
Roadway Resurfacing	1,700,000	1,700,000	1,700,000	Ch. 44, s. 7(1)	5/3/2023	-
Town ADA Improvements	70,000	280,000	70,000	Ch. 44, s. 7(1)	5/3/2023	-
DPW Cem./Ground Vehicle Dumpster	-	135,000	135,000	Ch. 44, s. 7(1)	5/3/2023	135,000
DPW Two Vehicles, Plow & Sander	280,000	280,000	280,000	Ch. 44, s. 7(1)	5/3/2023	-
DPW Sidewalk Paver	-	60,000	56,000	Ch. 44, s. 7(1)	5/3/2023	56,000
DPW Cem./Ground Cemetery Expansion	65,000	565,000	65,000	Ch. 44, s. 7(1)	5/3/2023	-
DPW Sidewalk Snowplow	55,000	191,000	191,000	Ch. 44, s. 7(1)	5/3/2023	136,000
Stormwater Truck & Catch Basin Cleaner	210,000	320,000	210,000	Ch. 44, s. 7(1)	5/3/2023	-
Asbestos Removal & Remediation	350,000	3,500,000	350,000	Ch. 44, s. 7(1)	6/1/2023	-
Police HVAC	-	90,000	10,000	Ch. 44, s. 7(1)	5/3/2023	10,000
Judgement (3)	6,000,000	11,900,000	-	Ch. 44, s. 7(3)	10/15/2024	-
	<u>\$ 10,115,000</u>		<u>\$ 4,945,000</u>			<u>\$ 830,000</u>

- (1) The Town excluded this project from the limitations of Proposition 2 ½.  
(2) Payable February 27, 2025. To be retired with the proceeds of the Bonds.  
(3) See "LITIGATION" herein.

## Principal Payments by Fund

Maturity Year	Exempt (1)	General	Water	Golf	TOTAL
2026	\$ 88,000	\$ 669,000	\$ 29,000	\$ 44,000	\$ 830,000
2027	85,000	665,000	25,000	35,000	810,000
2028	85,000	670,000	25,000	35,000	815,000
2029	80,000	675,000	25,000	35,000	815,000
2030	-	555,000	25,000	-	580,000
2031	-	560,000	25,000	-	585,000
2032	-	570,000	25,000	-	595,000
2033	-	590,000	25,000	-	615,000
2034	-	605,000	25,000	-	630,000
2035	-	605,000	25,000	-	630,000
2036	-	610,000	25,000	-	635,000
2037	-	630,000	25,000	-	655,000
2038	-	645,000	25,000	-	670,000
2039	-	660,000	20,000	-	680,000
2040	-	550,000	20,000	-	570,000
<b>Totals</b>	<b>\$ 338,000</b>	<b>\$ 9,259,000</b>	<b>\$ 369,000</b>	<b>\$ 149,000</b>	<b>\$ 10,115,000</b>

(1) The Town excluded from the limitations of Proposition 2 ½.

## Tax Exemption

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

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

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

To the extent the issue price of any maturity of the Bonds is less than the amount to be paid at maturity of such Bonds (excluding amounts stated to be interest and payable at least annually over the term of such Bonds), the difference constitutes “original issue discount,” the accrual of which, to the extent properly allocable to each owner thereof, is treated as interest on the Bonds which is excluded from gross income for federal income tax purposes and is exempt from Massachusetts personal income taxes. For this purpose, the issue price of a particular maturity of the Bonds is either the reasonably expected initial offering price to the public or the first price at which a substantial amount of such maturity of the Bonds is sold to the public, as applicable. The original issue discount with respect to any maturity of the Bonds accrues daily over the term to maturity of such Bonds on the basis of a constant interest rate compounded semiannually (with

straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Bonds to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Bonds. Bondholders should consult their own tax advisors with respect to the tax consequences of ownership of Bonds with original issue discount, including the treatment of purchasers who do not purchase such Bonds in the original offering to the public at the reasonably expected initial offering price or, if applicable, the first price at which a substantial amount of such Bonds is sold to the public.

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

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

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

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

Legislation affecting tax-exempt obligations is regularly considered by the United States Congress and may also be considered by the Massachusetts legislature. Court proceedings may also be filed, the outcome of which could modify the tax treatment of obligations such as the Bonds. There can be no assurance that legislation enacted or proposed, or actions by a court, after the date of issuance of the Bonds will not have an adverse effect on the tax status of interest on the Bonds or the market value or marketability of the Bonds. These adverse effects could result, for example, from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), or repeal (or reduction in the benefit) of the exclusion of interest on the Bonds from gross income for federal or state income tax purposes for all or certain taxpayers. Additionally, Bondholders should be aware that future legislative actions (including federal income tax reform) may retroactively change the treatment of all or a portion of the interest on the Bonds for federal income tax purposes for all or certain taxpayers. In all such events, the market value of the Bonds may be affected and the ability of Bondholders to sell their Bonds in the secondary market may be reduced. The Bonds are not subject to special mandatory redemption, and the interest rates on the Bonds are not subject to adjustment, in the event of any such change in the tax treatment of interest on the Bonds.

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

### **Security and Remedies**

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

Tax Levy. The Massachusetts statutes direct the municipal assessors to include annually in the tax levy for the next fiscal year “all debt and interest charges matured and maturing during the next fiscal year and not otherwise provided for [and] all amounts necessary to satisfy final judgments”. Specific provision is also made for including in the next tax levy payments of rebate amounts not otherwise provided for and payment of notes in anticipation of federal or state aid, if the aid is no longer forthcoming.

The total amount of a tax levy is limited by statute. However, the voters in each municipality may vote to exclude from the limitation any amounts required to pay debt service on indebtedness incurred before November 4, 1980. Local voters may also vote to exempt specific subsequent bond issues from the limitation. (See “*Tax Limitations*” under “PROPERTY TAXATION” below.) In addition, obligations incurred before November 4, 1980 may be constitutionally entitled to payment from taxes in excess of the statutory limit.

*No Lien.* Except for taxes on the increased value of certain property in designated development districts which may be pledged for the payment of debt service on bonds issued to finance economic development projects within such districts, no provision is made for a lien on any portion of the tax levy or any other moneys to secure particular bonds or notes or bonds and notes generally (or judgments on bonds or notes) in priority to other claims. Provision is made, however, for borrowing to pay judgments, subject to the General Debt Limit. (See “INDEBTEDNESS” below.) Upon certification by the city solicitor or town council that no appeal can or will be taken, or as otherwise required by a municipality’s charter, ordinances or bylaws, judgments may also be paid from available funds without appropriation and included in the next tax levy unless other provision is made. Any such payments shall be reported to the city or town’s assessors by the city or town’s auditor or accountant (or other officer having similar duties). The assessors shall include amounts of such payments in the aggregate appropriations assessed in the determination of the next subsequent annual tax rate.

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

*Restricted Funds.* Massachusetts statutes also provide that certain water, gas and electric, community antenna television system, telecommunications, sewer, parking meter, passenger ferry fee, community preservation and affordable housing receipts may be used only for water, gas and electric, community antenna television system, telecommunications, sewer, parking, mitigation of ferry service impacts, community preservation and affordable housing and related purposes, respectively; accordingly, moneys derived from these sources may be unavailable to pay general obligation bonds and notes issued for other purposes. A city or town that accepts certain other statutory provisions may establish an enterprise fund for a utility, health care, solid waste, recreational or transportation facility and for police or fire services; under those provisions any surplus in the fund is restricted to use for capital expenditures or reduction of user charges for such activity. In addition, subject to certain limits, a city or town may annually authorize the establishment of one or more revolving funds in connection with use of certain revenues for programs that produce those revenues; interest earned on a revolving fund is treated as general fund revenue. A city or town may also establish an energy revolving loan fund to provide loans to owners of privately held property in the city or town for certain energy conservation and renewable energy projects and may borrow to establish such fund. The loan repayments and interest earned on the investment of amounts in the fund shall be credited to the fund. Also, the annual allowance for depreciation of a gas and electric plant or a community antenna television and telecommunications system is restricted to use for plant or system renewals and improvements, for nuclear decommissioning costs, and costs of contractual commitments, or, with the approval of the State Department of Telecommunications and Energy, to pay debt incurred for plant or system reconstruction or renewals. Revenue bonds and notes issued in anticipation of them may be secured by a prior lien on specific revenues. Receipts from industrial users in connection with industrial revenue financings are also not available for general municipal purposes.

*State Distributions.* State grants and distributions may in some circumstances be unavailable to pay general obligation bonds and notes of a city or town in that the State Treasurer is empowered to deduct from such grants and distributions the amount of any debt service paid on “qualified bonds” (See “*Serial Bonds and Notes*” under “INDEBTEDNESS-TYPES OF OBLIGATIONS” below) and any other sums due and payable by the city or town to The Commonwealth of Massachusetts (the “Commonwealth”) or certain other public entities, including any unpaid assessments for costs of any public transportation authority (such as the Massachusetts Bay Transportation Authority (“MBTA”) or a regional transit authority) of which it is a member, for costs of the Massachusetts Water Resources Authority (“MWRA”) if the city or town is within the territory served by the MWRA, for any debt service due on obligations issued to the Massachusetts School Building Authority (“MSBA”), or for charges necessary to meet obligations under the Commonwealth’s Clean Water or Drinking Water Revolving Loan Programs, including such charges imposed by another local governmental unit that provides wastewater collection or treatment services or drinking water services to the city or town.

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

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

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

### **Opinion of Bond Counsel**

The Successful Bidder will be furnished the legal opinion of the firm of Troutman Pepper Locke LLP (as successor by merger to Locke Lord LLP), Boston, Massachusetts ("Bond Counsel"). The opinion will be dated and given on and will speak only as of the date of original delivery of the Bonds to the Successful Bidder. The opinion will be substantially in the form presented in Appendix B.

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

### **Rating**

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

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

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

### **Continuing Disclosure**

In order to assist the Underwriters in complying with Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission, as amended (the "Rule"), the Town will covenant for the benefit of owners of the Bonds to provide certain financial information and operating data relating to the Town by not later than 270 days after the end of each fiscal year (the "Annual Report"), and to provide notices of the occurrence of certain enumerated events. Other than the Town, there are no obligated persons with respect to the Bonds within the meaning of the Rule. The covenants will be contained in a Continuing Disclosure Certificate, the proposed form of which is provided in Appendix C. The Certificate will be executed by the signers of the Bonds, and incorporated by reference in the Bonds.

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

# TOWN OF BRAINTREE, MASSACHUSETTS

## General

The Town of Braintree is located in Norfolk County, approximately 10 miles south of Boston. According to the 2020 Federal Census, Braintree has a population of 37,190 and occupies a land area of 13.7 square miles. Incorporated as a Town in 1640, Braintree is governed by a Mayor and Town Council form of government. The Town's location at the junction of the major highways approaching Boston from the south makes it one of the prime retail and office park sites in the region.

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

### PRINCIPAL TOWN OFFICIALS

<u>Title</u>	<u>Name</u>	<u>Selection Method</u>	<u>Term Expires</u>
Mayor	Erin V. Joyce	Elected	2028
Chief of Staff	Kara Nyman	Appointed	Indefinite
Finance Director	Michael Esmond	Appointed	Indefinite
Town Solicitor	K.P. Law	Appointed	June 30, 2025
Treasurer/Collector	Kristina O'Connell	Appointed	Indefinite
Town Clerk	James Casey	Appointed	2025
Town Accountant	Mark Lin	Appointed	Indefinite
Town Councilors:			
President	Charles B. Ryan	Elected	2026
Vice President	David M. Ringius, Jr.	Elected	2026
Councilor	Meredith Boericke	Elected	2026
Councilor	Shannon L. Hume	Elected	2026
Councilor	Julia C. Flaherty	Elected	2026
Councilor	Joseph Reynolds	Elected	2026
Councilor	Elizabeth Maglio	Elected	2026
Councilor	Peter Morin	Elected	2026
Councilor	Annmary Quilty	Elected	2026

## History

Braintree was first settled in 1634. The Town was named for Braintree, England, the town from which many of the earlier settlers of the area had emigrated. The name Braintree may have been derived from the Saxon word "Branchtreau", which means "town near a river".

Iron works, grist mills, and shipbuilding were the three commercial enterprises first developed in the Town. Braintree grew into an industrial town whose factories produced textiles, shoes, lumber, spices, shovels, nails, punches and fans. Today, Braintree is primarily a residential community with a substantial retail/commercial base.

## Corona Virus (COVID-19) Disclosure

COVID-19 is a respiratory virus and disease caused by a novel coronavirus not previously seen in humans. On March 10, 2020, the Governor of the Commonwealth of Massachusetts declared a state of emergency to support the Commonwealth's response to the outbreak of the virus. On March 11, 2020, the World Health Organization declared COVID-19 a pandemic affecting many countries globally. On March 13, 2020, the President declared a national emergency due to the outbreak, which has enabled disaster funds to be made available to the states to fight the pandemic. The State of Emergency in the Commonwealth ended June 15, 2021.

The Town was awarded American Rescue Plan Act (ARPA) funds of \$3,892,623 directly from the Federal Government and \$7,007,010 through Norfolk County for a total of \$10,899,633. The County APRA funds are being used, in part, to support public health and crime, support public health, and support educational disparities. FY2022 Fund balance increased from the increasing revenue and the ARPA funds.

The Town also utilized \$2,808,773 in ARPA funds as a funding source for the FY 2023 budget. The FY 2023 budget represents a 4.46% increase over FY 2022 budget.

By fiscal year 2023 the direct impacts of COVID-19 pandemic on the Town’s operating revenues and expenses were negligible.

The Town’s Fiscal Year 2024 budget did not rely on any additional COVID-19 stimulus funding. However, the budget utilized \$4.25 million in Free Cash in part to offset the loss of COVID-19 stimulus. Similarly, in Fiscal Year 2025, there was no use of COVID-19 stimulus to balance the budget. For more discussion on FY2025 please see “FY2025 Override/Elimination of Budget Gap” herein.

### **Municipal Services**

The Town provides general governmental services for the territory within its boundaries, including police and fire protection, disposal of rubbish, public education in grades kindergarten through twelve, water and sewer services, street maintenance and recreational facilities. The Town also owns and operates its own electric generating and distribution facilities (the Braintree Electric Light Department or “BELD”) on a self-supporting basis. In fiscal 2024, BELD contributed \$1,500,000 to the General Fund.

The Town owns and operates its own water supply and distribution system on a self-supporting basis. Sewerage is provided for through connections to the Massachusetts Water Resources Authority (“MWRA”).

The principal services provided by Norfolk County are a jail and house of correction and registries of deeds and probate.

### **Transportation**

The Southeast Expressway, the primary roadway to downtown Boston from the south, divides in Braintree with State Route 3 proceeding along the eastern edge of the Town to Cape Cod and Interstate Route 93 proceeding along the northern edge of the Town to State Route 24 and Interstate 95. One of the MBTA’s major rapid transit lines (the “Red Line”) originates in the Town, and the three spurs of the recently restored Old Colony commuter rail line merge in the Town.

### **Education**

The Town operates seven elementary schools, two middle schools, and a senior high school. Total capacity is estimated at 6,100. The following table sets forth the trend in public school enrollments.

#### **PUBLIC SCHOOL ENROLLMENTS — OCTOBER 1**

	2020	2021	Actual 2022	2023	2024
Elementary (K-5)	2,407	2,283	2,233	1,927	1,881
Middle/Junior High (6-8)	1,402	1,294	1,487	1,639	1,634
Senior High (9-12)	1,645	1,731	1,648	1,593	1,579
<b>Total</b>	<b>5,454</b>	<b>5,308</b>	<b>5,368</b>	<b>5,159</b>	<b>5,094</b>

The Town recently completed its first new school in fifty years. The New South Middle School opened in the Fall of 2023 school year and includes grades five through eight. The total project cost was approximately \$86,000,000 and was funded in partnership with the Massachusetts School Building Authority (MSBA) through a contribution of approximately \$31,000,000. The remaining balance was funded by the Town through its first successful debt exclusion. The three main contractors for this project were Owners Project Manager Hill International, Architect Miller Dyer Spears and General Contractor Bacon Construction.

## Industry and Commerce

Braintree is a residential suburb of Boston, located within the Boston Standard Metropolitan Statistical Area. As the table below indicates, the Town's economy has a diverse mix of manufacturing, services, and commercial trades.

### EMPLOYMENT AND PAYROLLS

Since 2002, the U.S. Department of Labor uses the North American Industry Classification System (NAICS) as the basis for the assignment and tabulation of the economic data by industry shown below.

Industry	Calendar Year Average				
	2019	2020	2021	2022	2023
Construction	3,136	1,278	1,345	1,410	1,539
Manufacturing	1,809	1,523	1,562	1,751	1,641
Trade, Transportation and Utilities	7,836	6,292	6,627	6,926	7,000
Information	606	536	510	427	371
Financial Activities	2,891	2,639	2,774	2,940	2,977
Professional and Business Services	4,580	3,944	4,049	4,099	3,984
Education and Health Services	6,098	5,458	5,921	5,653	5,889
Leisure and Hospitality	2,889	2,063	2,267	2,416	2,418
Other Services	942	773	818	892	779
Public Administration	734	693	741	715	839
<b>Total Employment</b>	<b>31,521</b>	<b>25,199</b>	<b>26,614</b>	<b>27,229</b>	<b>27,437</b>
Number of Establishments	1,772	1,774	1,800	1,819	1,795
Average Weekly Wages	\$ 1,202	\$ 1,302	\$ 1,345	\$ 1,451	\$ 493
<b>Total Wages</b>	<b>\$ 1,856,758,461</b>	<b>\$ 1,706,447,092</b>	<b>\$ 1,861,709,287</b>	<b>\$ 2,055,335,664</b>	<b>\$ 2,129,833,117</b>

SOURCE: Massachusetts Executive Office of Labor and Workforce Development. Data based upon place of employment, not place of residence.

The following table sets forth the largest employers in Braintree, exclusive of the Town itself.

### LARGEST EMPLOYERS

<u>Name</u>	<u>Product/Function</u>	<u>Approximate No. of Employees</u>
Partners Healthcare Systems Inc	Health Care	10,000
Hospice of the South Shore	Health Care	500
Encompass Health Rehab Hosp	Health Care	250
Local Motion of Boston	Transportation	250
Symmons Industries	Plumbing Manufacturer	250
Alliance Health Care Ctr-Braintree	Health Care	100
Brightpath Braintree	Child Care	100
Channel Fish Processing Co Inc	Food Processing	100
Macy's	Retail	200

SOURCE: Massachusetts Department of Economic Research, Executive Office of Labor and Workforce Development.

## Labor Force, Employment and Unemployment

According to the Massachusetts Department of Employment and Training data in December 2024, the Town had a total labor force of 21,496 of which 20,684 were employed and 812 or 3.8% were unemployed, compared with 4.2% for the Commonwealth.

### UNEMPLOYMENT RATES

Year	Town of Braintree		Massachusetts	United States
	Labor Force	Unemployment Rate	Unemployment Rate	Unemployment Rate
2023	20,927	2.9 %	3.4 %	3.6 %
2022	20,823	3.3	3.8	3.6
2021	20,785	5.4	5.7	3.7
2020	20,517	9.3	8.9	8.1
2019	21,195	2.5	2.9	3.7

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

## Building Permits

The following table sets forth the trend in the number of building permits issued and the estimated dollar value of new construction and alterations. Permits are filed for both private constructions as well as for Town projects.

### BUILDING PERMITS

Calendar Year	New Construction				Additions/Alterations				Totals	
	Residential (1)		Non-Residential		Residential (2)		Non-Residential		No.	Value
	No.	Value	No.	Value	No.	Value	No.	Value		
2024	8	\$3,723,020	5	\$26,727,184	971	\$29,833,038	246	\$49,243,347	1,230	\$109,526,589
2023	6	2,318,100	3	87,805,809 (3)	910	32,745,577	205	84,989,463	1,124	207,858,949
2022	7	3,001,000	1	452,450	935	34,112,789	162	98,779,565	1,105	136,345,804
2021	12	4,148,700	2	6,071,000	1,170	31,006,419	169	42,504,300	1,353	83,730,419
2020	4	1,267,000	-	-	1,025	26,086,743	123	26,549,853	1,152	53,903,596

SOURCE: Report of the Building Inspector.

(1) Dwelling units only.

(2) Includes sheds, pool and garages, etc. as well as alterations and additions.

(3) Includes Water Treatment Plant and TLC-Arnold Street (former Graziano Concrete plant).

## Climate Resiliency

The Town completed a Climate Vulnerability Assessment and Action Plan in 2017 which identified vulnerabilities and strategies to address them. The Town also completed a coastal resilience project at Watson Park in 2022. Finally, the Town updated and approved its Hazard Mitigation Plan in late 2024.

## Cybersecurity

The Town has procedures and processes in place and regular employee training regarding cybersecurity.

## Population and Income

The following table compares the 2020 Federal Census figures to prior years' averages for the Town, the Commonwealth and the United States.

### Population, Income and Wealth Levels

	<u>Braintree</u>	<u>Massachusetts</u>	<u>U.S.</u>
Median Age			
2020	41.5	39.4	38.3
2010	40.5	39.1	37.2
2000	40.0	36.5	35.3
1990	37.3	33.6	32.9
Median Family Income			
2020	\$96,522	\$81,215	\$62,843
2010	97,262	81,165	51,144
2000	73,552	61,664	50,046
1990	51,920	44,367	35,225
Per Capita Income			
2020	\$44,618	\$43,761	\$34,103
2010	37,317	33,966	27,334
2000	28,667	25,952	21,587
1990	18,624	17,224	14,420

On the basis of the 2020 Federal Census, the Town has a population density of approximately 2,599 persons per square mile.

### POPULATION TRENDS

<u>2020</u>	<u>2010</u>	<u>2000</u>	<u>1990</u>
37,190	35,744	33,828	33,836

SOURCE: Federal Census.

## PROPERTY TAXATION

### Tax Levy Computation

The principal revenue source of the Town is the tax on real and personal property. The amount to be levied in each year is the amount appropriated or required by law to be raised for municipal expenditures less estimated receipts from other sources and less appropriations voted from funds on hand. The total amount levied is subject to certain limits prescribed by law; for a description of those limits, see "Tax Limitations" below. As to the inclusion of debt service and final judgments, see "Security and Remedies", above. The estimated receipts for a fiscal year from sources other than the property tax may not exceed the actual receipts during the preceding fiscal year from the same sources unless approved by the State Commissioner of Revenue. Excepting special funds the use of which is otherwise provided for by law, the deduction for appropriations voted from funds on hand for a fiscal year cannot exceed the "free cash" as of the beginning of the prior fiscal year as certified by the State Director of Accounts plus up to nine months' collections and receipts on account of earlier years' taxes after that date. Subject to certain adjustments, free cash is surplus revenue less uncollected overdue property taxes from earlier years. Although an allowance is made in the tax levy for abatements (see "Overlay" below) no reserve is generally provided for uncollectible real property taxes. Since some of the levy is inevitably not collected, this creates a cash deficiency which may or may not be offset by other items (See "Taxation to Meet Deficits" below).

The following table illustrates the manner in which the tax levy was determined for the following fiscal years.

### TAX LEVY COMPUTATION

	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025
Total Appropriations(1)	\$ 168,989,167	\$ 170,457,641	\$ 178,210,921	\$ 188,719,616	\$ 206,663,083
Additions:					
State and County Assessments	3,814,731	4,234,509	4,620,925	5,010,132	5,213,675
Overlay Reserve	1,141,765	1,135,214	1,175,130	1,173,139	1,041,752
Other Additions(2)	55,858	67,624	85,305	90,297	99,579
Total Additions	<u>5,012,354</u>	<u>5,437,347</u>	<u>5,881,360</u>	<u>6,273,568</u>	<u>6,355,006</u>
Gross Amount to be Raised	<u>174,001,521</u>	<u>175,894,988</u>	<u>184,092,281</u>	<u>194,993,183</u>	<u>213,018,089</u>
Deductions:					
Local Estimated Receipts(3)	43,417,762	43,161,021	46,011,459	49,752,831	51,940,358
State Aid(4)	25,719,108	25,276,227	26,607,807	28,170,324	28,815,396
Available Funds(5):					
Free Cash	5,323,467	-	-	5,055,978	8,433,000
Other Available Funds	281,700	2,146,200	3,040,473	350,500	350,500
Total Deductions	<u>74,742,037</u>	<u>70,583,448</u>	<u>75,659,739</u>	<u>83,329,633</u>	<u>89,539,254</u>
Net Amount to be Raised (Tax Levy)	<u>\$ 99,259,484</u>	<u>\$ 105,311,540</u>	<u>\$ 108,432,542</u>	<u>\$ 111,663,550</u>	<u>\$ 123,478,835</u>

- (1) Includes annual appropriations from taxation voted subsequent to adoption of the annual budget but prior to setting the tax rate.
- (2) Includes overlay deficits of prior years.
- (3) Includes receipts from enterprise funds, except electric.
- (4) Estimated by the State Department of Revenue and required by law to be used in setting of the tax rate. Actual state aid payments may vary upward or downward from said estimates, and the State may withhold (generally quarterly) payments pending receipt of State and County assessments.
- (5) Transfers from available funds, including "Free Cash" (see TOWN FINANCES – Free Cash) can be made to reduce the tax rate or as an offset to a particular appropriation item.

## Assessed Valuations and Tax Levies

Property is classified for the purpose of taxation according to its use. The legislature has in substance created three classes of taxable property: (1) residential real property, (2) open space land, and (3) all other (commercial, industrial and personal property). Within limits, cities and towns are given the option of determining the share of the annual levy to be borne by each of the three categories. The share required to be borne by residential real property is at least 50 per cent of its share of the total taxable valuation; the effective rate for open space must be at least 75 per cent of the effective rate for residential real property; and the share of commercial, industrial and personal property must not exceed 175 percent of their share of the total valuation. A city or town may also exempt up to 20 percent of the valuation of residential real property (where used as the taxpayer's principal residence) and up to 10 percent of the valuation of commercial real property (where occupied by certain small businesses). Property may not be classified in a city or town until the State Commissioner of Revenue certifies that all property in the city or town has been assessed at its fair cash value. Such certification must take place every five years, or pursuant to a revised schedule as may be issued by the Commissioner.

Related statutes provide that certain forest land, agricultural or horticultural land (assessed at the value it has for these purposes) and recreational land (assessed on the basis of its use at a maximum of 25 percent of its fair cash value) are all to be taxed at the rate applicable to commercial property. Land classified as forest land is valued for this purpose at five percent of fair cash value but not less than ten dollars per acre.

The following table sets forth the trend in the Town's assessed valuations, tax rates, tax levies, and tax levies per capita.

Fiscal Year	Real Estate Valuation	Personal Property Valuation	Total Assessed Valuation	Tax Rates			Tax Levy	Tax Levy Per Capita(1)
				Residential	Comm.-Ind.	Personal		
2025	\$ 10,025,630,662	\$ 159,254,040	\$ 10,184,884,702	\$ 9.98	\$ 21.28	\$ 21.22	\$ 123,478,835	\$ 3,320
2024	9,541,315,581	138,619,590	9,679,935,171	9.48	20.25	20.19	111,663,550	3,003
2023	8,855,614,474	132,847,700	8,988,462,174	9.76	21.18	21.11	108,432,542	2,916
2022	8,431,830,747	118,560,200	8,550,390,947	9.95	21.63	21.55	105,311,540	2,832
2021	7,871,401,027	111,176,790	7,982,577,817	9.95	21.84	21.76	99,259,484	2,669

(1) Based on the 2020 Federal Census of 37,190.

## Classification of Properties

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

Property Type	2023		2024		2025	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Residential	\$ 7,164,371,965	79.7 %	\$ 7,822,036,531	80.8 %	\$ 8,242,398,440	80.9 %
Commercial	1,402,084,909	15.6	1,412,026,990	14.6	1,445,745,802	14.2
Industrial	289,157,600	3.2	307,252,060	3.2	337,486,420	3.3
Personal	132,847,700	1.5	138,619,590	1.4	159,254,040	1.6
Total Real Estate	\$ 8,988,462,174	100.0 %	\$ 9,679,935,171	100.0 %	\$ 10,184,884,702	100.0 %

## LARGEST TAXPAYERS

The following table lists the ten largest taxpayers in the Town based upon assessed valuation for fiscal 2025, all of which are current in paying property taxes.

Name	Nature of Business	Fiscal 2025 Assessed Valuation	Percent of Total Assessed Value
Braintree Property Associates	Malls	\$ 279,995,200	2.75 %
Messina, Francis X. (et al)	Developer/Real Estate	113,351,000	1.11
Lenox Farms Limited Partnership	Apartments	103,069,000	1.01
Braintree Hill Office Park, LLC	Office Park	98,555,200	0.97
EQR - Lincoln Braintree LLC	Apartments	55,722,200	0.55
UDR Ridge at Blue Hills LLC	Apartments	47,279,200	0.46
Sup II Braintree Plaza LLC	Retail	38,403,700	0.38
38 CDB175 NELP OWNER LLC	Office/Warehouse	32,254,200	0.32
Braintree IRF Investment Group, Inc.	Rehabilitation Hospital	29,855,100	0.29
2001 Washington Street LLC	Private School	28,913,300	0.28
		<u>\$ 827,398,100</u>	<u>8.12 %</u>

### State Equalized Valuation

In order to determine appropriate relative values for the purposes of certain distributions to and assessments upon cities and towns, the Commissioner of Revenue biennially makes a redetermination of the fair cash value of the taxable property in each municipality. This is known as the “Equalized Value”.

The following table sets forth the trend in equalized valuations of the Town of Braintree.

January 1,	State Equalized Valuation	% Change
2024	\$ 10,340,377,900	15.9 %
2022	8,924,863,200	8.7
2020	8,213,296,300	14.3
2018	7,187,550,000	13.6
2016	6,327,219,800	13.5

Local assessed valuations are determined annually as of January 1 and used for the fiscal year beginning on the next July 1.

### Overlay

The Town is authorized to increase each tax levy by an amount approved by the Commissioner of Revenue as an “overlay” to provide for tax abatements. If abatements are granted in excess of the applicable overlay, the resultant “overlay deficit” is required to be added to the next tax levy. An abatement granted after a tax payment has been made is accounted for as a refund on the books of the Town. Abatements are granted where exempt real or personal property has been assessed or where taxable real or personal property has been overvalued or disproportionately valued. The assessors may also abate uncollectible personal property taxes. They may abate real and personal property taxes on broad grounds (including inability to pay) with the approval of the State Commissioner of Revenue.

The following table sets forth the trend in the amount of the overlay reserve for recent fiscal years.

Fiscal Year	Net Tax Levy	Overlay Reserve		Abatements Granted Through June 30, 2024
		Dollar Amount	As a % of Net Levy	
2024	\$ 110,490,412	\$ 1,173,139	1.06 %	\$ 633,965
2023	107,257,412	1,175,130	1.10	486,202
2022	104,176,326	1,135,214	1.09	585,395
2021	98,117,719	1,141,765	1.16	567,962
2020	94,831,929	1,201,542	1.27	663,927

## Tax Collections

Property tax bills are payable quarterly on August 15, November 1, February 1, and May 1 of each fiscal year. Interest accrues on delinquent taxes at the rate of 14 percent per annum. Real property (land and buildings) is subject to a lien for the taxes assessed upon it, subject to any paramount federal lien and subject to bankruptcy and insolvency laws. If the property has been transferred, an unenforced lien expires on the fourth December 31 after the end of the fiscal year to which the tax relates. If the property has not been transferred by the fourth December 31, an unenforced lien expires upon a later transfer of the property. Provision is made, however, for continuation of the lien where it could not be enforced because of a legal impediment. The persons against whom real or personal property taxes are assessed are personally liable for the tax (subject to bankruptcy and insolvency laws). In the case of real property, this personal liability is effectively extinguished by sale or taking of the property as described below.

The following table compares the trend in the Town's net tax collections with its net (gross tax levy less overlay reserve for abatements) tax levies during and subsequent to the fiscal year when due.

### Tax Collections

Fiscal Year	Gross Tax Levy	Overlay Reserve for Abatements	Net Tax Levy	Collections During Fiscal Year Payable (1)(2)	
				Dollar Amount	% of Net Levy
2024	\$ 111,663,550	\$ 1,173,139	\$ 110,490,412	\$ 109,951,684	99.5 %
2023	108,432,542	1,175,130	107,257,412	106,508,456	99.3
2022	105,311,540	1,135,214	104,176,326	103,988,055	99.8
2021	99,259,484	1,141,765	98,117,719	98,563,247	100.5
2020	96,033,471	1,201,542	94,831,929	93,840,113	99.0

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

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

## Tax Titles and Possessions

Real property (land and buildings) is subject to a lien for the taxes assessed upon it, subject to any paramount federal lien and subject to bankruptcy and insolvency laws. (In addition, real property is subject to a lien for certain unpaid municipal charges or fees.) If the property has been transferred, an unenforced lien expires on the fourth December 31 after the end of the fiscal year to which the tax relates. If the property has not been transferred by the fourth December 31, an unenforced lien expires upon a later transfer of the property. Provision is made, however, for continuation of the lien where it could not be enforced because of a legal impediment. The persons against whom real or personal property taxes are assessed are personally liable for the tax (subject to bankruptcy and insolvency laws). In the case of real property, this personal liability is effectively extinguished by sale or taking of the property as described below.

Massachusetts law permits a municipality either to sell by public sale (at which the municipality may become the purchaser) or to take real property for nonpayment of taxes. In either case the property owner can redeem the property by paying the unpaid taxes, with interest and other charges, but if the right of redemption is not exercised within 12 months (which may be extended in the case of certain installment payments), it can be foreclosed by petition to the Land Court. Upon foreclosure, a tax title purchased or taken by the municipality becomes a "tax possession" and may be held and disposed of in the same manner as other land held for municipal purposes. The municipality must notify the former property owner of its intent to retain possession of or sell the property, as well as any "excess equity" (i.e., any remaining surplus amount above taxes, fees, and charges owed to or incurred by the municipality) the former owner may be entitled to in either case. The former owner may submit a claim for return of any excess equity within 18 months of being notified. Any excess equity not yet returned to the former owner must be held in a separate interest-bearing account.

Former owners of property foreclosed upon on or before May 24, 2021 are not eligible to submit claims for return of excess equity. At this time, it is not clear whether such owners may be able to make constitutional claims for return of excess equity outside of the statutory scheme concerning property foreclosed upon before May 24, 2021.

Fiscal Year	Total Tax Titles and Possessions
2024	\$ 3,413,155
2023	1,476,896
2022	1,616,120
2021	1,960,065
2020	999,544

## **Sale of Tax Receivables**

Cities and towns are authorized to sell delinquent property tax receivables by public sale or auction, either individually or in bulk. In September 2014, the Town had a tax lien sale which consisted of 4 properties for a total tax amount of \$227,332 owed. In March, 2016, the Town had a tax lien sale which consisted of 1 property for a total tax amount of \$52,974 owed. In June, 2016, the Town had a tax lien sale which consisted of 7 properties for a total tax amount of \$301,490 owed. There was not a tax lien sale in any of the years fiscal 2018-2024.

## **Taxation to Meet Deficits**

As noted elsewhere (see “Overlay” above) overlay deficits, i.e., tax abatements in excess of the overlay included in the tax levy to cover abatements, are required to be added to the next tax levy. It is generally understood that revenue deficits, i.e., those resulting from non-property tax revenues being less than anticipated, are also required to be added to the next tax levy (at least to the extent not covered by surplus revenue). Amounts lawfully expended since the prior tax levy and not included therein are also required to be included in the annual tax levy. The circumstances under which this can arise are limited since municipal departments are generally prohibited from incurring liabilities in excess of appropriations except for major disasters, mandated items, contracts in aid of housing and renewal projects and other long-term contracts. In addition, utilities must be paid at established rates and certain established salaries, e.g., civil service, must legally be paid for work actually performed, whether or not covered by appropriations.

The Town of Braintree has not experienced any revenue deficits in any of the last five fiscal years. To the extent there have been any unprovided or overdrawn accounts, including overlay deficits, such deficiencies have been provided for, in accordance with Massachusetts law, in the following year’s tax levy.

Cities and towns are authorized to appropriate sums, and thus to levy taxes, to cover deficits arising from other causes, such as “free cash” deficits arising from a failure to collect taxes. This is not generally understood, however, and it has not been the practice to levy taxes to cover free cash deficits. Except to the extent that such deficits have been reduced or eliminated by subsequent collections of uncollected taxes (including sales of tax titles and tax possessions), lapsed appropriations, non-property tax revenues in excess of estimates, other miscellaneous items or funding loans authorized by special act, they remain in existence. See “TOWN FINANCES — Free Cash”.

## **Tax Limitations**

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

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

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

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

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

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

The statute further provides that the voters may exclude from the taxes subject to the tax limits and from the calculation of the maximum tax levy (a) the amount required to pay debt service on bonds and notes issued before November 4, 1980, if the exclusion is approved by a majority vote of the voters, and (b) the amount required to pay debt service on any specific subsequent issue for which similar approval is obtained. Even with voter approval, the holders of the obligations for which unlimited taxes may be assessed do not have a statutory priority or security interest in the portion of the tax levy attributable to

such obligations. It should be noted that Massachusetts General Laws Chapter 44, Section 20 requires that the taxes excluded from the levy limit to pay debt service on any such bonds and notes be calculated based on the true interest cost of the issue. Accordingly, the Department of Revenue limits the amount of taxes which may be levied in each year to pay debt service on any such bonds and notes to the amount of such debt service, less a pro rata portion of any original issue premium received by the city or town that was not applied to pay costs of issuance.

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

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

### Unused Levy Capacity

Fiscal Year	Estimated Full Valuation (1)	Primary Levy Limit	Maximum Levy Limit	Actual Tax Levy	Under(over) Primary Levy Limit	Under(over) Maximum Levy Limit
2025	\$ 10,184,884,702	\$ 254,622,118	\$ 123,526,167	\$ 123,478,835	\$ 131,143,283	\$ 47,332
2024	9,679,935,171	241,998,379	111,747,119	111,663,550	130,334,829	83,569
2023	8,988,462,174	224,711,554	108,508,873	108,432,542	116,279,012	76,331
2022	8,431,830,747	213,759,774	105,333,106	105,311,540	108,448,234	21,566
2021	7,982,577,817	199,564,445	99,317,719	99,259,484	100,304,961	58,235

(1) Local assessed valuation.

### Pledged Taxes

Taxes on the increased value of certain property in designated development districts may be pledged for the payment of costs of economic development projects within such districts and may therefore be unavailable for other municipal purposes. The Town has no such Districts.

### Initiative Petitions

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

## TOWN FINANCES

### Budget and Appropriation Process

The annual appropriations of the Town are ordinarily made after the annual budget hearings by the Town Council which usually take place in May. Additional appropriations may also be voted at other Town Council meetings. The Town has a Ways and Means Committee which is a subcommittee of the Council. The Mayor by Town Charter submits the Budget to the Town Council. The Town Council refers all financial matters to its Ways and Means Committee. The Ways and Means Committee holds public hearings and makes recommendations on all financial matters to the full Town Council for action.

The school budget is limited to the total amount appropriated by the Town Council, but the school committee retains full power to allocate the funds appropriated.

Under recent legislation, the town council on the recommendation of the mayor may transfer within the last 2 months of the fiscal year any amount appropriated for the use of any department to the appropriation for any other department, provided that no such transfer may be made from any appropriation for a school department, regional school district, or municipal light department.

State and county assessments, abatements in excess of overlays, principal and interest not otherwise provided for, and final judgments are included in the tax levy whether or not included in the budget. Revenues are not required to be set forth in the budget, but estimated non-tax revenues are taken into account by the assessors in fixing the tax levy. (See "PROPERTY TAXATION," above.)

### Budget Trends

The following table sets forth a comparison of the operating budget appropriations for fiscal years 2021 through 2025. As such, said budgets reflect neither revenues nor state and county assessments and other mandatory items. Also said budgets do not reflect expenditures authorized for non-recurring (generally capital) purposes or transfers occurring subsequent to the original passage of the budget. In fiscal year 2023, school custodial, facility maintenance and utilities were all shifted to Public Works department from the Education department. For the purposes of historical comparison, annual budgeted appropriations are adjusted to reflect these costs under Education.

### BUDGET COMPARISON

	Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2022	Fiscal 2021
Town Council Programs	\$ 269,384	\$ 265,233	\$ 268,212	\$ 273,714	\$ 302,736
Mayor's Office Programs	445,201	440,870	481,344	479,204	511,609
Finance Programs	14,262,554	14,115,692	14,528,461	13,194,818	10,946,948
Law	252,400	254,297	173,430	172,543	182,450
Human Resources	24,864,598	24,533,441	24,611,670	22,942,166	22,492,842
Town Clerk	561,573	632,887	512,337	442,747	442,519
Planning and Development	575,924	574,524	578,808	556,809	630,674
Police	13,275,000	12,561,350	12,334,321	11,396,169	11,180,117
Fire	9,873,718	9,938,589	9,785,868	9,659,993	8,850,625
Municipal Licenses and Inspections	1,098,082	1,030,804	1,009,398	968,944	1,080,778
Education	81,409,740	80,641,446	73,472,068	71,947,500	73,218,902
Blue Hill Regional	3,440,760	3,047,374	2,831,399	2,582,753	2,672,573
Public Works	9,900,028	10,436,060	9,621,431	8,736,977	8,973,466
Elder Affairs	336,781	334,624	325,912	325,688	330,558
Library	1,616,948	1,597,811	1,574,164	1,559,691	1,538,653
Golf	2,127,373	1,933,892	1,753,456	1,708,653	1,949,400
Sewer	11,815,671	11,859,992	11,761,490	11,604,485	11,177,218
Water	12,089,522	11,507,831	10,447,548	10,011,413	9,353,438
Stormwater	1,624,405	1,412,833	1,190,815	1,704,266	1,424,895
Cable Access PEG Fund	630,175	630,175	595,303	-	-
<b>Totals</b>	<b>\$ 190,469,837</b>	<b>\$ 187,749,724</b>	<b>\$ 177,857,436</b>	<b>\$ 170,268,533</b>	<b>\$ 167,260,401</b>

## **FY2025 Override/ Elimination of Budget Gap**

On April 30, 2024, the Mayor filed the fiscal year 2025 budget with Braintree's Town Council. The budget included a four-year forecast of revenues and expenses projecting a near-term gap of \$18 million in fiscal year 2025. As noted in the mayor's presentation, the budget was brought into balance primarily through expense cuts and other spending measures, with only a limited amount of additional revenues proposed for next year. The mayor's budget highlighted spending reductions and controls across most areas of Town programs and services, most notably in education, public works and public safety. On the same day, the Mayor filed a proposal with Town Council for a special election to be held on June 15, 2024, for a Proposition 2½ override that, if approved by voters, would increase the Town's Levy limit by \$8 million in fiscal year 2025. The \$8 million would be allocated as follows: \$4 million for Braintree Public Schools; \$1.5 million for Braintree Police; \$1 million for Braintree Public Works; and, \$1.5 million for an Override Stabilization Fund, which would allow for a portion of the funding to be retained and used over subsequent fiscal years to help extend the benefit of the additional resources generated by the override. The Mayor's budget filing showed that, combined with spending reductions contemplated in the budget, the override would help balance structural funding gaps projected through fiscal year 2028. On May 29, 2024, the Braintree Town Council approved the fiscal year 2025 budget, with spending at levels that do not account for any revenues generated from the Proposition 2½ override. **On June 15, 2024, Braintree residents approved the override question to increase the levy by \$8 million beginning on July 1, 2024, resulting in a structurally balanced budget for fiscal 2025.**

### **General Fund Revenues**

**Property Taxes:** Property taxes are the major source of revenue for the Town. The total amount levied is subject to certain limits prescribed by law; for a description of those limits see "PROPERTY TAXATION—Tax Limitations" above.

**State Aid:** In addition to grants for specified capital purposes (some of which are payable over the life of the bonds issued for the projects), the Commonwealth provides financial assistance to cities and towns for current purposes. Payments to cities and towns are derived primarily from a percentage of the State's personal income, sales and use, and corporate excise tax receipts, together with the net receipts from the State Lottery. A municipality's state aid entitlement is based on a number of different formulas, of which the "schools" and "lottery" formulas are the most important. Both of the major formulas tend to provide more state aid to poorer communities. None of the major local aid programs has a termination date under existing law and while a formula might indicate that a particular amount of state aid is owed, the amount of state aid actually paid is limited to the amount appropriated by the state legislature.

In the fall of 1986, both the State Legislature (by statute repealed as of July 1, 1999) and the voters (by initiative petition) placed limits on the growth of state tax revenues. Although somewhat different in detail, each measure essentially limited the annual growth in state tax revenues to an average rate of growth in wages and salaries in the Commonwealth over the three previous calendar years. If not amended, the remaining law could restrict the amount of state revenues available for state aid to local communities.

**State School Building Assistance Program:** Under its school building assistance program, the Commonwealth of Massachusetts provides grants to cities, towns and regional school districts for school construction projects. Until July 26, 2004, the State Board of Education was responsible for approving grants for school projects and otherwise administering the program. Grant amounts ranged from 50% to 90% of approved project costs. Municipalities generally issued bonds to finance the entire project cost, and the Commonwealth disbursed the grants in equal annual installments over the term of the related bonds.

Pursuant to legislation which became effective on July 26, 2004, the state legislature created the Massachusetts School Building Authority (the "Authority") to finance and administer the school building assistance program. The Authority has assumed all powers and obligations of the Board of Education with respect to the program. In addition to certain other amounts, the legislation dedicates a portion of Commonwealth sales tax receipts to the Authority to finance the program.

Projects previously approved for grants by the State Board of Education are entitled to receive grant payments from the Authority based on the approved project cost and reimbursement rate applicable under the prior law. The Authority has paid and is expected to continue to pay the remaining amounts of the grants for such projects either in annual installments to reimburse debt service on bonds issued by the municipalities to finance such projects, or as lump sum payments to contribute to the defeasance of such bonds.

Projects on the priority waiting list as of July 1, 2004 are also entitled to receive grant payments from the Authority based on the eligible project costs and reimbursement rates applicable under the prior law. With limited exceptions, the Authority is required to fund the grants for such projects in the order in which they appear on the waiting list. Grants for any such projects that have been completed or substantially completed have been paid and are expected to continue to be paid by the Authority in lump sum payments, thereby eliminating the need for the Authority to reimburse interest expenses that

would otherwise be incurred by the municipalities to permanently finance the Authority's share of such project costs. Interest on debt issued by municipalities prior to July 1, 2004 to finance such project costs, and interest on temporary debt until receipt of the grant, is included in the approved costs of such projects. Grants for any such projects that have not yet commenced or that are underway have been and are expected to continue to be paid by the Authority as project costs are incurred by the municipality pursuant to a project funding agreement between the Authority and the municipality, eliminating the need for the municipality to borrow even on a temporary basis to finance the Authority's share of the project costs in most cases.

The maximum reimbursement rate for new project grant applications submitted to the Authority on or after July 1, 2007 is 80% of approved project costs. The Authority promulgated new regulations with respect to the application and approval process for projects submitted after July 1, 2007. The Authority expects to pay grants for such projects as project costs are incurred pursuant to project funding agreements between the Authority and the municipalities. None of the interest expense incurred on debt issued by municipalities to finance their portion of the costs of new projects will be included in the approved project costs eligible for reimbursement.

Motor Vehicle Excise: An excise is imposed on the registration of motor vehicles (subject to exemptions) at a rate of \$25 per \$1,000 of valuation. Valuations are determined by a statutory formula based on manufacturer's list price and year of manufacture. Bills not paid when due bear interest at 12 per cent per annum. Provision is also made for non-renewal of license and registration by the registrar of motor vehicles.

Room Occupancy Tax: Under this tax, local governments may tax the provision of hotel, motel and lodging house rooms at a rate not to exceed 6% of the cost of renting such rooms. The tax is paid by the operator of the hotel, motel or lodging house to the State Commissioner of Revenue, who in turn pays the tax back to the municipality in which the rooms are located in quarterly distributions. The Town has levied the full 4% as permitted under the law since the inception of the tax. On August 15, 2009, the Town adopted an increase in the room occupancy tax to 6% to be effective October 1, 2009. This tax produced \$1,547,029 in fiscal 2020, \$585,016 in fiscal 2021, \$1,303,365 in fiscal 2022, \$1,680,891 in fiscal 2023, and \$1,813,009 in fiscal 2024.

Local Options Meals Tax: The Town voted to accept the provisions of General Laws Chapter 641, Section 2(a) to impose a local meals excise tax beginning July 1, 2013, and for all proceeds derived from said excise tax to be used solely to fund capital improvements, including but not limited to, equipment purchases and/or leases. In fiscal years 2020, 2021, 2022, 2023, and 2024, the Town received \$1,114,427, \$999,800, \$1,307,246, \$1,347,991, and \$1,403,900, respectively, in meals tax.

Other: Other sources of revenue include departmental income, investment income and various other sources.

### **Community Preservation Act**

The Massachusetts Community Preservation Act (the "CPA") permits cities and towns that accept its provisions to levy a surcharge on its real property tax levy, dedicate revenue (other than state or federal funds), and to receive state matching funds for (i) the acquisition, creation, preservation, rehabilitation and restoration of land for recreational use, open space, and affordable housing and (ii) the acquisition, preservation, rehabilitation and restoration of historic resources. The provisions of the CPA must be accepted by the voters of the city or town at an election after such provisions have first been accepted by either a vote of the legislative body of the city or town or an initiative petition signed by 5% of its registered voters.

A city or town may approve a surcharge of up to 3% (but not less than 1% under certain circumstances) and may make an additional commitment of funds by dedicating revenue other than state or federal funds, provided that the total funds collected do not exceed 3% of the real property tax levy, less any exemptions adopted (such as an exemption for low-income individuals and families and for low and moderate-income senior citizens, an exemption for \$100,000 of the value of each taxable parcel of residential real property or \$100,000 of the value of each taxable parcel of class three, commercial property, and class four, industrial property as defined in Chapter 59, Section 2A of the General Laws, and an exemption for commercial and industrial properties in cities and towns with classified tax rates). In the event that the municipality shall no longer dedicate all or part of the additional funds to community preservation, the surcharge on the real property tax levy of not less than 1% shall remain in effect, provided that any such change must be approved pursuant to the same process as acceptance of the CPA. The surcharge is not counted in the total taxes assessed for the purpose of determining the permitted levy amount under Proposition 2½ (see "*Tax Limitations*" under "PROPERTY TAX" above). A city or town may revoke its acceptance of the provisions of the CPA at any time after 5 years from the date of such acceptance and may change the amount of the surcharge or the exemptions to the surcharge at any time, including reducing the surcharge to 1% and committing additional municipal funds as outlined above, provided that any such revocation or change must be approved pursuant to the same process as acceptance of the CPA.

Any city or town that accepts the provisions of the CPA will receive annual state matching grants to supplement amounts raised by its surcharge and dedication of revenue. The state matching funds are raised from certain recording and filing fees of the registers of deeds. Those amounts are deposited into a state trust fund and are distributed to cities and towns that have accepted the provisions of the CPA, which distributions are not subject to annual appropriation by the state legislature. The amount distributed to each city and town is based on a statutory formula and the total state distribution made to any city or town may not exceed 100% of the amount raised locally by the surcharge on the real property tax levy.

The amounts raised by the surcharge on taxes, the dedication of revenue and received in state matching funds are required to be deposited in a dedicated community preservation fund. Each city or town that accepts the provisions of the CPA is required to establish a community preservation committee to study the community preservation needs of the community and to make recommendations to the legislative body of the city or town regarding the community preservation projects that should be funded from the community preservation fund. Upon the recommendations of the committee, the legislative body of the city or town may appropriate amounts from the fund for permitted community preservation purposes or may reserve amounts for spending in future fiscal years, provided that at least 10% of the total annual revenues to the fund must be spent or set aside for open space purposes, 10% for historic resource purposes and 10% for affordable housing purposes.

The CPA authorizes cities and towns that accept its provisions to issue bonds and notes in anticipation of the receipt of surcharge and dedicated revenues to finance community preservation projects approved under the provisions of the CPA. Bonds and notes issued under the CPA are general obligations of the city or town and are payable from amounts on deposit in the community preservation fund. In the event that a city or town revokes its acceptance of the provisions of the CPA, the surcharge shall remain in effect until all contractual obligations incurred by the city or town prior to such revocation, including the payment of bonds or notes issued under the CPA, have been fully discharged.

**The Town adopted the CPA at an additional charge of 1% in April 2002, effective beginning in fiscal 2003. As of June 30, 2024, the Town levied \$959,479 in surcharges and received state matching funds totaling \$195,088.**

**The CPA Trust Fund balance as of June 30, 2024 was \$7,940,661.**

### Enterprises

The Town’s water and sewer, golf course and electric light activities are accounted for as enterprises. See “Appendix A – Braintree Electric Light Department” for a discussion of the operations of the electric light activities enterprise.

The water/sewer rate structure as listed below also has a base fee of \$27.50 per quarter for both water and sewer shown below.

Tier	Usage	Rate
Water tier 1	0-500 CF	\$ 3.83
Water tier 2	501-3,500 CF	5.78
Water tier 3	3,501 -10,000 CF	9.44
Water tier 4	10,001 -20,000 CF	14.93
Water tier 5	Over 20,0001 CF	23.59
Sewer tier 1	0-500 CF	\$ 6.33
Sewer tier 2	501-3,500 CF	8.00
Sewer tier 3	3,501 -10,000 CF	10.82
Sewer tier 4	10,001 -20,000 CF	14.63
Sewer tier 5	Over 20,0001 CF	19.78

## **Annual Audits**

The Town's finances are annually audited by CBIZ (formerly Powers & Sullivan, Certified Public Accountant), the most recent of which was performed for the fiscal year ended June 30, 2023 and is attached hereto as Appendix A. Prior audits are available upon request from the Town. The fiscal year 2024 audit is nearing completion and is expected to be completed by March 2025.

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

## **Summary of Significant Accounting Policies**

See Appendix A attached.

## **Financial Statements**

Set forth on the following pages are Governmental Funds Balance Sheets for fiscal years ending June 30, 2024 (draft), June 30, 2023, June 30, 2022, and June 30, 2021, and Statements of Revenues, Expenditures and Changes in Fund Balance, for the fiscal years ended June 30, 2019 through fiscal year ended June 30, 2023. Said statements were extracted from audited financial statements with the exception of the fiscal 2024 balance sheet which was extracted from the Town's draft unaudited financial statements and is preliminary, subject to revision and change.

**TOWN OF BRAINTREE, MASSACHUSETTS (1)**  
**GOVERNMENTAL FUNDS**  
**UNAUDITED BALANCE SHEET**

JUNE 30, 2024

	General	Town Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash and cash equivalents.....	\$ 29,286,128	\$ -	\$ 21,405,557	\$ 50,691,685
Investments.....	-	-	7,548,930	7,548,930
Receivables, net of uncollectibles:				
Real estate and personal property taxes.....	2,073,269	-	-	2,073,269
Tax liens.....	1,349,716	-	-	1,349,716
Community preservation fund surtax.....	-	-	8,588	8,588
Motor vehicle and other excise taxes.....	840,889	-	-	840,889
Departmental and other.....	3,164,483	-	-	3,164,483
Intergovernmental.....	356,194	8,455,771	2,337,931	11,149,896
Community preservation state share.....	-	-	173,787	173,787
Tax foreclosures.....	78,281	-	-	78,281
Due from other funds.....	-	-	736,078	736,078
<b>TOTAL ASSETS.....</b>	<b>\$ 37,148,960</b>	<b>\$ 8,455,771</b>	<b>\$ 32,210,871</b>	<b>\$ 77,815,602</b>
<b>LIABILITIES</b>				
Warrants payable.....	\$ 623,509	\$ 9,207	\$ 613,577	\$ 1,246,293
Accrued payroll.....	11,542,353	-	49,424	11,591,777
Tax refunds payable.....	4,105,300	-	-	4,105,300
Due to other funds.....	-	2,907,979	-	2,907,979
Other liabilities.....	-	-	1,277,177	1,277,177
Notes payable.....	-	6,470,444	-	6,470,444
<b>TOTAL LIABILITIES.....</b>	<b>16,271,162</b>	<b>9,387,630</b>	<b>1,940,178</b>	<b>27,598,970</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue.....	4,282,153	5,465,569	3,267,522	13,015,244
<b>FUND BALANCES</b>				
Nonspendable.....	-	-	2,564,529	2,564,529
Restricted.....	-	-	18,041,214	18,041,214
Committed.....	-	-	-	-
Assigned.....	1,544,317	-	-	1,544,317
Unassigned.....	15,051,328	(6,397,428)	6,397,428	15,051,328
<b>TOTAL FUND BALANCES.....</b>	<b>16,595,645</b>	<b>(6,397,428)</b>	<b>27,003,171</b>	<b>37,201,388</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES.....</b>	<b>\$ 37,148,960</b>	<b>\$ 8,455,771</b>	<b>\$ 32,210,871</b>	<b>\$ 77,815,602</b>

(1) Extracted from the Town's draft unaudited financial statements, preliminary and subject to revision and change.

**TOWN OF BRAINTREE, MASSACHUSETTS (1)**

**GOVERNMENTAL FUNDS**

**BALANCE SHEET**

JUNE 30, 2023

	General	Town Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash and cash equivalents.....	\$ 36,695,413	\$ 7,647,982	\$ 19,662,799	\$ 64,006,194
Investments.....	-	-	7,243,231	7,243,231
Receivables, net of uncollectibles:				
Real estate and personal property taxes.....	1,834,743	-	-	1,834,743
Tax liens.....	1,385,086	-	-	1,385,086
Community preservation fund surtax.....	-	-	4,301	4,301
Motor vehicle and other excise taxes.....	670,340	-	-	670,340
Departmental and other.....	266,849	-	-	266,849
Intergovernmental.....	350,624	2,990,202	7,639,116	10,979,942
Community preservation state share.....	-	-	195,098	195,098
Tax foreclosures.....	78,281	-	-	78,281
Due from other funds.....	735,284	-	-	735,284
<b>TOTAL ASSETS.....</b>	<b>\$ 42,016,620</b>	<b>\$ 10,638,184</b>	<b>\$ 34,744,545</b>	<b>\$ 87,399,349</b>
<b>LIABILITIES</b>				
Warrants payable.....	\$ 1,616,833	\$ 8,572,046	\$ 650,664	\$ 10,839,543
Accrued payroll.....	11,258,982	-	132,118	11,391,100
Tax refunds payable.....	3,566,800	-	-	3,566,800
Due to other funds.....	-	-	735,284	735,284
Other liabilities.....	-	-	1,277,177	1,277,177
Fees collected in advance.....	646,317	-	1,702,659	2,348,976
Notes payable.....	-	2,019,000	-	2,019,000
<b>TOTAL LIABILITIES.....</b>	<b>17,088,932</b>	<b>10,591,046</b>	<b>4,497,902</b>	<b>32,177,880</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue.....	3,539,096	-	3,450,620	6,989,716
<b>FUND BALANCES</b>				
Nonspendable.....	-	-	2,564,529	2,564,529
Restricted.....	-	47,138	25,673,554	25,720,692
Committed.....	1,217,016	-	-	1,217,016
Assigned.....	1,549,434	-	-	1,549,434
Unassigned.....	18,622,142	-	(1,442,060)	17,180,082
<b>TOTAL FUND BALANCES.....</b>	<b>21,388,592</b>	<b>47,138</b>	<b>26,796,023</b>	<b>48,231,753</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES.....</b>	<b>\$ 42,016,620</b>	<b>\$ 10,638,184</b>	<b>\$ 34,744,545</b>	<b>\$ 87,399,349</b>

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

**TOWN OF BRAINTREE, MASSACHUSETTS (1)**  
**GOVERNMENTAL FUNDS**  
**BALANCE SHEET**

JUNE 30, 2022

	General	Town Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash and cash equivalents.....	\$ 20,987,787	\$ 42,297,043	\$ 22,665,740	\$ 85,950,570
Investments.....	-	-	7,244,817	7,244,817
Receivables, net of uncollectibles:				
Real estate and personal property taxes.....	1,489,615	-	-	1,489,615
Tax liens.....	1,542,659	-	-	1,542,659
Community preservation fund surtax.....	-	-	978	978
Motor vehicle and other excise taxes.....	584,842	-	-	584,842
Departmental and other.....	197,661	-	-	197,661
Intergovernmental.....	302,074	5,696,298	8,115,206	14,113,578
Community preservation state share.....	-	-	275,256	275,256
Tax foreclosures.....	78,281	-	-	78,281
Due from other funds.....	2,003,762	-	-	2,003,762
<b>TOTAL ASSETS.....</b>	<b>\$ 27,186,681</b>	<b>\$ 47,993,341</b>	<b>\$ 38,301,997</b>	<b>\$ 113,482,019</b>
<b>LIABILITIES</b>				
Warrants payable.....	\$ 290,029	\$ 4,772,763	\$ 603,541	\$ 5,666,333
Accrued payroll.....	7,898,782	-	114,552	8,013,334
Tax refunds payable.....	623,100	-	-	623,100
Due to other funds.....	-	-	2,003,762	2,003,762
Other liabilities.....	-	-	1,048,286	1,048,286
Fees collected in advance.....	253,607	-	1,395,664	1,649,271
Notes payable.....	-	2,019,000	-	2,019,000
<b>TOTAL LIABILITIES.....</b>	<b>9,065,518</b>	<b>6,791,763</b>	<b>5,165,805</b>	<b>21,023,086</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue.....	3,562,505	-	2,841,783	6,404,288
<b>FUND BALANCES</b>				
Nonspendable.....	-	-	2,564,529	2,564,529
Restricted.....	-	41,201,578	28,884,120	70,085,698
Committed.....	1,233,947	-	-	1,233,947
Assigned.....	1,263,954	-	-	1,263,954
Unassigned.....	12,060,757	-	(1,154,240)	10,906,517
<b>TOTAL FUND BALANCES.....</b>	<b>14,558,658</b>	<b>41,201,578</b>	<b>30,294,409</b>	<b>86,054,645</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES.....</b>	<b>\$ 27,186,681</b>	<b>\$ 47,993,341</b>	<b>\$ 38,301,997</b>	<b>\$ 113,482,019</b>

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

**TOWN OF BRAINTREE, MASSACHUSETTS (1)**

**GOVERNMENTAL FUNDS**

**BALANCE SHEET**

JUNE 30, 2021

	General	Town Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash and cash equivalents.....	\$ 20,065,756	\$ 55,576,981	\$ 22,816,457	\$ 98,459,194
Investments.....	-	-	7,577,543	7,577,543
Receivables, net of uncollectibles:				
Real estate and personal property taxes.....	883,429	-	-	883,429
Tax liens.....	1,833,974	-	-	1,833,974
Community preservation fund surtax.....	-	-	29	29
Motor vehicle and other excise taxes.....	511,430	-	-	511,430
Departmental and other.....	140,933	-	-	140,933
Intergovernmental.....	281,518	2,035,755	2,961,196	5,278,469
Community preservation state share.....	-	-	233,585	233,585
Tax foreclosures.....	78,281	-	-	78,281
Due from other funds.....	812,686	-	-	812,686
<b>TOTAL ASSETS.....</b>	<b>\$ 24,608,007</b>	<b>\$ 57,612,736</b>	<b>\$ 33,588,810</b>	<b>\$ 115,809,553</b>
<b>LIABILITIES</b>				
Warrants payable.....	\$ 788,326	\$ 991,424	\$ 423,831	\$ 2,203,581
Accrued payroll.....	7,638,595	-	7,511	7,646,106
Tax refunds payable.....	155,400	-	-	155,400
Due to other funds.....	-	-	812,686	812,686
Other liabilities.....	-	-	1,048,460	1,048,460
Fees collected in advance.....	971,626	-	2,152,158	3,123,784
Notes payable.....	-	2,538,490	-	2,538,490
<b>TOTAL LIABILITIES.....</b>	<b>9,553,947</b>	<b>3,529,914</b>	<b>4,444,646</b>	<b>17,528,507</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue.....	3,361,702	-	1,313,237	4,674,939
<b>FUND BALANCES</b>				
Nonspendable.....	-	-	2,564,529	2,564,529
Restricted.....	-	54,082,822	26,536,092	80,618,914
Committed.....	2,043,217	-	-	2,043,217
Assigned.....	1,490,378	-	-	1,490,378
Unassigned.....	8,158,763	-	(1,269,694)	6,889,069
<b>TOTAL FUND BALANCES.....</b>	<b>11,692,358</b>	<b>54,082,822</b>	<b>27,830,927</b>	<b>93,606,107</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES.....</b>	<b>\$ 24,608,007</b>	<b>\$ 57,612,736</b>	<b>\$ 33,588,810</b>	<b>\$ 115,809,553</b>

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

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

YEAR ENDED JUNE 30, 2023

	General	Town Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>				
Real estate and personal property taxes, net of tax refunds.....	\$ 104,696,803	\$ -	\$ -	\$ 104,696,803
Tax liens.....	249,087	-	-	249,087
Motor vehicle and other excise taxes.....	7,503,944	-	-	7,503,944
Hotel/motel tax.....	1,709,750	-	-	1,709,750
Meals tax.....	1,347,991	-	-	1,347,991
Penalties and interest on taxes.....	303,570	-	-	303,570
Payments in lieu of taxes.....	964,236	-	-	964,236
Intergovernmental - state aid.....	26,466,860	-	-	26,466,860
Intergovernmental - School Building Authority.....	-	16,690,729	-	16,690,729
Intergovernmental - Teachers Retirement.....	13,128,704	-	-	13,128,704
Intergovernmental - other.....	11,344	-	19,935,872	19,947,216
Departmental and other.....	9,538,722	-	5,123,958	14,662,680
Community preservation taxes.....	-	-	923,140	923,140
Community preservation state match.....	-	-	349,672	349,672
Contributions and donations.....	-	-	1,093,789	1,093,789
Investment income (loss).....	2,433,507	-	72,855	2,506,362
<b>TOTAL REVENUES.....</b>	<b>168,354,518</b>	<b>16,690,729</b>	<b>27,499,286</b>	<b>212,544,533</b>
<b>EXPENDITURES:</b>				
Current:				
General government.....	6,017,761	116,042	7,081,848	13,215,651
Public safety.....	22,815,695	1,183,618	4,082,730	28,082,043
Education.....	70,443,025	58,188,038	14,736,477	143,367,540
Public works.....	11,429,164	1,859,471	1,673,679	14,962,314
Human services.....	530,296	-	149,894	680,190
Sanitation.....	2,776,527	-	-	2,776,527
Culture and recreation.....	1,379,656	-	582,474	1,962,130
Community preservation.....	-	-	1,954,850	1,954,850
Pension benefits - Town.....	10,022,529	-	-	10,022,529
Pension benefits - Teachers Retirement.....	13,128,704	-	-	13,128,704
Property and liability insurance.....	1,375,330	-	-	1,375,330
Employee benefits.....	9,895,277	-	115,000	10,010,277
State and county charges.....	4,728,638	-	-	4,728,638
Debt service:				
Principal.....	6,202,800	-	-	6,202,800
Interest.....	4,005,950	-	-	4,005,950
<b>TOTAL EXPENDITURES.....</b>	<b>164,751,352</b>	<b>61,347,169</b>	<b>30,376,952</b>	<b>256,475,473</b>
<b>ASSACHUSETTS (1)</b>				
<b>OTHER FINANCING SOURCES (USES):</b>				
Issuance of bonds.....	-	3,187,500	-	3,187,500
Premium from issuance of bonds.....	-	314,500	83,805	398,305
Proceeds from the sale of capital assets.....	-	-	950,000	950,000
Transfers in.....	3,278,275	-	123,750	3,402,025
Transfers out.....	(51,507)	-	(1,778,275)	(1,829,782)
<b>TOTAL OTHER FINANCING SOURCES (USES).....</b>	<b>3,226,768</b>	<b>3,502,000</b>	<b>(620,720)</b>	<b>6,108,048</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>6,829,934</b>	<b>(41,154,440)</b>	<b>(3,498,386)</b>	<b>(37,822,892)</b>
<b>FUND BALANCES AT BEGINNING OF YEAR.....</b>	<b>14,558,658</b>	<b>41,201,578</b>	<b>30,294,409</b>	<b>86,054,645</b>
<b>FUND BALANCES AT END OF YEAR.....</b>	<b>\$ 21,388,592</b>	<b>\$ 47,138</b>	<b>\$ 26,796,023</b>	<b>\$ 48,231,753</b>

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

**TOWN OF BRAINTREE, MASSACHUSETTS (1)**

**GOVERNMENTAL FUNDS**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2022

	General	Town Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>				
Real estate and personal property taxes, net of tax refunds.....	\$ 103,812,844	\$ -	\$ -	\$ 103,812,844
Tax liens.....	353,464	-	-	353,464
Motor vehicle and other excise taxes.....	6,101,791	-	-	6,101,791
Hotel/motel tax.....	1,353,886	-	-	1,353,886
Meals tax.....	1,307,246	-	-	1,307,246
Penalties and interest on taxes.....	258,860	-	-	258,860
Payments in lieu of taxes.....	586,799	-	-	586,799
Intergovernmental - state aid.....	25,784,601	-	-	25,784,601
Intergovernmental - School Building Authority.....	-	6,689,268	-	6,689,268
Intergovernmental - Teachers Retirement.....	11,771,938	-	-	11,771,938
Intergovernmental - other.....	34,852	-	21,724,417	21,759,269
Departmental and other.....	6,833,368	-	5,175,788	12,009,156
Community preservation taxes.....	-	-	912,960	912,960
Community preservation state match.....	-	-	371,517	371,517
Contributions and donations.....	-	-	1,395,655	1,395,655
Investment income (loss).....	261,043	-	(314,256)	(53,213)
<b>TOTAL REVENUES.....</b>	<b>158,460,692</b>	<b>6,689,268</b>	<b>29,266,081</b>	<b>194,416,041</b>
<b>EXPENDITURES:</b>				
Current:				
General government.....	4,623,864	294,158	5,635,126	10,553,148
Public safety.....	22,406,399	592,153	3,032,301	26,030,853
Education.....	72,999,048	20,447,928	12,907,299	106,354,275
Public works.....	6,121,848	1,878,373	3,139,883	11,140,104
Human services.....	487,150	119,000	359,857	966,007
Sanitation.....	2,435,685	-	-	2,435,685
Culture and recreation.....	1,359,700	4,900	425,814	1,790,414
Community preservation.....	-	-	705,925	705,925
Pension benefits - Town.....	9,592,934	-	-	9,592,934
Pension benefits - Teachers Retirement.....	11,771,938	-	-	11,771,938
Property and liability insurance.....	854,114	-	-	854,114
Employee benefits.....	10,324,392	-	584,959	10,909,351
State and county charges.....	4,269,226	-	-	4,269,226
Debt service:				
Principal.....	5,443,100	-	-	5,443,100
Interest.....	4,663,520	-	-	4,663,520
<b>TOTAL EXPENDITURES.....</b>	<b>157,352,918</b>	<b>23,336,512</b>	<b>26,791,164</b>	<b>207,480,594</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>1,107,774</b>	<b>(16,647,244)</b>	<b>2,474,917</b>	<b>(13,064,553)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Issuance of bonds.....	-	3,529,000	-	3,529,000
Issuance of refunding bonds.....	1,672,600	-	-	1,672,600
Premium from issuance of bonds.....	6,592	237,000	128,765	372,357
Premium from issuance of refunding bonds.....	255,169	-	-	255,169
Payments to refunded bond escrow agent.....	(1,877,192)	-	-	(1,877,192)
Transfers in.....	1,752,825	-	-	1,752,825
Transfers out.....	(51,468)	-	(140,200)	(191,668)
<b>TOTAL OTHER FINANCING SOURCES (USES).....</b>	<b>1,758,526</b>	<b>3,766,000</b>	<b>(11,435)</b>	<b>5,513,091</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>2,866,300</b>	<b>(12,881,244)</b>	<b>2,463,482</b>	<b>(7,551,462)</b>
<b>FUND BALANCES AT BEGINNING OF YEAR.....</b>	<b>11,692,358</b>	<b>54,082,822</b>	<b>27,830,927</b>	<b>93,606,107</b>
<b>FUND BALANCES AT END OF YEAR.....</b>	<b>\$ 14,558,658</b>	<b>\$ 41,201,578</b>	<b>\$ 30,294,409</b>	<b>\$ 86,054,645</b>

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

**TOWN OF BRAINTREE, MASSACHUSETTS (1)**

**GOVERNMENTAL FUNDS**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2021

	General	Town Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>				
Real estate and personal property taxes, net of tax refunds.....	\$ 98,412,429	\$ -	\$ -	\$ 98,412,429
Tax liens.....	239,113	-	-	239,113
Motor vehicle and other excise taxes.....	6,778,991	-	-	6,778,991
Hotel/motel tax.....	501,216	-	-	501,216
Meals tax.....	999,801	-	-	999,801
Penalties and interest on taxes.....	410,488	-	-	410,488
Payments in lieu of taxes.....	662,232	-	-	662,232
Intergovernmental - state aid.....	24,682,055	-	-	24,682,055
Intergovernmental - School Building Authority.....	869,677	3,103,485	-	3,973,162
Intergovernmental - Teachers Retirement.....	22,477,939	-	-	22,477,939
Intergovernmental - other.....	163,265	-	15,369,416	15,532,681
Departmental and other.....	6,414,734	-	3,405,691	9,820,425
Community preservation taxes.....	-	-	828,245	828,245
Community preservation state match.....	-	-	233,585	233,585
Contributions and donations.....	-	-	578,026	578,026
Investment income.....	265,250	-	36,433	301,683
<b>TOTAL REVENUES.....</b>	<b>162,877,190</b>	<b>3,103,485</b>	<b>20,451,396</b>	<b>186,432,071</b>
<b>EXPENDITURES:</b>				
Current:				
General government.....	4,311,158	202,284	4,060,475	8,573,917
Public safety.....	21,893,590	393,006	2,792,691	25,079,287
Education.....	76,098,233	10,490,049	9,892,673	96,480,955
Public works.....	5,722,065	1,944,316	1,360,201	9,026,582
Human services.....	794,013	-	220,379	1,014,392
Sanitation.....	2,341,559	-	-	2,341,559
Culture and recreation.....	1,380,938	-	222,335	1,603,273
Community preservation.....	-	-	1,999,588	1,999,588
Pension benefits - Town.....	8,997,525	-	-	8,997,525
Pension benefits - Teachers Retirement.....	22,477,939	-	-	22,477,939
Property and liability insurance.....	862,291	-	-	862,291
Employee benefits.....	12,152,234	-	-	12,152,234
State and county charges.....	3,779,626	-	-	3,779,626
Debt service:				
Principal.....	4,718,200	-	-	4,718,200
Interest.....	2,839,129	-	-	2,839,129
<b>TOTAL EXPENDITURES.....</b>	<b>168,368,500</b>	<b>13,029,655</b>	<b>20,548,342</b>	<b>201,946,497</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>(5,491,310)</b>	<b>(9,926,170)</b>	<b>(96,946)</b>	<b>(15,514,426)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Issuance of bonds.....	-	52,545,000	-	52,545,000
Issuance of refunding bonds.....	1,855,000	-	-	1,855,000
Premium from issuance of bonds.....	30,555	2,406,000	256,648	2,693,203
Premium from issuance of refunding bonds.....	293,331	-	-	293,331
Principal payment on current refunding.....	(2,085,000)	-	-	(2,085,000)
Proceeds from the sale of capital assets.....	150,000	-	-	150,000
Transfers in.....	1,757,150	-	-	1,757,150
Transfers out.....	(52,368)	-	(31,700)	(84,068)
<b>TOTAL OTHER FINANCING SOURCES (USES).....</b>	<b>1,948,668</b>	<b>54,951,000</b>	<b>224,948</b>	<b>57,124,616</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>(3,542,642)</b>	<b>45,024,830</b>	<b>128,002</b>	<b>41,610,190</b>
<b>FUND BALANCES AT BEGINNING OF YEAR (AS REVISED).....</b>	<b>15,235,000</b>	<b>9,057,992</b>	<b>27,702,925</b>	<b>51,995,917</b>

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

**TOWN OF BRAINTREE, MASSACHUSETTS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES**  
**FISCAL YEAR ENDED JUNE 30, 2020 (1)**

	General	Town Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>				
Real estate and personal property taxes net of tax refunds	\$ 95,446,571	\$ -	\$ -	\$ 95,446,571
Tax liens	400,226	-	834	401,060
Motor vehicle and other excise taxes	6,059,140	-	-	6,059,140
Hotel/motel tax	1,524,976	-	-	1,524,976
Meals Tax	1,114,427	-	-	1,114,427
Penalties and interest on taxes	211,740	-	-	211,740
Payments in lieu of taxes	625,299	-	-	625,299
Intergovernmental - state aid	24,876,581	-	-	24,876,581
Intergovernmental - teachers retirement	19,520,106	-	-	19,520,106
Intergovernmental - other	368,091	14,755,953	7,957,671	23,081,715
Intergovernmental - COVID-19 relief	-	-	313,784	313,784
Departmental and other	5,900,415	-	2,563,268	8,463,683
Community preservation taxes	-	-	806,576	806,576
Community preservation state match	-	-	183,375	183,375
Contributions and donations	-	-	800,430	800,430
Investment income	1,061,397	-	523,076	1,584,473
<b>TOTAL REVENUES</b>	<b>\$ 157,108,969</b>	<b>\$ 14,755,953</b>	<b>\$ 13,149,014</b>	<b>\$ 185,013,936</b>
<b>EXPENDITURES:</b>				
<b>Current:</b>				
General government	\$ 4,217,186	\$ 760,824	\$ 684,541	\$ 5,662,551
Public safety	22,173,952	1,010,831	561,470	23,746,253
Education	72,106,940	28,530,620	8,019,800	108,657,360
Public works	5,914,433	1,677,793	1,131,753	8,723,979
Human services	925,062	-	221,146	1,146,208
Sanitation	2,515,491	-	-	2,515,491
Culture and recreation	1,450,623	189,580	410,010	2,050,213
Community preservation	-	-	315,602	315,602
COVID-19	-	-	313,784	313,784
Pension benefits-town	8,362,266	-	-	8,362,266
Pension benefits-teachers	19,520,106	-	-	19,520,106
Property and liability insurance	761,135	-	-	761,135
Employee benefits	11,742,868	-	-	11,742,868
State and county charges	3,958,845	-	-	3,958,845
<b>Debt service:</b>				
Principal	4,636,500	-	-	4,636,500
Interest	2,657,276	-	-	2,657,276
<b>TOTAL EXPENDITURES</b>	<b>\$ 160,942,683</b>	<b>\$ 32,169,648</b>	<b>\$ 11,658,106</b>	<b>\$ 204,770,437</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$ (3,833,714)</b>	<b>\$ (17,413,695)</b>	<b>\$ 1,490,908</b>	<b>\$ (19,756,501)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Issuance of bonds	-	7,377,000	-	7,377,000
Premium from issuance of bonds	23,093	887,000	86,463	996,556
School insurance proceeds	180,000	-	-	180,000
Transfers In	2,157,481	1,718,229	489,726	4,365,436
Transfers Out	(2,159,838)	-	(647,317)	(2,807,155)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$ 200,736</b>	<b>\$ 9,982,229</b>	<b>\$ (71,128)</b>	<b>\$ 10,111,837</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(3,632,978)</b>	<b>(7,431,466)</b>	<b>1,419,780</b>	<b>(9,644,664)</b>
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<b>18,867,978</b>	<b>16,489,458</b>	<b>26,834,577</b>	<b>62,192,013</b>
<b>FUND BALANCES AT END OF YEAR</b>	<b>\$ 15,235,000</b>	<b>\$ 9,057,992</b>	<b>\$ 28,254,357</b>	<b>\$ 52,547,349</b>

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

**TOWN OF BRAINTREE, MASSACHUSETTS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES  
FISCAL YEAR ENDED JUNE 30, 2019 (1)**

	General	Town Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>				
Real estate and personal property taxes net of tax refunds	\$ 90,085,816	\$ -	\$ -	\$ 90,085,816
Tax liens	549,557	-	1,087	550,644
Motor vehicle and other excise taxes	6,675,091	-	-	6,675,091
Hotel/motel tax	1,728,984	-	-	1,728,984
Meals Tax	1,249,555	-	-	1,249,555
Penalties and interest on taxes	298,708	-	-	298,708
Payments in lieu of taxes	602,234	-	-	602,234
Intergovernmental - state aid	24,286,156	-	-	24,286,156
Intergovernmental - teachers retirement	15,234,260	-	-	15,234,260
Intergovernmental - other	560,206	18,809,296	8,246,998	27,616,500
Departmental and other	6,535,944	-	2,982,924	9,518,868
Community preservation taxes	-	-	764,993	764,993
Community preservation state match	-	-	139,255	139,255
Contributions and donations	-	-	918,637	918,637
Investment income	1,126,479	-	556,264	1,682,743
<b>TOTAL REVENUES</b>	<b>\$ 148,932,990</b>	<b>\$ 18,809,296</b>	<b>\$ 13,610,158</b>	<b>\$ 181,352,444</b>
<b>EXPENDITURES:</b>				
Current:				
General government	\$ 4,533,217	\$ 783,106	\$ 616,547	\$ 5,932,870
Public safety	21,540,003	581,037	491,218	22,612,258
Education	70,490,672	48,748,059	9,179,980	128,418,711
Public works	6,565,463	2,381,567	1,037,585	9,984,615
Human services	909,694	-	202,272	1,111,966
Sanitation	2,433,081	-	-	2,433,081
Culture and recreation	1,487,267	343,054	399,993	2,230,314
Community preservation	-	-	951,848	951,848
Pension benefits-town	7,647,629	-	-	7,647,629
Pension benefits-teachers	15,234,260	-	-	15,234,260
Property and liability insurance	532,312	-	-	532,312
Employee benefits	12,902,971	-	-	12,902,971
State and county charges	4,113,515	-	-	4,113,515
Debt service:				
Principal	3,736,000	-	-	3,736,000
Interest	1,692,236	-	-	1,692,236
<b>TOTAL EXPENDITURES</b>	<b>\$ 153,818,320</b>	<b>\$ 52,836,823</b>	<b>\$ 12,879,443</b>	<b>\$ 219,534,586</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$ (4,885,330)</b>	<b>\$ (34,027,527)</b>	<b>\$ 730,715</b>	<b>\$ (38,182,142)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Issuance of bonds	-	29,033,500	-	29,033,500
Premium from issuance of bonds	3,352	3,123,500	156,095	3,282,947
School insurance proceeds	-	-	2,753,639	2,753,639
Transfers In	2,609,964	1,691,453	670,023	4,971,440
Transfers Out	(944,857)	-	(2,698,067)	(3,642,924)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$ 1,668,459</b>	<b>\$ 33,848,453</b>	<b>\$ 881,690</b>	<b>\$ 36,398,602</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(3,216,871)</b>	<b>(179,074)</b>	<b>1,612,405</b>	<b>(1,783,540)</b>
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<b>22,084,849</b>	<b>16,668,532</b>	<b>25,222,172</b>	<b>63,975,553</b>
<b>FUND BALANCES AT END OF YEAR</b>	<b>\$ 18,867,978</b>	<b>\$ 16,489,458</b>	<b>\$ 26,834,577</b>	<b>\$ 62,192,013</b>

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

## Unassigned General Fund Balance and Free Cash

### General Fund

Under Massachusetts law an amount known as “free cash” is certified as of the beginning of each fiscal year by the State Department of Revenue Bureau of Accounts and this, together with certain subsequent tax receipts, is used as the basis for subsequent appropriations from available funds, which are not required to be included in the annual tax levy.

The following table sets forth the trend in the unassigned general fund balance and free cash as certified by the Bureau of Accounts.

	Unassigned General Fund Balance (1)		Free Cash (July 1)	
2024	\$	15,051,328 (2)	\$	5,522,259 (3)
2023		18,622,142		11,912,508
2022		12,060,757		8,507,983
2021		8,158,763		4,707,796 (4)
2020		11,595,073		3,093,791 (4)
2019		15,574,883		10,731,888

(1) Source: Audited financial statements, except as noted.

(2) Source: Draft unaudited financial statements; preliminary and subject to revision and change.

(3) In Fiscal Year 2024, \$4,000,000 was transferred from Free Cash to the Town’s Stabilization Fund. Additionally, the Town utilized \$2,000,000 in funding for supplemental appropriations and appropriated \$2,421,000 for use in the FY25 budget, with \$1,500,000 of this amount set aside as a reserve for one-time purposes of the Town and Braintree Public Schools.

(4) Several items required the use of free cash in Fiscal Years 2020 and 2021, including FY20 Capital Projects (\$400,000) and FY20 Operating Expenses, including police and fire overtime and funding pursuant to negotiated collective bargaining agreements (\$2,600,000). Additionally, in FY21, the use of free cash was required to replace decreased revenues due to COVID (\$2,358,000) and a delayed land sale (\$1,300,000).

### Enterprise Funds

		Free Cash (July 1)	
		Water & Sewer	Golf
2024	(est.)	\$ 10,410,795	\$ 471,025
2023		6,412,938	494,865
2022		9,612,903	263,252
2021		9,199,492	180,432
2020		7,086,956	(345,958)
2019		5,792,601	(90,217)

### Stabilization Fund

The Town maintains a stabilization fund that is accounted for in the Trust Funds. Funded by an appropriation, the Stabilization Fund plus interest income may be appropriated at an annual or special town meeting for any project. The following table sets forth the trend in Stabilization Fund balance for the following fiscal years.

Fiscal Year	Balance
2024	\$ 4,012,352 (1)
2023	9,859
2022	8,234
2021	8,127
2020	148,788

(1) The fiscal 2025 budget included a transfer of \$4,000,000 in fiscal year 2024 certified free cash to the Town’s Stabilization Fund.

### **Building Capital Stabilization Fund**

On February 23, 2014, the Town created a Building Capital Stabilization Fund with an initial deposit of \$1,000,000. The following table sets forth the trend in Building Capital Stabilization Fund balance for the following fiscal years.

<u>Fiscal Year</u>	<u>Balance</u>
2024	\$ 72,771
2023	72,771
2022	72,771
2021	72,771
2020	69,194

### **Health Insurance Trust Fund**

In addition, the Town also maintains a Health Insurance Trust Fund. The following table sets forth the trend in for the following fiscal years.

<u>Fiscal Year</u>	<u>Balance</u>
2024	\$ 11,845,073
2023	15,655,447
2022	13,065,911
2021	12,979,304
2020	9,692,000

### **Override Special Purpose Stabilization Fund**

Part of the Town's operating override included the creation of an Override Special Purpose Stabilization Fund. The account has been funded with an initial \$1,500,000 as approved by the June 15, 2024 Special Town Election.

### **Payroll Restructuring Reserve Fund**

The Town has also created a Payroll Restructuring Reserve for one-time purposes of the Town and Braintree Public Schools in the coming years. In Fiscal Year 2024, the Town set aside \$1,500,000 of free cash for the creation of this reserve.

### **Tax Increment Financing for Development Districts**

Under recent legislation, cities and towns are authorized to establish development districts to encourage increased residential, industrial and commercial activity. All or a portion of the taxes on growth in assessed value in such districts may be pledged and used solely to finance economic development projects pursuant to the city or town's development program for the district. This includes pledging such "tax increments" for the payment of bonds issued to finance such projects. As a result of any such pledge, tax increments raised from new growth properties in development districts are not available for other municipal purposes. Tax increments are taken into account in determining the total taxes assessed for the purpose of calculating the maximum permitted tax levy under Proposition 2 ½ (see "Property Tax Limitation" under "PROPERTY TAXATION" above.)

The Town has a Tax Increment Financing Agreement, entered into in 2022, with HRP Wood Road, LLC and TEI Biosciences for property located at 400 Wood Road for a period of fifteen years.

### **Investment of Town Funds**

All funds of the Town, except for trust funds, are invested in accordance with Section 55 of Chapter 44 of the Massachusetts General Laws (MGL). This section permits investment of available funds and bond and note proceeds in term deposits and Certificates of Deposit of banks and trust companies, in obligations issued or unconditionally guaranteed by the federal government or an agency thereof with a maturity of one year or less, in repurchase agreements secured by federal or federal agency securities, with a maturity of 90 days or less, in participation units in the Massachusetts Municipal Depository Trust (MMDT), or in shares in SEC-registered money market funds with the highest possible rating from at least one nationally recognized rating organization. MMDT is an investment pool created by the Commonwealth. The State Treasurer is the sole trustee and the fund is managed under contract by Federated Investors Inc. of Pittsburgh.

According to the State Treasurer the MMDT's investment policy is designed to maintain an average weighted maturity of 90 days or less and is limited to high-quality, readily marketable fixed income instruments, including U.S. government obligations and highly-rated corporate securities with maturities of one year or less.

Trust funds, unless otherwise provided by the donor, may be invested in accordance with Section 54 of Chapter 44 of the MGL, which permits a broader range of investments than Section 55, including any bonds or notes that are legal, investments for savings banks in the Commonwealth. The restrictions imposed by Sections 54 and 55 do not apply to town retirement systems.

A breakdown of above investments may be obtained from the Town Treasurer.

## INDEBTEDNESS

### Authorization Procedure and Limitations

Serial bonds and notes are authorized on behalf of the Town by vote of two-thirds of all members of the Town Council, and the approval of the Mayor. Provision is made for a referendum on the borrowing authorization if there is a timely filing of a petition bearing the requisite number of signatures. Borrowings for some purposes require State administrative approval.

When serial bonds or notes have been authorized, bond anticipation notes may be issued by the officers authorized to issue the serial bonds or notes. Temporary debt in anticipation of the revenue of the fiscal year in which the debt is incurred or in anticipation of authorized federal and state aid generally may be incurred by the Treasurer with the approval of the Mayor.

General Debt Limit. The General Debt Limit of the Town consists of a Normal Debt Limit and a Double Debt Limit. The Normal Debt Limit is 5 percent of the valuation of taxable property as last equalized by the State Department of Revenue. The Town can authorize debt up to this amount without State approval. It can authorize debt up to twice this amount (the Double Debt Limit) with the approval of the State Municipal Finance Oversight Board consisting of the Attorney General, the State Treasurer, the State Auditor, and the Director of Accounts.

There are many categories of general obligation debt which are exempt from and do not count against the General Debt Limit. Among others, these exempt categories include revenue anticipation notes and grant anticipation notes, emergency loans, loans exempted by special laws, certain school bonds, sewer bonds, water bonds, bonds for electric, gas and telecommunications systems, solid waste disposal facility bonds and economy development bonds supported by tax increments financing, and subject to special debt limits, bonds for housing, urban renewal and economic development (subject to various debt limits). Revenue bonds are not subject to these debt limits. The General Debt Limit and the special debt limit apply at the time the debt is authorized. The other special debt limits generally apply at the time the debt is incurred.

### Types of Obligations

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

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

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

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

Bond Anticipation Notes. These generally must mature within two years of their original dates of issuance but may be refunded from time to time for a period not to exceed ten years from their original dates of issuance, provided that for each year that the notes are refunded beyond the second year they must be paid in part from revenue funds in an amount at least equal to the minimum annual payment that would have been required if the bonds had been issued at the end of the second year. For certain school projects, however, notes may be refunded from time to time for a period not to exceed seven years without having to pay any portion of the principal of the notes from revenue funds. The maximum term of bonds issued to refund bond anticipation notes is measured (except for certain school projects) from the date of the original issue of the notes.

Revenue Anticipation Notes. The amount borrowed in each fiscal year by the issue of revenue anticipation notes is limited to the tax levy of the prior fiscal year, together with the net receipts in the prior fiscal year from the motor vehicle excise and certain payments made by the Commonwealth in lieu of taxes. The fiscal year ends on June 30. Notes may mature in the following fiscal year, and notes may be refunded into the following fiscal year to the extent of the uncollected, unabated current tax levy and certain other items, including revenue deficits, overlay deficits, final judgments and lawfully unappropriated expenditures, which are to be added to the next tax levy, but excluding deficits arising from a failure to collect taxes of earlier years. (See "Taxation to Meet Deficits" under "PROPERTY TAX" above). In any event, the period from an original borrowing to its final maturity cannot exceed one year.

The Town has not issued revenue anticipation notes during the past ten fiscal years.

Grant Anticipation Notes. These are issued for temporary financing in anticipation of federal grants and state and county reimbursements. Generally they must mature within two years but may be refunded from time to time as long as the municipality remains entitled to the grant or reimbursement.

Revenue Bonds. Cities and towns may issue revenue bonds for solid waste disposal facilities, for projects financed under the Commonwealth Clean Water Revolving Loan Programs and for certain economic development projects supported by tax increment financing. In addition to general obligation bonds and notes, cities and towns having electric departments may issue revenue bonds, and notes in anticipation of such bonds, subject to the approval of the State Department of Telecommunications and Energy.

**TOWN OF BRAINTREE, MASSACHUSETTS  
DIRECT DEBT SUMMARY  
As of June 30, 2024,  
Includes the Bonds**

**General Obligation Bonds:**

Outstanding (1):		
Sewer (2)	\$ 1,039,670	
Water (3)	25,315,983	
School (4)	93,168,400	
Electric (5)	26,185,000	
General	17,702,900	
Golf (2)	105,000	
Total Long-Term Debt Outstanding		\$ 163,516,953

This Issue of Bonds to be Dated February 26, 2025	10,115,000
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**Temporary Notes:**

Bond Anticipation Notes Outstanding (6)	7,234,444	
Less:		
To be Retired with Bond Proceeds	(4,945,000)	
Pending Issue of New Money Bond Anticipation Notes (7)	5,900,000	
Total Short-Term Debt Outstanding after This Issue (7)		8,189,444

<b>Total Direct Debt after This Issue:</b>	<b>\$ 181,821,397</b>
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- (1) Principal amount only. Excludes lease and installment purchase obligations, overlapping debt and unfunded pension liability and other post-employment benefits liability.
- (2) Self-supporting.
- (3) Self-supporting. \$25,130,983 is outside the Town's debt limit.
- (4) \$82,214,000 is outside the Town's debt limit and \$45,999,000 has been excluded from the limits of Proposition 2 ½. Does not reflect reimbursement to be received from the Massachusetts School Building Authority for school building assistance.
- (5) Self-supporting. Outside the Town's debt limit.
- (6) Payable February 27, 2025.
- (7) To be issued concurrent with the Bonds; payable February 26, 2026.

## Debt Ratios

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

Fiscal Year End	General Obligation Bonds Outstanding (1)	Population (2020 Federal Census)	Equalized Valuation(2)	Per Capita Debt (1)	Ratio Debt To Equalized Valuation (1)
2024	\$ 163,516,953	39,143	\$ 8,924,863,200	\$ 4,177	1.83 %
2023	179,545,222	39,143	8,924,863,200	4,587	2.01
2022	188,019,389	39,143	8,213,296,300	4,803	2.29
2021	197,273,058	39,143	8,213,296,300	5,040	2.40
2020	155,811,912	39,143	7,187,550,000	3,981	2.17

(1) Includes \$40,090,000 outstanding self-supporting electric light general obligation bonds issued by the Town in fiscal 2009, refunded in March 2015.

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

## Principal Payments by Purpose

The following table sets forth the principal payments by purpose for the outstanding debt of the Town of Braintree as of June 30, 2024.

### GENERAL OBLIGATION BONDS PRINCIPAL PAYMENTS BY PURPOSE As of June 30, 2024

Fiscal Year	Enterprise Debt (1)					Governmental Debt			Total Principal Payments
	Water	Sewer	Electric	Golf	Total Enterprise	General	School	Total Governmental	
2025	\$ 2,325,666	\$ 173,929	\$ 7,475,000	\$ 40,000	\$ 10,014,595	\$ 2,405,000	\$ 3,993,000	\$ 6,398,000	\$ 16,412,595
2026	2,323,541	168,929	7,845,000	35,000	10,372,470	2,332,500	4,123,000	6,455,500	16,827,970
2027	2,148,724	168,929	7,545,000	30,000	9,892,653	2,120,100	3,990,600	6,110,700	16,003,353
2028	2,060,814	142,429	3,320,000	-	5,523,244	1,797,000	4,127,000	5,924,000	11,447,244
2029	2,052,213	119,804	-	-	2,172,017	1,572,000	4,236,000	5,808,000	7,980,017
2030	1,708,119	97,849	-	-	1,805,968	1,436,000	4,371,500	5,807,500	7,613,468
2031	1,714,533	58,603	-	-	1,773,137	1,217,000	4,424,500	5,641,500	7,414,637
2032	1,633,456	56,031	-	-	1,689,487	1,110,000	4,478,000	5,588,000	7,277,487
2033	1,563,887	47,349	-	-	1,611,237	941,000	4,542,000	5,483,000	7,094,237
2034	1,444,327	5,816	-	-	1,450,143	786,000	4,627,000	5,413,000	6,863,143
2035	1,279,776	-	-	-	1,279,776	646,000	4,737,000	5,383,000	6,662,776
2036	1,175,234	-	-	-	1,175,234	501,000	4,842,000	5,343,000	6,518,234
2037	1,050,692	-	-	-	1,050,692	369,300	4,961,800	5,331,100	6,381,792
2038	875,000	-	-	-	875,000	205,000	5,085,000	5,290,000	6,165,000
2039	625,000	-	-	-	625,000	115,000	4,560,000	4,675,000	5,300,000
2040	525,000	-	-	-	525,000	60,000	3,470,000	3,530,000	4,055,000
2041	390,000	-	-	-	390,000	50,000	3,210,000	3,260,000	3,650,000
2042	255,000	-	-	-	255,000	35,000	3,290,000	3,325,000	3,580,000
2043	165,000	-	-	-	165,000	5,000	3,375,000	3,380,000	3,545,000
2044	-	-	-	-	-	-	3,445,000	3,445,000	3,445,000
2045	-	-	-	-	-	-	3,540,000	3,540,000	3,540,000
2046	-	-	-	-	-	-	3,630,000	3,630,000	3,630,000
2047	-	-	-	-	-	-	1,035,000	1,035,000	1,035,000
2048	-	-	-	-	-	-	1,075,000	1,075,000	1,075,000
<b>Total:</b>	<b>\$25,315,983</b>	<b>\$1,039,670</b>	<b>\$26,185,000</b>	<b>\$105,000</b>	<b>\$52,645,653</b>	<b>\$17,702,900</b>	<b>\$93,168,400</b>	<b>\$110,871,300</b>	<b>\$163,516,953</b>

(1) Self-supporting.

## Debt Service Requirements

The following table sets forth the required principal and interest payments on outstanding general obligation bonds of the Town of Braintree.

### GENERAL OBLIGATION DEBT As of June 30, 2024

Fiscal Year	Principal	Interest	Total
2025	\$ 16,412,595	\$ 5,887,493	\$ 22,300,088
2026	16,827,970	5,122,668	21,950,638
2027	16,003,353	4,347,360	20,350,713
2028	11,447,244	3,603,957	15,051,201
2029	7,980,017	3,088,234	11,068,251
2030	7,613,468	2,744,727	10,358,196
2031	7,414,637	2,442,166	9,856,802
2032	7,277,487	2,179,948	9,457,435
2033	7,094,237	1,948,859	9,043,096
2034	6,863,143	1,748,155	8,611,299
2035	6,662,776	1,556,380	8,219,156
2036	6,518,234	1,374,641	7,892,875
2037	6,381,792	1,199,874	7,581,666
2038	6,165,000	1,025,866	7,190,866
2039	5,300,000	856,213	6,156,213
2040	4,055,000	716,013	4,771,013
2041	3,650,000	611,881	4,261,881
2042	3,580,000	518,138	4,098,138
2043	3,545,000	422,194	3,967,194
2044	3,445,000	327,263	3,772,263
2045	3,540,000	235,781	3,775,781
2046	3,630,000	140,081	3,770,081
2047	1,035,000	73,850	1,108,850
2048	1,075,000	37,625	1,112,625
Total	<u>\$ 163,516,953</u>	<u>\$ 42,209,365</u>	<u>\$ 205,726,318</u>

## Authorized Unissued Debt and Prospective Financing

Following the delivery of the Bonds, the Town will have approximately \$111.279 million of authorized unissued debt. The Town is preparing a comprehensive capital plan which includes potential borrowings for major school construction and reconstruction projects and water and sewer upgrades. Potential project estimates are not currently available and the priority of projects has not yet been determined. Any such water and sewer debt would be supported by user fees and rates. Prospective school construction projects would be expected to be subject to a debt exclusion and eligible for approximately 56% state school construction grants.

## Overlapping Debt

The Town of Braintree is located in Norfolk County and is a member of the Massachusetts Water Resources Authority (“MWRA”) and the Massachusetts Bay Transportation Authority (“MBTA”). The following table sets forth the outstanding bonded debt, exclusive of temporary loans in anticipation of bonds or current revenue, of Norfolk County, the MWRA and the MBTA, as well as the Town's share of such debt and the fiscal 2024 assessments by the overlapping entities to the Town.

Overlapping Entity	Outstanding Debt	Braintree's Estimated Share(1)	Fiscal 2024 Dollar Assessment(2)
Norfolk County(3)	\$ 14,600,000	4.800%	\$ 338,881
Massachusetts Water Resources Authority(4) Sewer	2,640,386,000	1.832%	5,655,409
Massachusetts Bay Transportation Authority(5)	5,546,685,000	0.499%	941,568

(1) Estimated share of debt only.

(2) Dollar assessment based upon total net operating expenses, inclusive of debt service.

(3) SOURCE: Norfolk County Treasurer's Office. Debt is as of June 30, 2024. Assessment includes debt service and other County expenses assessed upon the Town in proportion to its equalized valuation. Legislation enacted in 1997 abolished the county governments of Franklin and Middlesex Counties as of July 1, 1997, with their assets, functions, debts and other obligations being assumed by the Commonwealth. The abolishment of the Middlesex County government was in part in response to a default by the County in the payment of general obligation notes of the County. The legislation also abolished the county governments of Hampden and Worcester Counties as of July 1, 1998. Legislation enacted in 1998 abolished the county governments of Hampshire, Essex and Berkshire counties as of January 1, 1999, July 1, 1999 and July 1, 2000, respectively. The legislation also requires the state secretary for administration and finance to establish a plan to recover the Commonwealth's expenditures for liabilities and other debts assumed and paid by the Commonwealth on behalf of an abolished county. Unless these provisions are changed by further legislation, the state treasurer shall assess upon each city and town within the jurisdiction of an abolished county an amount not exceeding or equal to the county tax paid by each city and town for the fiscal year immediately prior to the abolishment of the county until such expenditures by the Commonwealth are recovered. It is possible that similar legislation will be sought to provide for the abolishment of county governments in all the remaining counties.

(4) SOURCE: MWRA. Debt is as of June 30, 2024. The MWRA provides wholesale drinking water services in whole or in part to 48 cities, towns and special purpose entities and provides wastewater collection and treatment services to 43 cities, towns and special purpose entities. Under its enabling legislation, as amended, the aggregate principal amount of all bonds issued by the MWRA for its corporate purposes may not exceed \$6.1 billion outstanding at any time. Its obligations are secured by revenues of the MWRA. The MWRA assesses member cities, towns and special purpose entities, which continue to provide direct retail water and sewer services to users. The cities, towns and other entities collect fees from the users to pay all or part of the assessments; some municipalities levy property taxes to pay part of the amounts assessed upon them.

(5) SOURCE: MBTA. Debt is as of June 30, 2023. The MBTA was created in 1964 to finance and operate mass transportation facilities within the greater Boston metropolitan area. Under its enabling act, the MBTA is authorized to issue bonds for capital purposes, other than refunding bonds, and for certain specified purposes to an outstanding amount, which does not exceed the aggregate principal amount of \$3,556,300,000. In addition, pursuant to certain of the Commonwealth's transportation bond bills, the MBTA is authorized to issue additional bonds for particular capital projects. The MBTA also is authorized to issue bonds for the purpose of refunding bonds. Under the MBTA's enabling act, debt service and other operating expenses of the MBTA are to be financed by a dedicated revenue stream consisting of the amounts assessed on the cities and towns of the MBTA and a dedicated portion of the statewide sales tax. The amount assessed to each city and town is based on its weighted percentage of the total population of the authority as provided in the enabling act. The aggregate amount of such assessments is not permitted to increase by more than 2.5 percent per year.

## **Contractual Obligations**

Municipal contracts are generally limited to currently available appropriations. A city or town generally has authority to enter into contracts for the exercise of any of its corporate powers for any period of time deemed to serve its best interest, but generally only when funds are available for the first fiscal year; obligations for succeeding fiscal years generally are expressly subject to availability and appropriation of funds. Municipalities have specific authority in relatively few cases for long-term contractual obligations that are not subject to annual appropriation, including contracts for refuse disposal and sewage treatment and disposal. Municipalities may also enter into long-term contracts in aid of housing and renewal projects. There may be implied authority to make other long-term contracts required to carry out authorized municipal functions, such as contracts to purchase water from private water companies.

Municipal contracts relating to solid waste disposal facilities may contain provisions requiring the delivery of minimum amounts of waste and payments based thereon and requiring payments in certain circumstances without regard to the operational status of the facilities.

Municipal electric departments have statutory power to enter into long-term contracts for joint ownership and operation of generating and transmission facilities and for the purchase or sale of capacity, including contracts requiring payments without regard to the operational status of the facilities. See Appendix A for information relating to contractual obligations of the Town's Electric Department.

Pursuant to the Home Rule Amendment to the Massachusetts Constitution, cities and towns may also be empowered to make other contracts and leases.

Other than the contracts of the Town's Electric Department referred to above, the Town has no contractual agreements of any significance other than a 5-year contract with Capitol Waste for trash and recyclables pickup, which expires June 30, 2028. The cost for trash and recyclables pickup was \$2,453,100 in fiscal 2024. The Town budgeted \$2,562,396 for this purpose for fiscal 2025.

## **RETIREMENT PLAN**

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

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

If a city or town, or each member city and town of a county retirement system, has accepted the applicable law, it is required to annually appropriate an amount sufficient to pay not only its current pension obligations, but also a portion of its future pension liability. The portion of each such annual payment allocable to future pension obligations is required to be deposited in the pension reserve fund. The amount of the annual city or town appropriation for each such system is prescribed by a retirement system funding schedule which is periodically reviewed and approved by PERAC. Each system's retirement funding schedule is designed to reduce the unfunded actuarial pension liability of the system to zero by not later than June 30, 2040, with annual increases in the scheduled payment amounts of not more than 4.5 percent. The funding schedule must provide that payment in any year of the schedule is not less than 95 percent of the amount appropriated in the previous fiscal year. City, town and county systems which have an approved retirement funding schedule receive annual pension funding grants from the Commonwealth for the first 16 years of such funding schedule. Pursuant to recent legislation, a system (other than the state employees' retirement system and the teachers' retirement system) which conducts an actuarial valuation as of January 1, 2009, or later, may establish a revised schedule which reduces the unfunded actuarial liability to zero by not later than June 30, 2040, subject to certain conditions. If the schedule is so extended under such provisions and a later updated valuation allows for the development of a revised schedule with reduced payments, the revised schedule shall be adjusted to provide that the appropriation for each year shall not be less than that for such year under the prior schedule, thus providing for a shorter schedule rather than reduced payments.

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

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

All Town employees, other than teachers, participate in the Town of Braintree Contributory Retirement System (the “System”). Contributions to provide benefits under the System are made by the Town, the Electric Light Department and the Braintree Housing Authority, in accordance with a funding schedule determined by an actuarial valuation, in accordance with Massachusetts General Laws, Chapter 22D. Active Town employees contribute 5%, 7%, 8% or 9%, (depending on date of employment) of their regular compensation, as defined by PERAC. Participants of the plan hired after 1978 are required to contribute an additional 2% of compensation over \$30,000.

The Town’s contributions to its contributory retirement system in the following fiscal years are as follows:

<u>Fiscal Year</u>	<u>Fiscal Contribution</u>
2025 (budgeted)	\$ 14,884,186
2024	14,618,457
2023	13,617,567
2022	13,001,165
2021	12,470,014
2020	11,406,988

Massachusetts Contributory Retirement System benefits are uniform from system to system. The System provides for retirement allowance benefits up to a maximum of 80% of a member’s highest three-year average annual rate of regular compensation. Benefit payments are based on a member’s age, length of creditable service, level of compensation and group classification.

Members become vested after 10 years of creditable services. A superannuation retirement allowance may be received upon the completion of 20 years of service or upon reaching the age of 55 with 10 years of service. Normal retirement for most employees occurs at age 65. (For certain hazardous duty and public safety positions, normal retirement age is at 55.)

A retirement allowance consists of two parts: an annuity and a pension. A member’s accumulated total deductions and a portion of the interest he or she generates constitutes the annuity. The differential between the total retirement benefit is currently approximately 80% to 85% pension and 15% to 20% annuity.

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

The pension benefit obligation of the Town was computed as part of an actuarial valuation performed as of January 1, 2024. Actuarial assumptions used in the valuation include (1) projected salary increases of 4.25-4.75% per year and (2) and a 7.25% assumed rate of return.

The total unfunded actuarial accrued liability applicable to the Town’s employees in the System was \$103,915,209 at January 1, 2024, based on an accrued liability of \$396,313,483 and an actuarial value of assets of \$292,398,274. In addition to pension benefits, cities and towns may provide retired employees with payments for a portion of their health care and life insurance benefits. These benefit payments are generally provided on a pay-as-you-go basis.

For additional information with respect to the System, see Appendix A.

**Current Funding Schedule**

Fiscal Year Ending	Employer Normal Cost	Amortization Payment of UAL	Amortization		Total Employer Cost	Increase over Prior Year	Unfunded Actuarial Accrued Liability
			Payment of FY2025 MakeUp	Net 3(8)(c) Transfers			
2025	\$5,125,826	\$9,708,360	\$0	\$50,000	\$14,884,186		\$103,915,209
2026	5,118,350	10,664,883	109,219	50,000	15,942,452	7.11%	101,270,898
2027	5,209,369	11,703,004	113,587	50,000	17,075,960	7.11%	97,335,124
2028	5,322,674	12,799,255	118,131	50,000	18,290,060	7.11%	92,039,937
2029	5,450,563	13,967,065	122,856	50,000	19,590,484	7.11%	85,228,131
2030	5,543,036	15,262,559	127,771	50,000	20,983,366	7.11%	76,717,397
2031	5,664,164	16,628,239	132,881	50,000	22,475,284	7.11%	66,254,334
2032	5,789,333	18,095,746	138,197	50,000	24,073,276	7.11%	53,626,993
2033	5,896,935	19,694,228	143,724	50,000	25,784,887	7.11%	38,575,564
2034	6,034,483	21,370,034	149,473	50,000	27,603,990	7.05%	20,791,552
2035	6,204,333	-	-	50,000	6,254,333	-77.34%	-
2036	6,356,636	-	-	50,000	6,406,636	2.44%	-
2037	6,523,904	-	-	50,000	6,573,904	2.61%	-
2038	6,686,050	-	-	50,000	6,736,050	2.47%	-
2039	6,895,900	-	-	50,000	6,945,900	3.12%	-
2040	7,086,225	-	-	50,000	7,136,225	2.74%	-
2041	7,294,336	-	-	50,000	7,344,336	2.92%	-
2042	7,506,605	-	-	50,000	7,556,605	2.89%	-
2043	7,725,693	-	-	50,000	7,775,693	2.90%	-
2044	7,955,136	-	-	50,000	8,005,136	2.95%	-
2045	8,182,387	-	-	50,000	8,232,387	2.84%	-
2046	8,430,361	-	-	50,000	8,480,361	3.01%	-
2047	8,677,705	-	-	50,000	8,727,705	2.92%	-
2048	8,937,162	-	-	50,000	8,987,162	2.97%	-
2049	9,184,897	-	-	50,000	9,234,897	2.76%	-
2050	9,463,128	-	-	50,000	9,513,128	3.01%	-
2051	9,739,648	-	-	50,000	9,789,648	2.91%	-
2052	10,023,046	-	-	50,000	10,073,046	2.89%	-
2053	10,335,294	-	-	50,000	10,385,294	3.10%	-
2054	10,602,237	-	-	50,000	10,652,237	2.57%	-

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

## **Other Post-Employment Benefits**

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

In addition to pension benefits, cities and towns may provide retired employees with health care and life insurance benefits. The portion of the cost of such benefits paid by cities and towns is generally provided on a pay-as-you-go basis. The Governmental Accounting Standards Board ("GASB") promulgated its Statement Nos. 43 and 45, which require public sector entities to report the future costs of these non-pension, post-employment benefits in their financial statements. These accounting standards do not require pre-funding the payment of these costs as the liability for such costs accrues, but the basis applied by the standards for measurement of costs and liabilities for these benefits is conservative if they continue to be funded on a pay-as-you-go basis and will result in larger yearly cost and liability accruals than if the cost of such benefits were pre-funded in a trust fund in the same manner as traditional pension benefits. Cities and towns that choose to self-insure all or a portion of the cost of the health care benefits they provide to employees and retirees may establish a trust fund for the purpose of paying claims. In addition, cities and towns may establish a trust fund for the purpose of pre-funding other post-employment benefits liability in the same manner as traditional pension benefits.

The Town was required to implement the GASB reporting requirements for other post-employment benefits beginning with its fiscal year 2007 audit. An outside firm recently updated the actuarial valuation of the Town's post-employment liability and the unfunded OPEB liability is estimated at \$176,820,671 as of June 30, 2022, using a 6.37% discount rate, assuming the plan is funded on a pay-as-you go basis.

The Town has considered various options to fully fund this liability, including modifying existing health care plan design, copayments and premium share in addition to having a GASB approved OPEB Trust Fund to which increasing annual contributions have been and are planned to be appropriated. The Town decided to continue funding this liability through annual appropriations on a pay-as-you go basis. The Town appropriated \$1.3 million of its General and Enterprise Funds in fiscal 2013. The Town decided to increase this appropriation annually by a minimum of \$145,000 through 2033, when the Town's unfunded pension liability is planned to be fully funded. At this point the Town expects to appropriate the same amount as it had been raising to fund pensions, to fully fund the OPEB liability annually through 2040. The OPEB Trust Fund Balance as of June 30, 2024 was \$26,565,122.

**EMPLOYEE RELATIONS**

The Town employs approximately 370 full-time workers, of whom 100 are employed by the Department of Public Works (inclusive of Water/Sewer and Stormwater), 104 by the Police Department, 89 by the Fire Department, and the balance by various other Town Departments. In addition to full-time positions, Town Departments employ dozens of part-time employees over the course of a year, many of which are seasonal based on programmatic requirements (e.g., summer recreation positions). The Braintree School Department employs approximately 800 full-time and 50 to 70 part-time employees. In addition, the Braintree Electric Light Department employs 78 full time employees. Most town employees are entitled to join unions and to bargain collectively on questions of wages, hours and other terms and conditions of employment. The following table outlines the Town’s existing unions.

Union	Contract Expires (1)	Number of Members
American Federation of State, County and Municipal Employees (A.F.S.C.M.E.)	6/30/2025	77
Braintree Library Staff Association (B.L.S.A.)	6/30/2025	21
Braintree Police Patrolmen's Club (B.P.P.C.)	6/30/2025	65
Braintree Professional Management Association (B.P.M.A.)	6/30/2025	35
Braintree Police Superior Officers Association (B.P.S.O.A.)	6/30/2025	16
International Association of Fire Fighters (I.A.F.F.)	6/30/2025	88
Utility Workers Union of America (U.W.U.A.)	6/30/2025	16
School BEA	8/31/2025	769
School Custodians	6/30/2025	32
School Cafeteria Workers	6/30/2025	45
School Maintenance Workers	6/30/2022	6
School Transportation	6/30/2025	43

(1) Expired contract is currently in negotiations.

**LITIGATION**

The Town of Braintree is a defendant in various cases currently pending in state and federal courts in Massachusetts. At this time, in the opinion of the Town, none of the pending litigation is likely to result, either individually or in the aggregate, in final judgments against the Town that would materially affect its financial position or its ability to pay its obligations.

It should be noted that, in September 2020, the Town was served with a Complaint filed in the United States District Court for the District of Massachusetts filed by Frederick Weichel alleging several counts of misconduct against the Braintree Police Department, former Braintree police officers, the City of Boston, Massachusetts State Police officers and others. Subsequently, in December 2022, the Town was served with another, related Complaint filed in the United States District Court for the District of Massachusetts filed by Frederick Weichel against the Town, a former Braintree Police Chief and Deputy Chief also alleging misconduct with the handling of evidence and a lack of training of police officers. The allegations relate to Weichel’s conviction and life sentence for a murder committed in 1980. In the fall of 2024, the Town agreed to make a payment of \$14.9 million to settle all outstanding claims in this matter. The Town is actively seeking insurance coverage in this matter. If successful, any insurance recovery would reduce the Town’s settlement amount accordingly.

The Bonds include \$6 million for purposes of settling the judgment, to be paid April 1, 2025, together with \$5.9 million pending sale of bond anticipation note proceeds to be issued concurrent with the Bonds. See “Authorization of the Bonds and Use of Proceeds” herein.

TOWN OF BRAINTREE, MASSACHUSETTS  
/s/ Kristina O’Connell, Treasurer-Collector

February 11, 2025

# TOWN OF BRAINTREE, MASSACHUSETTS ANNUAL COMPREHENSIVE FINANCIAL REPORT



**FOR THE YEAR ENDED JUNE 30, 2023**

On the Cover:  
Grand opening of new South Middle School.



Rededication of Braintree police memorial and unveiling of the K9-Kitt statue on  
October 21, 2023.

**Town of  
Braintree, Massachusetts**



**Annual Comprehensive  
Financial Report**

**For the Year Ended  
June 30, 2023**

**Prepared by:  
Edward J. Spellman, Jr.  
Director of Municipal Finance**

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TOWN OF BRAINTREE, MASSACHUSETTS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

June 30, 2023

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# ***Introductory Section***



Swearing in of Mitchell Nevis, Christopher Kokoros, Patrick Ronca and Patricia Conboy as new police officers on May 12, 2023.



Grand opening of the new Braintree Veterans Center on October 20, 2023.

# ***Introductory Section***

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**Edward J. Spellman, Jr.**  
**Director of Finance**



**Charles C. Kokoros**  
**Mayor**

**TOWN OF BRAintree**  
**DEPARTMENT OF MUNICIPAL FINANCE**

One JFK Memorial Drive, Braintree, MA 02184  
Tel: 781-794-8035 Fax: 781-794-8181

**Letter of Transmittal**

February 16, 2024

To the Honorable Town Council and Citizens of the Town of Braintree:

At the close of each year, the Town of Braintree is required by state law to publish a complete set of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) that are audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. In accordance with that requirement, we hereby issue this Annual Comprehensive Financial Report (ACFR) of the Town of Braintree, Massachusetts, for the year ended June 30, 2023.

The report is designed to be used by the elected and appointed officials of the Town of Braintree and others who are concerned with its management and progress such as bond analysts, banking institutions and credit raters. Just as important, the design and format of this report is aimed at providing the residents and taxpayers of Braintree a more easily readable and, therefore, a more easily understandable financial report.

This report consists of management's representations concerning the finances of the Town of Braintree. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects. In order to provide a reasonable basis for making these financial representations, management continues to review and improve its established comprehensive internal controls. The framework for these controls is designed to protect, to the extent possible, the government's assets from loss, theft or misuse; however, the cost of internal controls should not outweigh their benefits. As a result, the Town of Braintree's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements for the year ended June 30, 2023, are fairly presented in conformity with GAAP.

The Town of Braintree's financial statements have been audited by Powers & Sullivan, LLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town of Braintree for the year ended June 30, 2023, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Town of Braintree's financial statements for the year ended June 30, 2023, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the Town of Braintree was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the Town's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the Town of Braintree's separately issued Single Audit Report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The Town of Braintree's MD&A can be found immediately following the report of the independent auditors.

### ***Profile of the Town***

The Town of Braintree is a suburban community with a strong residential character located twelve miles south of Boston, with a land area of 14.52 square miles. Incorporated in 1640, Braintree has a rich history. For example, old Braintree was the birthplace of two presidents, John Adams and John Quincy Adams, as well as John Hancock and General Sylvanus Thayer, the founder of West Point. The Town is ideally situated at the crossroads of Route I-93 (128) and Route 3 for easy access to the Greater Boston area and Cape Cod as well as having excellent public transportation to Boston and Logan International Airport.

There is a strong business base which includes one of the largest regional shopping centers in the northeast, the South Shore Plaza. Attractive office and industrial parks are located throughout the Town as well because of its ideal location.

The Town offers a full range of services including police and fire protection, education, maintenance of streets and infrastructure, solid waste collection and disposal, health and human services, cultural and recreational, administrative and financial services.

The Town operates under a Mayor and Town Council form of government. A nine-member Town Council, with three members at large and six district members, serves as representative legislature.

The School Committee consisting of six elected members and the Mayor, appoint the School Superintendent who administers the public school system of the Town.

### ***Factors Affecting Financial Condition***

The Town of Braintree continues to reflect a strong local economic condition. The per capita income continues to rise and outpace the state averages. The Town also has a low comparable unemployment rate.

The Town remains a very desirable community as reflected in the strong residential sales market, which has regained its pre-fiscal crisis levels. The Town offers a unique mix of proximity to Boston and major highways and transportation, while maintaining a desirable residential community. The Town also offers a broad range of high quality services and an attractive quality of life.

The growth of the Town's main source of revenues, property taxes, is capped by Proposition 2½ and can only be overridden by a majority vote at a Town election. While revenue increases have been limited in recent years, tax base growth was enhanced by commercial construction. This helped offset the steady increases in fixed costs, including health insurance and pension costs, both of which have increased substantially. On the Town's operating side, the FY2023 budgets and service level were maintained through a 3.70% increase in the operating budget. Funded with a 3.15% increase in real estate and personal property tax revenue and \$2.89 million use of

the American Rescue Plan Act federal funds, the Town was able to continue to provide high quality services while minimizing the impact on the property tax burden.

The Town continues to manage its financial affairs in a prudent manner, primarily through considerable long-term planning and strong financial policies. It has maintained a high bond rating even with the overall unsettled economy. It has been able to do so by incorporating long range planning tools such as a five-year Capital Improvement Program; maintaining reserve balances despite tight budgets; investing in technology to ensure efficient operations; negotiating sustainable collective bargaining agreements; and maintaining an aggressive pay as you go financing strategy for capital improvements. The Town's long-term policies will preserve its strong financial position for the foreseeable future.

The Town has remained dedicated to an aggressive retirement of debt policy. Whenever possible, debt is issued for shorter time periods than allowed, typically ten years. The Town monitors and schedules retirement and issuance of debt to ensure that debt service does not exceed 10% of the operating budget to ensure availability of resources for ongoing operations.

The Town remains committed to the ongoing and continuous repair and improvement of our infrastructure. Ongoing major projects of note are the 1) New South Middle School (SMS) to be located behind the existing South Middle School; 2) replacement of roofs on four of the Town's elementary schools; 3) construction of the Tri Town Regional Water Treatment Plant to replace the existing plants serving Braintree, Randolph and Holbrook; and 4) construction of a Regional Public Safety Answering Point serving Braintree and Randolph.

The school projects are part of a town wide enhancement of the school system. As a result of the renovation and addition to East Middle School (EMS) and the construction of a new SMS, twenty-two (22) classrooms will become available at the six (6) elementary schools, alleviating some of the pressures caused by increased enrollment and educational requirements such as ELL programming at these schools. With the newly renovated and expanded EMS, and completion of the SMS project, grades K-4 will attend the elementary schools, grades 5-8 will attend the middle schools and grades 9-12 will remain at the high school. The middle schools will operate as two academies, grades 5-6 and 7-8, which will provide fifth graders access to additional programs not currently available at the elementary level. Finally, this redevelopment will allow us to continue offering neighborhood schools while providing our youth access to quality educational programming. The New south middle school opened to students on September 6, 2023.

The Tri-Town Regional Water Treatment plant is a regional effort between Braintree, Randolph and Holbrook, furthering the current partnership supporting water treatment for the three communities. The construction of the plant is the culmination of twenty-five (25) years of planning, permitting and design and will replace the two smaller plants built in the 1930's, one owned and operated by Braintree and the other jointly owned by Randolph and Holbrook. The new 12.5-million-gallon new state of the art facility will allow each community to serve their residents while benefiting more efficiently from shared construction and operating costs. Additionally, by using a regional approach, the communities have access to zero interest rate funds through the Massachusetts Clean Water Trust, Department of Environmental Protection Drinking Water State Revolving Fund and ARPA funding, resulting in significant interest related savings over the term of the bonds. Construction began in December 2022 and is expected to continue to 2025 with the plant fully operational in January 2026.

Braintree and Randolph received a grant for the creation of a Regional Public Safety Answering Point that will redevelop the property located at 2 JFK Memorial Drive, the former site of Town administrative offices, into a state-of-the-art emergency communications center that will enhance the dispatch services to both communities through new equipment, technology and a facility designed specifically for dispatchers and communications. The renovations will include handicapped accessible accommodations, installation of a heating and air conditioning system, new plumbing, new bathrooms and locker room space, a training room, a mechanical/technology room and administrative office space, funded through the state grant.

Furthering Mayor Kokoros' goals, the Town has approved several large commercial redevelopment projects that will serve to enhance vacant, underutilized, and blighted properties throughout Braintree. 400 Wood Road, the 156,000 square foot property previously occupied by Haemonetics, has been redesigned into a state-of-the-art life science space that will house Integra Life Sciences, a leading global medical technology company, for the manufacturing of surgical reconstruction devices. The intersection of Liberty and Grove Streets, previously the site of an abandoned gas station, was rezoned to support commercial redevelopment, while also creating an opportunity for the Town to purchase the oldest house in Braintree and ensure the preservation of this historical asset. The redevelopment of this long-time blighted area, with the construction of a brand-new CVS, will significantly enhance this intersection. The 69.2 acres located at 60 Columbian Street, currently occupied by a commercial building and woodland, has been redesigned to include renovation allowing for 272,550 square feet of movie studio space, that will bring job growth, preservation of outdoor and a dog park and further investment and economic growth within Braintree.

The Town has also taken steps to enhance underutilized Town owned property for redevelopment through the sale of land at the former site of the Braintree Electric Light Department (BELD) power plant for development of a mixed income apartment project that will provide residents with affordable and workforce housing options, while also allowing for public waterfront access to the Monatiquot River. The town is working on the Armstrong Dam removal and Monatiquot river restoration project, this will provide the first public access to this site in over 200 years.

## **Financial and Management Systems**

### **Internal Controls**

The Mayor and Director of Municipal Finance are responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the Town are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The Director of Municipal Finance is responsible for evaluating the adequacy and effectiveness of the internal control structure and implementing improvements.

### **Budgetary Controls**

The Mayor is responsible for preparing and presenting the budget to the Town Council. The Council, having the authority to amend down and/or reject the budget or any line item, adopts the expenditure budget by majority vote.

The level of budgetary control is established by Town Council and defines the level at which expenditures may not exceed appropriations. This level is typically at the individual department program level. The Town Accountant is responsible for ensuring all payroll and invoices are within the budgetary control level before authorizing payment. Additional appropriations may be approved by Town Council throughout the year.

### **Awards and Acknowledgements**

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town for its ACFR for the year ended June 30, 2022. This was the eleventh time that the Town submitted a ACFR to the GFOA. The Town was awarded this Certificate in all eleven years. In order to receive this prestigious award, a government had to publish an easily readable and efficiently organized ACFR that satisfied both generally accepted accounting principles and applicable legal requirements.

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

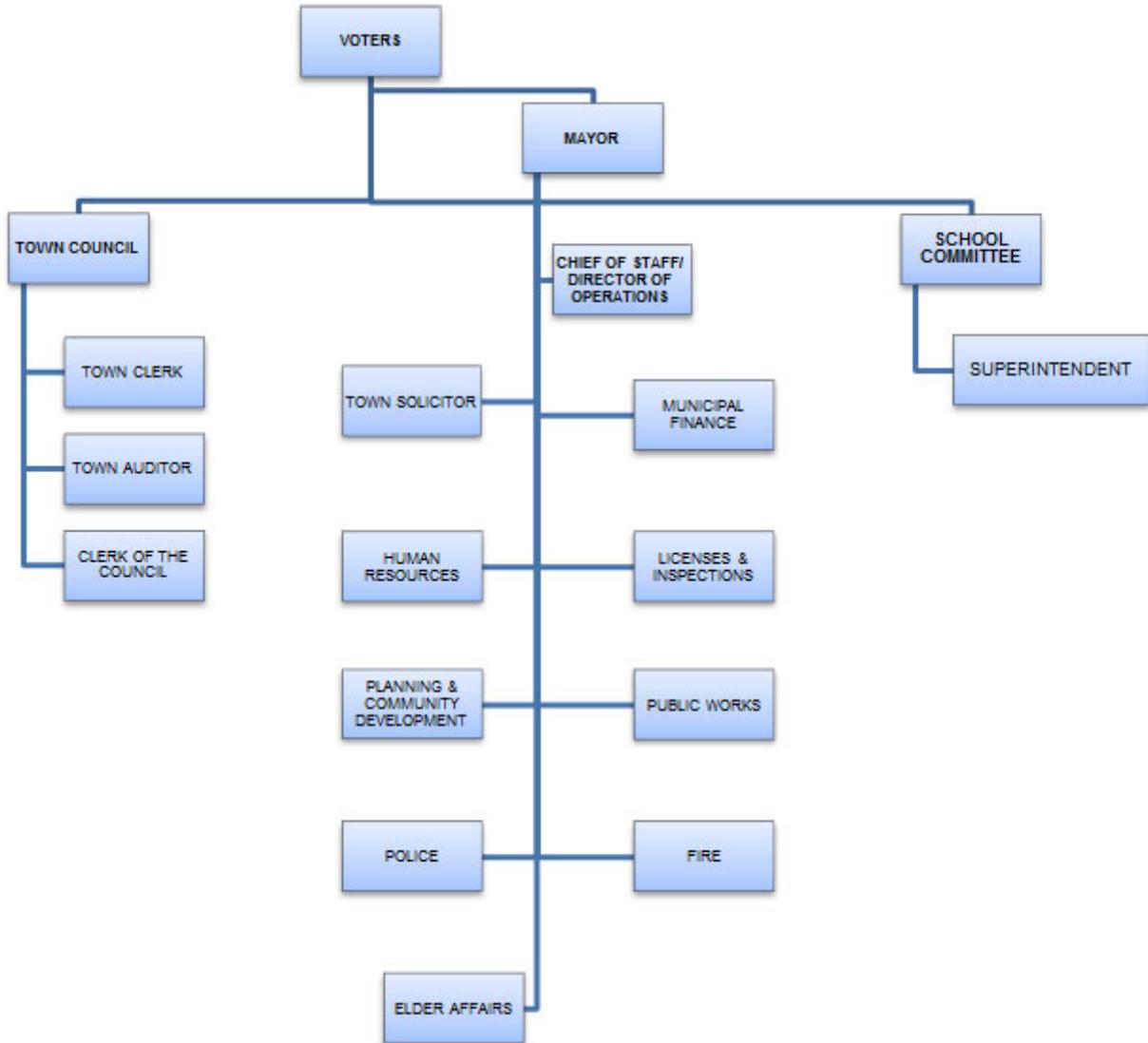
This report represents significant effort by the entire financial team of the Town, whose dedicated efforts have significantly improved the financial operations of the Town. We would like to express our appreciation to the members of all the departments who assisted and contributed to the preparation of this report. I would also like to acknowledge and give credit to the Mayor and the Town Council for their constant support to uphold the highest standards of professionalism in the management of the Town of Braintree's finances.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Edward J. Spellman, Jr.", with a stylized flourish at the end.

Edward J. Spellman, Jr.  
Director of Municipal Finance

# Town of Braintree Organizational Chart



## Principal Town Officials – As of June 30, 2023

Elected Officials	Term Expires
Mayor	Charles C. Kokoros 2024
Town Council	<u>Councilors-at-Large</u> Charles B. Ryan, Vice President      2024 Shannon L. Hume                              2024 David M. Ringius                              2024  <u>District Councilors</u> Meredith Boericke, President/District 5      2024 Julia Flaherty District 1                      2024 Joseph Reynolds District 2                      2024 Elizabeth Maglio District 3                      2024 Stephen C. O'Brien District 4                      2024 Lawrence Mackin, Jr. District 6                      2024
School Committee	Lisa Fiske-Heger, Chairperson              2026 Kelly Cobb-Lemire, Vice Chairperson      2024 Karla Psaros, Recording Secretary      2024 Thomas Devin                                      2024 Matthew Lynch                                      2026 Kathleen Tuffy                                      2026 Charles C. Kokoros, Mayor                      2024

### Appointed Officials

---

#### Appointed by the Mayor

Chief of Staff and Director of Operations	Margaret Laforest
Director of Municipal Finance	Edward J. Spellman, Jr.
Town Solicitor	Crystal Huff
Director of Human Resources	Cindy DePina
Director of Inspectional Services	Marybeth McGrath
Director of Department of Public Works	James Arsenault
Director of Planning & Community Development	Melissa Santucci Rozzi
Police Chief	Mark W. Dubois
Fire Chief	James O'Brien
Director of Elder Affairs	Sharmila Biswas
Assessor	Robert Brinkmann
Treasurer/Collector	Barbara Walls
Town Accountant	Mark Lin

#### Appointed by the Town Council

Town Clerk	James M. Casey
Clerk of the Council	Susan M. Cimino

#### Appointed by the School Committee

School Superintendent	James Lee
School Assistant Superintendent	Nora Vernazza
School Business Manager	Sara Kauffman



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Town of Braintree  
Massachusetts**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2022

*Christopher P. Morill*

Executive Director/CEO

# ***Financial Section***



Swearing in ceremony of Police Chief, Timothy Cohoon, on August 25, 2023.



Elder Affairs Derby party on May 5, 2023.

# ***Financial Section***

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## **Independent Auditor's Report**

To the Honorable Mayor and the Town Council  
Town of Braintree, Massachusetts

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

#### **Opinions**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Braintree, Massachusetts, as of and for the year ended June 30, 2023 (except for the Braintree Contributory Retirement System which is as of and for the year ended December 31, 2022), and the related notes to the financial statements, which collectively comprise the Town of Braintree, Massachusetts' basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Braintree, Massachusetts, as of June 30, 2023 (except for the Braintree Contributory Retirement System which is as of and for the year ended December 31, 2022), and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Braintree Electric Light Department as of December 31, 2022, which represents 63%, 58%, and 69%, respectively, of the assets, net position, and revenues of the business-type activities as of June 30, 2023, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinions, insofar as it relates to the amounts included for the Braintree Electric Light Department, is based solely on the report of the other auditors.

#### **Basis for Opinions**

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation,

and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although

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

### **Supplementary Information**

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

### **Other Information**

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated February 16, 2024, on our consideration of the Town of Braintree, Massachusetts' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Braintree, Massachusetts' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Braintree, Massachusetts' internal control over financial reporting and compliance.



February 16, 2024

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

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

This analysis, prepared by the Director of Municipal Finance, offers readers of the Town's financial statements a narrative overview and analysis of the financial activities of the Town of Braintree for the year ended June 30, 2023. We encourage readers to consider the information presented in this report in conjunction with additional information that we have furnished in our letter of transmittal.

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

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

### **Financial Highlights**

- The Town's government-wide assets and deferred outflows of resources were less than liabilities and deferred inflows of resources for governmental activities at the close of the most recent year by \$21.6 million. Business-type activities assets and deferred outflows of resources exceeded liabilities and deferred inflows of activities at the close of the most recent year by \$146.6 million. The business-type activities include the activities of the water and sewer, golf course, stormwater, PEG access, and the electric light enterprise funds.
- At the close of the current year the Town of Braintree's general fund reported an ending fund balance of \$21.4 million, an increase of \$6.8 million from the prior year. Total fund balance represents 13.0% of total general fund expenditures. Approximately \$18.6 million of this total amount is available for appropriation at the Town's discretion.
- The Town's governmental long-term debt, net of unamortized premiums, decreased by \$3.5 million during the current year as a result of new issuances of \$3.6 million, including premiums, and scheduled principal payments and premium amortizations of \$7.1 million.

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

This discussion and analysis is intended to serve as an introduction to the Town of Braintree's basic financial statements. These basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. 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 finances, in a manner similar to private-sector business.

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

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

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

The financial statements include not only the Town of Braintree itself (known as the *primary government*), but also a legally separate public employee retirement system for which the Town of Braintree is financially accountable. Financial information for this *component unit* is reported separately within the fiduciary fund statements.

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

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

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

The Town of Braintree 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.

The Town's general fund and the Town capital projects fund are shown separately, and the remaining governmental funds are aggregated and shown as nonmajor governmental funds.

**Proprietary funds.** The Town maintains two types of propriety funds.

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

*Internal service funds* are an accounting device used to accumulate and allocate costs internally among various functions. The Town uses internal service funds to account for health insurance activities.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the Town’s own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

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

**Financial Highlights.**

As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. The Town’s liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources for governmental activities by \$21.6 million. Key components of the Town’s activities are presented as follows:

**Governmental Activities**

	2023		2022
<b>Assets:</b>			
Current assets.....	\$ 102,983,695	\$	126,139,569
Capital assets, non depreciable.....	94,695,864		35,991,028
Capital assets, net of accumulated depreciation....	163,250,154		164,437,725
<b>Total assets.....</b>	<b>360,929,713</b>		<b>326,568,322</b>
<b>Deferred outflows of resources.....</b>	<b>71,034,290</b>		<b>70,007,664</b>
<b>Liabilities:</b>			
Current liabilities (excluding debt).....	34,396,103		21,915,981
Noncurrent liabilities (excluding debt).....	283,481,276		236,883,644
Current debt.....	9,228,157		9,111,890
Noncurrent debt.....	116,592,490		120,215,842
<b>Total liabilities.....</b>	<b>443,698,026</b>		<b>388,127,357</b>
<b>Deferred inflows of resources.....</b>	<b>9,828,913</b>		<b>30,251,982</b>
<b>Net position:</b>			
Net investment in capital assets.....	132,125,371		108,625,301
Restricted.....	29,264,407		32,279,539
Unrestricted.....	(182,952,714)		(162,708,193)
<b>Total net position.....</b>	<b>\$ (21,562,936)</b>	\$	<b>(21,803,353)</b>

Net investment in capital assets of \$132.1 million reflects our investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that are still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the investment in its capital assets is reported net of its related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of net position, \$29.3 million, represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* resulted in a deficit of \$183.0 million. The primary reason for this deficit balance is the recognition of the net pension and net OPEB liabilities in the amounts of \$95.4 million and \$183.9 million, respectively.

	2023	2022
<b>Program Revenues:</b>		
Charges for services.....	\$ 14,508,019	\$ 11,726,797
Operating grants and contributions.....	53,078,519	54,087,369
Capital grants and contributions.....	18,678,902	8,885,876
<b>General Revenues:</b>		
Real estate and personal property taxes, net of tax refunds payable.....	104,670,290	104,254,687
Tax and other liens.....	144,532	61,664
Motor vehicle and other excise taxes.....	7,589,442	6,175,203
Hotel/motel tax.....	1,709,750	1,353,886
Meals tax.....	1,347,991	1,307,246
Community preservation tax.....	923,140	912,960
Penalties and interest on taxes.....	303,570	258,860
Payments in lieu of taxes.....	964,236	586,799
Grants and contributions not restricted to specific programs.....	6,705,208	6,587,256
Unrestricted investment income (loss).....	2,506,362	(53,213)
Gain on sale of land.....	950,000	
<b>Total revenues.....</b>	<b>214,079,961</b>	<b>196,145,390</b>
<b>Expenses:</b>		
General government.....	15,410,889	14,116,943
Public safety.....	39,959,697	34,905,733
Education.....	132,228,755	125,375,057
Public works.....	16,223,618	9,309,482
Human services.....	1,121,535	1,274,993
Sanitation.....	2,840,233	2,487,537
Culture and recreation.....	2,989,553	2,848,991
Community preservation.....	1,546,573	381,431
Interest.....	3,090,934	3,564,149
<b>Total expenses.....</b>	<b>215,411,787</b>	<b>194,264,316</b>
<b>Excess (Deficiency) before transfers.....</b>	<b>(1,331,826)</b>	<b>1,881,074</b>
<b>Transfers.....</b>	<b>1,572,243</b>	<b>1,561,157</b>
<b>Change in net position.....</b>	<b>240,417</b>	<b>3,442,231</b>
<b>Net position, beginning of year.....</b>	<b>(21,803,353)</b>	<b>(25,245,584)</b>
<b>Net position, end of year.....</b>	<b>\$ (21,562,936)</b>	<b>\$ (21,803,353)</b>

The governmental net position increased by \$240,000 during the current year as compared to a \$3.4 million increase in the prior year. The Town's revenue increased \$17.9 million and expenses increased \$21.1 million. The key reasons for these changes are described in the following paragraphs.

Charges for services came in higher than the previous year due to an increase in building permit revenue.

Operating grant revenue came in lower from the previous year due to one-time grants received in the prior year offset with an increase in state financing for the Massachusetts's Teachers' Retirement System, which increased revenue and the corresponding expense by \$1.4 million over the prior year.

Capital grant revenue came in higher than the previous year mainly due to the reimbursements from the Massachusetts School Building Authority for the South Middle School project.

Property taxes are the most significant revenue source for the Town's governmental activities. They comprise 49% of all resources.

Education is by far the largest governmental activity of the Town. A total of \$132.2 million was expended for education, of which \$62.9 million was funded by program revenues. The remaining \$69.4 million was funded by taxes and other revenue. The increase in expense is mainly related to changes in pension and OPEB during the current year.

During FY2022 the Commonwealth received federal funding that they allotted to each community based on population. The communities could use these funds to offset the costs associated with the novel Coronavirus (COVID-19). The Town had expenses of \$8.0 million of which the full amount will be reimbursed with federal and state grants.

**Business-type Activities.** Business-type activities increased the Town's net position by \$14.6 million compared to an increase of \$12.7 million in the prior year. The results of operations for the business-type activities are discussed in the following paragraphs and tables.

The water and sewer fund was established in 1984 pursuant to an act establishing the water and sewer commission. Water and sewer business-type activities assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$61.9 million at the close of 2023. Net investment in capital assets was \$48.3 million while unrestricted net position was \$13.6 million. There was an increase of \$4.8 million in net position compared to an increase of \$4.6 million in the prior year, mainly from increases in user chargers.

Golf Course business-type activities liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$310,000 at the close of 2023. Net investment in capital assets was \$728,000 while unrestricted net position was in a deficit in the amount of \$1.0 million. There was an increase of \$49,000 in net position compared to an increase of \$405,000 in the prior year.

The stormwater liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$242,000 at the close of 2023. Net investment in capital assets was \$106,000 while unrestricted net position was in a deficit in the amount of \$347,000. There was an increase of \$17,000 in net position compared to a decrease of \$295,000 in the prior year. Revenue increased by \$472,000 in user charges and expenses increased by \$38,000.

The Town established the PEG Access business-type activity in FY20. The PEG Access assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$4,500 at the close of 2023, which was reported as unrestricted net position. There was a decrease of \$152,000 in net position compared to an increase of \$31,000 in the prior year.

Electric light business-type activities assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$85.2 million at December 31, 2022. Net investment in capital assets was \$80.0 million, restricted net position was \$8.9 million and unrestricted net position was in a deficit in the amount of \$3.7 million. There was an increase of \$9.9 million in net position compared to an increase of \$7.9 million in the prior year.

**Business Type Activities**

	2023	2022
<b>Assets:</b>		
Current assets.....	\$ 72,711,884	\$ 67,538,549
Noncurrent assets (excluding capital).....	2,841,768	2,794,560
Capital assets, non depreciable.....	11,921,064	4,969,226
Capital assets, net of accumulated depreciation....	190,482,991	189,467,686
<b>Total assets.....</b>	<b>277,957,707</b>	<b>264,770,021</b>
<b>Deferred outflows of resources.....</b>	<b>13,084,063</b>	<b>12,016,844</b>
<b>Liabilities:</b>		
Current liabilities (excluding debt).....	18,028,268	10,414,674
Noncurrent liabilities (excluding debt).....	29,889,931	28,816,803
Current debt.....	10,998,956	10,549,892
Noncurrent debt.....	66,081,174	73,025,780
<b>Total liabilities.....</b>	<b>124,998,329</b>	<b>122,807,149</b>
<b>Deferred inflows of resources.....</b>	<b>19,453,276</b>	<b>22,027,541</b>
<b>Net position:</b>		
Net investment in capital assets.....	129,159,246	116,208,201
Restricted.....	8,918,390	8,918,390
Unrestricted.....	8,512,529	6,825,584
<b>Total net position.....</b>	<b>\$ 146,590,165</b>	<b>\$ 131,952,175</b>
	2023	2022
<b>Program Revenues:</b>		
Charges for services.....	\$ 96,496,704	\$ 91,969,175
Capital grants and contributions.....	1,246,050	401,529
<b>General Revenues:</b>		
Unrestricted investment income.....	533,694	148,518
Gain (loss) on sale of capital assets.....	179,095	1,000,150
<b>Total revenues.....</b>	<b>98,455,543</b>	<b>93,519,372</b>
<b>Expenses:</b>		
Water and sewer.....	21,528,463	19,897,860
Golf course.....	2,846,059	1,996,682
Stormwater.....	1,255,525	1,217,511
PEG Access.....	783,095	679,686
Municipal Light.....	55,832,168	55,492,553
<b>Total expenses.....</b>	<b>82,245,310</b>	<b>79,284,292</b>
<b>Excess (Deficiency) before transfers.....</b>	<b>16,210,233</b>	<b>14,235,080</b>
<b>Transfers.....</b>	<b>(1,572,243)</b>	<b>(1,561,157)</b>
<b>Change in net position.....</b>	<b>14,637,990</b>	<b>12,673,923</b>
<b>Net position, beginning of year.....</b>	<b>131,952,175</b>	<b>119,278,252</b>
<b>Net position, end of year.....</b>	<b>\$ 146,590,165</b>	<b>\$ 131,952,175</b>

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

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

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

At the end of the current year governmental funds reported combined ending fund balances of \$48.2 million, which represents a decrease of \$37.8 million from the prior year.

The general fund is the chief operating fund. At the end of the current year, unassigned fund balance of the general fund was \$18.6 million, while total fund balance was \$21.4 million. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 11.3% of total general fund expenditures, while total fund balance represents 13.0% of that same amount.

The general fund reported a \$6.8 million increase in fund balance in the fund based financial statements. This includes the activity of the Town's stabilization funds which are reported within the general fund. Revenues increased \$9.9 million of which \$2.2 million related to investment income from better market returns, \$2.7 million related to departmental and other mainly from building permits and \$1.4 million related to motor vehicle and other excise taxes. Expenditures increased \$7.4 million partly from an increase in annual appropriations and an increase for the state financed Massachusetts' Teachers Retirement System.

On a budgetary basis, the Town's fund balance increased \$9.8 million due to the operating revenues coming in higher than budgeted by \$6.6 million and expenditure turning backs of \$6.1 million, offset with the planned use of free cash.

The Town capital projects fund is used to account for the acquisition, construction or improvement of major capital assets. At the end of the current year, total fund balance was \$47,000 which represents a decrease of \$41.2 million from the prior year. The fund received \$16.7 million of school construction grants, issued general obligation bonds of \$3.2 million along with premiums from issuance of bonds totaling \$315,000, and spent \$61.3 million primarily for the East Middle School, South Middle School and various roadway projects.

There was a decrease of \$3.5 million in the nonmajor governmental funds, which reported \$27.5 million in revenues, \$30.4 million in expenditures, \$84,000 in premiums from issuance of bonds, \$950,000 in proceeds from the Allen Street property sale of capital assets and (\$1.7 million) in net transfers in/(out).

***Proprietary funds.*** The Town's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Factors concerning the finances of these funds have already been addressed in the discussion of the Town's business-type activities.

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

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

During 2023, the Town Council approved supplemental appropriations totaling approximately \$811,000.

Actual revenues came in higher than budget by approximately \$6.6 million. The largest surplus was \$3.0 million for departmental and other revenue, followed by \$1.5 million for investment income.

Actual expenditures and encumbrances came in \$4.2 million less than budgeted. Virtually all departments realized budgetary savings.

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

In conjunction with the operating budget, the Town annually prepares capital budgets for the upcoming year.

During 2023, the Town expended \$64.2 million on governmental activities capital assets. The expenditures consisted mainly of roadway improvements and construction in progress primarily of the South Middle School. The business type activities expended \$18.4 million during 2023. This consisted mainly of \$6.8 million in the electric light plant and \$11.4 million for the water distribution system.

Outstanding long-term debt of the governmental activities, as of June 30, 2023, totaled \$117.0 million, of which \$101.0 million relates to public building construction, \$12.4 million relates to road construction, and \$3.7 million relates to other projects.

The enterprise funds had \$29.0 million in water and sewer debt, \$179,000 in golf course debt, and \$40.1 million in Electric Light debt that is fully supported by the rates and do not rely on a general fund subsidy.

During 2023, the Town issued long-term bonds in the amounts of \$3.2 million for governmental funds. The water and sewer enterprise fund issued \$3.8 million in long term bonds. The golf enterprise fund issued \$9,000 in long term bonds.

During 2023, the Town issued \$2.0 million of bond anticipation notes for governmental fund related to the East Middle School renovations.

Please refer to Notes 4, 6, and 7 of the notes to the financial statements for further discussion of the major capital and debt activity, respectively.

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

This financial report is designed to provide a general overview of the Town of Braintree's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Municipal Finance, Town Hall, One JFK Memorial Drive, Braintree, Massachusetts 02184.

# ***Basic Financial Statements***

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**STATEMENT OF NET POSITION**

JUNE 30, 2023

	<i>Primary Government</i>		
	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
<b>CURRENT:</b>			
Cash and cash equivalents.....	\$ 79,782,081	\$ 44,146,230	\$ 123,928,311
Investments.....	7,243,231	-	7,243,231
Receivables, net of allowance for uncollectibles:			
Real estate and personal property taxes.....	1,834,743	-	1,834,743
Tax liens.....	1,385,086	140,570	1,525,656
Community preservation fund surtax.....	4,301	-	4,301
Motor vehicle and other excise taxes.....	670,340	-	670,340
User charges.....	-	12,514,106	12,514,106
Departmental and other.....	455,892	1,795,575	2,251,467
Intergovernmental.....	10,979,942	2,954,161	13,934,103
Community preservation state share.....	195,098	-	195,098
Tax foreclosures.....	78,281	-	78,281
Inventory.....	-	4,990,721	4,990,721
Other assets.....	354,700	6,170,521	6,525,221
Total current assets.....	<u>102,983,695</u>	<u>72,711,884</u>	<u>175,695,579</u>
<b>NONCURRENT:</b>			
Other assets.....	-	2,841,768	2,841,768
Capital assets, nondepreciable.....	94,695,864	11,921,064	106,616,928
Capital assets, net of accumulated depreciation.....	<u>163,250,154</u>	<u>190,482,991</u>	<u>353,733,145</u>
Total noncurrent assets.....	<u>257,946,018</u>	<u>205,245,823</u>	<u>463,191,841</u>
<b>TOTAL ASSETS.....</b>	<u><b>360,929,713</b></u>	<u><b>277,957,707</b></u>	<u><b>638,887,420</b></u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows for refunding debt.....	-	3,835,321	3,835,321
Deferred outflows related to pensions.....	22,770,132	6,534,268	29,304,400
Deferred outflows related to other postemployment benefits.....	<u>48,264,158</u>	<u>2,714,474</u>	<u>50,978,632</u>
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES.....</b>	<u><b>71,034,290</b></u>	<u><b>13,084,063</b></u>	<u><b>84,118,353</b></u>
<b>LIABILITIES</b>			
<b>CURRENT:</b>			
Warrants payable.....	10,959,984	9,311,617	20,271,601
Accrued payroll.....	11,391,100	172,175	11,563,275
Health claims payable.....	983,000	-	983,000
Tax refunds payable.....	3,566,800	-	3,566,800
Accrued interest.....	524,901	126,909	651,810
Other liabilities.....	1,277,177	1,679,853	2,957,030
Fees collected in advance.....	2,348,976	5,930,064	8,279,040
Compensated absences.....	3,283,237	802,424	4,085,661
Workers' compensation.....	60,928	5,226	66,154
Notes payable.....	2,019,000	-	2,019,000
Bonds payable.....	7,209,157	10,998,956	18,208,113
Total current liabilities.....	<u>43,624,260</u>	<u>29,027,224</u>	<u>72,651,484</u>
<b>NONCURRENT:</b>			
Customer deposits.....	-	927,730	927,730
Compensated absences.....	3,610,609	309,785	3,920,394
Workers' compensation.....	548,348	47,038	595,386
Net pension liability.....	95,387,641	23,504,323	118,891,964
Net other postemployment benefits liability.....	183,934,678	5,101,055	189,035,733
Bonds payable.....	<u>116,592,490</u>	<u>66,081,174</u>	<u>182,673,664</u>
Total noncurrent liabilities.....	<u>400,073,766</u>	<u>95,971,105</u>	<u>496,044,871</u>
<b>TOTAL LIABILITIES.....</b>	<u><b>443,698,026</b></u>	<u><b>124,998,329</b></u>	<u><b>568,696,355</b></u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Rate stabilization reserve.....	-	11,635,255	11,635,255
Deferred inflows related to pensions.....	1,240,515	7,545,334	8,785,849
Deferred inflows related to other postemployment benefits.....	<u>8,588,398</u>	<u>272,687</u>	<u>8,861,085</u>
<b>TOTAL DEFERRED INFLOWS OF RESOURCES.....</b>	<u><b>9,828,913</b></u>	<u><b>19,453,276</b></u>	<u><b>29,282,189</b></u>
<b>NET POSITION</b>			
Net investment in capital assets.....	132,125,371	129,159,246	261,284,617
Restricted for:			
Depreciation.....	-	8,918,390	8,918,390
Permanent funds:			
Expendable.....	6,186,810	-	6,186,810
Nonexpendable.....	2,564,529	-	2,564,529
Gifts and grants.....	13,035,213	-	13,035,213
Community preservation.....	7,477,855	-	7,477,855
Unrestricted.....	<u>(182,952,714)</u>	<u>8,512,529</u>	<u>(174,440,185)</u>
<b>TOTAL NET POSITION.....</b>	<u><b>\$ (21,562,936)</b></u>	<u><b>\$ 146,590,165</b></u>	<u><b>\$ 125,027,229</b></u>

See notes to basic financial statements.

**STATEMENT OF ACTIVITIES**

YEAR ENDED JUNE 30, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Primary Government:</b>					
<i>Governmental Activities:</i>					
General government.....	\$ 15,410,889	\$ 2,646,770	\$ 6,365,474	\$ 752,765	\$ (5,645,880)
Public safety.....	39,959,697	6,417,539	1,453,334	-	(32,088,824)
Education.....	132,228,755	2,515,945	43,644,575	16,690,729	(69,377,506)
Public works.....	16,223,618	856,145	1,093,871	962,571	(13,311,031)
Human services.....	1,121,535	194,195	424,119	-	(503,221)
Sanitation.....	2,840,233	1,504,716	-	-	(1,335,517)
Culture and recreation.....	2,989,553	372,709	97,146	-	(2,519,698)
Community preservation.....	1,546,573	-	-	272,837	(1,273,736)
Interest.....	3,090,934	-	-	-	(3,090,934)
<b>Total Governmental Activities.....</b>	<b>215,411,787</b>	<b>14,508,019</b>	<b>53,078,519</b>	<b>18,678,902</b>	<b>(129,146,347)</b>
<i>Business-Type Activities:</i>					
Water and sewer.....	21,528,463	24,820,680	-	1,246,050	4,538,267
Golf course.....	2,846,059	2,894,457	-	-	48,398
Stormwater.....	1,255,525	1,396,291	-	-	140,766
PEG access.....	783,095	630,637	-	-	(152,458)
Municipal Light.....	55,832,168	66,754,639	-	-	10,922,471
<b>Total Business-Type Activities.....</b>	<b>82,245,310</b>	<b>96,496,704</b>	<b>-</b>	<b>1,246,050</b>	<b>15,497,444</b>
<b>Total Primary Government.....</b>	<b>\$ 297,657,097</b>	<b>\$ 111,004,723</b>	<b>\$ 53,078,519</b>	<b>\$ 19,924,952</b>	<b>\$ (113,648,903)</b>

See notes to basic financial statements.

(Continued)

**STATEMENT OF ACTIVITIES**

YEAR ENDED JUNE 30, 2023

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>Changes in net position:</b>			
Net (expense) revenue from previous page..... \$	(129,146,347)	15,497,444	(113,648,903)
<i>General revenues:</i>			
Real estate and personal property taxes, net of tax refunds payable.....	104,670,290	-	104,670,290
Tax and other liens.....	144,532	-	144,532
Motor vehicle and other excise taxes.....	7,589,442	-	7,589,442
Hotel/motel tax.....	1,709,750	-	1,709,750
Meals tax.....	1,347,991	-	1,347,991
Community preservation tax.....	923,140	-	923,140
Penalties and interest on taxes.....	303,570	-	303,570
Payments in lieu of taxes.....	964,236	-	964,236
Grants and contributions not restricted to specific programs.....	6,705,208	-	6,705,208
Unrestricted investment income (loss).....	2,506,362	533,694	3,040,056
Gain on sale of capital assets.....	950,000	179,095	1,129,095
<i>Transfers, net</i> .....	1,572,243	(1,572,243)	-
Total general revenues and transfers.....	129,386,764	(859,454)	128,527,310
Change in net position.....	240,417	14,637,990	14,878,407
<i>Net position:</i>			
Beginning of year.....	(21,803,353)	131,952,175	110,148,822
End of year..... \$	(21,562,936)	146,590,165	125,027,229

See notes to basic financial statements.

(Concluded)

**GOVERNMENTAL FUNDS  
BALANCE SHEET**

JUNE 30, 2023

	General	Town Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash and cash equivalents.....	\$ 36,695,413	\$ 7,647,982	\$ 19,662,799	\$ 64,006,194
Investments.....	-	-	7,243,231	7,243,231
Receivables, net of uncollectibles:				
Real estate and personal property taxes.....	1,834,743	-	-	1,834,743
Tax liens.....	1,385,086	-	-	1,385,086
Community preservation fund surtax.....	-	-	4,301	4,301
Motor vehicle and other excise taxes.....	670,340	-	-	670,340
Departmental and other.....	266,849	-	-	266,849
Intergovernmental.....	350,624	2,990,202	7,639,116	10,979,942
Community preservation state share.....	-	-	195,098	195,098
Tax foreclosures.....	78,281	-	-	78,281
Due from other funds.....	735,284	-	-	735,284
<b>TOTAL ASSETS.....</b>	<b>\$ 42,016,620</b>	<b>\$ 10,638,184</b>	<b>\$ 34,744,545</b>	<b>\$ 87,399,349</b>
<b>LIABILITIES</b>				
Warrants payable.....	\$ 1,616,833	\$ 8,572,046	\$ 650,664	\$ 10,839,543
Accrued payroll.....	11,258,982	-	132,118	11,391,100
Tax refunds payable.....	3,566,800	-	-	3,566,800
Due to other funds.....	-	-	735,284	735,284
Other liabilities.....	-	-	1,277,177	1,277,177
Fees collected in advance.....	646,317	-	1,702,659	2,348,976
Notes payable.....	-	2,019,000	-	2,019,000
<b>TOTAL LIABILITIES.....</b>	<b>17,088,932</b>	<b>10,591,046</b>	<b>4,497,902</b>	<b>32,177,880</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue.....	3,539,096	-	3,450,620	6,989,716
<b>FUND BALANCES</b>				
Nonspendable.....	-	-	2,564,529	2,564,529
Restricted.....	-	47,138	25,673,554	25,720,692
Committed.....	1,217,016	-	-	1,217,016
Assigned.....	1,549,434	-	-	1,549,434
Unassigned.....	18,622,142	-	(1,442,060)	17,180,082
<b>TOTAL FUND BALANCES.....</b>	<b>21,388,592</b>	<b>47,138</b>	<b>26,796,023</b>	<b>48,231,753</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES.....</b>	<b>\$ 42,016,620</b>	<b>\$ 10,638,184</b>	<b>\$ 34,744,545</b>	<b>\$ 87,399,349</b>

See notes to basic financial statements.

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

JUNE 30, 2023

Total governmental fund balances.....	\$	48,231,753
Capital assets (net) used in governmental activities are not financial resources and, therefore, are not reported in the funds.....		257,946,018
Accounts receivable are not available to pay for current-period expenditures and, therefore, are unavailable in the funds.....		6,989,716
The statement of net position includes certain deferred inflows of resources and deferred outflows of resources that will be amortized over future periods. In governmental funds, these amounts are not reported.....		61,205,377
The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position.....		15,216,189
In the statement of activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due.....		(524,901)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:		
Bonds payable.....	(123,801,647)	
Net pension liability.....	(95,387,641)	
Other postemployment benefits.....	(183,934,678)	
Workers' compensation.....	(609,276)	
Compensated absences.....	<u>(6,893,846)</u>	
Net effect of reporting long-term liabilities.....		<u>(410,627,088)</u>
Net position of governmental activities.....	\$	<u><u>(21,562,936)</u></u>

See notes to basic financial statements.

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

YEAR ENDED JUNE 30, 2023

	General	Town Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>				
Real estate and personal property taxes, net of tax refunds.....	\$ 104,696,803	\$ -	\$ -	\$ 104,696,803
Tax liens.....	249,087	-	-	249,087
Motor vehicle and other excise taxes.....	7,503,944	-	-	7,503,944
Hotel/motel tax.....	1,709,750	-	-	1,709,750
Meals tax.....	1,347,991	-	-	1,347,991
Penalties and interest on taxes.....	303,570	-	-	303,570
Payments in lieu of taxes.....	964,236	-	-	964,236
Intergovernmental - state aid.....	26,466,860	-	-	26,466,860
Intergovernmental - School Building Authority.....	-	16,690,729	-	16,690,729
Intergovernmental - Teachers Retirement.....	13,128,704	-	-	13,128,704
Intergovernmental - other.....	11,344	-	19,935,872	19,947,216
Departmental and other.....	9,538,722	-	5,123,958	14,662,680
Community preservation taxes.....	-	-	923,140	923,140
Community preservation state match.....	-	-	349,672	349,672
Contributions and donations.....	-	-	1,093,789	1,093,789
Investment income (loss).....	2,433,507	-	72,855	2,506,362
<b>TOTAL REVENUES.....</b>	<b>168,354,518</b>	<b>16,690,729</b>	<b>27,499,286</b>	<b>212,544,533</b>
<b>EXPENDITURES:</b>				
Current:				
General government.....	6,017,761	116,042	7,081,848	13,215,651
Public safety.....	22,815,695	1,183,618	4,082,730	28,082,043
Education.....	70,443,025	58,188,038	14,736,477	143,367,540
Public works.....	11,429,164	1,859,471	1,673,679	14,962,314
Human services.....	530,296	-	149,894	680,190
Sanitation.....	2,776,527	-	-	2,776,527
Culture and recreation.....	1,379,656	-	582,474	1,962,130
Community preservation.....	-	-	1,954,850	1,954,850
Pension benefits - Town.....	10,022,529	-	-	10,022,529
Pension benefits - Teachers Retirement.....	13,128,704	-	-	13,128,704
Property and liability insurance.....	1,375,330	-	-	1,375,330
Employee benefits.....	9,895,277	-	115,000	10,010,277
State and county charges.....	4,728,638	-	-	4,728,638
Debt service:				
Principal.....	6,202,800	-	-	6,202,800
Interest.....	4,005,950	-	-	4,005,950
<b>TOTAL EXPENDITURES.....</b>	<b>164,751,352</b>	<b>61,347,169</b>	<b>30,376,952</b>	<b>256,475,473</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>3,603,166</b>	<b>(44,656,440)</b>	<b>(2,877,666)</b>	<b>(43,930,940)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Issuance of bonds.....	-	3,187,500	-	3,187,500
Premium from issuance of bonds.....	-	314,500	83,805	398,305
Proceeds from the sale of capital assets.....	-	-	950,000	950,000
Transfers in.....	3,278,275	-	123,750	3,402,025
Transfers out.....	(51,507)	-	(1,778,275)	(1,829,782)
<b>TOTAL OTHER FINANCING SOURCES (USES).....</b>	<b>3,226,768</b>	<b>3,502,000</b>	<b>(620,720)</b>	<b>6,108,048</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>6,829,934</b>	<b>(41,154,440)</b>	<b>(3,498,386)</b>	<b>(37,822,892)</b>
<b>FUND BALANCES AT BEGINNING OF YEAR.....</b>	<b>14,558,658</b>	<b>41,201,578</b>	<b>30,294,409</b>	<b>86,054,645</b>
<b>FUND BALANCES AT END OF YEAR.....</b>	<b>\$ 21,388,592</b>	<b>\$ 47,138</b>	<b>\$ 26,796,023</b>	<b>\$ 48,231,753</b>

See notes to basic financial statements.

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

YEAR ENDED JUNE 30, 2023

Net change in fund balances - total governmental funds.....		\$ (37,822,892)
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>		
Capital outlay.....	64,226,768	
Depreciation expense.....	<u>(6,709,503)</u>	
Net effect of reporting capital assets.....		57,517,265
<p>Revenues in the Statement of Activities that do not provide current financial resources are unavailable in the Statement of Revenues, Expenditures and Changes in Fund Balances. Therefore, the recognition of revenue for various types of accounts receivable differ between the two statements. This amount represents the net change in unavailable revenue.....</p>		
		585,428
<p>The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the financial resources of governmental funds. Neither transaction has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are unavailable and amortized in the Statement of Activities.</p>		
Issuance of bonds.....	(3,187,500)	
Premium from issuance of bonds.....	(398,305)	
Net amortization of premium from issuance of bonds.....	890,090	
Debt service principal payments.....	<u>6,202,800</u>	
Net effect of reporting long-term debt.....		3,507,085
<p>Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.</p>		
Net change in compensated absences accrual.....	(170,701)	
Net change in accrued interest on long-term debt.....	24,926	
Net change in deferred outflow/(inflow) of resources related to pensions.....	33,055,979	
Net change in net pension liability.....	(37,894,225)	
Net change in deferred outflow/(inflow) of resources related to other postemployment benefits...	(11,606,284)	
Net change in other postemployment benefits liability.....	(8,890,411)	
Net change in workers' compensation liability.....	<u>367,546</u>	
Net effect of recording long-term liabilities.....		(25,113,170)
The net activity of internal service funds is reported with Governmental Activities.....		<u>1,566,701</u>
Change in net position of governmental activities.....		\$ <u><u>240,417</u></u>

See notes to basic financial statements.

**PROPRIETARY FUNDS**  
STATEMENT OF NET POSITION

JUNE 30, 2023

	Business-type Activities - Enterprise Funds						Governmental Activities - Internal Service Fund
	Water and Sewer	Golf Course	Stormwater	PEG Access	Electric Light December 31, 2022	Total	
<b>ASSETS</b>							
<b>CURRENT:</b>							
Cash and cash equivalents.....	\$ 13,410,520	\$ 717,326	\$ 1,015,309	\$ 4,511	\$ 28,998,564	\$ 44,146,230	\$ 15,775,887
Receivables, net of allowance for uncollectibles:							
Liens - user charges.....	140,570	-	-	-	-	140,570	-
User charges.....	5,014,079	-	72,663	-	7,427,364	12,514,106	-
Departmental and other.....	-	-	-	-	1,795,575	1,795,575	189,043
Intergovernmental - other.....	2,954,161	-	-	-	-	2,954,161	-
Inventory.....	-	98,360	-	-	4,892,361	4,990,721	-
Other assets.....	-	-	-	-	6,170,521	6,170,521	354,700
Total current assets.....	<u>21,519,330</u>	<u>815,686</u>	<u>1,087,972</u>	<u>4,511</u>	<u>49,284,385</u>	<u>72,711,884</u>	<u>16,319,630</u>
<b>NONCURRENT:</b>							
Other assets.....	-	-	-	-	2,841,768	2,841,768	-
Capital assets, non depreciable.....	10,620,390	375,876	-	-	924,798	11,921,064	-
Capital assets, net of accumulated depreciation.....	<u>68,436,205</u>	<u>531,169</u>	<u>105,680</u>	<u>-</u>	<u>121,409,937</u>	<u>190,482,991</u>	<u>-</u>
Total noncurrent assets.....	<u>79,056,595</u>	<u>907,045</u>	<u>105,680</u>	<u>-</u>	<u>125,176,503</u>	<u>205,245,823</u>	<u>-</u>
<b>TOTAL ASSETS.....</b>	<b><u>100,575,925</u></b>	<b><u>1,722,731</u></b>	<b><u>1,193,652</u></b>	<b><u>4,511</u></b>	<b><u>174,460,888</u></b>	<b><u>277,957,707</u></b>	<b><u>16,319,630</u></b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>							
Deferred loss on refunding.....	133,553	-	-	-	3,701,768	3,835,321	-
Deferred outflows related to pensions.....	1,279,721	324,262	378,718	-	4,551,567	6,534,268	-
Deferred outflows related to other postemployment benefits.....	<u>765,093</u>	<u>181,896</u>	<u>44,693</u>	<u>-</u>	<u>1,722,792</u>	<u>2,714,474</u>	<u>-</u>
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES.....</b>	<b><u>2,178,367</u></b>	<b><u>506,158</u></b>	<b><u>423,411</u></b>	<b><u>-</u></b>	<b><u>9,976,127</u></b>	<b><u>13,084,063</u></b>	<b><u>-</u></b>
<b>LIABILITIES</b>							
<b>CURRENT:</b>							
Warrants payable.....	2,457,888	89,513	52,395	-	6,711,821	9,311,617	120,441
Accrued payroll.....	94,190	58,368	19,617	-	-	172,175	-
Health claims payable.....	-	-	-	-	-	-	983,000
Accrued interest.....	126,909	-	-	-	-	126,909	-
Other liabilities.....	-	-	-	-	1,679,853	1,679,853	-
Fees collected in advance.....	-	91,676	-	-	5,838,388	5,930,064	-
Compensated absences.....	205,359	237,078	27,277	-	332,710	802,424	-
Workers' compensation.....	5,226	-	-	-	-	5,226	-
Bonds payable.....	<u>2,852,319</u>	<u>74,000</u>	<u>-</u>	<u>-</u>	<u>8,072,637</u>	<u>10,998,956</u>	<u>-</u>
Total current liabilities.....	<u>5,741,891</u>	<u>550,635</u>	<u>99,289</u>	<u>-</u>	<u>22,635,409</u>	<u>29,027,224</u>	<u>1,103,441</u>
<b>NONCURRENT:</b>							
Customer deposits.....	-	2,150	-	-	925,580	927,730	-
Compensated absences.....	152,189	133,249	24,347	-	-	309,785	-
Workers' compensation.....	47,038	-	-	-	-	47,038	-
Net pension liability.....	5,360,953	1,358,385	1,586,510	-	15,198,475	23,504,323	-
Net other postemployment benefits liability.....	1,286,919	339,150	119,920	-	3,355,066	5,101,055	-
Bonds payable.....	<u>28,040,442</u>	<u>105,000</u>	<u>-</u>	<u>-</u>	<u>37,935,732</u>	<u>66,081,174</u>	<u>-</u>
Total noncurrent liabilities.....	<u>34,887,541</u>	<u>1,937,934</u>	<u>1,730,777</u>	<u>-</u>	<u>57,414,853</u>	<u>95,971,105</u>	<u>-</u>
<b>TOTAL LIABILITIES.....</b>	<b><u>40,629,432</u></b>	<b><u>2,488,569</u></b>	<b><u>1,830,066</u></b>	<b><u>-</u></b>	<b><u>80,050,262</u></b>	<b><u>124,998,329</u></b>	<b><u>1,103,441</u></b>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Rate stabilization reserve.....	-	-	-	-	11,635,255	11,635,255	-
Deferred inflows related to pensions.....	69,719	17,666	20,633	-	7,437,316	7,545,334	-
Deferred inflows related to other postemployment benefits.....	<u>136,145</u>	<u>32,368</u>	<u>7,953</u>	<u>-</u>	<u>96,221</u>	<u>272,687</u>	<u>-</u>
<b>TOTAL DEFERRED INFLOWS OF RESOURCES.....</b>	<b><u>205,864</u></b>	<b><u>50,034</u></b>	<b><u>28,586</u></b>	<b><u>-</u></b>	<b><u>19,168,792</u></b>	<b><u>19,453,276</u></b>	<b><u>-</u></b>
<b>NET POSITION</b>							
Net investment in capital assets.....	48,297,387	728,045	105,680	-	80,028,134	129,159,246	-
Restricted for:							
Depreciation.....	-	-	-	-	8,918,390	8,918,390	-
Unrestricted.....	<u>13,621,609</u>	<u>(1,037,759)</u>	<u>(347,269)</u>	<u>4,511</u>	<u>(3,728,563)</u>	<u>8,512,529</u>	<u>15,216,189</u>
<b>TOTAL NET POSITION.....</b>	<b><u>\$ 61,918,996</u></b>	<b><u>\$ (309,714)</u></b>	<b><u>\$ (241,589)</u></b>	<b><u>\$ 4,511</u></b>	<b><u>\$ 85,217,961</u></b>	<b><u>\$ 146,590,165</u></b>	<b><u>\$ 15,216,189</u></b>

See notes to basic financial statements.

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

YEAR ENDED JUNE 30, 2023

	Business-type Activities - Enterprise Funds						Governmental Activities - Internal Service Fund
	Water and Sewer	Golf Course	Stormwater	PEG Access	Electric Light December 31, 2022	Total	
<b>OPERATING REVENUES:</b>							
Employee contributions.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,036,895
Employer contributions.....	-	-	-	-	-	-	11,765,208
Charges for services.....	24,411,227	2,894,457	1,394,354	630,637	63,596,776	92,927,451	-
Liens - charges for services.....	317,607	-	-	-	-	317,607	-
Other operating revenues.....	91,846	-	1,937	-	3,157,863	3,251,646	-
<b>TOTAL OPERATING REVENUES</b> .....	<b>24,820,680</b>	<b>2,894,457</b>	<b>1,396,291</b>	<b>630,637</b>	<b>66,754,639</b>	<b>96,496,704</b>	<b>19,802,103</b>
<b>OPERATING EXPENSES:</b>							
Cost of services and administration.....	17,986,765	2,676,527	1,218,527	783,095	14,196,232	36,861,146	-
Purchased power.....	-	-	-	-	18,585,159	18,585,159	-
Fuel for generation.....	-	-	-	-	3,899,656	3,899,656	-
Repairs and maintenance.....	216,469	45,660	8,000	-	9,950,272	10,220,401	-
Depreciation.....	2,569,745	112,328	28,998	-	7,677,493	10,388,564	-
Employee benefits.....	-	-	-	-	-	-	18,235,402
<b>TOTAL OPERATING EXPENSES</b> .....	<b>20,772,979</b>	<b>2,834,515</b>	<b>1,255,525</b>	<b>783,095</b>	<b>54,308,812</b>	<b>79,954,926</b>	<b>18,235,402</b>
<b>OPERATING INCOME (LOSS)</b> .....	<b>4,047,701</b>	<b>59,942</b>	<b>140,766</b>	<b>(152,458)</b>	<b>12,445,827</b>	<b>16,541,778</b>	<b>1,566,701</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>							
Investment income (loss).....	202,839	-	-	-	330,855	533,694	-
Interest expense.....	(755,484)	(11,544)	-	-	(1,523,356)	(2,290,384)	-
Gain (loss) on sale of capital assets.....	27,300	-	-	-	151,795	179,095	-
<b>TOTAL NONOPERATING REVENUES (EXPENSES), NET</b> .....	<b>(525,345)</b>	<b>(11,544)</b>	<b>-</b>	<b>-</b>	<b>(1,040,706)</b>	<b>(1,577,595)</b>	<b>-</b>
<b>INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS</b> .....	<b>3,522,356</b>	<b>48,398</b>	<b>140,766</b>	<b>(152,458)</b>	<b>11,405,121</b>	<b>14,964,183</b>	<b>1,566,701</b>
<b>CAPITAL CONTRIBUTIONS</b> .....	<b>1,246,050</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,246,050</b>	<b>-</b>
<b>TRANSFERS:</b>							
Transfers in.....	50,568	939	-	-	-	51,507	-
Transfers out.....	-	-	(123,750)	-	(1,500,000)	(1,623,750)	-
<b>TOTAL TRANSFERS</b> .....	<b>50,568</b>	<b>939</b>	<b>(123,750)</b>	<b>-</b>	<b>(1,500,000)</b>	<b>(1,572,243)</b>	<b>-</b>
<b>CHANGE IN NET POSITION</b> .....	<b>4,818,974</b>	<b>49,337</b>	<b>17,016</b>	<b>(152,458)</b>	<b>9,905,121</b>	<b>14,637,990</b>	<b>1,566,701</b>
<b>NET POSITION AT BEGINNING OF YEAR</b> .....	<b>57,100,022</b>	<b>(359,051)</b>	<b>(258,605)</b>	<b>156,969</b>	<b>75,312,840</b>	<b>131,952,175</b>	<b>13,649,488</b>
<b>NET POSITION AT END OF YEAR</b> .....	<b>\$ 61,918,996</b>	<b>\$ (309,714)</b>	<b>\$ (241,589)</b>	<b>\$ 4,511</b>	<b>\$ 85,217,961</b>	<b>\$ 146,590,165</b>	<b>\$ 15,216,189</b>

See notes to basic financial statements.

**PROPRIETARY FUNDS**  
STATEMENT OF CASH FLOWS  
YEAR ENDED JUNE 30, 2023

Business-type Activities - Enterprise Funds							
	Water and Sewer	Golf Course	Stormwater	PEG Access	Electric Light December 31, 2022	Total	Governmental Activities - Internal Service Fund
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>							
Receipts from customers and users.....	\$ 22,481,591	\$ 2,911,042	\$ 1,441,953	\$ 630,637	\$ 67,000,205	\$ 94,465,428	\$ 8,036,895
Receipts from interfund services provided.....	-	-	-	-	-	-	11,765,208
Payments to vendors.....	(10,918,163)	(1,075,776)	(91,028)	(783,095)	(35,898,446)	(48,766,508)	-
Payments to employees.....	(4,044,682)	(1,428,897)	(792,939)	-	(11,952,318)	(18,218,836)	-
Payments for interfund services used.....	-	-	-	-	-	-	(17,120,951)
<b>NET CASH FROM OPERATING ACTIVITIES.....</b>	<b>7,518,746</b>	<b>406,369</b>	<b>557,986</b>	<b>(152,458)</b>	<b>19,149,441</b>	<b>27,480,084</b>	<b>2,681,152</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>							
Transfers in.....	50,568	939	-	-	-	51,507	-
Transfers out.....	-	-	(123,750)	-	(1,500,000)	(1,623,750)	-
<b>NET CASH FROM NONCAPITAL FINANCING ACTIVITIES.....</b>	<b>50,568</b>	<b>939</b>	<b>(123,750)</b>	<b>-</b>	<b>(1,500,000)</b>	<b>(1,572,243)</b>	<b>-</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>							
Proceeds from the issuance of bonds and notes.....	3,758,850	9,000	-	-	-	3,767,850	-
Premium from the issuance of bonds.....	286,500	-	-	-	-	286,500	-
Capital contributions.....	1,246,050	-	-	-	-	1,246,050	-
Acquisition and construction of capital assets.....	(11,399,588)	(6,679)	(119,211)	-	(7,097,323)	(18,622,801)	-
Principal payments on bonds and notes.....	(2,376,717)	(65,000)	-	-	(6,515,000)	(8,956,717)	-
Interest expense.....	(1,008,870)	(11,544)	-	-	(2,100,254)	(3,120,668)	-
Proceeds from sale of capital assets.....	27,300	-	-	-	151,795	179,095	-
<b>NET CASH FROM CAPITAL AND RELATED FINANCING ACTIVITIES.....</b>	<b>(9,466,475)</b>	<b>(74,223)</b>	<b>(119,211)</b>	<b>-</b>	<b>(15,560,782)</b>	<b>(25,220,691)</b>	<b>-</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>							
Investment income.....	202,839	-	-	-	330,855	533,694	-
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS.....</b>	<b>(1,694,322)</b>	<b>333,085</b>	<b>315,025</b>	<b>(152,458)</b>	<b>2,419,514</b>	<b>1,220,844</b>	<b>2,681,152</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR.....</b>	<b>15,104,842</b>	<b>384,241</b>	<b>700,284</b>	<b>156,969</b>	<b>26,579,050</b>	<b>42,925,386</b>	<b>13,094,735</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR.....</b>	<b>\$ 13,410,520</b>	<b>\$ 717,326</b>	<b>\$ 1,015,309</b>	<b>\$ 4,511</b>	<b>\$ 28,998,564</b>	<b>\$ 44,146,230</b>	<b>\$ 15,775,887</b>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES:</b>							
Operating income (loss).....	\$ 4,047,701	\$ 59,942	\$ 140,766	\$ (152,458)	\$ 12,445,827	\$ 16,541,778	\$ 1,566,701
Adjustments to reconcile operating income to net cash from operating activities:							
Depreciation.....	2,569,745	112,328	28,998	-	7,677,493	10,388,564	-
Deferred (outflows)/inflows related to pensions.....	(1,801,671)	(463,215)	(513,460)	-	1,704,996	(1,073,350)	-
Deferred (outflows)/inflows related to other postemployment benefits.....	169,698	47,886	8,323	-	(1,396,019)	(1,170,112)	-
Deferred (outflows)/inflows related to rate stabilization reserve.....	-	-	-	-	(2,161,328)	(2,161,328)	-
(Gain)/loss on sale of capital assets.....	-	-	-	-	267,094	267,094	-
Changes in assets and liabilities:							
Liens - user charges.....	(80,335)	-	-	-	-	(80,335)	-
User charges.....	695,407	-	45,662	-	(771,303)	(30,234)	-
Departmental and other.....	-	-	-	-	(568,863)	(568,863)	1,038,634
Intergovernmental.....	(2,954,161)	-	-	-	-	(2,954,161)	-
Inventory.....	-	(27,424)	-	-	(116,161)	(143,585)	-
Other assets.....	-	-	-	-	(222,521)	(222,521)	(15,800)
Warrants payable.....	2,444,364	89,513	50,058	-	1,261,947	3,845,882	91,617
Accrued payroll.....	29,245	13,726	(289)	-	-	42,682	-
Fees collected in advance.....	-	16,585	-	-	3,870,541	3,887,126	-
Customer deposits.....	-	-	-	-	(123,481)	(123,481)	-
Other liabilities.....	-	-	-	-	11,837	11,837	-
Compensated absences.....	(12,746)	638	(8,155)	-	(160,782)	(181,045)	-
Workers' compensation.....	6,003	-	-	-	-	6,003	-
Net pension liability.....	2,409,711	577,174	811,499	-	(3,723,733)	74,651	-
Net other postemployment benefits liability.....	(4,215)	(20,784)	(5,416)	-	1,153,897	1,123,482	-
<b>Total adjustments.....</b>	<b>3,471,045</b>	<b>346,427</b>	<b>417,220</b>	<b>-</b>	<b>6,703,614</b>	<b>10,938,306</b>	<b>1,114,451</b>
<b>NET CASH FROM OPERATING ACTIVITIES.....</b>	<b>\$ 7,518,746</b>	<b>\$ 406,369</b>	<b>\$ 557,986</b>	<b>\$ (152,458)</b>	<b>\$ 19,149,441</b>	<b>\$ 27,480,084</b>	<b>\$ 2,681,152</b>
<b>NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:</b>							
Change in the deferred loss on debt refunding.....	\$ (52,567)	\$ -	\$ -	\$ -	\$ (710,739)	\$ (763,306)	\$ -
Amortization of premium on long-term debt.....	305,538	-	-	-	1,287,637	1,593,175	-

See notes to basic financial statements.

**FIDUCIARY FUNDS**  
STATEMENT OF FIDUCIARY NET POSITION

JUNE 30, 2023

	Pension and Other Employee Benefit Trust Funds (1)	Private Purpose Trust Fund
<b>ASSETS</b>		
Cash and cash equivalents.....	\$ 774,115	\$ 127,514
Investments:		
Investments in Pension Reserve Investment Trust.....	40,120,793	-
Corporate bonds.....	-	19,943
Equity securities.....	271,580	-
Equity mutual funds.....	135,012,642	-
Fixed income mutual funds.....	54,077,864	4,104
Pooled alternative investments.....	44,577,623	818,615
Receivables, net of allowance for uncollectibles:		
Departmental and other.....	6,254	-
<b>TOTAL ASSETS.....</b>	<b>274,840,871</b>	<b>970,176</b>
<b>LIABILITIES</b>		
Warrants payable.....	20,254	-
<b>NET POSITION</b>		
Restricted for pensions.....	252,002,476	-
Restricted for other postemployment benefits.....	22,818,141	-
Held in trust for other purposes.....	-	970,176
<b>TOTAL NET POSITION.....</b>	<b>\$ 274,820,617</b>	<b>\$ 970,176</b>

(1) The Pension Trust Fund is as of December 31, 2021.

See notes to basic financial statements.

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

YEAR ENDED JUNE 30, 2023

	Pension and Other Employee Benefit Trust Funds (1)	Private Purpose Trust Fund
<b>ADDITIONS:</b>		
Contributions:		
Employer contributions.....	\$ 14,671,667	\$ -
Employer contributions for other postemployment benefit payments.....	7,924,920	-
Member contributions.....	5,204,633	-
Transfers from other systems.....	230,448	-
3(8)c contributions from other systems.....	507,189	-
State COLA reimbursements.....	77,581	-
Private donations.....	-	78,087
Intergovernmental.....	66,459	-
Total contributions.....	28,682,897	78,087
Net investment income:		
Investment income (loss).....	(29,863,832)	88,048
Less: investment expense.....	(1,781,695)	-
Net investment income (loss).....	(31,645,527)	88,048
TOTAL ADDITIONS.....	(2,962,630)	166,135
<b>DEDUCTIONS:</b>		
Administration.....	361,221	-
Transfers to other systems.....	631,430	-
3(8)c transfer to other systems.....	638,940	-
Retirement benefits and refunds.....	21,430,556	-
Other postemployment benefit payments.....	7,924,920	-
Educational scholarships.....	-	103,900
TOTAL DEDUCTIONS.....	30,987,067	103,900
NET INCREASE (DECREASE) IN NET POSITION.....	(33,949,697)	62,235
NET POSITION AT BEGINNING OF YEAR.....	308,770,314	907,941
NET POSITION AT END OF YEAR.....	\$ 274,820,617	\$ 970,176

(1) The Pension Trust Fund is as of December 31, 2021.

See notes to basic financial statements.

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

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

**A. Reporting Entity**

The Town is a municipal corporation that is governed by an elected Mayor. A nine-member Town Council, 3 members elected at large and 6 district members, serves as a representative legislature.

For financial reporting purposes, the Town has included all funds, organizations, agencies, boards, commissions and institutions. The Town has also considered all potential component units for which it is financially accountable as well as other organizations for which the nature and significance of their relationship with the Town are such that exclusion would cause the basic financial statements to be misleading or incomplete. As required by GAAP, these basic financial statements present the Town (the primary government) and its component units. One entity has been included as a component unit in the reporting entity, because of the significance of its operational and/or financial relationship.

*Component Unit Presented as a Fiduciary Fund* – The following component unit is presented as a fiduciary fund of the primary government due to the nature and significance of the relationship between the Town and the component unit.

The Braintree Contributory Retirement System (System) was established to provide retirement benefits to Town employees and Braintree Housing Authority employees, and their beneficiaries. The System is governed by a five-member board comprised of two elected members, (nominees must be active or retired members), two appointed members by the Executive Authority, and the fifth member shall be an independent member appointed by the other four members. The System is presented using the accrual basis of accounting and is reported as a pension trust fund in the fiduciary fund financial statements.

**Availability of Financial Information for Component Units, the Electric Light Department and the Joint Venture**

The System issues a publicly available financial report in accordance with guidelines established by the Commonwealth of Massachusetts' (Commonwealth) Public Employee Retirement Administration Commission (PERAC). That report may be obtained by contacting the System located at 74 Pond Street, 2<sup>nd</sup> Floor, Braintree, Massachusetts 02184.

In accordance with Massachusetts General Laws, Chapter 164, the Braintree Electric Light Department (BELD) was established to generate and distribute electricity for municipal and residential use within the Town. The BELD is governed by an elected three-member board and is operated by a manager appointed by the BELD's elected board. The manager has charge of BELD's operations and is subject to the direction and control of the Braintree Municipal Light Board. It is not a separate legal entity and therefore the condensed financial statements of the BELD are reported as an enterprise fund. A complete audited financial statement for the BELD, for the year ended December 31, 2022, can be obtained directly from their administrative office located at 150 Potter Road, Braintree, Massachusetts 02184.

*Joint Venture* – The Town is a member of the Blue Hills Regional Technical School (School) that serves the members students from nine area communities seeking an education in academic and technical studies. The

members share in the operations of the School and each member is responsible for its proportionate share of the operational and capital costs of the School, which are paid in the form of assessments. The Town does not have an equity interest in the School and the 2023 assessment was \$2,768,010. The School issues a publicly available financial report that includes its financial statements. That report can be obtained by writing to the School Business Manager at 800 Randolph Street, Canton, Massachusetts 02021.

## B. Government-Wide and Fund Financial Statements

### *Government-Wide Financial Statements*

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

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

### *Fund Financial Statements*

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

#### *Major Fund Criteria*

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

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

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

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

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

### *Government-Wide Financial Statements*

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

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

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

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

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

#### *Fund Financial Statements*

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

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

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

The following major governmental funds are reported:

The *general fund* is the primary operating fund. It is used to account for all financial resources, except those that are required to be accounted for in another fund. Included within the general fund are three stabilization funds. The balance in the general stabilization fund increased from \$8,234 in 2022 to \$9,860 in 2023, the capital stabilization fund totaled \$72,771 in 2023, and the school building stabilization fund increased from \$78,371 in 2022 to \$81,567 in 2023. The stabilization funds can be used for general and/or capital purposes upon Town Council and the Mayor's approval.

The *Town capital projects fund* is used to account for the construction and renovation of various Town projects.

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

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

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

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

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

The following major proprietary funds are reported:

The *water and sewer enterprise fund* was jointly established in 1984 pursuant to an act establishing the water and sewer commission. It is used to account for water and sewer activities.

The *golf course enterprise fund* is used to account for the operations of the municipal golf course.

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

The *PEG access enterprise fund* is used to account for the Town's cable television.

The *electric light enterprise fund* is used to account for electric light activities.

Additionally, the following proprietary fund type is reported:

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

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

The following fiduciary fund types are reported:

The *pension and other employee benefit trust funds* is used to account for the activities of the Braintree Contributory Retirement System, which accumulates resources to provide pension benefits to eligible retirees and their beneficiaries, and to accumulate resources to provide funding for future other postemployment benefits liabilities.

The *private purpose trust fund* is used to account for trust arrangements that exclusively benefit individuals, private organizations, or other governments. Some of these trust funds have donor restrictions and trustee

policies that do not allow the endowment portion and any unrealized appreciation to be spent. These restrictions and trustee policies only allows the trustees to approve spending of the realized investment earnings. The Town's educational scholarships are accounted for in this fund.

#### D. Cash and Investments

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

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

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

#### E. Fair Value Measurements

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

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

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

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

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

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

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

## F. Accounts Receivable

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

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

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

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

Tax liens are imposed at least every three years after the original tax is considered delinquent and are processed subsequent to July 1<sup>st</sup> every year.

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

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

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

Motor vehicle excise taxes are assessed annually for each vehicle registered in the Town and are recorded as receivables in the year of the levy. The Commonwealth is responsible for reporting the number of vehicles registered and the fair values of those vehicles. The tax calculation is the fair value of the vehicle multiplied by \$25 per \$1,000 of value. Boat excise taxes are assessed annually for each boat registered and are recorded as receivables in the year of the levy. The Commonwealth is responsible for reporting the number of boats registered and the fair value of those boats. The tax calculation is the fair value of the boat multiplied by \$10 per \$1,000 of value.

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

### ***Room Occupancy Tax***

The Town levies 6% of the cost of renting hotel, motel, lodging house and bed and breakfast rooms in accordance with Massachusetts General Law, Chapter 64G, Section 3A. The tax is paid by the operator of each establishment to the State Commissioner of Revenue, who in turn pays the tax back to the Town in quarterly distributions. The room occupancy tax receivable is categorized as an intergovernmental receivable.

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

**Meals Tax**

The Town levies 0.75% for the sale of restaurant meals in accordance with Massachusetts General Law, Chapter 64L, Section 2. The tax is paid by the operator of each establishment to the State Commissioner of Revenue, who in turn pays the tax back to the Town in quarterly distributions.

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

**Trash**

Trash fees have been levied on an annual basis for each residential property that utilizes the collection service. Each per living unit is billed annually by the Public Works Department for all residents not choosing one of the several opt-out methods. The collection service includes weekly curbside collection.

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

**Water and Sewer and Electric Light Department**

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

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

**Departmental and Other**

Departmental and other receivables consist primarily of parking fines and other receivables of the BELD and are recorded as receivables in the year accrued. The allowance for uncollectibles is estimated based on historical trends and specific account analysis.

**Intergovernmental**

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

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

**G. Inventories****Government-Wide and Fund Financial Statements**

Inventories of the governmental funds and the water and sewer, stormwater, and PEG access enterprise funds are recorded as expenditures/expenses at the time of purchase. Such inventories are not material in total to the basic financial statements, and therefore are not reported.

Inventories of the golf course enterprise fund are stated at the lower of cost or market. Inventories of the BELD enterprise fund are stated at original cost, using the average cost method.

H. Capital Assets

*Government-Wide and Proprietary Fund Financial Statements*

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

All purchases and construction costs in excess of \$5,000 are capitalized at the date of acquisition or construction, respectively, with expected useful lives of greater than one year.

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

<u>Capital Asset Type</u>	<u>Estimated Useful Life (in years)</u>
Land improvements.....	10 - 30
Plant in service.....	30 - 40
Buildings.....	40
Machinery and equipment.....	5 - 15
Infrastructure.....	20 - 50

The statutory provision for depreciation of a utility plant is computed on the straight-line method at 3 percent of the cost of plant in service at the beginning of the year, exclusive of land and land rights. Massachusetts law stipulates that the Electric Department may change from the statutory depreciation rate only with the approval of the Massachusetts Department of Public Utilities. The Department has consistently used an overall depreciation rate of approximately 3.0%, which approximates GAAP.

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

*Governmental Fund Financial Statements*

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

I. Deferred Outflows/Inflows of Resources

*Government-Wide Financial Statements (Net Position)*

In addition to assets, the statement of 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 assets that applies to future periods and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The Town has reported a deferred loss on refunding and deferred outflows of

resources related to pensions and other postemployment benefits in this category.

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 assets that applies to future periods and so will *not* be recognized as an inflow of resources (revenue) until that time. The Town has recorded deferred inflows related to pensions, other postemployment benefits, and for the electric light department's rate stabilization reserve as allowed under GASB Statement No. 65, for *regulated operations*.

#### *Governmental Fund Financial Statements*

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

#### J. Interfund Receivables and Payables

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

#### *Government-Wide Financial Statements*

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

#### *Fund Financial Statements*

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

#### K. Interfund Transfers

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

#### *Government-Wide Financial Statements*

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

#### *Fund Financial Statements*

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

### L. Unearned and Unavailable Revenue

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

#### *Fund Financial Statements*

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

### M. Net Position and Fund Equity

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

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

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

Net position has been “restricted for” the following:

“Depreciation” represents amounts restricted in the Electric department for the statutory reserve for funded depreciation. Pursuant to the provisions of the Massachusetts General Laws (MGL), cash in an amount equivalent to the annual depreciation expense is required to be transferred from unrestricted funds to the depreciation fund. Interest earned on the balance of the fund must also remain in the fund. Such cash may be used for the cost of plant, nuclear decommissioning costs, the costs of contractual commitments, and deferred costs related to such commitments which the Commissioners determine are above market value.

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

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

“Gifts and grants” represents amounts held for school and other Town grants, and for gift funds.

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

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

*Fund Financial Statements (Fund Balances)*

Governmental fund equity is classified as fund balance. Fund balance is further classified as follows:

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

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

“Committed” fund balance includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government’s highest level of decision-making authority. A Town Council vote to approve a Council Order submitted by the Mayor is the highest level of decision-making authority that can commit funds for specific purposes. Once voted, the limitation imposed by the vote remains in place until the funds are used for their intended purpose or a vote is taken to rescind the commitment.

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

“Unassigned” fund balance includes the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund is the only governmental fund that can report a positive unassigned fund balance. In other governmental funds it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

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

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

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

*Governmental Fund Financial Statements*

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

### O. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of both the Braintree Contributory Retirement System (BCRS) and the Massachusetts Teachers' Retirement System and additions to/deductions from the Systems fiduciary net position have been determined on the same basis as they are reported by the Systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

### P. Investment Income

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

### Q. Compensated Absences

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

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

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

#### *Governmental Fund Financial Statements*

Compensated absences are reported in the governmental funds only if they have matured as a result of employee resignations or retirements. Vested or accumulated vacation and sick leave, which will be liquidated with expendable available financial resources, are reported as expenditures and fund liabilities upon maturity of the liability.

### R. Use of Estimates

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

The preparation of basic financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure for contingent assets and liabilities at the date of the basic financial statements and the reported amounts of the revenues and expenditures/expenses during the year. Actual results could vary from estimates that were used.

### S. Fund Deficits

Individual deficits exist at June 30, 2023, within the Town special revenue funds. These deficits will be funded with available funds in subsequent years.

T. Total Column*Government-Wide Financial Statements*

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

*Fund Financial Statements*

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

**NOTE 2 – CASH AND INVESTMENTS**

A cash and investment pool is maintained that is available for use by all funds. Each fund type's portion of this pool is displayed on the balance sheet as "Cash and cash equivalents." The deposits and investments of the trust funds are held separately from those of other funds.

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

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

The Retirement System participates, as a Participating member, in the Pension Reserves Investment Trust (PRIT), which meets the criteria of an external investment pool. PRIT is administered by the Pension Reserves Investment Management Board, which was established by the Treasurer of the Commonwealth of Massachusetts who serves as trustee. The fair value of the position in the PRIT is the same as the value of the PRIT shares.

The Other Postemployment Benefits (OPEB) trust participates as a Purchasing Member of the Pension Reserve Investment Trust (PRIT) through the State Retirees Benefits Trust Fund (SRBTF). Government entities are allowed to invest their OPEB funds through the SRBTF. OPEB trusts are allowed to invest in the \$92 billion PRIT fund and get the economies of scale and diversification that an individual community with a small fund could not obtain on its own.

The PRIT fund, as a pool, invests in various products including, but not limited to, money market mutual funds, equities, pooled foreign and domestic fixed income and equity funds, United States government sponsored enterprises and Treasury notes, real estate, and commodities. The underlying components of PRIT's fixed income portfolio had an effective weighted duration rate ranging from 1.98 to 14.64 years.

Custodial Credit Risk – Deposits

In the case of deposits, this is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. The Town does not have a deposit policy for custodial risk. At year-end, the carrying amount of deposits totaled \$65,048,772 and the bank balances totaled \$68,147,040. Of the bank balance, \$2,750,000 was covered by Federal Depository Insurance, \$15,777,748 was covered by the Depositors Insurance Fund, \$47,645,843 was collateralized, and \$1,973,449 was exposed to custodial credit risk because it was uninsured and uncollateralized.

The System limits its custodial credit risk by utilizing an institutional custodial bank, currently SEI Private Trust Company, to maintain custody over all separately held securities which are registered under a nominee name that is specific to the System. Assets held in commingled fund accounts are also held in a similar fashion, with individual fund securities held in the fund’s name at their custodian bank. A small percentage of the System’s assets (typically less than 5%) may be held from time to time in commingled cash equivalent vehicles where the assets are subject to counterparty risk. At December 31, 2022, the carrying amount of deposits for the System totaled \$695,310 and the bank balance totaled \$773,462. The bank balance was fully covered by Federal Depository Insurance.

**Custodial Credit Risk – Investments**

For an investment, this is the risk that, in the event of a failure by the counterparty, the Town will not be able to recover the value of its investments or collateral security that are in the possession of an outside party. The Town has custodial credit risk exposure relating to its \$217,981 investment in debt securities and its \$312,980 investment in equity securities because the securities are uninsured, unregistered, and held by the counterparty. The Town does not have an investment policy for custodial credit risk.

The System’s investments are not subject to custodial credit risk as all of the securities are insured or registered and held by its agents in the name of the Town of Braintree.

**Investments**

As of June 30, 2023, the Town had the following investments and maturities:

Investment Type	Fair value	Maturities		
		Under 1 Year	1-5 Years	6-10 Years
<b>Debt securities:</b>				
U.S. treasury notes.....	\$ 98,653	\$ -	\$ 74,770	\$ 23,883
Government sponsored enterprises.....	14,027	-	14,027	-
Corporate bonds.....	105,301	44,747	60,554	-
Total debt securities.....	217,981	\$ 44,747	\$ 149,351	\$ 23,883
<b>Other investments:</b>				
Equity securities.....	312,980			
Equity mutual funds.....	591,940			
Fixed income mutual funds.....	58,366			
Money market mutual funds.....	52,508			
Pension Reserve Investment Trust (PRIT).....	22,756,390			
MMDT - Bond portfolio.....	6,904,626			
MMDT - Cash portfolio.....	59,016,296			
Total investments.....	\$ 89,911,087			

The Town participates in MMDT, which maintains a cash portfolio and a short-term bond fund with average maturities of approximately 33 days and a weighted average maturity of 3.05 years, respectively. The Town’s investments in MMDT are unrated.

As of December 31, 2022, the Braintree Contributory Retirement System had the following investments:

<u>Investment Type</u>	<u>Fair value</u>
<u>Other investments:</u>	
Equity securities.....	\$ 271,580
Equity mutual funds.....	135,012,642
Fixed income mutual funds.....	54,077,864
Private equity.....	44,577,623
Money market mutual funds.....	17,054
Pension Reserve Investment Trust (PRIT).....	<u>17,364,403</u>
 Total investments.....	 \$ <u><u>251,321,166</u></u>

Interest Rate Risk

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

All of the System’s fixed income assets are held in professionally managed, institutional commingled funds. The System limits its effective exposure to interest rate risk by benchmarking its commingled fixed income investment accounts to an intermediate duration benchmark (Barclays) with duration of 4-5 years.

Credit Risk

The Town has not adopted a formal policy related to Credit Risk. The Town’s investments are rated as follows:

<u>Quality Rating</u>	<u>Government Sponsored Enterprises</u>	<u>Corporate Bonds</u>
AA+.....	\$ 14,027	\$ -
AA-.....	-	9,971
A.....	-	14,093
A-.....	-	9,497
BBB+.....	-	49,263
BBB.....	<u>-</u>	<u>22,477</u>
 Total.....	 \$ <u><u>14,027</u></u>	 \$ <u><u>105,301</u></u>

The System controls and limits its exposure to credit risk by investing in well diversified, commingled fixed income funds that are both passively and actively managed. In the case of the actively managed fixed income fund, investments in below-investment grade securities are permitted, up to a maximum position of 10% of that individual commingled fund's assets, which would represent approximately 2% of the System's total assets.

Concentration of Credit Risk

The Town places no limit on the amount the Town may invest in any one issuer. No investments with any one issuer exceeded 5% of the total investments of the Town.

Fair Value Measurement

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

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

The following table presents financial assets at June 30, 2023, that the Town measures fair value on a recurring basis, by level, within the fair value hierarchy:

Investment Type	June 30, 2023	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>Investments measured at fair value:</b>				
<u>Debt securities:</u>				
U.S. treasury notes.....	\$ 98,653	\$ 98,653	\$ -	\$ -
Government sponsored enterprises.....	14,027	14,027	-	-
Corporate bonds.....	105,301	-	105,301	-
Total debt securities.....	217,981	112,680	105,301	-
<u>Other investments:</u>				
Equity securities.....	312,980	312,980	-	-
Equity mutual funds.....	591,940	591,940	-	-
Fixed income mutual funds.....	58,366	58,366	-	-
Money market mutual funds.....	52,508	52,508	-	-
MMDT - Bond portfolio.....	6,904,626	6,904,626	-	-
Total other investments.....	7,920,420	7,920,420	-	-
Total investments measured at fair value.....	8,138,401	\$ 8,033,100	\$ 105,301	\$ -
<b>Investments measured at amortized cost:</b>				
MMDT - Cash portfolio.....	59,016,296			
<b>Investments measured at net asset value:</b>				
Pension Reserve Investment Trust (PRIT).....	22,756,390			
Total investments.....	\$ 89,911,087			

U.S. treasury notes, government sponsored enterprises, equity securities, equity mutual funds, fixed income mutual funds, money market mutual funds, and MMDT short-term bond funds classified in Level 1 of the fair value

hierarchy are valued using prices quoted in active markets for those securities. Corporate bonds classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

The Town holds investments in the MMDT Cash Portfolio which are valued at amortized cost. Under the amortized cost valuation method, an investment is valued initially at its cost and thereafter adjusted for the amount of interest income accrued each day over the term of the investment to account for any difference between the initial cost of the investment and the amount payable at its maturity. If amortized cost is determined not to approximate fair value, the value of the portfolio securities will be determined under procedures established by MMDT's adviser, Federated Investment Corporation.

The Retirement System's retiree pension defined benefit plan holds significant amounts of investments that are measured at fair value on a recurring basis. Because investing is a key part of the plan's activities, the plan shows greater disaggregation in its disclosures. The plan chooses a tabular format for disclosing the levels within the fair value hierarchy.

PRIT investments are valued using the net asset value method. This investment pool was established by the Treasurer of the Commonwealth of Massachusetts, who serves as Trustee. PRIT is administered by the Pension Reserves Investment Management Board (PRIM). The fair values of the positions in each investment Pool are the same as the value of each Pool's shares. Neither the Town nor the System have the ability to control any of the investment decisions relative to its funds in PRIT.

The Retirement System categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The following table presents financial assets at December 31, 2022, that the System measures fair value on a recurring basis, by level, within the fair value hierarchy:

Investment Type	December 31, 2022	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>Investments measured at fair value:</b>				
<u>Other investments:</u>				
Equity securities.....	\$ 271,580	\$ 271,580	\$ -	\$ -
Equity mutual funds.....	135,012,642	135,012,642	-	-
Fixed income.....	54,077,864	-	54,077,864	-
Private equity.....	44,577,623	-	-	44,577,623
Money market mutual funds.....	17,054	17,054	-	-
Total other investments.....	<u>233,956,763</u>	<u>135,301,276</u>	<u>54,077,864</u>	<u>44,577,623</u>
Total investments measured at fair value.....	233,956,763	<u>\$ 135,301,276</u>	<u>\$ 54,077,864</u>	<u>\$ 44,577,623</u>
<b>Investments measured at net asset value:</b>				
Pension Reserve Investment Trust (PRIT).....	<u>17,364,403</u>			
Total investments.....	<u>\$ 251,321,166</u>			

Equity securities and equity mutual funds classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Fixed income funds classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Private equity investments classified in Level 3 are valued using either a discounted cash flow or market comparable companies' technique.

**NOTE 3 – RECEIVABLES**

At June 30, 2023, receivables for the individual major, nonmajor governmental funds, and the internal service fund in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	Gross Amount	Allowance for Uncollectibles	Net Amount
<u>Receivables:</u>			
Real estate and personal property taxes..... \$	1,958,043	\$ (123,300)	\$ 1,834,743
Tax liens.....	1,385,086	-	1,385,086
Community preservation fund surtax.....	4,301	-	4,301
Motor vehicle and other excise taxes.....	802,740	(132,400)	670,340
Departmental and other.....	471,392	(15,500)	455,892
Intergovernmental.....	10,979,942	-	10,979,942
Community preservation state share.....	195,098	-	195,098
 Total..... \$	<u>15,796,602</u>	<u>\$ (271,200)</u>	<u>\$ 15,525,402</u>

At June 30, 2023 (December 31, 2022, for the Electric Light balances), receivables for the proprietary funds consist of the following:

	Gross Amount	Allowance for Uncollectibles	Net Amount
<u>Receivables:</u>			
Water and sewer liens - user charges..... \$	140,570	\$ -	\$ 140,570
Water and sewer user charges.....	5,014,079	-	5,014,079
Water and sewer intergovernmental - other....	2,954,161	-	2,954,161
Stormwater user charges.....	72,663	-	72,663
Electric light user charges.....	7,570,445	(143,081)	7,427,364
Electric light departmental and other.....	1,795,575	-	1,795,575
 Total..... \$	<u>17,547,493</u>	<u>\$ (143,081)</u>	<u>\$ 17,404,412</u>

At December 31, 2022, the Pension Trust Fund had departmental and intergovernmental receivables totaling \$6,254.

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

	General Fund	Other Governmental Funds	Total
<u>Receivables and other asset types:</u>			
Real estate and personal property taxes.....	\$ 1,169,205	\$ -	\$ 1,169,205
Tax liens.....	1,385,086	-	1,385,086
Community preservation fund surtax.....	-	4,301	4,301
Motor vehicle and other excise taxes.....	670,340	-	670,340
Departmental and other.....	68,643	-	68,643
Intergovernmental.....	167,541	3,251,221	3,418,762
Community preservation state share.....	-	195,098	195,098
Tax foreclosures.....	78,281	-	78,281
<b>Total.....</b>	<b>\$ 3,539,096</b>	<b>\$ 3,450,620</b>	<b>\$ 6,989,716</b>

**NOTE 4 – CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2023, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities:</b>				
<u>Capital assets not being depreciated:</u>				
Land.....	\$ 16,742,696	\$ -	\$ -	\$ 16,742,696
Construction in progress.....	19,248,332	59,127,836	(423,000)	77,953,168
Total capital assets not being depreciated....	35,991,028	59,127,836	(423,000)	94,695,864
<u>Capital assets being depreciated:</u>				
Land improvements.....	12,527,571	670,765	-	13,198,336
Buildings.....	148,011,295	208,081	-	148,219,376
Machinery and equipment.....	19,499,881	1,218,581	(975,027)	19,743,435
Vehicles.....	2,514,494	596,329	-	3,110,823
Infrastructure.....	75,526,340	2,828,176	(139,597)	78,214,919
Total capital assets being depreciated.....	258,079,581	5,521,932	(1,114,624)	262,486,889
<u>Less accumulated depreciation for:</u>				
Land improvements.....	(9,652,266)	(273,036)	-	(9,925,302)
Buildings.....	(40,390,857)	(3,321,045)	-	(43,711,902)
Machinery and equipment.....	(16,326,823)	(703,810)	975,027	(16,055,606)
Vehicles.....	(1,407,365)	(483,804)	-	(1,891,169)
Infrastructure.....	(25,864,545)	(1,927,808)	139,597	(27,652,756)
Total accumulated depreciation.....	(93,641,856)	(6,709,503)	1,114,624	(99,236,735)
Total capital assets being depreciated, net.....	164,437,725	(1,187,571)	-	163,250,154
Total governmental activities capital assets, net.....	\$ 200,428,753	\$ 57,940,265	\$ (423,000)	\$ 257,946,018

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Business-Type Activities:</b>				
<u>Capital assets not being depreciated:</u>				
Land.....	\$ 2,240,183	\$ -	\$ -	\$ 2,240,183
Construction in progress.....	2,729,043	6,951,838	-	9,680,881
Total capital assets not being depreciated....	<u>4,969,226</u>	<u>6,951,838</u>	<u>-</u>	<u>11,921,064</u>
<u>Capital assets being depreciated:</u>				
Land improvements.....	1,786,883	-	-	1,786,883
Plant in service.....	256,024,094	6,830,233	(418,889)	262,435,438
Buildings.....	1,664,908	-	-	1,664,908
Machinery and equipment.....	3,733,716	100,640	-	3,834,356
Vehicles.....	1,167,668	119,211	-	1,286,879
Infrastructure.....	97,013,098	4,353,785	(2,525,366)	98,841,517
Total capital assets being depreciated.....	<u>361,390,367</u>	<u>11,403,869</u>	<u>(2,944,255)</u>	<u>369,849,981</u>
<u>Less accumulated depreciation for:</u>				
Land improvements.....	(999,872)	(40,476)	-	(1,040,348)
Plant in service.....	(133,766,893)	(7,677,497)	418,889	(141,025,501)
Buildings.....	(1,271,589)	(21,256)	-	(1,292,845)
Machinery and equipment.....	(2,660,776)	(231,848)	-	(2,892,624)
Vehicles.....	(694,340)	(254,711)	-	(949,051)
Infrastructure.....	(32,529,211)	(2,162,776)	2,525,366	(32,166,621)
Total accumulated depreciation.....	<u>(171,922,681)</u>	<u>(10,388,564)</u>	<u>2,944,255</u>	<u>(179,366,990)</u>
Total capital assets being depreciated, net.....	<u>189,467,686</u>	<u>1,015,305</u>	<u>-</u>	<u>190,482,991</u>
Total business-type activities capital assets, net....	<u>\$ 194,436,912</u>	<u>\$ 7,967,143</u>	<u>\$ -</u>	<u>\$ 202,404,055</u>

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

**Governmental Activities:**

General government.....	\$ 378,938
Public safety.....	889,056
Education.....	2,972,722
Public works.....	2,097,951
Health and human services.....	33,412
Culture and recreation.....	238,918
Community preservation.....	98,506

Total depreciation expense - governmental activities..... \$ 6,709,503

**Business-Type Activities:**

Water and sewer.....	\$ 2,569,745
Golf course.....	112,328
Stormwater.....	28,998
Electric Light.....	7,677,493

Total depreciation expense - business-type activities..... \$ 10,388,564

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

At June 30, 2023, the Town has an interfund receivable/payable totaling \$735,284 which exists between the general fund and highway improvements fund. The purpose of this balance is to cover short-term cash needs that will be funded by future grant proceeds and other available funds.

Interfund transfers for the year ended June 30, 2023, are summarized as follows:

Transfers Out:	Transfers In:				Total
	General fund	Nonmajor governmental funds	Water and sewer enterprise fund	Golf course enterprise fund	
General fund.....	\$ -	\$ -	\$ 50,568	\$ 939	\$ 51,507 (1)
Nonmajor governmental funds.....	1,778,275	-	-	-	1,778,275 (2)
Stormwater enterprise fund.....	-	123,750	-	-	123,750 (3)
Electric light enterprise fund.....	1,500,000	-	-	-	1,500,000 (4)
<b>Total.....</b>	<b>\$ 3,278,275</b>	<b>\$ 123,750</b>	<b>\$ 50,568</b>	<b>\$ 939</b>	<b>\$ 3,453,532</b>

- (1) Represents a budgeted transfer from the general fund to the water and sewer enterprise fund for debt service and the golf enterprise fund.
- (2) Represents budgeted transfers to the general fund from the Town special revenue fund for the operating budget and articles.
- (3) Represents a transfer from stormwater enterprise fund to the Town special revenue fund.
- (4) Represents the Payment in Lieu of Tax payment received from the BELD.

**NOTE 6 – SHORT-TERM FINANCING**

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

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

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

Details related to the short-term debt activity for the year ended June 30, 2023, is as follows:

Type	Purpose	Rate (%)	Due Date	Balance at June 30, 2022	Renewed/ Issued	Retired/ Redeemed	Balance at June 30, 2023
<b>Governmental Funds:</b>							
BAN	Municipal Purpose.....	2.25%	09/15/22	\$ 2,019,000	\$ -	\$ (2,019,000)	\$ -
BAN	Municipal Purpose.....	5.00%	09/22/23	-	2,019,000	-	2,019,000 (1)
<b>Total Governmental Funds.....</b>				<b>\$ 2,019,000</b>	<b>\$ 2,019,000</b>	<b>\$ (2,019,000)</b>	<b>\$ 2,019,000</b>

(1) On September 22, 2023, the Town paid the \$2,019,000 with available funds.

**NOTE 7 – LONG-TERM DEBT**

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

Details related to the Town’s general obligation indebtedness at June 30, 2023, and the debt service requirements are as follows:

**Bonds and Notes Payable Schedule – Governmental Funds**

Project	Maturities Through	Original Loan Amount	Interest Rate (%)	Outstanding at June 30, 2023
<b>General Obligation Bonds Payable:</b>				
Municipal Purpose Loan of 2012.....	2032	\$ 3,350,000	2.00 - 4.00	\$ 1,100,000
Municipal Purpose Loan of 2013.....	2033	2,990,000	2.00 - 2.75	825,000
Municipal Purpose Loan of 2014.....	2034	3,071,000	2.00 - 4.00	1,000,000
Municipal Purpose Refunding Loan of 2015.....	2028	1,680,000	3.00 - 5.00	625,000
Municipal Purpose Loan of 2015.....	2035	2,595,000	3.00 - 5.00	1,270,000
Municipal Purpose Loan of 2016.....	2036	2,432,000	2.00 - 4.00	1,140,000
Municipal Purpose Loan of 2017.....	2037	3,775,100	2.00 - 4.00	2,172,300
Municipal Purpose Loan of 2018.....	2048	22,642,000	3.00 - 5.00	18,995,000
Municipal Purpose Loan of 2019.....	2039	29,033,500	3.00 - 5.00	24,540,000
Municipal Purpose Loan of 2020.....	2040	7,377,000	2.00 - 5.00	6,385,000
Municipal Purpose Refunding Loan of 2020.....	2030	1,855,000	4.00	1,426,000
Municipal Purpose Loan of 2020.....	2046	49,605,000	1.50 - 4.00	47,449,000
Municipal Purpose Loan of 2021.....	2041	2,940,000	2.00 - 5.00	2,375,000
Municipal Purpose Refunding Loan of 2022.....	2026	1,672,600	5.00	1,363,800
Municipal Purpose Loan of 2022.....	2042	3,529,000	3.125 - 5.00	3,180,000
Municipal Purpose Loan of 2023.....	2043	3,187,500	4.00 - 5.00	<u>3,187,500</u>
 Total Bonds Payable.....				 117,033,600
 Add: Unamortized premium on bonds.....				 <u>6,768,047</u>
 Total.....				 \$ <u><u>123,801,647</u></u>

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

Year	General Obligation Bonds Payable		
	Principal	Interest	Total
2024.....	\$ 6,342,300	\$ 3,871,390	\$ 10,213,690
2025.....	6,353,000	3,597,543	9,950,543
2026.....	6,410,500	3,314,284	9,724,784
2027.....	6,065,700	3,037,358	9,103,058
2028.....	5,879,000	2,770,248	8,649,248
2029.....	5,808,000	2,510,429	8,318,429
2030.....	5,807,500	2,253,379	8,060,879
2031.....	5,641,500	2,017,298	7,658,798
2032.....	5,588,000	1,817,667	7,405,667
2033.....	5,483,000	1,645,902	7,128,902
2034.....	5,413,000	1,497,231	6,910,231
2035.....	5,383,000	1,354,104	6,737,104
2036.....	5,343,000	1,213,411	6,556,411
2037.....	5,331,100	1,075,134	6,406,234
2038.....	5,290,000	933,991	6,223,991
2039.....	4,675,000	792,975	5,467,975
2040.....	3,530,000	671,638	4,201,638
2041.....	3,260,000	583,531	3,843,531
2042.....	3,325,000	501,337	3,826,337
2043.....	3,380,000	415,594	3,795,594
2044.....	3,445,000	327,263	3,772,263
2045.....	3,540,000	235,781	3,775,781
2046.....	3,630,000	140,081	3,770,081
2047.....	1,035,000	73,850	1,108,850
2048.....	1,075,000	37,630	1,112,630
Total.....	\$ <u>117,033,600</u>	\$ <u>36,689,049</u>	\$ <u>153,722,649</u>

**Bonds and Notes Payable Schedule – Water and Sewer Enterprise Fund**

Project	Maturities Through	Original Loan Amount	Interest Rate (%)	Outstanding at June 30, 2023
<b>General Obligation Bonds Payable:</b>				
Municipal Purpose Loan of 2012.....	2032	\$ 1,400,000	2.00 - 4.00	\$ 650,000
Municipal Purpose Loan of 2013.....	2033	3,108,000	2.00 - 2.75	1,425,000
Municipal Purpose Loan of 2014.....	2034	2,118,000	2.00 - 4.00	1,155,000
Municipal Purpose Refunding Loan of 2015.....	2029	5,890,000	3.00 - 5.00	2,690,000
Municipal Purpose Loan of 2015.....	2035	2,084,000	3.00 - 5.00	1,240,000
Municipal Purpose Loan of 2016.....	2036	2,298,000	2.00 - 4.00	1,490,000
Municipal Purpose Loan of 2017.....	2037	3,396,000	2.00 - 4.00	2,317,700
Municipal Purpose Loan of 2018.....	2038	5,241,000	3.00 - 5.00	3,795,000
Municipal Purpose Loan of 2019.....	2039	3,193,500	3.00 - 5.00	2,430,000
Municipal Purpose Loan of 2020.....	2040	2,688,000	2.00 - 5.00	2,280,000
Municipal Purpose Loan of 2021.....	2041	2,735,000	2.00 - 5.00	2,455,000
Municipal Purpose Refunding Loan of 2022.....	2031	652,400	5.00	576,200
Municipal Purpose Loan of 2022.....	2042	1,901,000	3.125 - 5.00	1,800,000
Municipal Purpose Loan of 2023.....	2043	3,343,500	4.00 - 5.00	<u>3,343,500</u>
Subtotal General Obligation Bonds Payable.....				<u>27,647,400</u>
<b>Direct Borrowings Payable:</b>				
MWRA Sewer Bonds of 2017.....	2027	165,000	0.00	66,000
MWRA Sewer Bonds of 2018.....	2028	226,250	0.00	113,125
MWRA Sewer Bonds of 2019.....	2029	219,550	0.00	131,730
MWRA Sewer Bonds of 2020.....	2030	392,460	0.00	274,722
MCWT Bonds of 2021.....	2037	391,042	2.00	280,581
MWRA Sewer Bonds of 2021.....	2031	25,726	0.00	20,581
MWRA Sewer Bonds of 2022.....	2032	86,814	0.00	78,133
MWRA Sewer Bonds of 2023.....	2033	415,350	0.00	<u>415,350</u>
Subtotal Direct Borrowings Payable.....				<u>1,380,222</u>
Total Bonds Payable.....				29,027,622
Add: Unamortized premium on bonds.....				<u>1,865,139</u>
Total.....				<u>\$ 30,892,761</u>

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

Year	General Obligation Bonds Payable:		
	Principal	Interest	Total
2024.....	\$ 2,378,700	\$ 1,063,344	\$ 3,442,044
2025.....	2,367,000	966,106	3,333,106
2026.....	2,359,500	860,741	3,220,241
2027.....	2,184,300	756,663	2,940,963
2028.....	2,086,000	661,784	2,747,784
2029.....	2,032,000	572,334	2,604,334
2030.....	1,687,500	486,286	2,173,786
2031.....	1,693,500	418,135	2,111,635
2032.....	1,612,000	357,974	1,969,974
2033.....	1,542,000	301,040	1,843,040
2034.....	1,422,000	249,438	1,671,438
2035.....	1,257,000	201,239	1,458,239
2036.....	1,152,000	160,645	1,312,645
2037.....	1,038,900	124,623	1,163,523
2038.....	875,000	91,875	966,875
2039.....	625,000	63,238	688,238
2040.....	525,000	44,369	569,369
2041.....	390,000	28,350	418,350
2042.....	255,000	16,800	271,800
2043.....	165,000	6,600	171,600
Total.....	\$ <u>27,647,400</u>	\$ <u>7,431,584</u>	\$ <u>35,078,984</u>

Year	Direct Borrowings Payable:		
	Principal	Interest	Total
2024.....	\$ 171,414	\$ 5,153	\$ 176,567
2025.....	171,780	4,777	176,557
2026.....	172,156	4,395	176,551
2027.....	172,538	4,005	176,543
2028.....	156,429	3,606	160,035
2029.....	134,202	3,200	137,402
2030.....	112,654	2,785	115,439
2031.....	73,822	2,363	76,185
2032.....	71,676	1,931	73,607
2033.....	63,422	1,491	64,913
2034.....	22,327	1,043	23,370
2035.....	22,776	585	23,361
2036.....	23,234	118	23,352
2037.....	11,792	-	11,792
Total.....	\$ <u>1,380,222</u>	\$ <u>35,452</u>	\$ <u>1,415,674</u>

**Bonds and Notes Payable Schedule – Golf Course Enterprise Fund**

Project	Maturities Through	Original Loan Amount	Interest Rate (%)	Outstanding at June 30, 2023
<b>General Obligation Bonds Payable:</b>				
Municipal Purpose Loan of 2019.....	2024	\$ 138,000	5.00	\$ 25,000
Municipal Purpose Loan of 2022.....	2027	185,000	5.00	145,000
Municipal Purpose Loan of 2023.....	2024	9,000	5.00	<u>9,000</u>
Total Bonds Payable.....				<u>\$ 179,000</u>

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

Year	General Obligation Bonds Payable		
	Principal	Interest	Total
2024.....	\$ 74,000	\$ 8,924	\$ 82,924
2025.....	40,000	5,250	45,250
2026.....	35,000	3,250	38,250
2027.....	<u>30,000</u>	<u>1,500</u>	<u>31,500</u>
Total.....	<u>\$ 179,000</u>	<u>\$ 18,924</u>	<u>\$ 197,924</u>

**Bonds and Notes Payable Schedule – Electric Light Enterprise Fund (BELD)**

Project	Maturities Through	Original Loan Amount	Interest Rate (%)	Outstanding at December 31, 2022
<b>General Obligation Bonds Payable:</b>				
Municipal Purpose Refunding Loan of 2015...	2028	\$ 58,750,000	4.00 - 5.00	\$ 40,090,000
Add: Unamortized premium on bonds.....				<u>5,918,369</u>
Total.....				<u>\$ 46,008,369</u>

Debt service requirements for principal and interest for electric light enterprise fund general obligation bonds payable in future years are as follows:

Year	General Obligation Bonds Payable		
	Principal	Interest	Total
2023.....	\$ 6,785,000	\$ 2,004,500	\$ 8,789,500
2024.....	7,120,000	1,665,250	8,785,250
2025.....	7,475,000	1,309,250	8,784,250
2026.....	7,845,000	935,500	8,780,500
2027.....	7,545,000	543,250	8,088,250
2028.....	<u>3,320,000</u>	<u>166,000</u>	<u>3,486,000</u>
Total.....	<u>\$ 40,090,000</u>	<u>\$ 6,623,750</u>	<u>\$ 46,713,750</u>

Authorized and unissued debt

The Town is subject to various debt limits by statute and may issue additional general obligation debt under the normal debt limit. At June 30, 2023, the Town had the following authorized and unissued debt:

<u>Purpose</u>	<u>Amount</u>
Building compliance ADA.....	\$ 193,000
Daugherty gym.....	150,000
DPW building repairs and improvements.....	4,150,000
DPW cemetery.....	807,000
DPW engineering drainage work.....	210,000
DPW facilities.....	325,000
DPW highway.....	125,000
DPW parking lot.....	140,000
DPW recreation.....	50,000
DPW trucks.....	471,000
East Middle School renovation/addition.....	3,826,038
Elder Affairs paving.....	25,000
Electronic archiving.....	89,000
Fire rescue pumper.....	66,000
Fire station headquarters renovation.....	7,480,000
Flaherty and Hollis Elementary School Roof Replacement.....	9,342,681
Golf dump truck.....	1,000
Golf mowers.....	264,000
Highland Elementary school roof replacement.....	3,500,000
High School field irrigation.....	40,000
High School renovations.....	1,515,000
Library building repairs.....	35,000
Police data processing equipment.....	90,000
Police station building.....	3,515,000
Police vehicles.....	337,000
Roadway resurfacing.....	1,700,000
School building renovation/repairs.....	393,000
School education technology.....	151,000
School library books.....	145,000
School paving.....	18,000
School security upgrades.....	838,000
Sewer commerce drive pump station.....	760,000
South Middle school building.....	32,762,260
Town clerk polling books.....	14,000
Townwide computer system and radio systems migrations.....	300,000
Town school ESCO project.....	600,000
Tri town water plant.....	37,126,041
Wastewater system rehabilitation.....	4,408,600
Water system improvements.....	400,000
Water treatment plant.....	1,828,000
Total.....	\$ <u><u>118,190,620</u></u>

Changes in Long-term Liabilities

During the year ended June 30, 2023, the following changes occurred in long-term liabilities:

	Beginning Balance	Bonds Issued	Bonds Redeemed	Other Increases	Other Decreases	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>							
Long-term general obligation bonds payable....	\$ 120,048,900	\$ 3,187,500	\$ (6,202,800)	\$ -	\$ -	\$ 117,033,600	\$ 6,342,300
Add: Unamortized premium on bonds.....	7,259,832	398,305	(890,090)	-	-	6,768,047	866,857
Total bonds payable.....	127,308,732	3,585,805	(7,092,890)	-	-	123,801,647	7,209,157
Compensated absences.....	6,723,145	-	-	3,427,025	(3,256,324)	6,893,846	3,283,237
Workers' compensation.....	976,822	-	-	227,191	(594,737)	609,276	60,928
Net pension liability.....	57,493,416	-	-	47,916,918	(10,022,693)	95,387,641	-
Net other postemployment benefits.....	175,044,267	-	-	16,693,232	(7,802,821)	183,934,678	-
Total governmental activity long-term liabilities.....	\$ 367,546,382	\$ 3,585,805	\$ (7,092,890)	\$ 68,264,366	\$ (21,676,575)	\$ 410,627,088	\$ 10,553,322
<b>Business-Type Activities:</b>							
Long-term general obligation bonds payable....	\$ 73,391,100	\$ 3,352,500	\$ (8,827,200)	\$ -	\$ -	\$ 67,916,400	\$ 10,525,337
Long-term direct borrowing payable.....	1,094,389	415,350	(129,517)	-	-	1,380,222	171,414
Add: Unamortized premium on bonds.....	9,090,183	286,500	(1,593,175)	-	-	7,783,508	302,205
Total bonds payable.....	83,575,672	4,054,350	(10,549,892)	-	-	77,080,130	10,998,956
Compensated absences.....	1,293,254	-	-	795,497	(976,542)	1,112,209	802,424
Workers' compensation.....	46,261	-	-	10,629	(4,626)	52,264	5,226
Net pension liability.....	23,429,672	-	-	1,892,761	(1,818,110)	23,504,323	-
Net other postemployment benefits.....	3,977,573	-	-	1,260,322	(136,840)	5,101,055	-
Total business-type activity long-term liabilities.....	\$ 112,322,432	\$ 4,054,350	\$ (10,549,892)	\$ 3,959,209	\$ (2,936,118)	\$ 106,849,981	\$ 11,806,606

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

**NOTE 8 – GOVERNMENTAL FUND BALANCE CLASSIFICATIONS**

The Town adopted GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, as part of the 2012 reporting. The intention of the GASB is to provide a more structured classification of fund balance and to improve the usefulness of fund balance reporting to the users of the Town’s financial statements. The reporting standard establishes a hierarchy for fund balance classifications and the constraints imposed on the uses of those resources.

GASB 54 provides for two major types of fund balances, which are nonspendable and spendable. Nonspendable fund balances are balances that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories, and principal (corpus) of an endowment fund. The Town has reported principal portions of endowment funds as nonspendable.

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

- **Restricted:** fund balances that are constrained by external parties, constitutional provisions, or enabling legislation.
- **Committed:** fund balances that contain self-imposed constraints of the government from its highest level of decision-making authority. The Town’s highest level of decision making is made by Town Council.

- Assigned: fund balances that contain self-imposed constraints of the government to be used for a particular purpose.
- Unassigned: fund balance of the general fund that is not constrained for any particular purpose.

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

	General	Town Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
Fund Balances:				
Nonspendable:				
Permanent fund principal.....	\$ -	\$ -	\$ 2,564,529	\$ 2,564,529
Restricted for:				
Town capital projects.....	-	47,138	-	47,138
Town special revenue funds.....	-	-	7,286,199	7,286,199
School lunch.....	-	-	2,153,026	2,153,026
School special revenue funds.....	-	-	2,769,063	2,769,063
Community preservation fund.....	-	-	7,278,456	7,278,456
Peterson trust fund.....	-	-	703,739	703,739
Other expendable trust funds.....	-	-	5,483,071	5,483,071
Committed to:				
Articles and continuing appropriations:				
General government.....	208,218	-	-	208,218
Public safety.....	406,587	-	-	406,587
Education.....	156,079	-	-	156,079
Public works.....	348,088	-	-	348,088
Human services.....	37,815	-	-	37,815
Culture and recreation.....	60,229	-	-	60,229
Assigned to:				
General government.....	268,954	-	-	268,954
Public safety.....	70,643	-	-	70,643
Education.....	522,280	-	-	522,280
Public works.....	683,089	-	-	683,089
Human services.....	251	-	-	251
Culture and recreation.....	4,217	-	-	4,217
Unassigned.....	18,622,142	-	(1,442,060)	17,180,082
<b>Total Fund Balances.....</b>	<b>\$ 21,388,592</b>	<b>\$ 47,138</b>	<b>\$ 26,796,023</b>	<b>\$ 48,231,753</b>

The details for the Committed and Assigned amounts in the table above are provided on the Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual in the *Required Supplementary Information* section of this Report. The amounts are listed under the column titled Amounts Carried Forward to Next Year. The Restricted amounts presented above are for funds that are subject to externally imposed constraints relating to grants, contributions, or laws and regulations by other governments.

Massachusetts General Law Ch.40 §5B allows for the establishment of Stabilization funds for one or more different purposes. The creation of a fund requires a two-thirds vote of the legislative body and must clearly define the purpose of the fund. Any change to the purpose of the fund along with any additions to or appropriations from the fund requires a two-thirds vote of the legislative body.

In accordance with Statement No. 54, the stabilization funds have been reported in the general fund. At June 30,

2023, the balances of the general, capital stabilization and school building stabilization funds were \$9,860, \$72,771, and \$81,567, respectively. These amounts are included in the unassigned fund balance.

**NOTE 9 – RISK FINANCING**

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

The Town is self-insured for its health and workers’ compensation insurance activities. Health insurance activities are accounted for in the internal service fund where revenues are recorded when earned and expenses are recorded when the liability is incurred. Workers’ compensation claims are administered by a third-party administrator and are funded on a pay-as-you-go basis from annual appropriations.

Liabilities are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). The result of the process to estimate the claims liability is not an exact amount as it depends on many factors. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claims settlement trends, and other economic and social factors.

(a) *Health Insurance*

The estimate of IBNR claims is based on management’s best estimate of claims history. The Town purchases specific stop loss insurance for claims in excess of \$100,000 per claim. At June 30, 2023, the amount of the liability for health insurance claims totaled \$983,000 which is the best estimate based on available information. Changes in the reported liability since July 1, 2021, are as follows:

	Balance at Beginning of Year	Current Year Claims and Changes in Estimate	Claims Payments	Balance at Year-End Currently Due
2022.....	\$ 885,000	\$ 17,061,213	\$ (16,963,213)	\$ 983,000
2023.....	983,000	16,411,862	(16,411,862)	983,000

(b) *Workers' Compensation*

The estimated workers' compensation liability is based on claims history, frequency and injury type. The Town purchases specific reinsurance with attachment points from \$450,000 to \$500,000 per claim in 2023. At June 30, 2023, the amount of the liability for workers' compensation claims totaled \$661,540, of which \$66,154 is current. Changes in the reported liability since July 1, 2021, are as follows:

	Balance at Beginning of Year	Current Year Claims and Changes in Estimate	Claims Payments	Balance at Year-End
2022..... \$	833,257	\$ 333,326	\$ (143,500)	1,023,083
2023.....	1,023,083	211,708	(573,251)	661,540

The BELD participates in the Massachusetts Municipal Self Insurance Trust (the Trust) with 17 other municipal light departments for the purpose of sharing excess liability and directors' and officers' liability risks. Through the Trust, BELD is commercially insured for \$500,000 per occurrence, with a \$50,000 deductible that would be paid by the BELD. Environmental insurance coverage provides for \$1,500,000 per occurrence, with a \$100,000 deductible that would be paid by the BELD. Each of the participating light departments contributes to the Trust based on its share of the group's total kilowatt-hour sales. Payments for claims under the deductible limit are funded by trust assets or, if required, additional contributions from the participants. The BELD considers its share of potential losses to be immaterial to its financial statements as of December 31, 2022.

**NOTE 10 – PENSION PLAN**

*Plan Descriptions*

The Town is a member of the Braintree Contributory Retirement System (BCRS), a cost-sharing multiple-employer defined benefit pension plan covering eligible employees of the 2 member units. The System is administered by five board members (Board) on behalf of all current employees and retirees except for current teachers and retired teachers. Chapter 32 of the MGL assigns authority to establish and amend benefit provisions of the plan. The System is a component unit and is reported as a pension trust fund within the fiduciary fund financial statements. The System issues a publicly available financial report in accordance with guidelines established by the Commonwealth of Massachusetts' (Commonwealth) Public Employee Retirement Administration Commission (PERAC). That report may be obtained by contacting the System located at 74 Pond Street, 2<sup>nd</sup> Floor, Braintree, Massachusetts 02184.

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

*Special Funding Situation*

The Commonwealth is a nonemployer contributor and is required by statute to make 100% of all actuarially determined employer contributions on behalf of the Town to the MTRS. Therefore, the Town is considered to be in a special funding situation as defined by GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and the Commonwealth is a nonemployer contributor in MTRS. Since the Town does not contribute directly to MTRS, there is no net pension liability to recognize. The total of the Commonwealth provided contributions have been allocated based on each employer’s covered payroll to the total covered payroll of employers in MTRS as of the measurement date of June 30, 2022. The Town’s portion of the collective pension expense, contributed by the Commonwealth, of \$13,128,704 is reported in the general fund as intergovernmental revenue and pension benefits in the current fiscal year. The portion of the Commonwealth’s collective net pension liability associated with the Town is \$159,600,573 as of the measurement date.

*Benefits Provided*

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

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

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

There were no changes of benefit terms that affected the total pension liability at December 31, 2022.

At December 31, 2022, the BCRS membership consists of the following:

Active members.....	769
Inactive members entitled to but not yet receiving benefits.....	241
Inactive members or beneficiaries currently receiving benefits.....	<u>586</u>
Total.....	<u><u>1,596</u></u>

*Contributions*

Chapter 32 of the MGL governs the contributions of plan members and member units. Active plan members are required to contribute at rates ranging from 5% to 9% of gross regular compensation with an additional 2% contribution required for compensation exceeding \$30,000. The percentage rate is keyed to the date upon which an employee's membership commences. The member units are required to pay into the BCRS a legislatively mandated actuarial determined contribution that is apportioned among the employers based on active current payroll. The total member units' contribution for the year ended December 31, 2022, was \$13,617,567, 28.22% of

covered payroll, actuarially determined as an amount that, when combined with plan member contributions, is expected to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. The Town’s, excluding BELD, proportionate share of the required contribution was \$10,895,416 which equaled its actual contribution.

*Pension Liabilities*

The components of the net pension liability of the participating member units at December 31, 2022, were as follows:

Total pension liability.....	\$	381,603,129
Total pension plan's fiduciary net position.....		<u>(252,002,476)</u>
Total net pension liability.....	\$	<u><u>129,600,653</u></u>
The pension plan's fiduciary net position as a percentage of the total pension liability.....		66.04%

The Town and the BELD reported liabilities of \$103,693,489 and \$15,198,475, respectively, for their proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2022. Accordingly, update procedures were used to roll the total pension liability to the measurement date. The Town’s proportion of the net pension liability was based on a projection of the Town’s long-term share of contributions to the pension plan relative to the projected contributions of all participating members. At December 31, 2022, the Town’s proportion was 80.01%, which increased by 0.63% from its proportion measured at December 31, 2021. At December 31, 2021, the BELD’s proportion was 19.69%, which decreased by 1.45% from its proportion measured at December 31, 2020.

*Pension Expense*

For the year ended June 30, 2023, the Town recognized a net pension expense of \$16,753,700. At June 30, 2023, the Town reported deferred outflows of resources related to pensions of \$29,304,400, and deferred inflows of resources related to pensions of \$8,785,849.

The balances of deferred outflows and inflows of resources at June 30, 2023, and December 31, 2022, consist of the following:

<u>Deferred Category</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Total</u>
Differences between expected and actual experience.....	\$ 1,073,996	\$ (1,972,961)	\$ (898,965)
Difference between projected and actual earnings for the Town, net..	17,473,397	-	17,473,397
Difference between projected and actual earnings for the BELD, net.	-	(4,816,017)	(4,816,017)
Changes in assumptions.....	6,372,800	-	6,372,800
Changes in proportion and proportionate share of contributions.....	1,828,190	(1,996,871)	(168,681)
Contributions made subsequent to the measurement date.....	2,556,017	-	2,556,017
Total deferred outflows/(inflows) of resources.....	\$ <u>29,304,400</u>	\$ <u>(8,785,849)</u>	\$ <u>20,518,551</u>

Deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized in pension expense in the subsequent year. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended:</u>	<u>Town June 30</u>	<u>BELD December 31</u>	<u>Total</u>
2023.....	\$ -	\$ (1,374,376)	\$ (1,374,376)
2024.....	2,084,889	(1,355,797)	729,092
2025.....	6,103,757	(1,355,796)	4,747,961
2026.....	6,785,473	(1,355,797)	5,429,676
2027.....	8,430,181	-	8,430,181
Subtotal amortized deferred outflows/(inflows) of resources.....	<u>23,404,300</u>	<u>(5,441,766)</u>	<u>17,962,534</u>
Contributions made subsequent to the measurement date.....	<u>-</u>	<u>2,556,017</u>	<u>2,556,017</u>
Total deferred outflows/(inflows) of resources....	<u>\$ 23,404,300</u>	<u>\$ (2,885,749)</u>	<u>\$ 20,518,551</u>

*Actuarial Assumptions*

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

Valuation date.....	January 1, 2022
Actuarial cost method.....	Entry Age Normal.
Amortization method - UAAL.....	Increasing dollar amount at 4.00% to reduce the Unfunded Actuarial Accrued Liability (UAAL) to zero on or before June 30, 2033. The annual increase in appropriation is further limited to 7.38%
Asset valuation method.....	The Actuarial Value of Assets is the market value of assets as of the valuation date reduced by the sum of: a) 75% of gains and losses of the prior year, b) 50% of gains and losses of the second prior year and c) 25% of gains and losses of the third prior year. Investment gains and losses are determined by the excess or deficiency of the expected return over the actual return on the market value. The actuarial valuation of assets is further constrained to be not less than 90% or more than 110% of market value.
Investment rate of return/ Discount rate.....	7.25%, net of pension plan investment expense, including inflation.
Inflation rate.....	2.4% per year.
Projected salary increases.....	Group 1: 6.00% to 4.25% based on service. Group 4: 7.00% to 4.75% based on service.

Payroll growth.....	3.25% per year.
Cost of living adjustments.....	3.00% of the first \$12,000 of annual retirement allowance.
Mortality rates.....	RP-2014 Blue Collar Mortality Table with full generational mortality improvement using Scale MP-2020. For disabled members, RP-2014 Blue Collar Mortality Table set forward one year with full generational mortality improvement using Scale MP-2020.

*Investment Policy*

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan’s target asset allocation as of December 31, 2022, are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity.....	33.00%	5.92%
International equity.....	20.00%	6.87%
Domestic fixed income.....	18.00%	3.86%
Hedge funds.....	5.00%	6.21%
Private equity.....	8.00%	10.11%
Real estate.....	10.00%	4.80%
Alternative investments.....	3.00%	8.02%
Other.....	3.00%	6.25%
Total.....	<u>100.00%</u>	

*Rate of Return*

For the year ended December 31, 2022, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was -11.01%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

*Discount Rate*

The discount rate used to measure the total pension liability was 7.25% at December 31, 2022, and December 31, 2021. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and that contributions will be made at rates equal to the actuarially determined contribution rate. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term

expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following table presents the net pension liability, calculated using the discount rate of 7.25%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate.

	1% Decrease (6.25%)	Current Discount (7.25%)	1% Increase (8.25%)
<u>December 31, 2022 Measurement Date</u>			
The Town's proportionate share of the net pension liability.....	\$ 135,735,655	\$ 103,693,489	\$ 76,361,974
BCRS total net pension liability.....	\$ 169,648,352	\$ 129,600,653	\$ 95,440,531
<u>December 31, 2021 Measurement Date</u>			
The Municipal Light Plant's proportionate share of the net pension liability.....	\$ 22,719,788	\$ 15,198,475	\$ 8,779,318

*Changes in Assumptions*

None.

*Changes in Plan Provisions*

None.

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

*Plan Description*

The Town administers a single-employer defined benefit healthcare plan (Retiree Health Plan). The plan provides lifetime healthcare and life insurance for eligible retirees and their spouses through the Town’s group health insurance plan, which covers both active and retired members, including teachers. Chapter 32B of the MGL assigns authority to establish and amend benefit provisions of the Plan. Medical and prescription drug benefits are provided to all eligible retirees through a variety of plans offered by Blue Cross Blue Shield of Massachusetts, Harvard Pilgrim Health Care, and Tufts Health Plan. Benefit provisions are negotiated between the Town and the unions representing Town employees and are renegotiated each bargaining period. The Retiree Health Plan does not issue a publicly available financial report.

The Town and all departments except for the Braintree Electric Light Department (BELD) are included in the actuarial valuation for GASB 74 and 75 for the measurement date of June 30, 2023. The BELD obtains a separate valuation for its measurement date of December 31, 2022, because the BELD’s year-end is as of December 31<sup>st</sup> whereas the rest of the Town reports as of June 30<sup>th</sup>. The two actuarial valuations are performed by the same actuary using virtually the same assumptions for each measurement date.

The following table summarizes OPEB liabilities, OPEB assets set aside for future benefits, net OPEB liabilities, deferred inflows of resources relating to OPEB, deferred inflows of resources relating to OPEB, and OPEB expense/(income) recognized in the financial statements for the entire Town:

	Town (exclusive of the BELD)	BELD	June 30, 2023 Totals
Total OPEB liabilities.....	\$ 200,218,978	\$ 11,634,896	\$ 211,853,874
Total OPEB assets.....	14,538,311	8,279,830	22,818,141
Net OPEB liabilities.....	185,680,667	3,355,066	189,035,733
Deferred outflows of resources.....	49,255,840	1,722,792	50,978,632
Deferred inflows of resources.....	(8,764,864)	(96,221)	(8,861,085)
OPEB expense/(income) recognized.....	20,692,188	860,846	21,553,034

*Funding Policy*

Contributions requirements are also negotiated between the Town and union representatives. The required contribution is based on a pay-as-you-go financing requirement. Retired plan members and beneficiaries currently receiving benefits are required to contribute between 33% and 50% of the cost of benefits provided depending on the plan they choose. The Town is required to contribute the balance of the current premiums and may contribute additional amounts to pre-fund benefits. For 2023, the Town’s age-adjusted contribution to the plan totaled \$7,552,275. For the year ended June 30, 2023, the Town’s average contribution rate was 6.94% of covered-employee payroll.

The Commonwealth of Massachusetts passed special legislation that has allowed the Town and the BELD to establish postemployment benefit trust funds and to enable them to begin pre-funding their OPEB liabilities. The Town and BELD have named the Health Care Security Board of Trustees (HCSBT) as Trustees of the OPEB Funds and as such have authorized the OPEB Trust Funds to be invested entirely in the State Retirement Benefits Trust Fund (SRBT Fund). Massachusetts General Law directs the HCSBT to invest the SRBT Fund in the Pension Reserves Investment Trust (PRIT) Fund. The Trustees have adopted a trust agreement detailing their duties and responsibilities as Trustees. The PRIT Fund is subject to oversight by the Pension Reserves Investment Management Board (PRIM) Board. A nine-member Board of Trustees governs the PRIM Board. The Board of Trustees has the authority to employ an Executive Director, outside investment managers, custodians, consultants, and others as it deems necessary to formulate policies and procedures and to take such other actions as necessary and appropriate to manage the assets of the PRIT Fund.

For the year ending June 30, 2023, the Town pre-funded future OPEB liabilities totaling \$534,100 by contributing funds to the Other Postemployment Benefit Fund in excess of the pay-as-you-go required contribution. These funds are reported within the Fiduciary Funds financial statements. As of June 30, 2023, the balance of this fund totaled \$14,538,311.

For the year ending December 31, 2022, the BELD pre-funded future OPEB liabilities totaling \$520,000 by contributing funds to the Other Postemployment Benefit Fund in excess of the pay-as-you-go required contribution. These funds are reported within the Fiduciary Funds financial statements. As of December 31, 2022, the balance of this fund totaled \$8,279,830.

The additional pre-funding contributions are not based on a measure of payroll.

**OPEB Employer Financial Reporting for the Town**

*Summary of Significant Accounting Policies*

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Plan and additions to/deductions from the Plan’s fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts (repurchase agreements) that have a maturity at the time of purchase of one year or less, which are reported at cost, whenever applicable.

*Measurement Date*

GASB Statement #75 requires the net OPEB liability to be measured as of a date no earlier than the end of the employer’s prior fiscal year and no later than the end of the employer’s current fiscal year, consistently applied from period to period. Accordingly, the net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of July 1, 2021, that was rolled forward to the measurement date.

*Employees Covered by Benefit Terms*

The following table represents the Plan’s membership at June 30, 2023:

Active members.....	1,287
Inactive employees or beneficiaries currently receiving benefits.....	<u>1,032</u>
Total.....	<u><u>2,319</u></u>

*Components of the Town’s OPEB Liability*

The following table represents the components of the Plan’s Net OPEB liability as of June 30, 2023:

Total OPEB liability.....	\$ 200,218,978
Less: OPEB plan’s fiduciary net position.....	<u>(14,538,311)</u>
Net OPEB liability.....	<u><u>\$ 185,680,667</u></u>
The OPEB plan’s fiduciary net position as a percentage of the total OPEB liability.....	7.26%

*Significant Actuarial Methods and Assumptions*

The total OPEB liability in the July 1, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified, to be in accordance with GASB Statement #75:

Valuation date.....	July 1, 2021.
Actuarial cost method.....	Individual Entry Age Normal.
Asset valuation method.....	Fair value of assets as of the measurement date, June 30, 2023.
Investment rate of return.....	6.30%, net of OPEB plan investment expense, including inflation.
Municipal bond rate.....	4.13% as of June 30, 2023 (source: S&P Municipal Bond 20-Year High Grade Index - SAPIHG).
Single equivalent discount rate.....	6.28%, net of OPEB plan investment expense, including inflation.
Inflation.....	2.50% as of June 30, 2023 and for future periods.
Salary increases.....	3.00% annually as of June 30, 2023 and for future periods.
Cost of living adjustment.....	Not applicable.
Pre-retirement mortality.....	General: RP-2014 Mortality Table for Blue Collar Employees projected generationally with scale MP-2016 for males and females, set forward 1 year for females. Teachers: RP-2014 Mortality Table for White Collar Employees projected generationally with scale MP-2016 for males and females.
Post-retirement mortality.....	General: RP-2014 Mortality Table for Blue Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females, set forward 1 year for females. Teachers: RP-2014 Mortality Table for White Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females.
Disabled mortality.....	General: RP-2014 Mortality Table for Blue Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females, set forward 1 year for females. Teachers: RP-2014 Mortality Table for White Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females.

*Rate of Return*

For the year ended June 30, 2023, the annual money-weighted rate of return on investments, net of investment expense, was 5.94%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return of by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The Plan’s expected future real rate of return of 4.30% is added to the expected inflation of 2.50% to produce the long-term expected nominal rate of return of 6.80%. Best estimates of geometric real rates of return for each major asset class included in the OPEB plan’s target asset allocation as of June 30, 2023, are summarized in the following table:

Asset Class	Long-Term Expected Asset Allocation	Long-Term Expected Real Rate of Return
Domestic equity - large cap.....	14.50%	4.10%
Domestic equity - small/mid cap.....	3.50%	4.55%
International equity - developed market..	16.00%	4.64%
International equity - emerging market...	6.00%	5.45%
Domestic fixed income.....	20.00%	1.05%
International fixed income.....	3.00%	0.96%
Alternatives.....	23.00%	5.95%
Real estate.....	14.00%	6.25%
Total.....	100.00%	

*Discount Rate*

The discount rate used to measure the total OPEB liability was 6.28% as of June 30, 2023, and 6.37% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that contributions will be made in accordance with the Plan’s funding policy. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to be insufficient to make all projected benefit payments to current plan members. Therefore, the long-term expected rate of return on the OPEB Plan assets is applied to the projected benefits payments which the fiduciary net position is expected to be sufficient to cover until fiscal year 2089 and the municipal bond rate is applied thereafter. The municipal bond rate is based on the S&P Municipal Bond 20 – Year High Grade Index ("SAPIHG"), which was 4.13% as of June 30, 2023. The S&P Municipal Bond 20 - Year High Grade Index is the index rate for 20 – Year, tax exempt general obligation municipal bonds with an average rate of AA/Aa or higher.

*Changes in the Town's (non-BELD) Net OPEB Liability*

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at June 30, 2022.....	\$ 190,019,240	\$ 13,198,569	\$ 176,820,671
Changes for the year:			
Service cost.....	3,652,673	-	3,652,673
Interest.....	12,100,074	-	12,100,074
Differences between expected and actual experience...	-	-	-
Changes in assumptions and other inputs.....	1,999,266	-	1,999,266
Net investment income.....	-	805,642	(805,642)
Employer contributions to Trust.....	-	8,086,375	(8,086,375)
Benefit payments.....	(7,552,275)	(7,552,275)	-
Net change.....	10,199,738	1,339,742	8,859,996
Balances at June 30, 2023.....	\$ 200,218,978	\$ 14,538,311	\$ 185,680,667

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

The following table presents the net other postemployment benefit liability, calculated using the discount rate of 6.28%, as well as what the net other postemployment benefit liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.28%) or 1-percentage-point higher (7.28%) than the current discount rate.

	1% Decrease (5.28%)	Current Discount Rate (6.28%)	1% Increase (7.28%)
Net OPEB liability.....	\$ 214,640,476	\$ 185,680,667	\$ 162,214,281

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

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

	1% Decrease	Current Trend	1% Increase
Net OPEB liability.....	\$ 159,612,170	\$ 185,680,667	\$ 218,323,333

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

For the year ended June 30, 2023, the GASB Statement #75 measurement date, the Town recognized OPEB expense of \$20,692,188. At June 30, 2023, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Deferred Category	Deferred Outflows of Resources	Deferred Inflows of Resources	Total
Differences between expected and actual experience.....	\$ 4,500,627	\$ (8,650,619)	\$ (4,149,992)
Difference between projected and actual earnings, net.....	-	(114,245)	(114,245)
Changes in assumptions.....	<u>44,755,213</u>	<u>-</u>	<u>44,755,213</u>
Total deferred outflows/(inflows) of resources.....	<u>\$ 49,255,840</u>	<u>\$ (8,764,864)</u>	<u>\$ 40,490,976</u>

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

Year ended June 30:

2024.....	\$ 13,597,794
2025.....	13,689,802
2026.....	8,328,011
2027.....	4,542,158
2028.....	<u>333,211</u>
Total.....	<u>\$ 40,490,976</u>

*Changes in Assumptions*

- The discount rate decreased from 6.37% to 6.28%.

*Changes in Plan Provisions*

None.

***OPEB Employer Financial Reporting for the Braintree Electric Light Department (BELD)***

*Summary of Significant Accounting Policies*

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Plan and additions to/deductions from the Plan’s fiduciary net position related to the Braintree Electric Light Department (BELD) have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts (repurchase agreements) that have a maturity at the time of purchase of one year or less, which are reported at cost, whenever applicable.

*Measurement Date*

GASB Statement #75 requires the net OPEB liability to be measured as of a date no earlier than the end of the employer’s prior fiscal year and no later than the end of the employer’s current fiscal year, consistently applied from period to period. Accordingly, the net OPEB liability for the BELD was measured as of December 31, 2022, and the total OPEB liability for the BELD used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2021, that was rolled forward to the measurement date.

*Employees Covered by Benefit Terms*

The following table represents the Plan’s membership related to the BELD at December 31, 2022:

Active members.....	85
Inactive employees or beneficiaries currently receiving benefits.....	<u>91</u>
Total.....	<u><u>176</u></u>

*Components of the BELD’s OPEB Liability*

The following table represents the components of the Plan’s Net OPEB liability related to the BELD as of December 31, 2022:

Total OPEB liability.....	\$ 11,634,896
Less: OPEB plan’s fiduciary net position.....	<u>(8,279,830)</u>
Net OPEB liability.....	<u><u>\$ 3,355,066</u></u>
The OPEB plan’s fiduciary net position as a percentage of the total OPEB liability.....	71.16%

*Significant Actuarial Methods and Assumptions*

The total OPEB liability in the January 1, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified, to be in accordance with GASB Statement #75:

Valuation date.....	January 1, 2021
Inflation.....	2.50%.
Investment rate of return.....	6.30% net of OPEB investment expense, including inflation.
Healthcare cost trend rate.....	Currently 4.50%.
Municipal bond rate.....	4.31% as of December 31, 2022 (source: S&P Municipal Bond 20-Year High Grade Index-SAPIHG).

Pre-retirement mortality.....	RP-2014 Mortality Table for Blue Collar Employees projected generationally with scale MP-2016 for males and females, set forward 1 year for females.
Post-retirement mortality.....	RP-2014 Mortality Table for Blue Collar Healthy Annuitant projected generationally with scale MP-2016 for males and females, set forward 1 year for females.
Disabled mortality.....	RP-2014 Mortality Table for Blue Collar Healthy Annuitant projected generationally with scale MP-2016 for males and females, set forward 1 year.

**Rate of Return**

For the year ended December 31, 2022, the annual money-weighted rate of return on investments, net of investment expense, was -11.41%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return of by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the OPEB plan’s target asset allocation as of December 31, 2022, are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity - large cap.....	14.50%	4.10%
Domestic equity - small/mid cap.....	3.50%	4.55%
International equity - developed market..	16.00%	4.64%
International equity - emerging market...	6.00%	5.45%
Domestic fixed income.....	20.00%	1.05%
International fixed income.....	3.00%	0.96%
Alternatives.....	23.00%	5.95%
Real estate.....	14.00%	6.25%
 Total.....	 <u>100.00%</u>	

**Discount Rate**

The discount rate used to measure the total OPEB liability was 6.30% as of December 31, 2022. The projection of cash flows used to determine the discount rate assumed that contributions will be made in accordance with the Plan’s funding policy. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to be sufficient to make all projected benefit payments to current plan members. Therefore, the long-term expected rate of return on the OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

*Changes in the Net OPEB Liability*

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance at December 31, 2021.....	\$ 10,991,328	\$ 8,790,159	\$ 2,201,169
Changes for the year:			
Service cost.....	242,738	-	242,738
Interest.....	711,566	-	711,566
Changes in assumptions and other inputs.....	272,232	-	272,232
Net investment income.....	-	(1,030,329)	1,030,329
Employer contributions to Trust.....	-	1,102,968	(1,102,968)
Benefit payments.....	(582,968)	(582,968)	-
Net change.....	643,568	(510,329)	1,153,897
Balance at December 31, 2022.....	\$ <u>11,634,896</u>	\$ <u>8,279,830</u>	\$ <u>3,355,066</u>

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

The following table presents the net other postemployment benefit liability, calculated using the discount rate of 6.30%, as well as what the net other postemployment benefit liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.30%) or 1-percentage-point higher (7.30%) than the current discount rate.

	1% Decrease (5.30%)	Current Discount Rate (6.30%)	1% Increase (7.30%)
Net OPEB liability.....	\$ <u>4,915,208</u>	\$ <u>3,355,066</u>	\$ <u>2,090,067</u>

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

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

	1% Decrease	Current Trend	1% Increase
Net OPEB liability.....	\$ <u>1,946,342</u>	\$ <u>3,355,066</u>	\$ <u>5,102,507</u>

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

For the year ended December 31, 2022, the GASB Statement #75 measurement date, the BELD recognized OPEB expense of \$860,846. At December 31, 2022, the BELD reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Deferred Category	Deferred Outflows of Resources	Deferred Inflows of Resources	Total
Differences between expected and actual experience.....	\$ 56,985	\$ (96,221)	\$ (39,236)
Difference between projected and actual earnings, net....	478,579	-	478,579
Changes in assumptions.....	1,187,228	-	1,187,228
Total deferred outflows/(inflows) of resources.....	\$ 1,722,792	\$ (96,221)	\$ 1,626,571

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

Year ended December 31:

2023.....	\$ 404,015
2024.....	424,055
2025.....	421,990
2026.....	376,511
Total.....	\$ 1,626,571

*Changes in Assumptions*

- The discount rate decreased from 6.50% to 6.30%.

*Changes in Plan Provisions*

None.

**NOTE 12 – FINANCIAL STATEMENTS FOR PENSION AND OTHER POSTEMPLOYMENT BENEFITS TRUST FUNDS**

GAAP requires that all Pension and Other Postemployment Trust Funds be combined and presented in one column in the Fiduciary Funds financial statements and that the individual financial statements for each trust fund plan are reported in the notes to the financial statements. Provided below are the individual financial statements for the pension and OPEB plans that are included in the Fiduciary Funds as Pension and Other Postemployment Benefit Trust Funds.

	Pension Trust Fund (as of December 31, 2022)	Town's Other Postemployment Benefit Trust Fund	BELD's Other Postemployment Benefit Trust Fund (as of December 31, 2022)	Total Pension and Other Employee Benefit Trust Funds
<b>ASSETS</b>				
Cash and cash equivalents.....	\$ 712,364	\$ 61,751	\$ -	\$ 774,115
Investments:				
Investments in Pension Reserve Investment Trust....	17,364,403	14,476,560	8,279,830	40,120,793
Equity securities.....	271,580	-	-	271,580
Equity mutual funds.....	135,012,642	-	-	135,012,642
Fixed income mutual funds.....	54,077,864	-	-	54,077,864
Pooled alternative investments.....	44,577,623	-	-	44,577,623
Receivables, net of allowance for uncollectibles:				
Departmental and other.....	6,254	-	-	6,254
<b>TOTAL ASSETS.....</b>	<b>252,022,730</b>	<b>14,538,311</b>	<b>8,279,830</b>	<b>274,840,871</b>
<b>LIABILITIES</b>				
Warrants payable.....	20,254	-	-	20,254
<b>NET POSITION</b>				
Restricted for pensions.....	252,002,476	-	-	252,002,476
Restricted for other postemployment benefits.....	-	14,538,311	8,279,830	22,818,141
<b>TOTAL NET POSITION.....</b>	<b>\$ 252,002,476</b>	<b>\$ 14,538,311</b>	<b>\$ 8,279,830</b>	<b>\$ 274,820,617</b>

	Pension Trust Fund (as of December 31, 2022)	Town's Other Postemployment Benefit Trust Fund	BELD's Other Postemployment Benefit Trust Fund (as of December 31, 2022)	Total Pension and Other Employee Benefit Trust Funds
<b>ADDITIONS:</b>				
Contributions:				
Employer contributions.....	\$ 13,617,567	\$ 534,100	\$ 520,000	\$ 14,671,667
Employer contributions for other postemployment benefit payments.....	-	7,552,275	372,645	7,924,920
Member contributions.....	5,204,633	-	-	5,204,633
Transfers from other systems.....	230,448	-	-	230,448
3(8)c contributions from other systems.....	507,189	-	-	507,189
State COLA reimbursements.....	77,581	-	-	77,581
Intergovernmental.....	66,459	-	-	66,459
<b>Total contributions.....</b>	<b>19,703,877</b>	<b>8,086,375</b>	<b>892,645</b>	<b>28,682,897</b>
Net investment income:				
Investment income (loss).....	(29,708,243)	874,740	(1,030,329)	(29,863,832)
Less: investment expense.....	(1,712,597)	(69,098)	-	(1,781,695)
<b>Net investment income (loss).....</b>	<b>(31,420,840)</b>	<b>805,642</b>	<b>(1,030,329)</b>	<b>(31,645,527)</b>
<b>TOTAL ADDITIONS.....</b>	<b>(11,716,963)</b>	<b>8,892,017</b>	<b>(137,684)</b>	<b>(2,962,630)</b>
<b>DEDUCTIONS:</b>				
Administration.....	361,221	-	-	361,221
Transfers to other systems.....	631,430	-	-	631,430
3(8)c transfer to other systems.....	638,940	-	-	638,940
Retirement benefits and refunds.....	21,430,556	-	-	21,430,556
Other postemployment benefit payments.....	-	7,552,275	372,645	7,924,920
<b>TOTAL DEDUCTIONS.....</b>	<b>23,062,147</b>	<b>7,552,275</b>	<b>372,645</b>	<b>30,987,067</b>
<b>NET INCREASE IN NET POSITION.....</b>	<b>(34,779,110)</b>	<b>1,339,742</b>	<b>(510,329)</b>	<b>(33,949,697)</b>
<b>NET POSITION AT BEGINNING OF YEAR.....</b>	<b>286,781,586</b>	<b>13,198,569</b>	<b>8,790,159</b>	<b>308,770,314</b>
<b>NET POSITION AT END OF YEAR.....</b>	<b>\$ 252,002,476</b>	<b>\$ 14,538,311</b>	<b>\$ 8,279,830</b>	<b>\$ 274,820,617</b>

**NOTE 13 – COMMITMENTS**

Under the terms of an Administrative Consent Order (ACO) from the Commonwealth’s Department of Environmental Protection, the Town is obligated to make various repairs and improvements to its sewer and drainage system. Accordingly, the Town has expended over \$23.5 million on improvements to the system over the last 19 years to comply with the ACO.

The Town has entered into contracts totaling approximately \$57.3 million for various water and public works projects. The Town has authorized water treatment system, sewer system work, school construction and a portion of a regional water treatment plant and public works renovations of approximately \$99.3 million less approximately \$8.0 million in MSBA reimbursement for the South Middle School for a net of \$91.3 million. The Town Council on February 13, 2020, passed four school capital articles subject to a debt exclusion vote that was delayed due to COVID-19 and court action extended the vote deadline to September 30, 2020. The debt exclusion vote by the Town Council occurred on September 26, 2020, and all four articles passed totaling \$94.1 million.

The South Middle School project of \$86.6 million has an MSBA reimbursement rate of 53.96% of eligible costs. The MSBA estimated grant for the South Middle School is estimated at \$31.0 million. In November 2021, the Town issued \$50 million in 25-year bonds for the new South Middle School at an average interest rate of 1.988%.

The general fund has various commitments for goods and services related to articles and encumbrances totaling \$1,217,016 and \$1,549,434, respectively.

Seabrook Project

BELD has entered into a power sales agreement, as a participant in Nuclear Project No. 5, with Massachusetts Municipal Wholesale Electric Company (MMWEC) for a share of the power supply capability of Seabrook Unit 1. BELD effectively participates in a 0.6% (7 MW) share of Seabrook Unit 1. Under the terms of the power sales agreement, BELD is obligated to pay for its share of MMWEC's actual operating and capital costs, including decommissioning, interest and financing costs related to this generating unit. Seabrook Unit 1 began commercial operations in 1990 and its operating license expires in 2050. BELD's obligations to pay are not contingent on the future operation of the unit. The expected annual payment for 2023 is \$1,749,000 with future annual payments expected to increase as the Project's O&M expenses increase.

As of December 31, 2019, MMWEC has no debt service obligations outstanding related to the Projects BELD participates in. The Seabrook bonds were paid off in full in June 2018.

**NOTE 14 – CONTINGENCIES**

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

The BELD is subject, like other electric utilities, to evolving standards administered by federal, state and local authorities relating to the quality of the environment. These standards affect the siting of electric property, ambient air and water quality, plant safety and other environmental factors. These standards have had an impact on the BELD's operations in the past and they will continue to have an impact on future operations, capital costs and construction schedules.

Various legal actions and claims are pending. Litigation is subject to many uncertainties, and the outcome of individual litigated matters is not always predictable. Although the amount of liability, if any, at June 30, 2023, cannot be ascertained, management believes any resulting liability should not materially affect the financial statements at June 30, 2023.

**NOTE 15 – SUBSEQUENT EVENTS**

Management has evaluated subsequent events through February 16, 2024, which is the date the financial statements were available to be issued.

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

During 2023, the following GASB pronouncements were implemented:

- GASB Statement #91, *Conduit Debt Obligations*. This pronouncement did not impact the annual comprehensive financial report.
- GASB Statement #94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. This pronouncement did not impact the annual comprehensive financial report.

- GASB Statement #96, *Subscription-Based Information Technology Arrangements*. This pronouncement did not impact the annual comprehensive financial report.
- GASB Statement #99, *Omnibus 2022*. This pronouncement did not impact the annual comprehensive financial report.

The following GASB pronouncements will be implemented in the future:

- The GASB issued Statement #100, *Accounting Changes and Error Corrections*, which is required to be implemented in 2024.
- The GASB issued Statement #101, *Compensated Absences*, which is required to be implemented in 2025.

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

***Required Supplementary Information***

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

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

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

YEAR ENDED JUNE 30, 2023

	Budgeted Amounts		Actual Budgetary Amounts	Amounts Carried Forward to Next Year	Variance to Final Budget
	Original Budget	Final Budget			
<b>REVENUES:</b>					
Real estate and personal property taxes, net of tax refunds.....	\$ 107,257,412	\$ 107,454,500	\$ 107,640,503	\$ -	\$ 186,003
Tax liens.....	-	-	249,087	-	249,087
Motor vehicle and other excise taxes.....	6,480,690	6,480,690	7,503,944	-	1,023,254
Hotel/motel tax.....	1,303,000	1,303,000	1,709,750	-	406,750
Meals tax.....	1,306,000	1,306,000	1,347,991	-	41,991
Penalties and interest on taxes.....	258,000	258,000	303,570	-	45,570
Payments in lieu of taxes.....	2,290,000	2,290,000	2,464,236	-	174,236
Intergovernmental - state aid.....	26,522,502	26,522,502	26,466,860	-	(55,642)
Intergovernmental - other.....	-	-	11,344	-	11,344
Departmental and other.....	6,358,360	6,358,360	9,341,634	-	2,983,274
Investment income.....	934,400	934,400	2,428,684	-	1,494,284
<b>TOTAL REVENUES.....</b>	<b>152,710,364</b>	<b>152,907,452</b>	<b>159,467,603</b>	<b>-</b>	<b>6,560,151</b>
<b>EXPENDITURES:</b>					
Current:					
General Government:					
Town Council					
Administration.....	211,307	210,204	197,160	9,039	4,005
Internal Audit.....	83,766	82,882	60,447	7,000	15,435
<b>Total.....</b>	<b>295,073</b>	<b>293,086</b>	<b>257,607</b>	<b>16,039</b>	<b>19,440</b>
Mayor's Office					
Administration.....	481,465	486,696	448,765	1,035	36,896
Substance Use Prevention.....	89,148	90,800	88,050	39	2,711
<b>Total.....</b>	<b>570,613</b>	<b>577,496</b>	<b>536,815</b>	<b>1,074</b>	<b>39,607</b>
Finance Department					
Administration.....	1,293,367	713,788	681,220	26,029	6,539
Accounting.....	340,740	340,740	322,289	15,841	2,610
Assessing.....	308,281	293,332	249,556	-	43,776
Information Technology.....	708,496	704,355	633,759	16,248	54,348
General Insurances.....	978,623	1,004,623	997,830	6,700	93
Treasurer/Collector.....	627,163	630,136	613,749	334	16,053
Bond Principal.....	6,332,733	6,202,800	6,202,800	-	-
Bond Interest.....	4,026,498	4,005,950	4,005,950	-	-
Articles.....	160,317	160,317	-	160,317	-
<b>Total.....</b>	<b>14,776,218</b>	<b>14,056,041</b>	<b>13,707,153</b>	<b>225,469</b>	<b>123,419</b>
Law Department					
Administration.....	198,784	207,559	203,854	2,434	1,271
Human Resources					
Administration.....	814,592	828,775	801,183	3,922	23,670
Employee Benefits.....	21,519,829	21,081,578	19,917,806	61,361	1,102,411
Veterans Benefits.....	439,635	359,635	341,987	39	17,609
Celebrations.....	4,000	4,000	2,057	-	1,943
<b>Total.....</b>	<b>22,778,056</b>	<b>22,273,988</b>	<b>21,063,033</b>	<b>65,322</b>	<b>1,145,633</b>
Town Clerk					
Administration.....	148,821	150,594	145,866	39	4,689
Elections.....	146,663	146,663	88,173	6,271	52,219
Registration.....	216,853	216,853	214,864	-	1,989
<b>Total.....</b>	<b>512,337</b>	<b>514,110</b>	<b>448,903</b>	<b>6,310</b>	<b>58,897</b>

(Continued)

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

YEAR ENDED JUNE 30, 2023

	Budgeted Amounts		Actual Budgetary Amounts	Amounts Carried Forward to Next Year	Variance to Final Budget
	Original Budget	Final Budget			
<b>Planning and Community Development</b>					
Administration.....	316,391	310,691	306,655	3,902	134
Planning.....	12,554	12,104	3,567	7,337	1,200
Conservation.....	156,889	154,389	121,804	26,579	6,006
Zoning Board of Appeals.....	82,591	41,591	17,126	-	24,465
Economic Development.....	117,503	100,172	31,266	68,709	197
Fair Housing Commission.....	950	950	-	-	950
Historical Commission.....	13,957	13,957	1,536	6,096	6,325
Capital Projects.....	1,247,180	1,247,180	1,199,279	47,901	-
Total.....	1,948,015	1,881,034	1,681,233	160,524	39,277
<b>Total General Government.....</b>	<b>41,079,096</b>	<b>39,803,314</b>	<b>37,898,598</b>	<b>477,172</b>	<b>1,427,544</b>
<b>Public Safety:</b>					
<b>Police</b>					
Administration.....	1,391,998	1,394,003	1,379,260	14,275	468
Building Maintenance.....	119,970	147,343	128,116	8,337	10,890
Equipment Maintenance.....	207,597	261,261	260,645	616	-
Patrol Bureau.....	7,490,742	6,767,483	6,754,425	4,185	8,873
Communications.....	608,505	608,158	600,252	371	7,535
Detective Bureau.....	1,651,306	1,650,755	1,650,405	347	3
Special Services/Community Policing.....	832,571	842,328	839,921	-	2,407
Harbormaster.....	4,088	7,089	4,089	-	3,000
Animal Control.....	76,884	76,517	72,612	1,417	2,488
Total.....	12,383,661	11,754,937	11,689,725	29,548	35,664
<b>Fire</b>					
Administration.....	287,936	322,516	315,555	6,446	515
Building Maintenance.....	92,900	147,101	145,138	1,915	48
Equipment Maintenance.....	118,803	174,289	160,978	12,822	489
Fire Suppression.....	8,784,161	9,324,164	9,293,624	18,859	11,681
Fire Alarm Repair.....	150,803	152,649	144,615	-	8,034
Fire Hazmat.....	132,941	138,787	138,736	-	51
Fire Prevention.....	133,441	136,787	136,534	-	253
Training.....	119,711	145,556	144,750	-	806
Fire Boat.....	28,511	37,098	21,678	-	15,420
Capital Projects.....	52,387	52,387	-	52,387	-
Total.....	9,901,594	10,631,334	10,501,608	92,429	37,297
<b>Municipal Licenses and Inspection</b>					
Administration.....	237,618	239,427	229,945	638	8,844
Equipment Maintenance.....	1,200	1,800	1,358	230	212
Commission on Disabilities.....	1,014	1,014	610	50	354
Inspections/Code Enforcement.....	452,663	453,925	378,860	-	75,065
Health.....	229,264	229,464	208,948	135	20,381
Articles.....	367,789	367,789	13,589	354,200	-
Total.....	1,289,548	1,293,419	833,310	355,253	104,856
<b>Total Public Safety.....</b>	<b>23,574,803</b>	<b>23,679,690</b>	<b>23,024,643</b>	<b>477,230</b>	<b>177,817</b>
<b>Education:</b>					
Education.....	74,085,204	70,005,641	67,642,007	522,280	1,841,354
Regional School District.....	2,831,399	2,768,010	2,768,010	-	-
Capital Projects.....	189,087	189,087	33,008	156,079	-
Total Education.....	77,105,690	72,962,738	70,443,025	678,359	1,841,354

(Continued)

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

YEAR ENDED JUNE 30, 2023

	Budgeted Amounts		Actual Budgetary Amounts	Amounts Carried Forward to Next Year	Variance to Final Budget
	Original Budget	Final Budget			
<b>Public Works:</b>					
<b>Public Works</b>					
Administration.....	681,692	685,317	645,363	1,110	38,844
Building Maintenance.....	1,484,704	1,794,238	1,577,176	40,108	176,954
Equipment Maintenance.....	352,199	437,199	431,771	4,900	528
Engineering.....	223,184	177,997	103,362	74,079	556
Construction Administration.....	163,871	156,271	143,410	1,132	11,729
Highway.....	1,270,104	1,269,812	1,236,548	13,675	19,589
Drains.....	10,000	10,000	6,424	3,500	76
Sidewalks.....	29,400	29,400	28,710	192	498
Street Lighting.....	300,000	300,000	224,665	14,597	60,738
Traffic.....	134,771	154,771	153,754	7	1,010
Snow and Ice.....	600,000	550,619	536,767	-	13,852
Environmental Affairs and Waste Collection.....	3,097,106	3,172,502	2,776,527	292,057	103,918
Cemetery.....	147,206	145,205	145,205	-	-
Maintenance Town Hall.....	118,096	118,096	89,561	26	28,509
Recreation and Community Events.....	318,115	283,885	270,857	13,000	28
School Custodians.....	-	2,747,039	2,722,095	24,000	944
School maintenance.....	-	1,250,893	1,151,395	15,264	84,234
Grounds Maintenance.....	591,105	611,105	611,039	-	66
School Utilities.....	-	1,835,626	1,444,338	185,442	205,846
Summer Programs.....	230,000	195,000	193,232	-	1,768
Brawley Recreation.....	136,351	136,351	136,351	-	-
Articles.....	525,191	525,191	177,103	348,088	-
<b>Total Public Works.....</b>	<b>10,413,095</b>	<b>16,586,517</b>	<b>14,805,653</b>	<b>1,031,177</b>	<b>749,687</b>
<b>Human Services:</b>					
<b>Council on Aging</b>					
Administration.....	247,745	251,462	239,986	44	11,432
Equipment Maintenance.....	60,189	63,389	62,809	185	395
Building Maintenance.....	18,397	21,397	18,553	22	2,822
Articles.....	37,815	37,815	-	37,815	-
<b>Total Human Services.....</b>	<b>364,146</b>	<b>374,063</b>	<b>321,348</b>	<b>38,066</b>	<b>14,649</b>
<b>Culture and Recreation:</b>					
<b>Library</b>					
Administration.....	254,357	256,061	239,877	-	16,184
Building Maintenance.....	89,392	89,393	75,483	11	13,899
Equipment Maintenance.....	500	500	-	-	500
Technology.....	57,000	57,000	56,956	-	44
Current Topics and Titles.....	1,010,088	943,709	848,041	-	95,668
Lifelong Learning.....	155,042	155,042	154,046	-	996
Community Commons.....	14,835	14,835	5,253	4,206	5,376
Articles.....	54,229	60,229	-	60,229	-
<b>Total Culture and Recreation.....</b>	<b>1,635,443</b>	<b>1,576,769</b>	<b>1,379,656</b>	<b>64,446</b>	<b>132,667</b>
State and County Assessments.....	4,620,925	4,620,925	4,728,638	-	(107,713)
<b>TOTAL EXPENDITURES.....</b>	<b>158,793,198</b>	<b>159,604,016</b>	<b>152,601,561</b>	<b>2,766,450</b>	<b>4,236,005</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>(6,082,834)</b>	<b>(6,696,564)</b>	<b>6,866,042</b>	<b>(2,766,450)</b>	<b>10,796,156</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in.....	1,984,885	1,984,885	2,954,275	-	969,390
Transfers out.....	(51,507)	(51,507)	(51,507)	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES).....</b>	<b>1,933,378</b>	<b>1,933,378</b>	<b>2,902,768</b>	<b>-</b>	<b>969,390</b>
<b>NET CHANGE IN FUND BALANCE.....</b>	<b>(4,149,456)</b>	<b>(4,763,186)</b>	<b>9,768,810</b>	<b>(2,766,450)</b>	<b>11,765,546</b>
<b>BUDGETARY FUND BALANCE, Beginning of year.....</b>	<b>15,021,983</b>	<b>15,021,983</b>	<b>15,021,983</b>	<b>-</b>	<b>-</b>
<b>BUDGETARY FUND BALANCE, End of year.....</b>	<b>\$ 10,872,527</b>	<b>\$ 10,258,797</b>	<b>\$ 24,790,793</b>	<b>\$ (2,766,450)</b>	<b>\$ 11,765,546</b>

(Concluded)

See notes to required supplementary information.

# ***Pension Plan Schedules – Retirement System***

The Pension Plan's Schedule of Changes in the Net Pension Liability and Related Ratios presents multi-year trend information on the net pension liability and related ratios.

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

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

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

**SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY  
AND RELATED RATIOS  
BRAINTREE CONTRIBUTORY RETIREMENT SYSTEM**

	December 31, 2014	December 31, 2015	December 31, 2016	December 31, 2017
<b>Total pension liability:</b>				
Service cost.....	\$ 6,023,441	\$ 6,023,441	\$ 7,011,992	\$ 7,317,237
Interest.....	18,204,152	19,380,005	21,147,039	22,115,653
Changes in benefit terms.....	-	-	-	-
Differences between expected and actual experience.....	-	1,815,050	-	(3,576,168)
Changes in assumptions.....	-	9,995,718	-	7,136,232
Benefit payments.....	<u>(15,009,048)</u>	<u>(15,148,464)</u>	<u>(15,656,177)</u>	<u>(16,251,114)</u>
Net change in total pension liability.....	9,218,545	22,065,750	12,502,854	16,741,840
Total pension liability - beginning.....	<u>242,396,817</u>	<u>251,615,362</u>	<u>273,681,112</u>	<u>286,183,966</u>
Total pension liability - ending (a).....	<u>\$ 251,615,362</u>	<u>\$ 273,681,112</u>	<u>\$ 286,183,966</u>	<u>\$ 302,925,806</u>
<b>Plan fiduciary net position:</b>				
Employer contributions.....	\$ 8,455,791	\$ 8,771,129	\$ 9,165,831	\$ 9,899,098
Member contributions.....	4,658,478	3,889,183	4,043,379	4,482,120
Net investment income (loss).....	9,407,198	(2,891,404)	14,033,058	27,290,344
Administrative expenses.....	(267,893)	(266,847)	(314,174)	(287,298)
Retirement benefits and refunds.....	(15,009,048)	(15,148,464)	(15,656,177)	(16,251,114)
Other receipts.....	<u>-</u>	<u>54,614</u>	<u>124,202</u>	<u>45,984</u>
Net increase (decrease) in fiduciary net position.....	7,244,526	(5,591,789)	11,396,119	25,179,134
Fiduciary net position - beginning of year.....	<u>165,581,123</u>	<u>172,825,649</u>	<u>167,233,860</u>	<u>178,629,979</u>
Fiduciary net position - end of year (b).....	<u>\$ 172,825,649</u>	<u>\$ 167,233,860</u>	<u>\$ 178,629,979</u>	<u>\$ 203,809,113</u>
<b>Net pension liability - ending (a)-(b).....</b>	<u><b>\$ 78,789,713</b></u>	<u><b>\$ 106,447,252</b></u>	<u><b>\$ 107,553,987</b></u>	<u><b>\$ 99,116,693</b></u>
Plan fiduciary net position as a percentage of the total pension liability.....	68.69%	61.11%	62.42%	67.28%
Covered payroll.....	\$ 38,444,353	\$ 39,982,127	\$ 47,022,635	\$ 44,507,860
Net pension liability as a percentage of covered payroll.....	204.94%	266.24%	228.73%	222.69%

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

See notes to required supplementary information.

	December 31, 2018	December 31, 2019	December 31, 2020	December 31, 2021	December 31, 2022
\$	7,670,520	\$ 7,986,180	\$ 8,028,788	\$ 8,574,559	\$ 8,977,523
	23,130,160	24,198,975	24,710,706	25,608,812	26,330,237
	-	-	-	-	2,839,577
	-	(8,256,697)	-	1,738,887	-
	-	1,113,050	4,926,363	6,347,421	-
	<u>(16,567,488)</u>	<u>(17,716,875)</u>	<u>(18,960,140)</u>	<u>(20,572,679)</u>	<u>(21,430,556)</u>
	14,233,192	7,324,633	18,705,717	21,697,000	16,716,781
	<u>302,925,806</u>	<u>317,158,998</u>	<u>324,483,631</u>	<u>343,189,348</u>	<u>364,886,348</u>
\$	<u>317,158,998</u>	<u>324,483,631</u>	<u>343,189,348</u>	<u>364,886,348</u>	<u>381,603,129</u>
\$	10,691,027	\$ 11,546,309	\$ 12,470,014	\$ 13,031,166	\$ 13,617,567
	4,656,331	4,363,649	4,717,168	4,236,221	4,573,203
	(9,887,273)	34,052,281	29,217,239	37,211,281	(31,420,840)
	(290,686)	(287,102)	(265,418)	(310,279)	(361,221)
	(16,567,488)	(17,716,875)	(18,960,140)	(20,572,679)	(21,430,556)
	<u>304,060</u>	<u>288,424</u>	<u>508,050</u>	<u>537,193</u>	<u>242,737</u>
	(11,094,029)	32,246,686	27,686,913	34,132,903	(34,779,110)
	<u>203,809,113</u>	<u>192,715,084</u>	<u>224,961,770</u>	<u>252,648,683</u>	<u>286,781,586</u>
\$	<u>192,715,084</u>	<u>224,961,770</u>	<u>252,648,683</u>	<u>286,781,586</u>	<u>252,002,476</u>
\$	<u>124,443,914</u>	<u>99,521,861</u>	<u>90,540,665</u>	<u>78,104,762</u>	<u>129,600,653</u>
	60.76%	69.33%	73.62%	78.59%	66.04%
\$	47,744,449	\$ 46,013,628	\$ 51,062,856	\$ 48,425,798	\$ 48,256,550
	260.65%	216.29%	177.31%	161.29%	268.57%

**SCHEDULE OF CONTRIBUTIONS**  
**BRAINTREE CONTRIBUTORY RETIREMENT SYSTEM**

Year	Actuarially determined contribution	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
December 31, 2022.....	\$ 13,617,567	\$ (13,617,567)	-	\$ 48,256,550	28.22%
December 31, 2021.....	13,031,166	(13,031,166)	-	48,425,798	26.91%
December 31, 2020.....	12,470,014	(12,470,014)	-	51,062,856	24.42%
December 31, 2019.....	11,546,309	(11,546,309)	-	46,013,628	25.09%
December 31, 2018.....	10,691,027	(10,691,027)	-	47,744,449	22.39%
December 31, 2017.....	9,899,098	(9,899,098)	-	44,507,860	22.24%
December 31, 2016.....	9,165,831	(9,165,831)	-	47,022,635	19.49%
December 31, 2015.....	8,771,129	(8,771,129)	-	39,982,127	21.94%
December 31, 2014.....	8,455,791	(8,455,791)	-	38,444,353	21.99%

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

See notes to required supplementary information.

**SCHEDULE OF INVESTMENT RETURNS**  
**BRAINTREE CONTRIBUTORY RETIREMENT SYSTEM**

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Year	Annual money-weighted rate of return, net of investment expense
December 31, 2022.....	-11.01%
December 31, 2021.....	14.83%
December 31, 2020.....	13.18%
December 31, 2019.....	17.78%
December 31, 2018.....	-4.75%
December 31, 2017.....	15.45%
December 31, 2016.....	8.49%
December 31, 2015.....	-1.70%
December 31, 2014.....	5.73%

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

See notes to required supplementary information.

# ***Pension Plan Schedules – Town & Electric Light Department***

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

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

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

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

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

**SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE  
OF THE NET PENSION LIABILITY  
BRAINTREE CONTRIBUTORY RETIREMENT SYSTEM**

Year	Proportion of the net pension liability (asset)	Proportionate share of the net pension liability (asset)	Covered payroll	Net pension liability as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
June 30, 2023.....	80.01%	\$ 103,693,489	\$ 38,601,955	268.62%	66.04%
June 30, 2022.....	79.38%	62,000,880	38,446,369	161.27%	78.59%
June 30, 2021.....	77.94%	70,569,332	39,795,259	177.33%	73.62%
June 30, 2020.....	77.52%	77,152,538	35,671,240	216.29%	69.33%
June 30, 2019.....	76.60%	95,327,348	36,573,518	260.65%	60.76%
June 30, 2018.....	75.81%	75,137,651	35,646,572	210.79%	67.28%
June 30, 2017.....	76.94%	82,751,470	36,176,897	228.74%	62.42%
June 30, 2016.....	76.75%	72,633,217	30,706,775	236.54%	61.11%
June 30, 2015.....	75.87%	59,777,226	29,167,473	204.94%	68.69%

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

See notes to required supplementary information.

**SCHEDULE OF THE ELECTRIC LIGHT DEPARTMENT'S PROPORTIONATE SHARE  
OF THE NET PENSION LIABILITY  
BRAINTREE CONTRIBUTORY RETIREMENT SYSTEM**

Year ending	Proportion of the net pension liability (asset)	Proportionate share of the net pension liability (asset)	Covered payroll	Net pension liability as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
December 31, 2022.....	19.69%	\$ 15,198,475	\$ 9,424,482	161.27%	78.59%
December 31, 2021.....	21.14%	18,922,208	10,670,558	177.33%	73.62%
December 31, 2020.....	21.53%	21,168,551	9,795,509	216.10%	69.33%
December 31, 2019.....	22.36%	27,446,641	10,530,244	260.65%	60.76%
December 31, 2018.....	23.17%	22,658,555	10,749,374	210.79%	67.28%
December 31, 2017.....	22.02%	23,367,368	10,215,635	228.74%	62.42%
December 31, 2016.....	22.70%	23,312,268	9,902,018	235.43%	61.11%
December 31, 2015.....	21.90%	17,885,794	8,727,126	204.94%	68.69%

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

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

The Electric Light Enterprise Fund year end is December 31st, while the Town is June 30th.

The Electric Light Enterprise Fund's initial implementation of GASB 68 was for the year ended December 31, 2015 and used the measurement date of December 31, 2014.

See notes to required supplementary information.

**SCHEDULE OF THE TOWN'S CONTRIBUTIONS  
BRAINTREE CONTRIBUTORY RETIREMENT SYSTEM**

Year ending	Actuarially determined contribution	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
<b>Town of Braintree (1):</b>					
June 30, 2023.....	\$ 10,895,416	\$ (10,895,416)	-	\$ 39,373,994	27.67%
June 30, 2022.....	10,344,359	(10,344,359)	-	39,215,296	26.38%
June 30, 2021.....	9,719,396	(9,719,396)	-	40,591,164	23.94%
June 30, 2020.....	8,951,069	(8,951,069)	-	36,384,665	24.60%
June 30, 2019.....	8,189,611	(8,189,611)	-	37,304,988	21.95%
June 30, 2018.....	7,561,879	(7,561,879)	-	36,359,503	20.80%
June 30, 2017.....	6,957,634	(6,957,634)	-	36,900,435	18.86%
June 30, 2016.....	6,638,150	(6,638,150)	-	31,320,911	21.19%
June 30, 2015.....	6,247,261	(6,247,261)	-	29,750,822	21.00%
<b>Electric Light Department:</b>					
December 31, 2022.....	\$ 2,535,746	\$ (2,535,746)	-	\$ 9,424,482	26.91%
December 31, 2021.....	2,606,124	(2,606,124)	-	10,670,558	24.42%
December 31, 2020.....	2,455,929	(2,455,929)	-	9,795,509	25.07%
December 31, 2019.....	2,357,952	(2,357,952)	-	10,530,244	22.39%
December 31, 2018.....	2,205,290	(2,205,290)	-	10,749,374	20.52%
December 31, 2017.....	2,084,994	(2,084,994)	-	10,215,635	20.41%
December 31, 2016.....	2,014,473	(2,014,473)	-	9,902,018	20.34%
December 31, 2015.....	2,026,172	(2,026,172)	-	8,727,126	23.22%

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

(1) Excluding the Electric Light Department.

See notes to required supplementary information.

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

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

Year	Commonwealth's 100% Share of the Braintree Teachers' Associated Net Pension Liability	Expense and Revenue Recognized for the Commonwealth's Support	Plan Fiduciary Net Position as a Percentage of the Total Liability
2023.....	\$ 159,600,573	\$ 13,128,704	57.75%
2022.....	146,698,424	11,771,938	62.03%
2021.....	181,986,488	22,477,939	50.67%
2020.....	160,967,525	19,520,106	53.95%
2019.....	150,334,844	15,234,260	54.84%
2018.....	142,585,990	14,882,115	54.25%
2017.....	138,904,668	14,169,187	52.73%
2016.....	125,093,998	10,146,237	55.38%
2015.....	94,963,590	6,597,576	61.64%

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

See notes to required supplementary information.

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

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

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

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

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

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

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

	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020
<b>Total OPEB Liability</b>				
Service Cost.....	\$ 2,399,962	\$ 2,556,839	\$ 2,570,164	\$ 2,831,751
Interest.....	6,993,990	8,481,030	7,422,116	7,760,139
Changes of benefit terms.....	-	-	-	-
Differences between expected and actual experience...	(5,871,558)	(6,228,755)	-	13,032,611
Changes of assumptions.....	10,295,994	5,395,723	-	26,989,359
Benefit payments.....	<u>(4,794,382)</u>	<u>(4,464,476)</u>	<u>(4,393,306)</u>	<u>(6,492,136)</u>
Net change in total OPEB liability.....	9,024,006	5,740,361	5,598,974	44,121,724
Total OPEB liability - beginning.....	<u>90,855,199</u>	<u>99,879,205</u>	<u>105,619,566</u>	<u>111,218,540</u>
Total OPEB liability - ending (a).....	<u>\$ 99,879,205</u>	<u>\$ 105,619,566</u>	<u>\$ 111,218,540</u>	<u>\$ 155,340,264</u>
<b>Plan fiduciary net position</b>				
Employer contributions.....	\$ 1,610,000	\$ 1,809,100	\$ 1,436,600	\$ 909,100
Employer contributions for OPEB payments.....	4,794,382	4,464,476	4,393,306	6,492,136
Net investment income (loss).....	992,382	948,310	483,057	199,547
Benefit payments.....	<u>(4,794,382)</u>	<u>(4,464,476)</u>	<u>(4,393,306)</u>	<u>(6,492,136)</u>
Net change in plan fiduciary net position.....	2,602,382	2,757,410	1,919,657	1,108,647
Plan fiduciary net position - beginning of year.....	<u>1,973,025</u>	<u>4,575,407</u>	<u>7,332,817</u>	<u>9,252,474</u>
Plan fiduciary net position - end of year (b).....	<u>\$ 4,575,407</u>	<u>\$ 7,332,817</u>	<u>\$ 9,252,474</u>	<u>\$ 10,361,121</u>
<b>Net OPEB liability - ending (a)-(b).....</b>	<u>\$ 95,303,798</u>	<u>\$ 98,286,749</u>	<u>\$ 101,966,066</u>	<u>\$ 144,979,143</u>
Plan fiduciary net position as a percentage of the total OPEB liability.....	4.58%	6.94%	8.32%	6.67%
Covered-employee payroll.....	\$ 85,926,398	\$ 88,504,190	\$ 81,163,442	\$ 82,770,516
Net OPEB liability as a percentage of covered-employee payroll.....	110.91%	111.05%	125.63%	175.16%

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

See notes to required supplementary information.

	June 30, 2021	June 30, 2022	June 30, 2023
\$	2,927,346	\$ 2,898,186	\$ 3,652,673
	10,835,696	10,781,704	12,100,074
	(20,766,437)	-	-
	-	(12,975,927)	-
	19,058,463	36,101,968	1,999,266
	<u>(7,063,364)</u>	<u>(7,118,659)</u>	<u>(7,552,275)</u>
	4,991,704	29,687,272	10,199,738
	<u>155,340,264</u>	<u>160,331,968</u>	<u>190,019,240</u>
\$	<u>160,331,968</u>	<u>\$ 190,019,240</u>	<u>\$ 200,218,978</u>
\$	156,600	\$ 154,339	\$ 534,100
	7,063,364	7,118,659	7,552,275
	3,046,203	(519,694)	805,642
	<u>(7,063,364)</u>	<u>(7,118,659)</u>	<u>(7,552,275)</u>
	3,202,803	(365,355)	1,339,742
	<u>10,361,121</u>	<u>13,563,924</u>	<u>13,198,569</u>
\$	<u>13,563,924</u>	<u>\$ 13,198,569</u>	<u>\$ 14,538,311</u>
\$	<u>146,768,044</u>	<u>\$ 176,820,671</u>	<u>\$ 185,680,667</u>
	8.46%	6.95%	7.26%
\$	85,685,660	\$ 113,163,145	\$ 116,558,039
	171.29%	156.25%	159.30%

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

	December 31, 2017	December 31, 2018	December 31, 2019	December 31, 2020
<b>Total OPEB Liability</b>				
Service Cost.....	\$ 215,928	\$ 237,068	\$ 204,896	\$ 237,308
Interest.....	667,147	702,733	736,512	794,014
Changes of benefit terms.....	-	-	-	-
Differences between expected and actual experience.....	-	-	284,925	359,100
Changes of assumptions.....	-	-	33,331	-
Benefit payments.....	<u>(372,645)</u>	<u>(419,875)</u>	<u>(430,435)</u>	<u>(512,174)</u>
Net change in total OPEB liability.....	510,430	519,926	829,229	878,248
Total OPEB liability - beginning.....	<u>9,497,921</u>	<u>10,008,351</u>	<u>10,528,277</u>	<u>11,357,506</u>
Total OPEB liability - ending (a).....	<u>\$ 10,008,351</u>	<u>\$ 10,528,277</u>	<u>\$ 11,357,506</u>	<u>\$ 12,235,754</u>
<b>Plan fiduciary net position</b>				
Employer contributions.....	\$ 520,000	\$ 520,000	\$ 500,000	\$ 520,000
Employer contributions for OPEB payments.....	372,645	419,875	430,435	512,174
Net investment income (loss).....	537,467	(116,720)	740,587	744,525
Benefit payments.....	<u>(372,645)</u>	<u>(419,875)</u>	<u>(430,435)</u>	<u>(512,174)</u>
Net change in plan fiduciary net position.....	1,057,467	403,280	1,240,587	1,264,525
Plan fiduciary net position - beginning of year.....	<u>2,888,773</u>	<u>3,946,240</u>	<u>4,349,520</u>	<u>5,590,107</u>
Plan fiduciary net position - end of year (b).....	<u>\$ 3,946,240</u>	<u>\$ 4,349,520</u>	<u>\$ 5,590,107</u>	<u>\$ 6,854,632</u>
<b>Net OPEB liability - ending (a)-(b).....</b>	<u>\$ 6,062,111</u>	<u>\$ 6,178,757</u>	<u>\$ 5,767,399</u>	<u>\$ 5,381,122</u>
Plan fiduciary net position as a percentage of the total OPEB liability.....	39.43%	41.31%	49.22%	56.02%
Covered-employee payroll.....	\$ 9,768,070	\$ 10,061,112	\$ 11,540,943	\$ 11,887,171
Net OPEB liability as a percentage of covered-employee payroll.....	62.06%	61.41%	49.97%	45.27%

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

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

See notes to required supplementary information.

	December 31, 2021	December 31, 2022
\$	252,785	\$ 242,738
	824,341	711,566
	(2,965,086)	-
	(160,369)	-
	1,365,225	272,232
	<u>(561,322)</u>	<u>(582,968)</u>
	(1,244,426)	643,568
	<u>12,235,754</u>	<u>10,991,328</u>
\$	<u>10,991,328</u>	\$ <u>11,634,896</u>
\$	520,000	\$ 520,000
	561,322	582,968
	1,415,527	(1,030,329)
	<u>(561,322)</u>	<u>(582,968)</u>
	1,935,527	(510,329)
	<u>6,854,632</u>	<u>8,790,159</u>
\$	<u>8,790,159</u>	\$ <u>8,279,830</u>
\$	<u>2,201,169</u>	\$ <u>3,355,066</u>
	79.97%	71.16%
\$	11,590,761	\$ 11,791,535
	18.99%	28.45%

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

Year	Actuarially determined contribution	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	Covered- employee payroll	Contributions as a percentage of covered- employee payroll
<b>Town of Braintree (1):</b>					
June 30, 2023.....	\$ 13,053,864	\$ (8,086,375)	\$ 4,967,489	\$ 116,558,039	6.94%
June 30, 2022.....	11,943,374	(7,275,259)	4,668,115	113,163,145	6.43%
June 30, 2021.....	10,763,394	(7,219,964)	3,543,430	85,685,660	8.43%
June 30, 2020.....	13,750,768	(6,492,136)	7,258,632	82,770,516	7.84%
June 30, 2019.....	10,744,848	(5,829,906)	4,914,942	81,163,442	7.18%
June 30, 2018.....	10,150,937	(6,273,576)	3,877,361	88,504,190	7.09%
June 30, 2017.....	9,955,126	(6,455,382)	3,499,744	85,926,398	7.51%
<b>Electric Light Department:</b>					
December 31, 2022.....	\$ 412,998	\$ (1,102,968)	\$ (689,970)	\$ 11,791,535	9.35%
December 31, 2021.....	367,059	(1,081,322)	(714,263)	11,590,761	9.33%
December 31, 2020.....	524,610	(1,032,564)	(507,954)	11,887,171	8.69%
December 31, 2019.....	639,264	(930,435)	(291,171)	11,540,943	8.06%
December 31, 2018.....	693,632	(939,875)	(246,243)	10,061,112	9.34%
December 31, 2017.....	713,692	(892,645)	(178,953)	9,768,070	9.14%

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

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

(1) Excluding the Electric Light Department.

See notes to required supplementary information.

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

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<u>Year</u>	<u>Annual money-weighted rate of return, net of investment expense</u>
<b>Town of Braintree (1):</b>	
June 30, 2023.....	5.94%
June 30, 2022.....	-3.82%
June 30, 2021.....	29.37%
June 30, 2020.....	11.98%
June 30, 2019.....	5.59%
June 30, 2018.....	9.25%
June 30, 2017.....	12.53%
<b>Electric Light Department:</b>	
December 31, 2022.....	-11.41%
December 31, 2021.....	19.99%
December 31, 2020.....	12.74%
December 31, 2019.....	16.18%
December 31, 2018.....	-2.79%
December 31, 2017.....	17.23%

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

(1) Excluding the Electric Light Department.

See notes to required supplementary information.

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

Municipal Law requires the adoption of a balanced budget that is approved by Town Council. The Mayor presents an annual budget to the Town Council, which includes estimates of revenues and other financing sources and recommendations of expenditures and other financing uses. The Town Council, which has authority to amend down and/or reject the budget or any line item, adopts the expenditure budget by majority vote.

Increases or transfers between and within departments subsequent to the approval of the annual budget, requires majority Town Council approval at a regular Council meeting.

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

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

An annual budget is adopted for the general fund in conformity with the guidelines described above. The original 2023 approved budget authorized approximately \$158.8 million in appropriations and other amounts to be raised, including \$2.5 million in amounts carried over from previous years. During 2023, the Town Council also approved supplemental appropriations totaling approximately \$811,000.

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

Budgetary - GAAP Reconciliation

For budgetary financial reporting purposes, the Uniform Municipal Accounting System basis of accounting (established by the Commonwealth) is followed, which differs from the GAAP basis of accounting.

A reconciliation of budgetary-basis to GAAP-basis results for the general fund for the year ended June 30, 2023, is presented in the table below:

Net change in fund balance - budgetary basis.....	\$ 9,768,810
<u>Perspective differences:</u>	
Activity of the stabilization fund recorded in the general fund for GAAP.....	4,822
Activity of the municipal building insurance fund recorded in the general fund for GAAP.....	2
<u>Basis of accounting differences:</u>	
Net change in recording tax refunds payable.....	(2,943,700)
Recognition of revenue for on-behalf payments.....	13,128,704
Recognition of expenditures for on-behalf payments.....	<u>(13,128,704)</u>
Net change in fund balance - GAAP basis.....	<u>\$ 6,829,934</u>

Appropriation Deficits

During 2023, actual expenditures exceeded appropriations for state and county charges. State and county charges are assessments from the Commonwealth, which are directly deducted from local receipts provided by the state. The Town is not required to raise the state and county deficit.

**NOTE B – PENSION PLAN**

***Pension Plan Schedules – Retirement System***

Changes in the Net Pension Liability and Related Ratios

The Schedule of Changes in the Net Pension Liability and Related Ratios includes the detailed changes in the systems total pension liability, changes in the systems net position, and the ending net pension liability. It also demonstrates the plan’s net position as a percentage of the total pension liability and the net pension liability as a percentage of covered payroll.

Contributions

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

Schedule of Investment Returns

The money-weighted rate of return is calculated as the internal rate of return on pension plan investments, net of pension plan investment expense. A money weighted rate of return expresses investment performance, net of

pension plan investment expense, adjusted for the changing amounts actually invested. Inputs to the money weighted rate of return calculation are determined monthly.

### ***Pension Plan Schedules – Town and Electric Light Department (BELD)***

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

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

#### Schedule of Town's Contributions

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

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

The Commonwealth of Massachusetts is a nonemployer contributor and is required by statute to make all actuarially determined employer contributions on behalf of the member employers which creates a special funding situation. Since the Town does not contribute directly to MTRS, there is no net pension liability to recognize. This schedule discloses the Commonwealth's 100% share of the collective net pension liability that is associated with the Town; the portion of the collective pension expense as both revenue and pension expense recognized by the Town; and the Plan's fiduciary net position as a percentage of the total liability.

#### Changes in Assumptions

None.

#### Changes in Plan Provisions

None.

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

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

***The Other Postemployment Benefit Plan***

Schedules of Changes in the Town’s and the Electric Light Department’s (BELD’s) Net Other Postemployment Benefit Liability and Related Ratios

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

Schedules of the Town’s and the Electric Light Department’s (BELD’s) Contributions

The Schedules of the Town’s and BELD’s Contributions includes the Town and BELD’s annual required contributions to the Plan, along with the contributions made in relation to the actuarially determined contribution and the covered employee payroll. The Town and BELD are not required to fully fund this contribution. It also demonstrates the contributions as a percentage of covered payroll. Actuarially contribution rates are calculated as of June 30 and December 31, two years prior to the end of the year in which contributions are reported.

Methods and assumptions used to determine contribution rates are contained in the following tables for the Town as of June 30, 2023 and for the BELD as of December 31, 2022, as follows:

Town

Valuation date.....	July 1, 2021.
Actuarial cost method.....	Individual Entry Age Normal.
Asset valuation method.....	Fair value of assets as of the measurement date, June 30, 2023.
Investment rate of return.....	6.30%, net of OPEB plan investment expense, including inflation.
Municipal bond rate.....	4.13% as of June 30, 2023 (source: S&P Municipal Bond 20-Year High Grade Index - SAPIHG).
Single equivalent discount rate.....	6.28%, net of OPEB plan investment expense, including inflation.
Inflation.....	2.50% as of June 30, 2023 and for future periods.
Salary increases.....	3.00% annually as of June 30, 2023 and for future periods.
Cost of living adjustment.....	Not applicable.

Town (continued)

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

BELD

Valuation date.....	January 1, 2021
Inflation.....	2.50%.
Investment rate of return.....	6.30% net of OPEB investment expense, including inflation.
Healthcare cost trend rate.....	Currently 4.50%.
Municipal bond rate.....	4.31% as of December 31, 2022 (source: S&P Municipal Bond 20-Year High Grade Index-SAPIHG).
Pre-retirement mortality.....	RP-2014 Mortality Table for Blue Collar Employees projected generationally with scale MP-2016 for males and females, set forward 1 year for females.
Post-retirement mortality.....	RP-2014 Mortality Table for Blue Collar Healthy Annuitant projected generationally with scale MP-2016 for males and females, set forward 1 year for females.
Disabled mortality.....	RP-2014 Mortality Table for Blue Collar Healthy Annuitant projected generationally with scale MP-2016 for males and females, set forward 1 year.

Schedule of Investment Returns

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

Changes in Assumptions

Town

- The discount rate decreased from 6.37% to 6.28%.

BELD

- The discount rate decreased from 6.50% to 6.30%.

Changes in Plan Provisions

Town

None.

BELD

None.

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# ***Other Supplementary Information***

# ***Combining Statements***

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

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

# ***Nonmajor Governmental Funds***

## ***Special Revenue Funds***

Special revenue funds are used to account for the proceeds of specific revenue sources (other than permanent funds or capital project funds) that are restricted by law or administrative action to expenditures for specified purposes.

***Town Special Revenue Funds*** – accounts for the non-school related funds designated for specific programs, this fund consists primarily of state and federal grants and gifts as well as the non-school related activity of revolving funds established in accordance with MGL Chapter 44, Section 53E ½.

***School Lunch Fund*** – account used for all cafeteria activities and is funded by user charges, federal and state grants and commodities received.

***School Special Revenue Funds*** – accounts for the school department's funds designated for specific programs, this fund consists primarily of state and federal grants and gifts as well as the non-school related activity of revolving funds established in accordance with MGL Chapter 44, Section 53E ½.

***Community Preservation Fund*** – accounts for the accumulation of resources for the acquisition, creation, preservation and support of open space, historic resources, recreational uses and community housing.

***Highway Improvements Fund*** – accounts for construction, reconstruction and improvements of roadways, streets and sidewalks.

## ***Permanent Funds***

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support governmental programs.

***Petersen Trust Fund*** – accounts for the activities of the Petersen Pool trust fund.

***Nonexpendable Trust Funds*** – accounts for the endowment portion of donor restricted trusts that support governmental programs.

***Other Expendable Trust Funds*** – accounts for the accumulated realized and unrealized investment earnings of donor restricted funds within the nonexpendable trust funds.

**NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET**

JUNE 30, 2023

	Special Revenue Funds					Subtotal
	Town Special Revenue Funds	School Lunch Fund	School Special Revenue Funds	Community Preservation Fund	Highway Improvement Fund	
<b>ASSETS</b>						
Cash and cash equivalents.....	\$ 7,500,309	\$ 2,180,073	\$ 992,396	\$ 7,391,433	\$ -	\$ 18,064,211
Investments.....	21,037	-	-	-	-	21,037
Receivables, net of uncollectibles:						
Community preservation fund surtax.....	-	-	-	4,301	-	4,301
Intergovernmental.....	4,073,174	-	1,848,422	-	1,717,520	7,639,116
Community preservation state share.....	-	-	-	195,098	-	195,098
<b>TOTAL ASSETS.....</b>	<b><u>\$ 11,594,520</u></b>	<b><u>\$ 2,180,073</u></b>	<b><u>\$ 2,840,818</u></b>	<b><u>\$ 7,590,832</u></b>	<b><u>\$ 1,717,520</u></b>	<b><u>\$ 25,923,763</u></b>
<b>LIABILITIES</b>						
Warrants payable.....	\$ 375,134	\$ 27,047	\$ 66,929	\$ 112,168	\$ -	\$ 581,278
Accrued payroll.....	131,252	-	-	809	-	132,061
Due to other funds.....	-	-	-	-	735,284	735,284
Other liabilities.....	1,272,351	-	4,826	-	-	1,277,177
Unearned revenue.....	1,702,659	-	-	-	-	1,702,659
<b>TOTAL LIABILITIES.....</b>	<b><u>3,481,396</u></b>	<b><u>27,047</u></b>	<b><u>71,755</u></b>	<b><u>112,977</u></b>	<b><u>735,284</u></b>	<b><u>4,428,459</u></b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue.....	2,268,985	-	-	199,399	982,236	3,450,620
<b>FUND BALANCES</b>						
Nonspendable.....	-	-	-	-	-	-
Restricted.....	7,286,199	2,153,026	2,769,063	7,278,456	-	19,486,744
Unassigned.....	(1,442,060)	-	-	-	-	(1,442,060)
<b>TOTAL FUND BALANCES.....</b>	<b><u>5,844,139</u></b>	<b><u>2,153,026</u></b>	<b><u>2,769,063</u></b>	<b><u>7,278,456</u></b>	<b><u>-</u></b>	<b><u>18,044,684</u></b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES.....</b>	<b><u>\$ 11,594,520</u></b>	<b><u>\$ 2,180,073</u></b>	<b><u>\$ 2,840,818</u></b>	<b><u>\$ 7,590,832</u></b>	<b><u>\$ 1,717,520</u></b>	<b><u>\$ 25,923,763</u></b>

Permanent Funds				
Petersen Trust Fund	Nonexpendable Trust Funds	Other Expendable Trust Funds	Subtotal	Total Nonmajor Governmental Funds
\$ 703,739	\$ 717,443	\$ 177,406	\$ 1,598,588	\$ 19,662,799
-	1,847,086	5,375,108	7,222,194	7,243,231
-	-	-	-	4,301
-	-	-	-	7,639,116
-	-	-	-	195,098
<u>\$ 703,739</u>	<u>\$ 2,564,529</u>	<u>\$ 5,552,514</u>	<u>\$ 8,820,782</u>	<u>\$ 34,744,545</u>
\$ -	\$ -	\$ 69,386	\$ 69,386	\$ 650,664
-	-	57	57	132,118
-	-	-	-	735,284
-	-	-	-	1,277,177
-	-	-	-	1,702,659
-	-	69,443	69,443	4,497,902
-	-	-	-	3,450,620
-	2,564,529	-	2,564,529	2,564,529
703,739	-	5,483,071	6,186,810	25,673,554
-	-	-	-	(1,442,060)
<u>703,739</u>	<u>2,564,529</u>	<u>5,483,071</u>	<u>8,751,339</u>	<u>26,796,023</u>
<u>\$ 703,739</u>	<u>\$ 2,564,529</u>	<u>\$ 5,552,514</u>	<u>\$ 8,820,782</u>	<u>\$ 34,744,545</u>

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

YEAR ENDED JUNE 30, 2023

	Special Revenue Funds					Subtotal
	Town Special Revenue Funds	School Lunch Fund	School Special Revenue Funds	Community Preservation Fund	Highway Improvement Fund	
<b>REVENUES:</b>						
Intergovernmental - other.....	\$ 8,726,153	\$ 2,472,542	\$ 7,900,189	\$ -	\$ 836,988	\$ 19,935,872
Departmental and other.....	3,332,749	-	1,791,209	-	-	5,123,958
Community preservation taxes.....	-	-	-	923,140	-	923,140
Community preservation state match.....	-	-	-	349,672	-	349,672
Contributions and donations.....	520,659	208,482	314,378	-	-	1,043,519
Investment income.....	155	1,745	183	18,940	-	21,023
<b>TOTAL REVENUES.....</b>	<b>12,579,716</b>	<b>2,682,769</b>	<b>10,005,959</b>	<b>1,291,752</b>	<b>836,988</b>	<b>27,397,184</b>
<b>EXPENDITURES:</b>						
Current:						
General government.....	7,078,905	-	-	-	-	7,078,905
Public safety.....	4,082,730	-	-	-	-	4,082,730
Education.....	258,524	2,320,460	12,046,422	-	-	14,625,406
Public works.....	836,691	-	-	-	836,988	1,673,679
Human services.....	149,894	-	-	-	-	149,894
Culture and recreation.....	531,370	-	-	-	-	531,370
Community preservation.....	-	-	-	1,954,850	-	1,954,850
Employee benefits.....	115,000	-	-	-	-	115,000
<b>TOTAL EXPENDITURES.....</b>	<b>13,053,114</b>	<b>2,320,460</b>	<b>12,046,422</b>	<b>1,954,850</b>	<b>836,988</b>	<b>30,211,834</b>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	(473,398)	362,309	(2,040,463)	(663,098)	-	(2,814,650)
<b>OTHER FINANCING SOURCES (USES):</b>						
Premium from issuance of bonds.....	83,805	-	-	-	-	83,805
Proceeds from the sale of capital assets.....	950,000	-	-	-	-	950,000
Transfers in.....	123,750	-	-	-	-	123,750
Transfers out.....	(675,315)	-	-	-	-	(675,315)
<b>TOTAL OTHER FINANCING SOURCES (USES).....</b>	<b>482,240</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>482,240</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>8,842</b>	<b>362,309</b>	<b>(2,040,463)</b>	<b>(663,098)</b>	<b>-</b>	<b>(2,332,410)</b>
<b>FUND BALANCES AT BEGINNING OF YEAR.....</b>	<b>5,835,297</b>	<b>1,790,717</b>	<b>4,809,526</b>	<b>7,941,554</b>	<b>-</b>	<b>20,377,094</b>
<b>FUND BALANCES AT END OF YEAR.....</b>	<b>\$ 5,844,139</b>	<b>\$ 2,153,026</b>	<b>\$ 2,769,063</b>	<b>\$ 7,278,456</b>	<b>\$ -</b>	<b>\$ 18,044,684</b>

Permanent Funds				
Petersen Trust Fund	Nonexpendable Trust Funds	Other Expendable Trust Funds	Subtotal	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ 19,935,872
-	-	-	-	5,123,958
-	-	-	-	923,140
-	-	-	-	349,672
-	-	50,270	50,270	1,093,789
<u>15,258</u>	<u>-</u>	<u>36,574</u>	<u>51,832</u>	<u>72,855</u>
<u>15,258</u>	<u>-</u>	<u>86,844</u>	<u>102,102</u>	<u>27,499,286</u>
2,245	-	698	2,943	7,081,848
-	-	-	-	4,082,730
-	-	111,071	111,071	14,736,477
-	-	-	-	1,673,679
-	-	-	-	149,894
-	-	51,104	51,104	582,474
-	-	-	-	1,954,850
-	-	-	-	115,000
<u>2,245</u>	<u>-</u>	<u>162,873</u>	<u>165,118</u>	<u>30,376,952</u>
<u>13,013</u>	<u>-</u>	<u>(76,029)</u>	<u>(63,016)</u>	<u>(2,877,666)</u>
-	-	-	-	83,805
-	-	-	-	950,000
-	-	-	-	123,750
-	-	(1,102,960)	(1,102,960)	(1,778,275)
-	-	(1,102,960)	(1,102,960)	(620,720)
13,013	-	(1,178,989)	(1,165,976)	(3,498,386)
<u>690,726</u>	<u>2,564,529</u>	<u>6,662,060</u>	<u>9,917,315</u>	<u>30,294,409</u>
<u>\$ 703,739</u>	<u>\$ 2,564,529</u>	<u>\$ 5,483,071</u>	<u>\$ 8,751,339</u>	<u>\$ 26,796,023</u>

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# ***Statistical Section***



Dedication of Nelson's Way in Lincoln Park to former Recreation Director Nelson Chin on July 19, 2023.



9/11 remembrance at the fire department head quarters on September 11, 2023.

# ***Statistical Section***

This part of the Town of Braintree's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Town's overall financial health.

## ***Financial Trends***

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

## ***Revenue Capacity***

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

## ***Debt Capacity***

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

## ***Demographic and Economic Information***

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

## ***Operating Information***

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

*SOURCES: Unless otherwise noted, the information in these schedules is derived from the audited financial reports for the relevant year or our Official Statements.*

**Net Position By Component**

**Last Ten Years**

	<u>2014 (1)</u>	<u>2015</u>	<u>2016</u>	<u>2017 (2)</u>	<u>2018 (2)</u>	<u>2019</u>	<u>2020 (3)</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<b>Governmental activities</b>										
Net investment in capital assets.....	\$ 56,111,895	\$ 57,366,463	\$ 58,265,300	\$ 60,170,507	\$ 62,716,807	\$ 76,180,050	\$ 96,555,315	\$ 102,892,904	\$ 108,625,301	\$ 132,125,371
Restricted.....	21,298,935	22,222,634	24,396,588	25,344,615	25,308,498	26,924,401	28,354,464	28,064,541	32,279,539	29,264,407
Unrestricted.....	(86,823,313)	(96,707,790)	(103,802,229)	(120,805,147)	(130,072,223)	(137,597,565)	(161,776,779)	(156,203,029)	(162,708,193)	(182,952,714)
<b>Total governmental activities net position.....</b>	<b>\$ (9,412,483)</b>	<b>\$ (17,118,693)</b>	<b>\$ (21,140,341)</b>	<b>\$ (35,290,025)</b>	<b>\$ (42,046,918)</b>	<b>\$ (34,493,114)</b>	<b>\$ (36,867,000)</b>	<b>\$ (25,245,584)</b>	<b>\$ (21,803,353)</b>	<b>\$ (21,562,936)</b>
<b>Business-type activities</b>										
Net investment in capital assets.....	\$ 76,307,554	\$ 76,442,398	\$ 73,728,340	\$ 90,727,735	\$ 90,227,690	\$ 104,641,964	\$ 109,275,236	\$ 109,949,264	\$ 116,208,201	\$ 129,159,246
Restricted.....	3,732,114	5,353,621	5,038,499	5,038,499	5,038,499	5,038,499	4,302,744	6,826,290	8,918,390	8,918,390
Unrestricted.....	10,640,375	8,801,686	6,418,053	(4,539,287)	1,341,179	(6,170,685)	(2,357,516)	2,505,698	6,825,584	8,512,529
<b>Total business-type activities net position.....</b>	<b>\$ 90,680,043</b>	<b>\$ 90,597,705</b>	<b>\$ 85,184,892</b>	<b>\$ 91,226,947</b>	<b>\$ 96,607,368</b>	<b>\$ 103,509,778</b>	<b>\$ 111,220,464</b>	<b>\$ 119,281,252</b>	<b>\$ 131,952,175</b>	<b>\$ 146,590,165</b>
<b>Primary government</b>										
Net investment in capital assets.....	\$ 132,419,449	\$ 133,808,861	\$ 131,993,640	\$ 150,898,242	\$ 152,944,497	\$ 180,822,014	\$ 205,830,551	\$ 212,842,168	\$ 224,833,502	\$ 261,284,617
Restricted.....	25,031,049	27,576,255	29,435,087	30,383,114	30,346,997	31,962,900	32,657,208	34,890,831	41,197,929	38,182,797
Unrestricted.....	(76,182,938)	(87,906,104)	(97,384,176)	(125,344,434)	(128,731,044)	(143,768,250)	(164,134,295)	(153,697,331)	(155,882,609)	(174,440,185)
<b>Total primary government net position.....</b>	<b>\$ 81,267,560</b>	<b>\$ 73,479,012</b>	<b>\$ 64,044,551</b>	<b>\$ 55,936,922</b>	<b>\$ 54,560,450</b>	<b>\$ 69,016,664</b>	<b>\$ 74,353,464</b>	<b>\$ 94,035,668</b>	<b>\$ 110,148,822</b>	<b>\$ 125,027,229</b>

(1) The 2014 unrestricted net position for governmental and business-type activities has been revised due to the implementation of GASB #68 and #71.  
(2) The 2017 and 2018 unrestricted net position for governmental and business-type activities has been revised due to the implementation of GASB #75.  
(3) The 2020 unrestricted net position for governmental activities has been revised due to the implementation of GASB #84.

**Changes in Net Position**

**Last Ten Years**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Expenses</b>										
<b>Governmental activities:</b>										
General government.....	\$ 6,286,240	\$ 7,100,754	\$ 7,502,823	\$ 8,247,179	\$ 8,149,833	\$ 6,388,587	\$ 5,939,513	\$ 9,406,501	\$ 13,526,515	\$ 15,410,889
Public safety.....	24,515,683	26,710,830	29,432,081	33,089,768	29,703,546	32,268,620	27,258,809	28,090,406	34,905,733	39,959,697
Education.....	96,438,899	92,481,566	96,802,496	105,764,895	108,661,022	118,055,919	140,454,843	123,756,662	125,375,057	132,228,575
Public works.....	8,158,789	9,688,905	8,524,059	9,086,973	9,467,149	10,746,722	7,732,810	7,251,451	9,899,910	16,223,618
Human services.....	1,228,698	1,439,972	1,475,863	1,540,809	1,489,530	1,617,032	1,126,029	1,081,443	1,274,993	1,121,535
Sanitation.....	1,504,893	1,504,795	1,601,041	1,564,617	1,661,204	2,475,231	2,478,776	2,330,815	2,487,537	2,840,233
Culture and recreation.....	3,638,147	3,857,160	4,348,816	4,623,888	3,956,871	3,292,243	3,633,423	1,551,593	2,848,991	2,989,553
Community preservation.....	187,852	642,312	112,414	238,972	459,507	195,951	137,004	434,958	381,431	1,546,573
Interest.....	471,412	486,438	772,942	778,257	711,160	1,555,926	2,038,982	2,527,969	3,564,149	3,090,934
<b>Total governmental activities expenses.....</b>	<b>142,430,613</b>	<b>143,910,732</b>	<b>150,572,535</b>	<b>164,935,358</b>	<b>164,259,822</b>	<b>176,596,131</b>	<b>188,800,189</b>	<b>176,431,798</b>	<b>194,264,316</b>	<b>215,411,787</b>
<b>Business-type activities:</b>										
Water and Sewer.....	13,732,799	14,834,145	14,555,945	15,659,572	15,960,271	17,432,168	17,177,811	17,724,980	19,897,860	21,528,463
Golf course.....	1,576,338	1,491,676	1,677,140	1,666,098	1,931,876	1,820,029	2,226,131	2,034,502	1,996,682	2,846,059
Stormwater.....	-	-	-	-	-	-	792,701	447,540	1,107,397	1,255,525
PEG Access.....	-	-	-	-	-	-	-	420,746	524,104	679,686
Municipal Light.....	68,036,931	73,461,461	65,629,959	64,040,283	64,704,494	67,166,267	63,687,705	59,360,658	55,492,553	55,832,168
<b>Total business-type activity expenses.....</b>	<b>83,346,068</b>	<b>89,787,282</b>	<b>81,863,044</b>	<b>81,365,953</b>	<b>82,596,641</b>	<b>86,994,165</b>	<b>83,959,933</b>	<b>80,751,641</b>	<b>79,284,292</b>	<b>82,245,310</b>
<b>Total primary government expenses.....</b>	<b>\$ 225,776,681</b>	<b>\$ 233,698,014</b>	<b>\$ 232,435,579</b>	<b>\$ 246,301,311</b>	<b>\$ 246,856,463</b>	<b>\$ 263,590,296</b>	<b>\$ 272,760,122</b>	<b>\$ 257,183,439</b>	<b>\$ 273,548,608</b>	<b>\$ 297,657,097</b>
<b>Program Revenues</b>										
<b>Governmental activities:</b>										
<b>Charges for services:</b>										
General government.....	\$ 863,484	\$ 924,180	\$ 804,350	\$ 1,062,799	\$ 988,714	\$ 961,168	\$ 921,204	\$ 1,470,882	\$ 1,405,349	\$ 2,646,770
Public safety.....	1,823,403	2,510,631	3,910,060	2,878,536	2,612,379	2,711,210	2,205,597	4,860,728	4,423,411	6,417,539
Education.....	2,226,802	2,094,328	2,049,131	1,942,356	1,582,628	2,200,923	1,631,643	536,384	2,998,757	2,515,945
Public works.....	1,160,134	897,304	865,166	898,200	891,097	897,409	928,774	828,463	874,713	856,145
Human services.....	32,811	47,689	44,036	34,809	31,597	24,626	22,561	95,054	145,821	194,195
Sanitation.....	1,387,356	1,394,047	1,430,004	1,422,536	1,448,823	1,436,760	1,492,414	1,538,604	1,503,532	1,504,716
Culture and recreation.....	384,999	382,905	387,517	364,075	364,359	457,847	336,621	186,737	375,214	372,709
Operating grants and contributions.....	35,660,762	30,278,006	34,917,830	40,670,272	41,185,089	43,665,849	47,937,389	56,178,438	54,087,369	53,078,519
Capital grants and contributions.....	662,210	831,972	906,506	1,983,085	4,880,757	20,303,255	15,384,751	4,970,677	6,885,676	18,678,902
<b>Total government activities program revenues.....</b>	<b>44,201,961</b>	<b>39,361,062</b>	<b>45,314,602</b>	<b>51,256,668</b>	<b>53,985,443</b>	<b>72,659,047</b>	<b>70,660,954</b>	<b>70,665,967</b>	<b>74,700,042</b>	<b>86,265,440</b>
<b>Business-type activities:</b>										
<b>Charges for services:</b>										
Water and Sewer.....	14,980,596	16,117,460	16,697,701	17,551,761	18,820,970	19,954,585	21,141,059	22,237,343	24,042,659	24,820,680
Golf course.....	1,398,978	1,505,920	1,685,815	1,584,527	1,536,470	1,590,783	1,693,037	2,683,595	2,401,658	2,894,457
Stormwater.....	-	-	-	-	-	633,507	639,852	1,106,355	922,714	1,396,291
PEG Access.....	-	-	-	-	-	-	539,569	531,269	710,667	630,637
Municipal light.....	71,671,791	73,273,739	73,853,798	70,023,985	68,755,508	71,131,587	67,534,528	61,389,683	63,891,477	66,754,639
Operating grants and contributions.....	-	-	-	-	-	-	-	1,850,000	-	-
Capital grants and contributions.....	-	787,500	921,557	174,408	710,203	1,380,189	1,303,905	257,920	401,529	1,246,050
<b>Total business-type activities program revenues.....</b>	<b>88,051,365</b>	<b>91,684,619</b>	<b>93,158,871</b>	<b>89,334,681</b>	<b>89,823,151</b>	<b>94,690,651</b>	<b>92,851,950</b>	<b>90,056,165</b>	<b>92,370,704</b>	<b>97,742,754</b>
<b>Total primary government program revenues.....</b>	<b>\$ 132,253,326</b>	<b>\$ 131,045,681</b>	<b>\$ 138,473,473</b>	<b>\$ 140,591,349</b>	<b>\$ 143,808,594</b>	<b>\$ 167,349,698</b>	<b>\$ 163,512,904</b>	<b>\$ 160,722,132</b>	<b>\$ 167,070,746</b>	<b>\$ 184,008,194</b>
<b>Net (Expense)/Revenue</b>										
Governmental activities.....	\$ (98,228,652)	\$ (104,549,670)	\$ (105,257,933)	\$ (113,678,690)	\$ (110,274,379)	\$ (103,937,084)	\$ (118,139,235)	\$ (105,765,831)	\$ (119,564,274)	\$ (129,146,347)
Business-type activities.....	4,705,297	1,897,337	11,295,827	7,968,728	7,226,510	7,696,486	8,892,017	9,304,524	13,086,412	15,497,444
<b>Total primary government net expense.....</b>	<b>\$ (93,523,355)</b>	<b>\$ (102,652,333)</b>	<b>\$ (93,962,106)</b>	<b>\$ (105,709,962)</b>	<b>\$ (103,047,869)</b>	<b>\$ (96,240,598)</b>	<b>\$ (109,247,218)</b>	<b>\$ (96,461,307)</b>	<b>\$ (106,477,862)</b>	<b>\$ (113,648,903)</b>
<b>General Revenues and other Changes in Net Position</b>										
<b>Governmental activities:</b>										
Real estate, personal property taxes and tax liens, net of tax refunds payable.....	\$ 76,783,315	\$ 79,271,011	\$ 82,610,777	\$ 83,309,930	\$ 87,933,671	\$ 90,051,214	\$ 96,095,096	\$ 97,745,294	\$ 104,254,687	\$ 104,670,290
Tax and other liens.....	-	-	-	-	470,064	716,826	160,375	1,014,850	61,664	144,532
Motor vehicle and other excise taxes.....	5,087,519	5,678,581	6,229,679	6,275,782	6,602,941	6,667,855	6,290,629	6,577,443	6,175,203	7,588,442
Hotel/motel tax.....	1,324,541	1,491,419	1,614,166	1,561,777	1,558,537	1,728,984	1,524,976	501,216	1,353,886	1,709,750
Meals tax.....	807,740	1,017,863	1,142,349	1,166,320	1,208,369	1,249,555	1,114,427	999,801	1,307,246	1,347,991
Community preservation tax.....	607,219	661,315	660,480	696,795	733,774	764,993	806,576	828,245	912,960	923,140
Penalties and interest on taxes.....	475,877	522,767	439,913	301,991	318,098	298,708	211,740	410,488	258,860	303,570
Payments in lieu of taxes.....	24,854	693,850	449,490	401,155	668,783	602,234	625,299	662,232	586,799	964,236
Grants and contributions not restricted to specific programs.....	5,434,532	5,224,867	5,315,517	5,880,155	6,128,412	6,399,260	6,344,909	6,522,913	6,587,256	6,705,208
Unrestricted investment income (loss).....	216,968	195,103	169,918	342,024	660,991	1,682,743	1,584,473	301,683	(53,213)	2,506,362
Gain on sale of capital assets.....	-	-	479,038	-	-	-	-	150,000	-	950,000
Miscellaneous.....	38,317	26,070	-	-	-	-	-	-	-	-
Transfers.....	1,820,664	2,060,614	2,124,958	2,079,534	2,317,859	1,328,516	1,558,281	1,673,082	1,561,157	1,572,243
<b>Total governmental activities.....</b>	<b>92,621,546</b>	<b>96,843,460</b>	<b>101,236,285</b>	<b>102,015,463</b>	<b>108,601,499</b>	<b>111,490,888</b>	<b>116,316,781</b>	<b>117,387,247</b>	<b>123,006,505</b>	<b>129,386,764</b>
<b>Business-type activities:</b>										
Unrestricted investment income.....	74,085	80,939	33,586	230,814	486,818	534,440	376,950	426,346	148,518	533,694
Gain on sale of capital assets.....	-	-	-	-	-	-	-	-	1,000,150	179,095
Transfers.....	(1,820,664)	(2,060,614)	(2,124,958)	(2,079,534)	(2,317,859)	(1,328,516)	(1,558,281)	(1,673,082)	(1,561,157)	(1,572,243)
<b>Total business-type activities.....</b>	<b>(1,746,579)</b>	<b>(1,979,675)</b>	<b>(2,091,372)</b>	<b>(1,848,720)</b>	<b>(1,831,041)</b>	<b>(794,076)</b>	<b>(1,181,331)</b>	<b>(1,246,736)</b>	<b>(412,489)</b>	<b>(859,454)</b>
<b>Total primary government.....</b>	<b>\$ 90,874,967</b>	<b>\$ 94,863,785</b>	<b>\$ 99,144,913</b>	<b>\$ 100,166,743</b>	<b>\$ 106,770,458</b>	<b>\$ 110,696,812</b>	<b>\$ 115,135,450</b>	<b>\$ 116,140,511</b>	<b>\$ 122,594,016</b>	<b>\$ 128,527,310</b>
<b>Changes in Net Position</b>										
Governmental activities.....	\$ (5,607,106)	\$ (7,706,210)	\$ (4,021,648)	\$ (11,663,227)	\$ (1,672,880)	\$ 7,553,804	\$ (1,822,454)	\$ 11,621,416	\$ 3,442,231	\$ 240,417
Business-type activities.....	2,958,718	(82,338)	9,204,455	6,120,008	5,395,469	6,902,410	7,710,686	8,057,788	12,673,923	14,637,990
<b>Total primary government.....</b>	<b>\$ (2,648,388)</b>	<b>\$ (7,788,548)</b>	<b>\$ 5,182,807</b>	<b>\$ (5,543,219)</b>	<b>\$ 3,722,924</b>	<b>\$ 14,456,214</b>	<b>\$ 5,888,232</b>	<b>\$ 19,679,204</b>	<b>\$ 16,116,154</b>	<b>\$ 14,878,407</b>

**Fund Balances, Governmental Funds**

**Last Ten Years**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020 (1)</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<b>General Fund</b>										
Committed.....	\$ 2,049,917	\$ 2,103,635	\$ 1,344,269	\$ 2,355,268	\$ 1,678,124	\$ 2,271,429	\$ 2,613,165	\$ 2,043,217	\$ 1,233,947	\$ 1,217,016
Assigned.....	1,164,142	666,097	2,170,153	785,040	1,105,156	1,021,666	1,026,762	1,490,378	1,263,954	1,549,434
Unassigned.....	<u>16,356,370</u>	<u>16,271,481</u>	<u>18,830,121</u>	<u>18,825,423</u>	<u>19,301,569</u>	<u>15,574,883</u>	<u>11,595,073</u>	<u>8,158,763</u>	<u>12,060,757</u>	<u>18,622,142</u>
Total general fund.....	<u>\$ 19,570,429</u>	<u>\$ 19,041,213</u>	<u>\$ 22,344,543</u>	<u>\$ 21,965,731</u>	<u>\$ 22,084,849</u>	<u>\$ 18,867,978</u>	<u>\$ 15,235,000</u>	<u>\$ 11,692,358</u>	<u>\$ 14,558,658</u>	<u>\$ 21,388,592</u>
<b>All Other Governmental Funds</b>										
Nonspendable.....	\$ 2,564,529	\$ 2,564,529	\$ 2,564,529	\$ 2,564,529	\$ 2,564,529	\$ 2,564,529	\$ 2,564,529	\$ 2,564,529	\$ 2,564,529	\$ 2,564,529
Restricted.....	21,958,212	21,731,961	21,698,087	24,105,376	39,326,175	41,929,000	36,807,002	80,618,914	70,085,698	25,720,692
Unassigned.....	<u>-</u>	<u>-</u>	<u>(316,019)</u>	<u>-</u>	<u>-</u>	<u>(1,169,494)</u>	<u>(1,507,750)</u>	<u>(1,269,694)</u>	<u>(1,154,240)</u>	<u>(1,442,060)</u>
Total all other governmental funds.....	<u>\$ 24,522,741</u>	<u>\$ 24,296,490</u>	<u>\$ 23,946,597</u>	<u>\$ 26,669,905</u>	<u>\$ 41,890,704</u>	<u>\$ 43,324,035</u>	<u>\$ 37,863,781</u>	<u>\$ 81,913,749</u>	<u>\$ 71,495,987</u>	<u>\$ 26,843,161</u>

(1) Restricted fund balance for has been revised to reflect the implementation of GASB #84.

**Changes in Fund Balances, Governmental Funds**

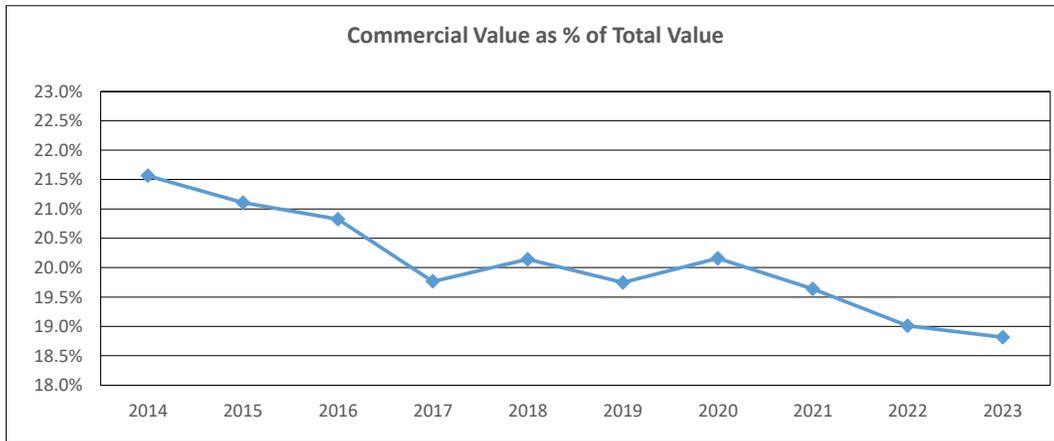
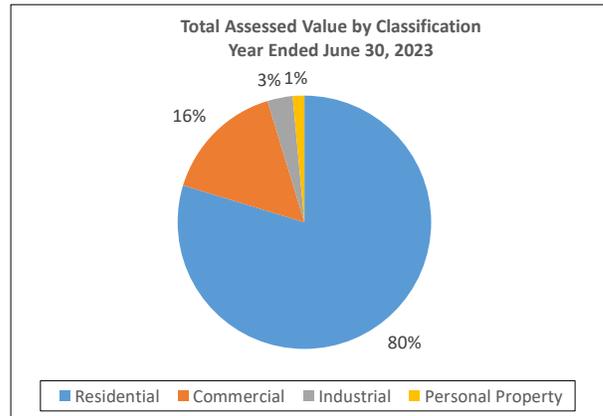
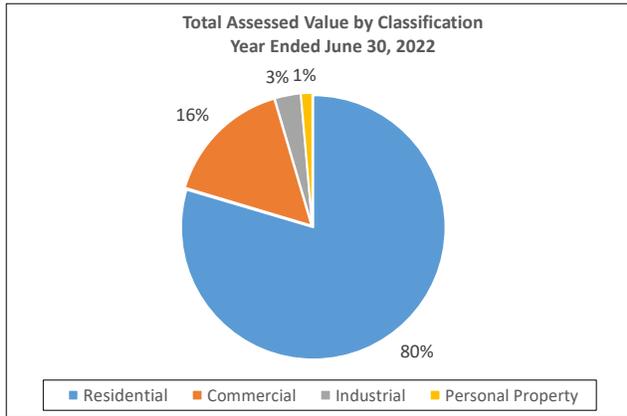
**Last Ten Years**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenues:</b>										
Real estate, personal property taxes and tax liens, net of tax refunds.....	\$ 75,918,774	\$ 79,073,666	\$ 81,325,550	\$ 82,951,838	\$ 88,217,335	\$ 90,085,816	\$ 95,446,571	\$ 98,412,429	\$ 103,812,844	\$ 104,696,803
Tax Liens.....	407,348	1,100,825	1,362,410	509,637	321,596	550,644	401,060	239,113	353,464	249,087
Motor vehicle and other excise taxes.....	5,259,928	5,609,682	6,173,244	6,321,563	6,614,593	6,675,091	6,059,140	6,778,991	6,101,791	7,503,944
Hotel/Motel tax.....	1,324,541	1,491,419	1,614,166	1,561,777	1,558,537	1,728,984	1,524,976	501,216	1,353,886	1,709,750
Meals tax.....	807,740	1,017,863	1,142,349	1,166,320	1,208,369	1,249,555	1,114,427	999,801	1,307,246	1,347,991
Penalties and interest on taxes.....	475,877	522,767	439,913	301,991	318,098	298,708	211,740	410,488	258,860	303,570
Payments in lieu of taxes.....	24,854	693,850	449,490	401,155	668,783	602,234	625,299	662,232	586,799	964,236
Intergovernmental.....	42,450,485	35,342,773	40,169,594	47,770,699	50,708,501	67,276,171	67,975,561	66,899,422	66,376,593	76,583,181
Departmental and other.....	8,268,293	8,497,554	10,103,486	9,156,768	8,535,047	9,518,868	8,463,683	9,820,425	12,009,156	14,662,680
Community preservation taxes.....	607,219	659,352	659,905	696,779	733,774	764,993	806,576	828,245	912,960	923,140
Contributions and donations.....	530,070	643,529	615,646	639,541	481,615	918,637	800,430	578,026	1,395,655	1,093,789
Investment income (loss).....	384,831	300,329	364,621	342,024	660,991	1,682,743	1,584,473	301,683	(53,213)	2,506,362
Claims and judgments.....	450,000	-	-	-	-	-	-	-	-	-
Miscellaneous.....	38,310	26,070	-	-	65,050	-	-	-	-	-
<b>Total Revenue.....</b>	<b>136,948,270</b>	<b>134,979,679</b>	<b>144,420,374</b>	<b>151,820,092</b>	<b>160,092,289</b>	<b>181,352,444</b>	<b>185,013,936</b>	<b>186,432,071</b>	<b>194,416,041</b>	<b>212,544,533</b>
<b>Expenditures:</b>										
General government.....	4,057,574	5,019,468	4,922,477	4,911,759	5,981,412	5,932,870	5,976,335	8,573,917	10,553,148	13,215,651
Public safety.....	17,556,255	19,223,137	19,347,565	20,345,144	22,410,446	22,612,258	23,746,253	25,079,287	26,030,853	28,082,043
Education.....	66,876,797	68,987,111	71,263,198	75,211,692	84,017,768	128,418,711	108,657,360	96,480,955	106,354,275	143,367,540
Public works.....	8,055,291	10,421,875	11,037,164	8,535,164	8,730,718	9,984,615	8,723,979	9,026,582	11,140,104	14,962,314
Human services.....	941,115	1,064,584	1,071,339	1,136,656	1,782,290	1,111,966	1,146,208	1,014,392	966,007	680,190
Sanitation.....	1,498,193	1,487,659	1,571,359	1,527,540	1,628,673	2,433,081	2,515,491	2,341,559	2,435,685	2,776,527
Culture and recreation.....	2,952,668	3,165,322	3,082,111	3,187,119	2,952,323	2,230,314	2,050,213	1,603,273	1,790,414	1,962,130
Community preservation.....	247,083	894,362	70,099	303,227	568,296	951,848	315,602	1,999,588	705,925	1,954,850
Pension benefits-Town.....	5,705,325	5,793,428	6,214,492	6,522,861	6,973,028	7,647,629	8,362,266	8,997,525	9,592,934	10,022,529
Pension benefits-Teachers retirement.....	13,718,462	6,597,576	10,146,237	14,169,187	14,882,115	15,234,260	19,520,106	22,477,939	11,771,938	13,128,704
Property and liability insurance.....	433,381	438,383	426,679	475,142	519,829	532,312	761,135	862,291	854,114	1,375,330
Employee benefits.....	10,508,381	10,925,437	11,892,555	12,675,021	12,517,334	12,902,971	11,742,868	12,152,234	10,909,351	10,010,277
State and county charges.....	3,636,782	3,722,290	3,711,416	3,649,290	3,918,138	4,113,515	3,958,845	3,779,626	4,269,226	4,728,638
Debt service										
Principal.....	2,360,000	2,698,134	2,774,000	3,218,000	3,165,700	3,736,000	4,636,500	4,718,200	5,443,100	6,202,800
Interest.....	740,756	787,457	803,237	856,872	912,521	1,692,236	2,657,276	2,839,129	4,663,520	4,005,950
<b>Total Expenditures.....</b>	<b>139,288,063</b>	<b>141,226,223</b>	<b>148,333,928</b>	<b>156,724,674</b>	<b>170,960,591</b>	<b>219,534,586</b>	<b>204,770,437</b>	<b>201,946,497</b>	<b>207,480,594</b>	<b>256,475,473</b>
Excess of revenues over (under) expenditures.....	(2,339,793)	(6,246,544)	(3,913,554)	(4,904,582)	(10,868,302)	(38,182,142)	(19,756,501)	(15,514,426)	(13,064,553)	(43,930,940)
<b>Other Financing Sources (Uses)</b>										
Issuance of long-term debt.....	3,519,000	3,259,000	3,898,000	4,537,300	22,764,000	29,033,500	7,377,000	52,545,000	3,529,000	3,187,500
Premium from issuance of bonds and notes.....	224,936	171,463	319,033	632,244	1,126,360	3,282,947	996,556	2,693,203	372,357	398,305
Issuance of refunding bonds.....	-	1,680,000	-	-	-	-	-	1,855,000	1,672,600	-
Premium from issuance of refunding bonds.....	-	334,581	-	-	-	-	-	293,331	255,169	-
Payment to refunded bond escrow agent.....	-	(2,014,581)	-	-	-	-	-	-	-	-
Principal payment on current refunding.....	-	-	-	-	-	-	-	(2,085,000)	-	-
Insurance proceeds.....	-	-	-	-	-	2,753,639	180,000	-	-	-
Proceeds from the sale of capital assets.....	-	-	525,000	-	-	-	-	150,000	-	950,000
Transfers in.....	3,084,925	2,629,917	2,937,182	3,280,289	2,997,088	4,971,440	4,365,436	1,757,150	1,752,825	3,402,025
Transfers out.....	(1,264,261)	(569,303)	(812,224)	(1,200,755)	(679,229)	(3,642,924)	(2,807,155)	(84,068)	(1,691,668)	(1,829,782)
<b>Total other financing sources (uses).....</b>	<b>5,564,600</b>	<b>5,491,077</b>	<b>6,866,991</b>	<b>7,249,078</b>	<b>26,208,219</b>	<b>36,398,602</b>	<b>10,111,837</b>	<b>57,124,616</b>	<b>5,890,283</b>	<b>6,108,048</b>
<b>Net change in fund balance.....</b>	<b>\$ 3,224,807</b>	<b>\$ (755,467)</b>	<b>\$ 2,953,437</b>	<b>\$ 2,344,496</b>	<b>\$ 15,339,917</b>	<b>\$ (1,783,540)</b>	<b>\$ (9,644,664)</b>	<b>\$ 41,610,190</b>	<b>\$ (7,174,270)</b>	<b>\$ (37,822,892)</b>
Debt service as a percentage of noncapital expenditures.....	2.30%	2.58%	2.56%	2.71%	2.58%	3.25%	4.19%	4.05%	5.58%	5.31%

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

**Last Ten Years**

Year	Assessed and Actual Values and Tax Rates									
	Residential Value	Residential Tax Rate	Commercial Value	Industrial Value	Total Commercial Value	Commercial Tax Rate	Personal Property	Personal Property Tax Rate	Total Direct Rate (1)	Total Town Value
2014	\$3,983,279,285	\$11.42	\$942,124,005	\$179,476,200	\$1,121,600,205	\$26.06	\$96,048,240	\$25.93	\$14.85	\$5,200,927,730
2015	\$4,352,696,656	\$11.07	\$997,106,201	\$190,799,500	\$1,187,905,701	\$24.95	\$87,817,050	\$24.83	\$14.21	\$5,628,419,407
2016	\$4,586,821,359	\$10.98	\$1,031,327,521	\$199,981,850	\$1,231,309,371	\$24.66	\$94,335,830	\$24.53	\$14.05	\$5,912,466,560
2017	\$4,929,037,567	\$10.74	\$1,040,225,465	\$198,891,500	\$1,239,116,965	\$23.72	\$100,886,290	\$23.61	\$13.51	\$6,269,040,822
2018	\$5,209,622,684	\$10.54	\$1,132,068,827	\$206,805,200	\$1,338,874,027	\$23.37	\$99,184,210	\$23.26	\$13.31	\$6,647,680,921
2019	\$5,681,558,754	\$10.09	\$1,204,854,113	\$218,344,700	\$1,423,198,813	\$22.20	\$102,568,140	\$22.11	\$12.65	\$7,207,325,707
2020	\$6,067,816,568	\$9.86	\$1,319,473,339	\$239,672,900	\$1,559,146,239	\$21.81	\$107,139,360	\$21.73	\$12.43	\$7,734,102,167
2021	\$6,303,768,622	\$9.95	\$1,323,751,605	\$243,880,800	\$1,567,632,405	\$21.84	\$111,176,790	\$21.76	\$12.45	\$7,982,577,817
2022	\$6,806,420,899	\$9.95	\$1,355,027,648	\$270,382,200	\$1,625,409,848	\$21.63	\$118,560,200	\$21.55	\$12.33	\$8,550,390,947
2023	\$7,164,371,965	\$9.76	\$1,402,084,909	\$289,157,600	\$1,691,242,509	\$21.18	\$132,847,700	\$21.11	\$12.08	\$8,988,462,174



(1) Weighted average direct tax rate, calculated as weighted average of residential, commercial and personal property tax rates.  
 Source: Assessor's Department, Town of Braintree and Official Statements.  
 All property in the Commonwealth of Massachusetts is assessed at 100% of fair cash value.

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

**Principal Taxpayers**

**Current Year and Nine Years Ago**

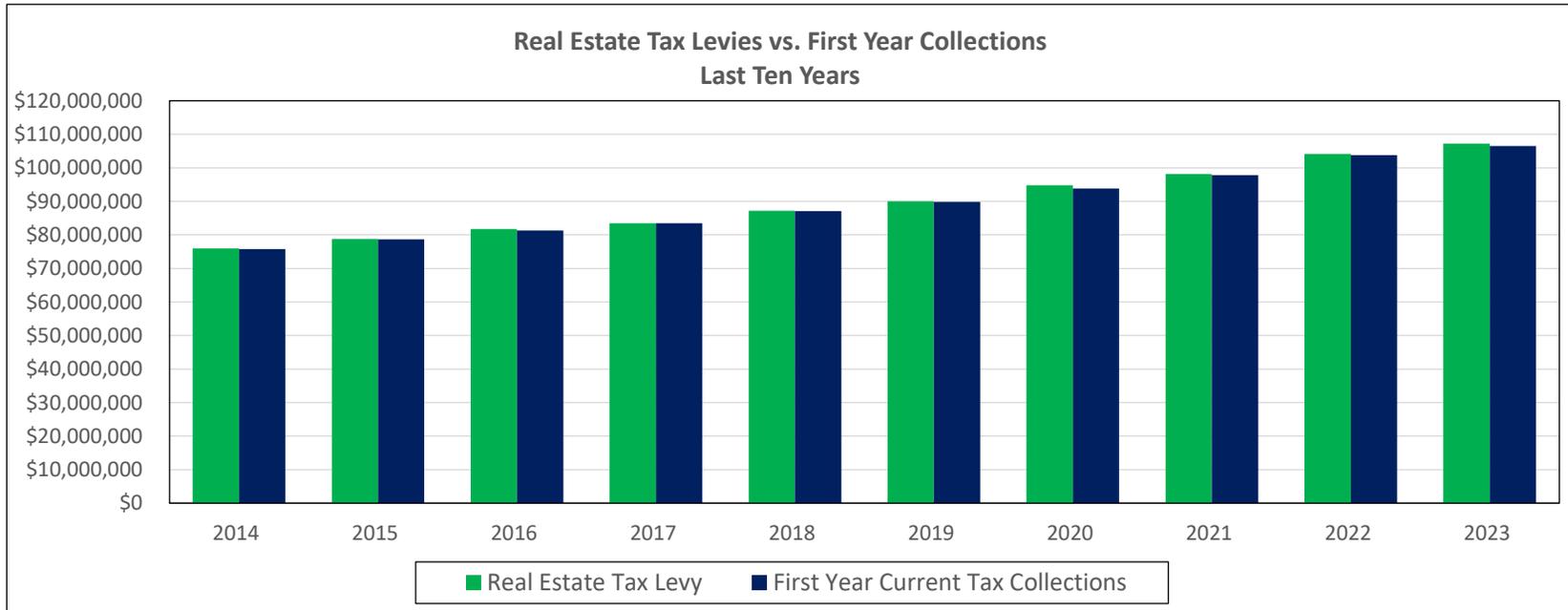
Name	Nature of Business	2023			2014		
		Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value	Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value
Braintree Property Associates	Malls	\$ 336,212,900	1	3.74%	\$ 252,064,808	1	4.85%
Messina, Francis X. (et al)	Developer/Real Estate	114,453,400	2	1.27%	106,326,900	2	2.07%
Braintree Hill Office Park, LLC	Office Park	94,146,100	3	1.05%	58,202,600	3	1.12%
Lenox Farms Limited Partnership	Apartments	91,943,100	4	1.02%	56,129,900	4	1.09%
EQR - Lincoln Braintree LLC	Apartments	50,431,800	5	0.56%	27,480,000	6	0.53%
UDR Ridge at Blue Hills LLC	Apartments	42,359,300	6	0.47%			
TRT Braintree II LLC	Retail	30,913,100	7	0.34%	18,683,000	9	0.36%
AG-EIP 175 Campanelli LLC	Office/ Warehouse	29,725,400	8	0.33%			
Braintree IRF Investment Group, Inc.	Rehabilitation Hospital	28,273,300	9	0.31%			
2001 Washington Street LLC	Private School	26,564,800	10	0.30%			
AMB Property LP	Retail Clothing				27,510,000	5	0.53%
Ridge at Blue Hills LTD Partnership	Apartments				23,684,400	7	0.46%
WBF Braintree Equity Part LLC	Retail				23,564,700	8	0.46%
Flatley, John (et al)	Real Estate				17,701,700	10	0.34%
	<b>Totals</b>	<b>\$ 845,023,200</b>		<b>9.40%</b>	<b>\$ 611,348,008</b>		<b>11.82%</b>

Source: Official Statements, Town of Braintree

**Property Tax Levies and Collections**

**Last Ten Years**

Year	Total Tax Levy	Less Reserve for Abatements & Exemptions	Net Tax Levy	Net as % of Total	First Year Current Tax Collections	Percent of Net Levy Collected	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections to Net Tax Levy (1)
2014	\$77,063,779	\$1,094,569	\$75,969,210	98.58%	\$75,806,678	99.79%	\$352,002	\$76,158,680	100.25%
2015	\$79,857,630	\$1,124,209	\$78,733,421	98.59%	\$78,644,968	99.89%	\$645,160	\$79,290,128	100.71%
2016	\$82,893,707	\$1,135,942	\$81,757,765	98.63%	\$81,327,841	99.47%	\$790,831	\$82,118,672	100.44%
2017	\$84,572,830	\$1,110,896	\$83,461,934	98.69%	\$83,492,751	100.04%	\$612,186	\$84,104,937	100.77%
2018	\$88,354,226	\$1,132,086	\$87,222,140	98.72%	\$87,108,933	99.87%	\$491,635	\$87,600,568	100.43%
2019	\$91,061,619	\$1,040,464	\$90,021,155	98.86%	\$89,791,497	99.74%	\$260,316	\$90,051,813	100.03%
2020	\$96,033,471	\$1,201,542	\$94,831,929	98.75%	\$93,840,113	98.95%	\$1,460,537	\$95,300,650	100.49%
2021	\$99,259,484	\$1,141,765	\$98,117,719	98.85%	\$97,759,858	99.64%	\$455,956	\$98,215,814	100.10%
2022	\$105,311,540	\$1,135,214	\$104,176,326	98.92%	\$103,752,758	99.59%	\$658,136	\$104,410,894	100.23%
2023	\$108,432,542	\$1,175,130	\$107,257,412	98.92%	\$106,508,456	99.30%	\$0	\$106,508,456	99.30%



(1) If the actual abatements and exemptions are lower than the reserve, the actual collections can exceed the levy.  
Source: Assessor's Department and Official Statements, Town of Braintree

**Ratios of Outstanding Debt by Type**

**Last Ten Years**

Year	Governmental Activities		Business-type Activities			Total Debt Outstanding	Percentage of Personal Income (2)	U. S. Census Population	Debt Per Capita
	General Obligation Bonds (1)	Lease Obligations	General Obligation Bonds (1)	Direct Borrowings	Lease Obligations				
2014	\$ 24,272,037	\$ 89,968	\$ 121,748,031	\$ 345,930	\$ 485,394	\$ 146,941,360	9.33%	36,220	4,057
2015	24,697,593	-	117,132,485	1,204,736	296,958	143,331,772	8.75%	36,223	3,957
2016	26,105,152	-	120,764,971	1,136,502	184,097	148,190,722	8.64%	36,460	4,065
2017	27,968,953	-	114,675,967	959,716	146,863	143,751,499	7.88%	37,297	3,854
2018	48,436,083	-	111,070,541	896,526	289,882	160,693,032	8.50%	37,156	4,325
2019	76,799,873	-	105,198,461	838,859	268,727	183,105,920	9.29%	37,250	4,916
2020	79,912,899	-	98,159,070	932,147	103,133	179,107,249	8.65%	37,623	4,761
2021	129,642,346	-	90,644,149	1,128,058	27,456	221,442,009	10.18%	37,999	5,828
2022	127,308,732	-	82,481,283	1,094,389	-	210,884,404	9.23%	38,379	5,495
2023	123,801,647	-	75,699,908	1,380,222	-	200,881,777	8.37%	38,762	5,182

(1) Presented net of original issuance discounts and premiums.

(2) Personal income is disclosed on the Schedule of Demographic and Economic Statistics.

Source: Audited Financial Statements, U. S. Census

**Ratios of General Bonded Debt Outstanding**

**Last Ten Years**

<b>Year</b>	<b>General Obligation Bonds (1)</b>	<b>Less: Amounts Available in Debt Service Fund</b>	<b>Total</b>	<b>Percentage of Estimated Actual Taxable Value of Property (2)</b>	<b>Per Capita (3)</b>
2014	\$ 146,020,068	-	\$ 146,020,068	2.81%	\$ 4,032
2015	141,830,078	-	141,830,078	2.52%	3,916
2016	146,870,123	-	146,870,123	2.48%	4,028
2017	142,644,920	-	142,644,920	2.28%	3,825
2018	159,506,624	-	159,506,624	2.40%	4,293
2019	181,998,334	-	181,998,334	2.53%	4,886
2020	178,071,969	-	178,071,969	2.30%	4,733
2021	220,286,495	-	220,286,495	2.76%	5,797
2022	209,790,015	-	209,790,015	2.45%	5,466
2023	199,501,555	-	199,501,555	2.22%	5,147

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

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

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

Source: Audited Financial Statements, U. S. Census

**Direct and Overlapping Governmental Activities Debt**

**As of June 30, 2023**

<u>Town of Braintree, Massachusetts</u>	<u>Debt Outstanding</u>	<u>Percentage Applicable (1)</u>	<u>Estimated Share of Overlapping Debt</u>	<u>Current Year Assessment for Operations and Debt Service</u>
Norfolk County.....	\$ 16,045,000	4.80%	\$ 770,160	\$ 333,452
Massachusetts Bay Transportation Authority.....	5,896,383	0.50%	<u>29,718</u>	903,899
Subtotal, overlapping debt.....			799,878	
Town debt.....			<u>123,801,647</u>	
Total direct and overlapping debt.....			<u>\$ 124,601,525</u>	

Source: Treasurer's Office, Town of Braintree

Note: The Town obtains the debt outstanding and percentages directly from the entities.

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

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

**Computation of Legal Debt Margin**

**Last Ten Years**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Equalized Valuation.....	\$ 5,627,043,400	\$ 5,574,551,500	\$ 5,574,551,500	\$ 6,327,219,800	\$ 6,327,219,800	\$ 7,169,361,300	\$ 7,169,361,300	\$ 8,213,296,300	\$ 8,213,296,300	\$ 8,924,863,200
Debt Limit - 5% of Equalized Valuation.....	\$ 281,352,170	\$ 278,727,575	\$ 278,727,575	\$ 316,360,990	\$ 316,360,990	\$ 358,468,065	\$ 358,468,065	\$ 410,664,815	\$ 410,664,815	\$ 446,243,160
Less:										
Outstanding debt applicable to limit.....	27,669,930	28,527,736	28,527,736	29,891,716	29,509,826	37,997,159	36,061,447	34,596,355	34,206,770	33,898,240
Authorized and unissued debt.....	<u>12,391,520</u>	<u>15,904,964</u>	<u>15,904,964</u>	<u>16,402,511</u>	<u>23,069,000</u>	<u>69,878,868</u>	<u>63,025,048</u>	<u>98,620,128</u>	<u>107,892,718</u>	<u>118,190,620</u>
Legal debt margin.....	\$ <u>241,290,720</u>	\$ <u>234,294,875</u>	\$ <u>234,294,875</u>	\$ <u>270,066,763</u>	\$ <u>263,782,164</u>	\$ <u>250,592,038</u>	\$ <u>259,381,570</u>	\$ <u>277,448,332</u>	\$ <u>268,565,327</u>	\$ <u>294,154,300</u>
Total debt applicable to the limit as a percentage of the limit.....	14.24%	15.94%	15.94%	14.63%	16.62%	30.09%	27.64%	32.44%	34.60%	34.08%

Source: Treasurer's Department, Town of Braintree / Official Statements

## Demographic and Economic Statistics

### Last Ten Years

Year	Population Estimates	Personal Income	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2014	36,220	\$ 1,575,253,345	\$ 43,492	40	5,734	5.40%
2015	36,223	\$ 1,638,405,602	\$ 45,232	40	5,812	5.10%
2016	36,460	\$ 1,715,090,554	\$ 47,041	40	5,809	4.90%
2017	37,297	\$ 1,824,658,595	\$ 48,922	40	5,839	4.90%
2018	37,156	\$ 1,890,470,958	\$ 50,879	40	5,828	3.10%
2019	37,250	\$ 1,971,063,756	\$ 52,914	40	5,842	3.40%
2020	37,623	\$ 2,070,405,369	\$ 55,031	40	5,815	6.31%
2021	37,999	\$ 2,174,753,800	\$ 57,232	40	5,454	5.40%
2022	38,379	\$ 2,284,361,392	\$ 59,522	40	5,308	3.30%
2023	38,762	\$ 2,399,493,206	\$ 61,902	40	5,368	2.50%

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

**Principal Employers**  
**Current Year and Nine Years Ago**

Employer	Nature of Business	2023			2014		
		Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
Daniel Quirk	Auto Dealership	1,000	1	3.76%	210	10	0.75%
Health South/Braintree Rehab	Rehabilitation Hospital	499	2	1.87%	750	2	2.68%
Verizon	Utility	400	3	1.50%	400	5	1.43%
Sears	Retail	363	4	1.36%	363	6	1.30%
Symmons Industries	Plumbing Manufacturer	290	5	1.09%	290	8	1.04%
ING	Financial Services	250	6	0.94%	568	4	2.03%
Mass State Lottery	State Agency	250	7	0.94%	300	7	1.07%
Nordstrom	Retail	250	8	0.94%	250	9	0.89%
Macy's	Retail	200	9	0.75%			
United Liquors	Distributor				767	1	2.74%
Haemonetics	Biomedical				720	3	2.58%
		3,502		13.16%	4,618		16.52%

The Town is reporting all employees with more than 200 employees.

Source: Massachusetts Workplace Development Agency & the Town's personnel and department records.

**Full-time Equivalent Town Employees by Function**

**Last Ten Years**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Function:										
General government.....	43	43	43	46	43	43	42	40	41	41
Police.....	96	97	94	96	103	98	104	102	104	105
Fire.....	86	88	90	90	90	90	89	90	93	92
Education.....	736	770	778	784	779	795	813	789	804	806
Public works.....	40	40	43	41	44	51	63	56	57	58
Human services.....	12	12	12	11	11	12	11	10	11	11
Culture and recreation.....	19	17	20	20	19	21	21	19	20	20
Water & Sewer .....	23	23	25	24	24	23	25	27	27	26
Golf.....	8	8	8	8	8	8	7	8	8	8
Electric Light .....	101	100	101	101	99	98	93	90	78	78
<b>Total .....</b>	<b><u>1,164</u></b>	<b><u>1,198</u></b>	<b><u>1,214</u></b>	<b><u>1,221</u></b>	<b><u>1,220</u></b>	<b><u>1,239</u></b>	<b><u>1,268</u></b>	<b><u>1,231</u></b>	<b><u>1,243</u></b>	<b><u>1,245</u></b>

Source: Town personnel records and various Town departments.

**Operating Indicators by Function/Program**

**Last Ten Years**

<b>Function/Program</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>General Government</b>										
Population.....	36,220	36,223	36,460	37,297	37,156	37,250	37,623	37,189	39,143	37,985
Registered voters, annual town election.....	N/A	N/A	N/A	N/A	N/A	26,468	N/A	N/A	N/A	N/A
<b>Town Clerk</b>										
Births.....	410	382	410	357	372	396	388	328	362	359
Marriages.....	211	218	239	214	305	223	171	184	237	197
Deaths.....	478	505	500	499	491	476	660	538	529	576
<b>Police</b>										
Accidents covered by an officer.....	1,611	524	1,631	1,764	588	1,676	1,418	1,210	1,375	1,334
Citations issued.....	4,311	9,370	4,774	3,423	2,877	3,290	2,583	3,193	602	2,126
Arrests.....	985	952	1,005	906	743	574	438	379	359	392
Larcenies.....	1,167	619	1,070	1,012	439	989	752	996	751	833
<b>Fire</b>										
Fires.....	132	136	45	106	82	65	85	109	16	70
Emergency medical service.....	2,558	2,733	1,889	3,781	4,302	4,030	3,539	4,440	4,066	4,015
False alarm.....	857	633	228	853	858	872	659	769	566	665
Other responses.....	1,456	1,366	735	1,144	1,551	1,560	951	1,487	1,367	1,268
Hazmat responses.....	258	255	39	251	295	228	156	75	44	92
<b>Building Department</b>										
Residential building permits issued.....	926	1,352	1,313	1,215	1,176	1,260	1,115	1,423	1,012	1,183
Non-Residential building permits issued.....	399	382	324	349	400	342	245	153	160	186
<b>Education</b>										
Public school enrollment.....	5,734	5,828	5,860	5,839	5,828	5,908	5,875	5,510	5,422	5,602
<b>Public Works</b>										
<b>Cemetery</b>										
Lots sold.....	23	39	40	46	39	19	27	14	10	17
<b>Water</b>										
Service connections.....	11,454	11,561	11,540	11,549	11,549	11,617	11,757	11,773	11,774	11,768
Consumption in billions of gallons.....	1,166	927	918	914	914	1,168	1,151	1,164	1,150	767
Daily consumption in millions of gallons.....	3.5	3	3	3	3	3.2	3.25	3.19	3.34	3.26
<b>Sewer</b>										
Service connections.....	11,417	11,541	11,554	11,513	11,513	11,581	11,721	11,726	11,729	11,725
Daily average collection (MGD).....	6.81	N/A								
<b>Highway</b>										
Miles of public road.....	130.0	134	134	135	135	135	135	135	135	135
<b>Human Services</b>										
<b>Board of Health</b>										
Inspections.....	1,139	1,291	1,359	1,256	1,514	1,430	1,256	1,122	1,226	1,201
<b>Elder Affairs</b>										
Transportation.....	5,295	5,368	5,450	5,018	5,598	5,285	3,820	1,931	2,835	2,862
Volunteer service hours.....	4,423	4,686	4,662	4,550	3,798	3,620	2,692	765	1,095	1,517
Fitness/exercise program participants.....	4,298	4,415	4,826	4,710	6,088	5,952	3,410	1,891	4,390	3,230
Recreation/social event participants.....	8,172	8,959	9,495	9,220	9,819	9,625	6,100	990	6,290	4,460
<b>Libraries</b>										
Volumes in collection.....	140,213	285,730	271,978	773,224	161,840	175,509	226,448	370,191	278,458	291,699
Circulation.....	384,109	365,580	352,638	324,720	302,310	327,979	286,349	318,336	350,804	318,496
Program attendance.....	9,695	8,660	10,272	9,191	10,524	11,916	11,286	10,544	10,107	10,646

Source: Various Town Departments  
 N/A: Information not available

**Capital Asset Statistics by Function/Program**

**Last Ten Years**

<b><u>Function/Program</u></b>	<b><u>2014</u></b>	<b><u>2015</u></b>	<b><u>2016</u></b>	<b><u>2017</u></b>	<b><u>2018</u></b>	<b><u>2019</u></b>	<b><u>2020</u></b>	<b><u>2021</u></b>	<b><u>2022</u></b>	<b><u>2023</u></b>
General Government										
Number of buildings.....	8	8	8	8	8	8	8	8	8	8
Police										
Number of stations.....	1	1	1	1	1	1	1	1	1	1
Fire										
Number of stations.....	3	3	3	3	3	3	3	3	3	3
Number of vehicles.....	17	17	17	17	17	17	17	17	17	17
Education										
Number of elementary schools.....	6	6	6	6	6	6	6	6	6	6
Number of middle schools.....	2	2	2	2	2	2	2	2	2	2
Number of high schools.....	1	1	1	1	1	1	1	1	1	1
Number of other buildings.....	5	5	5	5	5	5	5	5	5	5
Public Works										
Water mains (miles).....	161	161	161	161	161	161	161	161	161	161
Fire hydrants.....	1,211	1,211	1,211	1,211	1,211	1,211	1,211	1,210	1,210	1,210
Sanitary sewers (miles).....	138	138	138	138	138	138	138	138	138	138
Number of wells.....	1	1	1	1	1	1	1	1	1	1
Number of water storage tanks.....	4	4	4	4	4	4	4	4	4	4
Number of pump stations.....	15	15	15	15	14	12	12	12	12	12
Human Services										
Senior center.....	1	1	1	1	1	1	1	1	1	1
Culture and Recreation										
Recreation building.....	1	1	2	2	2	2	2	2	2	2
Library.....	1	1	1	1	1	1	1	1	1	1

Source: Various Town Departments



Braintree Pickleball ribbon cutting of new courts at Hollis Field on June 21, 2022.



Roadway kickoff meeting on June 1, 2023.

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Troutman Pepper Locke LLP  
111 Huntington Avenue, 9th Floor  
Boston, MA 02199-7613  
www.troutman.com



(Date of Delivery)

Kristina O'Connell, Treasurer  
Town of Braintree  
Braintree, Massachusetts

\$10,115,000  
Town of Braintree, Massachusetts  
General Obligation Municipal Purpose Loan of 2025 Bonds  
Dated February 26, 2025

We have acted as bond counsel to the Town of Braintree, Massachusetts (the "Town") in connection with the issuance by the Town of the above-referenced bonds (the "Bonds"). In such capacity, we have examined the law and such certified proceedings and other papers as we have deemed necessary to render this opinion.

As to questions of fact material to our opinion we have relied upon representations and covenants of the Town contained in the certified proceedings and other certifications of public officials furnished to us, without undertaking to verify the same by independent investigation.

Based on our examination, we are of the opinion, under existing law, as follows:

1. The Bonds are valid and binding general obligations of the Town and, except to the extent they are paid from other sources, the principal of and interest on the Bonds are payable from taxes which may be levied upon all taxable property in the Town, without limitation as to rate or amount, except as provided under Chapter 44, Section 20 of the General Laws, with respect to that portion of the principal and interest payments that the Town has voted to exempt from the limit imposed by Chapter 59, Section 21C of the General Laws, and subject to the limit imposed by Chapter 59, Section 21C of the General Laws with respect to that portion of the principal and interest payments that the Town has not voted to exempt from that limit.

2. Interest on the Bonds is excluded from the gross income of the owners of the Bonds for federal income tax purposes. In addition, interest on the Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax. However, interest on the Bonds will be included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Internal Revenue Code of 1986 (the "Code"). In rendering the opinions set forth in this paragraph, we have assumed compliance by the Town with all requirements of the Code that must be satisfied

subsequent to the issuance of the Bonds in order that interest thereon be, and continue to be, excluded from gross income for federal income tax purposes. The Town has covenanted to comply with all such requirements. Failure by the Town to comply with certain of such requirements may cause interest on the Bonds to become included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. We express no opinion regarding any other federal tax consequences arising with respect to the Bonds.

3. Interest on the Bonds is exempt from Massachusetts personal income taxes and the Bonds are exempt from Massachusetts personal property taxes. We express no opinion regarding any other Massachusetts tax consequences arising with respect to the Bonds or any tax consequences arising with respect to the Bonds under the laws of any state other than Massachusetts.

This opinion is expressed as of the date hereof, and we neither assume nor undertake any obligation to update, revise, supplement or restate this opinion to reflect any action taken or omitted, or any facts or circumstances or changes in law or in the interpretation thereof, that may hereafter arise or occur, or for any other reason.

The rights of the holders of the Bonds and the enforceability of the Bonds may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable, and their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

TROUTMAN PEPPER LOCKE LLP

**PROPOSED FORM OF  
CONTINUING DISCLOSURE CERTIFICATE**

This Continuing Disclosure Certificate (the “Disclosure Certificate”) is executed and delivered by the Town of Braintree, Massachusetts (the “Issuer”) in connection with the issuance of its \$10,115,000 General Obligation Municipal Purpose Loan of 2025 Bonds dated February 26, 2025 (the “Bonds”). The Issuer covenants and agrees as follows:

**SECTION 1. Purpose of the Disclosure Certificate.** This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the Owners of the Bonds and in order to assist the Participating Underwriters in complying with the Rule.

**SECTION 2. Definitions.** For purposes of this Disclosure Certificate the following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“Listed Events” shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

“MSRB” shall mean the Municipal Securities Rulemaking Board as established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, or any successor thereto or to the functions of the MSRB contemplated by this Disclosure Certificate. Filing information relating to the MSRB is set forth in Exhibit A attached hereto.

“Obligated Person” shall mean the Issuer.

“Owners of the Bonds” shall mean the registered owners, including beneficial owners, of the Bonds.

“Participating Underwriter” shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“Rule” shall mean Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

**SECTION 3. Provision of Annual Reports.**

(a) The Issuer shall, not later than 270 days after the end of each fiscal year, provide to the MSRB an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the Issuer may be submitted when available separately from the balance of the Annual Report.

(b) If the Issuer is unable to provide to the MSRB an Annual Report by the date required in subsection (a), the Issuer shall send a notice to the MSRB in a timely manner, in substantially the form attached as Exhibit B.

SECTION 4. Content of Annual Reports. The Issuer's Annual Report shall contain or incorporate by reference the following:

(a) quantitative information for the preceding fiscal year of the type presented in the Issuer's Official Statement dated February 11, 2025 relating to the Bonds regarding (i) the revenues and expenditures of the Issuer relating to its operating budget, (ii) capital expenditures, (iii) fund balances, (iv) property tax information, (v) outstanding indebtedness and overlapping debt of the Issuer, (vi) pension obligations of the Issuer, and (vii) other post-employment benefits liability of the Issuer, and

(b) the most recently available audited financial statements of the Issuer, prepared in accordance with generally accepted accounting principles, with certain exceptions permitted by the Massachusetts Uniform Municipal Accounting System promulgated by the Department of Revenue of the Commonwealth. If audited financial statements for the preceding fiscal year are not available when the Annual Report is submitted, the Annual Report will include unaudited financial statements for the preceding fiscal year and audited financial statements for such fiscal year shall be submitted when available.

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the Issuer or related public entities, which (i) are available to the public on the MSRB internet website or (ii) have been filed with the Securities and Exchange Commission. The Issuer shall clearly identify each such other document so incorporated by reference.

SECTION 5. Reporting of Significant Events.

(a) The Issuer shall give notice, in accordance with the provisions of this Section 5, of the occurrence of any of the following events with respect to the Bonds:

1. Principal and interest payment delinquencies.
2. Non-payment related defaults, if material.
3. Unscheduled draws on debt service reserves reflecting financial difficulties.
4. Unscheduled draws on credit enhancements reflecting financial difficulties.
5. Substitution of credit or liquidity providers, or their failure to perform.
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds.

7. Modifications to rights of the Owners of the Bonds, if material.
  8. Bond calls, if material, and tender offers.
  9. Defeasances.
  10. Release, substitution or sale of property securing repayment of the Bonds, if material.
  11. Rating changes.
  12. Bankruptcy, insolvency, receivership or similar event of the Obligated Person.\*
  13. The consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.
  14. Appointment of a successor or additional trustee or the change of name of a trustee, if material.
  15. Incurrence of a financial obligation of the Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Obligated Person, any of which affect Owners of the Bonds, if material.†
  16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Obligated Person, any of which reflect financial difficulties.†
- (b) Upon the occurrence of a Listed Event, the Issuer shall, in a timely manner not in excess of ten (10) business days after the occurrence of the event, file a notice of such occurrence with the MSRB.

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\* As noted in the Rule, this event is considered to occur when any of the following occur: (i) the appointment of a receiver, fiscal agent or similar officer for the Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or (ii) the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person.

† For purposes of event numbers 15 and 16 in Section 5(a) of this Disclosure Certificate, the term “financial obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “financial obligation” excludes municipal securities for which a final official statement has been provided to the MSRB consistent with the Rule.

SECTION 6. Transmission of Information and Notices. Unless otherwise required by law, all notices, documents and information provided to the MSRB shall be provided in electronic format as prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

SECTION 7. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Certificate shall terminate upon the prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination in the same manner as for a Listed Event under Section 5(b).

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate and any provision of this Disclosure Certificate may be waived if such amendment or waiver is permitted by the Rule, as evidenced by an opinion of counsel expert in federal securities law (which may include bond counsel to the Issuer), to the effect that such amendment or waiver would not cause the Disclosure Certificate to violate the Rule. The first Annual Report filed after enactment of any amendment to or waiver of this Disclosure Certificate shall explain, in narrative form, the reasons for the amendment or waiver and the impact of the change in the type of information being provided in the Annual Report.

If the amendment provides for a change in the accounting principles to be followed in preparing financial statements, the Annual Report for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information in order to provide information to investors to enable them to evaluate the ability of the Issuer to meet its obligations. To the extent reasonably feasible, the comparison shall also be quantitative. A notice of the change in the accounting principles shall be sent to the MSRB.

SECTION 9. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate any Owner of the Bonds may seek a court order for specific performance by the Issuer of its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not constitute a default with respect to the Bonds, and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action for specific performance of the Issuer's obligations hereunder and not for money damages in any amount.

SECTION 10. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Owners of the Bonds from time to time, and shall create no rights in any other person or entity.

Date: February 26, 2025

TOWN OF BRAINTREE,  
MASSACHUSETTS

By \_\_\_\_\_  
Treasurer

\_\_\_\_\_  
Mayor

[EXHIBIT A: Filing Information for the MSRB]  
[EXHIBIT B: Form of Notice of Failure to File Annual Report]