



# TOWN OF NORFOLK

## SELECT BOARD

ONE LIBERTY LANE  
NORFOLK, MASSACHUSETTS

Blythe C. Robinson  
Town Administrator

(508) 440-2855  
(508) 541-3366 FAX

**In accordance with the Governor's Order Suspending Certain Provisions of the Open Meeting Law, G. L. c. 30A, § 20, relating to the 2020 novel Coronavirus outbreak emergency, the April 7, 2020 7:00 PM public meeting of the Norfolk Select Board shall be physically closed to the public to avoid group congregation.**

**Alternative public access to this meeting shall be done via Zoom online video conferencing. This application will allow users to view the meeting and provide comments during allocated windows as outlined in the Board's Public Comment Policy. To join, follow the web link or call the dial-in number listed below under the start time/Call to Order. The meeting will be recorded for future rebroadcast by Norfolk Community Television. For more information on getting connected and using the video conference features, please visit**

**<http://www.norfolk.ma.us/assets/files/news/resident-zoom-guide.pdf>**

**7:00 p.m. Call Meeting to Order**

**Zoom Meeting Link: <https://zoom.us/j/3560716045>**

**Zoom Meeting Call-In: 1-929-205-6099 (Meeting ID 3560716045)**

- 1. COVID-19 Updates**
- 2. Public Comment**
- 3. Presentation of the results of the FY19 Annual Audit**

### **Action Items**

- 4. Please consider changing the date of the 2020 Town Election**
- 5. Please consider an appointment to the Board of Registrars**
- 6. Please consider approval of Transfer Station Fees effective July 1, 2020**
- 7. Please consider determining the amount of the FY21 operating budget to propose to Town Meeting**
- 8. *Please consider extending the deadline to pay FY20 4<sup>th</sup> Quarter Real Estate & Personal Property Taxes in compliance with Chapter 53 of the acts of 2020***

### **Discussion Items**

**9. Please discuss holding virtual Select Board office hours**

**10. Please discuss whether to move forward with a 150<sup>th</sup> Anniversary Parade on September 13, 2020**

**Report of Warrants**

**11. The following warrants have been signed:**

- **3/13/2020 18P20 and 18PS20 \$825,965.40 (CVT)**
- **3/17/2020 38V20 \$200,135.48 (CVT)**
- **3/17/2020 38VS20 \$103,614.87 (CVT)**
- **3/24/2020 39V20 \$372,791.69 (CW)**
- **3/24/2020 39VS20 \$7,268.80 (CW)**
- **3/27/2020 19P20 and 19PS20 \$852,980.34 (CW)**
- **3/31/2020 40V20 \$826,887.38 (CW)**
- **3/31/2020 40VS20 \$32,396.67 (CW)**

**Approve Minutes**

**12. Please consider approval of the minutes**

**Any other unanticipated business that may come before the Board**

**ADJOURNMENT**



**Blythe C. Robinson, Town Administrator**



# TOWN OF NORFOLK

## SELECT BOARD

ONE LIBERTY LANE  
NORFOLK, MASSACHUSETTS

Blythe C. Robinson  
Town Administrator

(508) 440-2855  
(508) 541-3366 FAX

April 2, 2020

MEMO TO: Select Board

From: Blythe C. Robinson, Town Administrator

*BER*

RE: **Agenda Background – April 7, 2020**

Below please find background material on each of the items on the agenda as well as draft motions that you can consider where action is required. Please note that this is a remote meeting utilizing Zoom. The meeting codes for the is on the agenda.

1. COVID-19 Updates
2. Public Comment
3. Presentation of the results of the FY19 Annual Audit

Included in your packet are several documents associated with the annual audit of the Town's financial records for the fiscal year ending June 30, 2019 (FY19). This work was performed by CliftonLarsenAllen (CLA), led by Principal Matt Hunt. Mr. Hunt will be participating in the meeting to give you an overview of the audit, their opinion of our financial statements and any salient points that they think you as the Executive Board of the Town should be aware of. Todd Lindmark will also be on the call as his office is responsible for completion of this scope of work annually.

4. Please consider changing the date of the 2020 Town Election

At the last meeting the Board voted to postpone the annual election, but did not set a date. The date that was mentioned was June 2<sup>nd</sup>. Since that time the shelter in place order was extended by the Governor to May 4<sup>th</sup>. With so many questions about how long such orders will remain in place, Town Clerk Carol Greene would like to propose that the Board, besides considering June 2<sup>nd</sup> (1<sup>st</sup> Tuesday in June), also consider the option of June 23<sup>rd</sup> which would be the 4<sup>th</sup> Tuesday of the month. The thinking behind the later date is that it may be a safer bet depending on the length of the pandemic, perhaps making it less likely that it needs to be rescheduled again. Some points to consider in this decision is that it would come after the currently scheduled annual town meeting on June 9<sup>th</sup> and Norfolk has always held its election first. We've checked the school calendar, and right now school is due to end on June 15<sup>th</sup>,

and with five built in "snow days" the last day would be the 22<sup>nd</sup>. Hopefully having it a day later would not impact families making vacation plans. Carol will be participating in your meeting on Tuesday night to discuss this with you. For now, we've scripted the motion with the June 23<sup>rd</sup> date.

**MOVE** that the Board set the annual Town election date on Tuesday, June 23, 2020.

5. Please consider an appointment to the Board of Registrars

Mr. Ken Ralff has resigned effective immediately as the republican appointee to the Board of Registrars. Included in your packet is an email from Donna Dicenso nominating Mr. Peter Stagg to be appointed in his place.

**MOVE** that the Board appoint Peter Stagg to the Board of Registrars for a term to expire March 31, 2021.

6. Please consider approval of Transfer Station Fees effective July 1, 2020

Since the March 17<sup>th</sup> meeting at which we discussed transfer station fees, staff has reviewed them further with the Board's comments in mind. Enclosed in your packet are the rates and charges we are proposing for FY21. The change from the earlier version is to increase the cost of renting a roll off container from \$200 to \$400. DPW has conducted some additional research and believes this is still a lower price point than commercial companies, but better represents the Town's costs to providing this service. With the Board's approval of these rates staff will work to have the program ready to go for July 1<sup>st</sup>, the biggest change being a transition from bag stickers for household trash to colored bags issued by the Town of Norfolk.

**MOVE** that the Board approve the revised fees and charges for the Transfer Station effective July 1, 2020.

7. Please consider determining the amount of the FY21 operating budget to propose to Town Meeting

We have continued to refine the FY21 budget as a result of the last Board meeting, the result of which is included in your agenda packet. We have made two assumptions in order to arrive at this point. We have assumed that you agree with the changes in transfer station fees, and are not in favor of a change in the premium share of health insurance for retirees. Those assumptions led us to make a couple of revenue adjustments and a number of expense reductions to balance the budget, which Todd and I will review with you on Tuesday night. The net of these changes is that the budget increase from FY20 to FY21 is now 2.42%.

After polling you individually there does appear to be consensus that a smaller change in the premium cost share for retirees than first presented would be acceptable. We haven't adjusted the budget for this, however we have updated the spreadsheet to show you what a 5%, 10% and 15% change look like and the annual impact to those currently retired. As

a suggestion the Board could consider increasing the retiree share from 35% to 40% for those already retired, and changing it from 35% to 50% for those who have not yet retired. If the Board reaches consensus on a change of some amount, we can adjust budgets prior to the annual town meeting. The motion scripted below would allow you to approve the budget presented tonight, and be able to make further adjustments as we get closer to June.

**MOVE** that the Board approve an overall budget increase for FY21 of 2.42%, pending any other new information that may impact this figure prior to the annual town meeting.

8. Please consider extending the deadline to pay FY20 4<sup>th</sup> Quarter Real Estate & Personal Property Taxes in compliance with Chapter 53 of the acts of 2020

On Friday, April 3<sup>rd</sup> the Governor signed into law this act that makes a myriad of changes to state law affecting local governments and their ability to conduct business during this pandemic. A copy of the law is included in your packet as background. Section 7 of the law provides for several local options regarding the payment of real estate and personal property taxes, and the ability to waive interest and other penalties for late payment of excise, tax, betterment assessments, and water use charges. At this time staff recommends that the Board consider changing the due date for real estate and personal property taxes due, but not any other provisions. There have been a number of questions raised about the other provisions concerning the payment of interest and penalties which we need to clarify after which we can bring back to you at the next board meeting for consideration.

As you know, fourth quarter taxes are due to the Town on May 1<sup>st</sup>. The law allows the Board to vote to change that date to June 1<sup>st</sup>, giving residents 30 additional days to make this payment. As Norfolk sends bills out twice per year, the bills for this quarter went out in late December, and state May 1<sup>st</sup>. We don't foresee any material issues with cash flow at this point in the year, and recommend this change. If the Board approves, we would post this update to our website and Facebook to announce it to residents.

**MOVE** that the Board approve an extension of the deadline to pay

9. Please discuss holding virtual Select Board office hours

The Chair has placed this item on the agenda for the Board to discuss an alternative to holding face to face office hours to interface with Town residents. In the current environment with the pandemic in person meetings aren't ideal, and the foot traffic of people coming in for these meetings has been low, despite the Board's efforts to hold the meetings at different days of the week and times of day. Kevin would like to discuss changes to how the office hours are offered.

10. Please discuss whether to move forward with a 150<sup>th</sup> Anniversary Parade on September 13, 2020

Included in your packet is an email from Paul Terrio providing the Board with an update on the parade committee's progress on raising funds for the event. He has asked that the Board discuss this and provide direction on whether or not to continue planning for the event. Mr. Terrio plans to join the remote meeting to participate in the discussion.

11. The following warrants have been signed:

- 3/13/2020 18P20 and 18PS20 \$825,965.40 (CVT)
- 3/17/2020 38V20 \$200,135.48 (CVT)
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- 3/31/2020 40V20 \$826,887.38 (CW)
- 3/31/2020 40VS20 \$32,396.67 (CW)

12. Approval of Minutes

**MOVE** that the Board approve the minutes of the March 4 and March 24, 2020 regular meetings.

**TOWN OF NORFOLK, MASSACHUSETTS**

**MANAGEMENT LETTER**

**JUNE 30, 2019**



CLA (CliftonLarsonAllen LLP)  
CLAconnect.com

To Management  
Town of Norfolk, Massachusetts

In planning and performing our audit of the financial statements of the Town of Norfolk, Massachusetts (Town) as of and for the year ended June 30, 2019, 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, we considered the Town's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control.

However, during our audit we became aware of matters that are opportunities to strengthen your internal control and improve the efficiency of your operations. The memorandum that accompanies this letter summarizes our comments and recommendations regarding these matters. This letter does not affect our report dated January 14, 2020, on the financial statements of the Town.

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

The Town's written responses to the matters identified in our audit has not been subjected to the audit procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

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

**CliftonLarsonAllen LLP**

Boston, Massachusetts  
January 14, 2020

**TOWN OF NORFOLK, MASSACHUSETTS**

**MANAGEMENT LETTER**

**JUNE 30, 2019**

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## Comments and Recommendations

### Transfer Station

#### Comment

We evaluated certain internal controls related to transfer station vehicle decals and trash bag stickers and identified the following areas for improvement:

- The Department of Public Works (DPW) maintains written policy and procedure documents related to vehicle decals, bag stickers and other aspects of its operations. The policy and procedure documents could be enhanced by including the following information:
  - Procedures for updating the Excel file of vehicle decals issued (who, how often, the data to enter, supervisory review procedures if any, etc.)
  - Procedures for reviewing and documenting breaks in vehicle decal numbering sequence (who, how often, supervisory review procedures if any, procedures for when a break is identified, etc.)
  - Supervisory review procedures related to daily cash/check reconciliations
  - Procedures for safeguarding cash and checks prior to deposit
  - Supervisory review procedures related to deposits
  - Policies on the frequency of making deposits
  - Procedures for reconciling fee collections to revenues recorded in the Town's general ledger (who, how often, supervisory review procedures, etc.)
  - Procedures for maintaining and reconciling trash bag sticker inventory (who, how often, supervisory review procedures, etc.)
- The DPW prepares and submits turnover forms for deposits to the Town's Treasurer. The forms are signed off by the DPW employee that prepares the forms. As an additional layer of internal control, best practice is to also have a supervisory employee of DPW review and sign off on the turnover forms (or sign off on the supporting documentation that accompanies the turnover forms).
- The DPW maintains an inventory accounting of trash bag stickers. The inventory accounting could be enhanced by including documentation of inventory "counts" that reconcile the number of bag stickers per the inventory accounting to the actual number of bag stickers on hand. The documentation of the inventory counts should include the names/initials of the employees conducting the counts and the dates of the counts.

Recommendation

We recommend the DPW:

- Update policy and procedure documents
- Document supervisory reviews of deposit turnover forms
- Document bag sticker inventory counts

Management's Response

Early on in the audit process we asked for an evaluation/review to be conducted on a department that could be susceptible to potential fraud or risk. We typically like to request and have these areas evaluated to ensure that the proper risk aversion measures are in place. Recommendations would then be incorporated into our normal daily activities as part of a policy and/or procedure.

Due to the number of employees involved in the operation and the amount of cash and checks handled, we identified the transfer station this year as an area to be evaluated. While there were some policies and procedures in place prior to the evaluation it was noted that some of these policies could use improvement. We have been provided with a list of procedures to be addressed, and Management will work with the DPW management team and staff to create and implement the policies and procedures identified over the course of the next few months. We will also provide needed training to make sure the new policies are administered and adhered to.

## **Bank Account**

### Comment

We sent letters to various local banks requesting a complete listing of bank accounts held under the Town's tax identification number. Through this process, we identified a bank account using the Town's tax identification number that requires further research by the Town.

### Recommendation

We recommend the Town determine the nature and purpose of the bank account and whether it is a valid Town account that should be held under the Town's tax identification number. If so, the account and its activity must be recorded and reported in the Treasurer's cashbook and the Town's general ledger. If the account is not a valid Town account, the Town must collaborate with the bank and the person/group that uses the account to ensure the account is closed.

We also recommend the Town periodically perform its own "confirmation" procedures with its banks (and other local financial institutions) by sending letters that request a full list of bank accounts using the Town's tax identification number. This will assist the Town in potentially identifying unauthorized bank accounts.

### Management's Response

The audit process identified a Town of Norfolk bank account that was using the Town's tax identification number; however it was not an account the Town reconciled. Upon investigation this particular bank account was identified to be owned and operated by the Norfolk Police Officers Bargaining Unit. We immediately took the necessary steps to contact the President of the Bargaining Unit and are working with him to resolve and close the account/correct the tax id on the account. This account is not and should not be associated with the Town of Norfolk and this matter will be rectified within a three (3) month period.

## **Risk Assessment and Monitoring**

### Comment

As we have communicated in prior years, when internal controls are *initially* implemented, they are usually designed to adequately safeguard assets. However, over time, these controls can become ineffective due to changes in technology, operations, etc. In addition, changes in personnel and structure, as well as the addition of new programs and services, can add risks that previously did not exist. As a result, all municipalities must periodically perform a risk assessment to anticipate, identify, analyze and manage the risk of asset misappropriation. Risk assessment (which includes fraud risk assessment), is one element of internal control.

The risk assessment should be performed by management-level employees who have extensive knowledge of the Town's operations. Ordinarily, the management-level employees would conduct interviews or lead group discussions with personnel who have knowledge of the Town's operations, its environment, and its processes. The risk assessment process should consider the Town's vulnerability to misappropriation of assets. It should also address operations that involve heightened levels of risk. When conducting the assessment, the following questions should be considered:

- What assets are susceptible to misappropriation?
- What departments receive cash receipts?
- What departments have movable inventory?
- What operations are the most complex?
- How could assets be stolen?
- Are there any known internal control weaknesses that would allow misappropriation of assets to occur and remain undetected?
- How could potential misappropriation of assets be concealed?
- What prior internal control issues could still continue to be problematic?

Once the areas vulnerable to risks have been identified, a review of the Town's systems, procedures, and existing controls related to these areas should be conducted. The Town should consider what additional controls (if any) need to be implemented to reduce risk.

After risk has been assessed, periodic monitoring of the identified risk areas must be performed in order to evaluate the controls that have been implemented to mitigate the risks. Since control-related policies and procedures tend to deteriorate over time, the monitoring process ensures that controls are fully operational and effective.

### Recommendation

The Town's current risk assessment and monitoring procedures are not formally documented. We recommend management develop and implement a formal risk assessment program to periodically anticipate, identify, analyze, and manage the risk of asset misappropriation. The risk assessment program should be documented and become part of the Town's financial policies and procedures manual.

We also recommend management develop and implement a formal monitoring program to periodically evaluate the operational effectiveness of internal controls. The monitoring process should be documented in order to facilitate the evaluation of controls and to identify improvements that need to be made.

Management's Response

It has been identified the Town of Norfolk has not formally documented its risk assessment and monitoring procedures. The purpose of this is to have procedures that are utilized on a continuing basis in order to periodically anticipate, identify, analyze and manage the risk of asset misappropriation.

While the Town is in the process of creating and implementing these procedures, the Town does have many checks and balance in place currently to help ensure asset misappropriation is kept at a minimum to zero as applicable. The Town will work with our auditors and or local consultants to develop these procedures prior to the commencement of the FY20 annual audit.

## **Fiduciary Activities (Informational Only)**

### Comment

In January of 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 84, *Fiduciary Activities*, which establishes new criteria for identifying and reporting fiduciary activities of state and local governments. The criteria generally focuses on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom the fiduciary relationship exists.

Activities meeting the criteria will be required to report (1) a statement of fiduciary net position and (2) a statement of changes in fiduciary net position in one of the following four fiduciary fund types in the basic financial statements:

1. Pension (and other employee benefit) trust funds
2. Investment trust funds
3. Private-purpose trust funds
4. Custodial funds

Furthermore, agency funds will no longer be reported and activities that do not meet the new fiduciary fund criteria will be reported as resources of the government.

Any changes in activities adopted to conform to the provisions of GASB Statement No. 84 will require a restatement of beginning net position/fund balance.

The Town's required implementation date is fiscal year 2020.

### Recommendation

We recommend management familiarize itself with the requirements of GASB Statement No. 84 and prepare for its implementation.

### Management's Response

In response to GASB 84, *Fiduciary Activities*, management will become more familiar with and prepare accordingly for its proper implementation during fiscal year 2021.

## **Lease Accounting and Financial Reporting (Informational Only)**

### Comment

In June of 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 87, *Leases*, which establish new financial reporting requirements for governments that enter into lease contracts.

The implementation of this Statement will represent a significant change in the accounting and financial reporting of leased assets, as well as lease liabilities. The implementation of this statement requires:

- Leases previously classified as operating leases to be recognized as lease assets or lease liabilities.
- Lessees to recognize a lease liability and an intangible right-to-use lease asset.
- Lessors to recognize a lease receivable and a deferred inflow of resources.
- Expanded note disclosures.

The Town's required implementation date is fiscal year 2021.

### Recommendation

We recommend management familiarize itself with the requirements of GASB Statement No. 87 and prepare for its implementation.

### Management's Response

In response to GASB 87, *Leases*, management will become more familiar with and prepare accordingly for its proper implementation and implement during fiscal year 2021.

**TOWN OF NORFOLK, MASSACHUSETTS**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEAR ENDED JUNE 30, 2019**



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**WEALTH ADVISORY  
OUTSOURCING  
AUDIT, TAX, AND  
CONSULTING**

**TOWN OF NORFOLK, MASSACHUSETTS  
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## INDEPENDENT AUDITORS' REPORT

Honorable Board of Selectmen  
Town of Norfolk, Massachusetts

### Report on the Financial Statements

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 Norfolk, Massachusetts (the Town), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Honorable Board of Selectmen  
Town of Norfolk, Massachusetts

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town, as of June 30, 2019, 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.

## **Other Matters**

### ***Required Supplementary Information***

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated January 14, 2020 on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.



**CliftonLarsonAllen, LLP**

Boston, Massachusetts  
January 14, 2020

**TOWN OF NORFOLK, MASSACHUSETTS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2019**

As management of the Town of Norfolk, Massachusetts (Town), we offer readers of these financial statements this narrative overview and analysis of the Town's financial activities for the fiscal year ended June 30, 2019.

**FINANCIAL HIGHLIGHTS**

- The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$35,883,961 (net position).
- The Town's total net position increased \$1,782,552.
- At the end of the fiscal year, unassigned fund balance for the general fund totaled \$2,419,478, or 5.4% of total general fund expenditures and transfers out.
- The Town's total bonded debt increased by \$7,329,647 during the fiscal year.

**OVERVIEW OF THE BASIC FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the *basic financial statements*, which consists of the following three components:

1. Government-wide financial statements
2. Fund financial statements
3. Notes to the basic financial statements

This report also contains required supplementary information in addition to the basic financial statements.

**Government-Wide Financial Statements**

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

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

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

**TOWN OF NORFOLK, MASSACHUSETTS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2019**

Both of the government-wide financial statements distinguish functions of the Town 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*). Governmental activities include general government, public safety, education, public works, health and human services, culture and recreation and debt service (interest). Business-type activities include the Town's water operations.

The government-wide financial statements can be found on pages 12-14 of this report.

### **Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds can be divided into the following categories and are described below:

1. Governmental funds
2. Proprietary funds
3. 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 funds financial statements focus on near-term inflows and outflows of expendable resources, as well as on balances of expendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The Town maintains many individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the general, community preservation (special revenue), Lawrence Street project (capital project), police/dispatch center (capital project), and H. Olive Day School Roof (capital project) funds, each of which is considered to be a major fund. Data from the other governmental funds are combined into a single, aggregated presentation titled *nonmajor governmental funds*.

The basic governmental fund financial statements can be found on pages 15-20 of this report.

**TOWN OF NORFOLK, MASSACHUSETTS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2019**

**Proprietary Funds**

The Town maintains one type of proprietary fund.

The *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 wastewater treatment operations. The water enterprise fund is considered to be a major fund, while the wastewater enterprise fund is considered nonmajor.

The basic proprietary fund financial statements can be found on pages 21-23 of this report.

**Fiduciary Funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Town's programs. The accounting used for fiduciary funds is similar to that used for proprietary funds.

Private-purpose trust funds and agency funds are reported and combined into a single, aggregate presentation in the fiduciary fund financial statements under the captions "private purpose trust funds" and "agency funds," respectively.

The basic fiduciary funds financial statements can be found on pages 24-25 of this report.

**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. The notes to the financial statements can be found on pages 26-58 of this report.

**Required Supplementary Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. Presented in this information is the budget comparison for the general fund and community preservation fund and certain pension and other postemployment benefits information, which can be found on pages 59-65 of this report.

**TOWN OF NORFOLK, MASSACHUSETTS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2019**

**Government-Wide Financial Analysis**

The following tables present current and prior year data on the government-wide financial statements.

**Net Position**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The Town's assets and deferred outflows exceeded its liabilities and deferred inflows of resources by \$35,883,961 at the close of the fiscal year and are summarized as follows:

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
<b>Assets</b>						
Current Assets	\$ 18,676,294	\$ 16,157,181	\$ 4,542,445	\$ 2,393,973	\$ 23,218,739	\$ 18,551,154
Noncurrent assets (excluding Capital Assets)	903,772	767,988	35,731	54,057	939,503	822,045
Capital Assets (Net)	70,917,819	64,366,955	16,282,658	16,161,787	87,200,477	80,528,742
Total Assets	<u>90,497,885</u>	<u>81,292,124</u>	<u>20,860,834</u>	<u>18,609,817</u>	<u>111,358,719</u>	<u>99,901,941</u>
Deferred Outflows of Resources	<u>8,128,509</u>	<u>3,930,621</u>	<u>144,598</u>	<u>52,422</u>	<u>8,273,107</u>	<u>3,983,043</u>
<b>Liabilities</b>						
Current Liabilities (excluding Debt)	4,891,050	4,042,118	162,639	85,528	5,053,689	4,127,646
Noncurrent Liabilities (excluding Debt)	45,497,895	38,094,305	737,713	483,508	46,235,608	38,577,813
Current Debt	2,545,802	2,355,992	400,455	283,000	2,946,257	2,638,992
Noncurrent Debt	24,844,128	20,015,063	4,104,148	1,882,000	28,948,276	21,897,063
Total Liabilities	<u>77,778,875</u>	<u>64,507,478</u>	<u>5,404,955</u>	<u>2,734,036</u>	<u>83,183,830</u>	<u>67,241,514</u>
Deferred Inflows of Resources	<u>550,029</u>	<u>2,509,035</u>	<u>14,006</u>	<u>33,026</u>	<u>564,035</u>	<u>2,542,061</u>
<b>Net Position</b>						
Net Investment in Capital Assets	48,335,584	43,700,102	14,329,773	13,998,869	62,665,357	57,698,971
Restricted	7,499,327	8,446,451	-	-	7,499,327	8,446,451
Unrestricted	<u>(35,537,421)</u>	<u>(33,940,321)</u>	<u>1,256,698</u>	<u>1,896,308</u>	<u>(34,280,723)</u>	<u>(32,044,013)</u>
Total Net Position	<u>\$ 20,297,490</u>	<u>\$ 18,206,232</u>	<u>\$ 15,586,471</u>	<u>\$ 15,895,177</u>	<u>\$ 35,883,961</u>	<u>\$ 34,101,409</u>

The largest portion of the Town's net position reflects its net investment in capital assets (e.g., land, construction in progress, land improvements, buildings and improvements, machinery and equipment, vehicles, and infrastructure). These capital assets are used 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 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 the Town's net position represents resources that are subject to external restrictions on how they may be used.

Unrestricted net position of \$1,256,698 may be used to support business-type activities. The Town has no unrestricted net position available for the support of governmental activities. Such resources have been consumed with the recognition of pension and other postemployment benefits liabilities.

**TOWN OF NORFOLK, MASSACHUSETTS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2019**

**Changes in Net Position**

For the fiscal year ended June 30, 2019, the Town's total net position increased by \$1,782,552 compared to a decrease of \$319,990 in the prior fiscal year. These amounts are summarized as follows:

	<i>Governmental Activities</i>		<i>Business-Type Activities</i>		<i>Total</i>	
	2019	2018	2019	2018	2019	2018
<b>Revenues</b>						
<i>Program Revenues:</i>						
Charges for Services	\$ 2,871,482	\$ 2,939,996	\$ 1,737,691	\$ 1,673,176	\$ 4,609,173	\$ 4,613,172
Operating Grants and Contributions	7,720,828	7,078,641	19,952	19,536	7,740,780	7,098,177
Capital Grants and Contributions	4,126,403	1,570,856	-	-	4,126,403	1,570,856
<i>General Revenues:</i>						
Real Estate and Personal Property Taxes	32,737,564	30,811,129	-	-	32,737,564	30,811,129
Motor Vehicle and Other Excise Taxes	1,950,741	1,882,488	-	-	1,950,741	1,882,488
Penalties and Interest on Taxes	79,944	80,385	-	-	79,944	80,385
Payments in Lieu of Taxes	84,714	71,180	-	-	84,714	71,180
Community Preservation Surcharges	252,064	233,624	-	-	252,064	233,624
Grants and Contributions Not Restricted to Specific Programs	1,089,785	1,078,190	-	-	1,089,785	1,078,190
Unrestricted Investment Income	96,111	42,761	14,181	10,343	110,292	53,104
<b>Total Revenues</b>	<b>51,009,636</b>	<b>45,789,250</b>	<b>1,771,824</b>	<b>1,703,055</b>	<b>52,781,460</b>	<b>47,492,305</b>
<b>Expenses</b>						
General Government	4,107,095	4,272,232	-	-	4,107,095	4,272,232
Public Safety	7,774,365	7,069,684	-	-	7,774,365	7,069,684
Education	30,059,108	28,379,538	-	-	30,059,108	28,379,538
Public Works	3,584,570	3,312,398	-	-	3,584,570	3,312,398
Health and Human Services	808,599	736,217	-	-	808,599	736,217
Culture and Recreation	1,840,893	1,675,352	-	-	1,840,893	1,675,352
Debt Service - Interest	743,748	948,633	-	-	743,748	948,633
Water and Wastewater	-	-	2,080,530	1,418,241	2,080,530	1,418,241
<b>Total Expenses</b>	<b>48,918,378</b>	<b>46,394,054</b>	<b>2,080,530</b>	<b>1,418,241</b>	<b>50,998,908</b>	<b>47,812,295</b>
Change in Net Position	2,091,258	(604,804)	(308,706)	284,814	1,782,552	(319,990)
Net position - Beginning of Year	18,206,232	18,811,036	15,895,177	15,610,363	34,101,409	34,421,399
Net position - End of Year	<u>\$ 20,297,490</u>	<u>\$ 18,206,232</u>	<u>\$ 15,586,471</u>	<u>\$ 15,895,177</u>	<u>\$ 35,883,961</u>	<u>\$ 34,101,409</u>

Governmental activities increased the Town's net position by \$2,091,258. In the prior year, governmental activities decreased the Town's net position by \$604,804. The key element of this change relates to an increase in capital grants and contributions of approximately \$2,556,000.

Business-type activities decreased the Town's net position by \$308,706. In the prior year, business-type activities increased the Town's net position by \$284,814. The key elements of this change relates to the increase in budgeted salaries expenses of approximately \$105,000, increase in the net pension liability and related amounts of approximately \$250,000, and the increase in depreciation expense of approximately \$55,000.

**TOWN OF NORFOLK, MASSACHUSETTS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2019**

**Fund Financial Statement Analysis**

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

**Governmental Funds**

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

At the end of the current fiscal year, the governmental funds reported combined ending fund balances totaling \$13,527,859, an increase of \$1,716,247 in comparison with the prior year. \$1,689,836 represents unassigned fund balance. The remainder of fund balance includes the following constraints:

- Nonspendable - \$78,763
- Restricted - \$11,202,317
- Committed - \$204,898
- Assigned - \$352,045

The general fund is the chief operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the general fund totaled \$2,419,478, while total fund balance was \$3,098,530. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures and transfers out. Unassigned fund balance represents 5.4% of total general fund expenditures and transfers out, while total fund balance represents 6.9% of that same amount.

The fund balance of the Town's general fund decreased \$638,182 during fiscal year 2019. Although the Town recognized an approximate \$1,119,000 budgetary surplus (before encumbrances and continuing appropriations), approximately \$1,695,000 of reserves was utilized for spending during the fiscal year.

Financial highlights of the Town's other major governmental funds are as follows:

The fund balance of the community preservation fund (special revenue) decreased by \$4,091 during the current fiscal year. The fund recognized \$252,584 in surcharges, \$44,600 in intergovernmental revenues, \$381 in tax liens, \$32,348 in investment income and \$334 in penalties and interest on taxes. Expenditures of \$23,538 and transfers out of \$310,800 were incurred during the fiscal year.

The fund balance of the Lawrence Street Project fund (capital project) decreased \$86,762 during the fiscal year. The fund recognized \$2,173,787 of intergovernmental revenues and \$262,000 of transfers in during the fiscal year. Expenditures of \$2,522,549 were incurred during the fiscal year.

The fund balance of the police/dispatch center fund (capital project) increased by \$2,650,855 during the current fiscal year. The fund received bond proceeds totaling \$6,290,000, bond premiums totaling \$253,628, and transfers in totaling \$285,411 during the fiscal year. Expenditures of \$4,178,184 were incurred during the fiscal year.

The fund balance of the H. Olive Day School Roof fund (capital project) increased by \$145,118 during the fiscal year. The fund received \$946,605 of transfers in and incurred \$801,487 of expenditures during the fiscal year.

**TOWN OF NORFOLK, MASSACHUSETTS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2019**

**Proprietary Funds**

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

Unrestricted net position of the water and wastewater enterprise funds at the end of the year amounted to \$1,079,056 and \$177,642 respectively. The water fund had a decrease in net position for the year of \$297,395 and the wastewater fund had a decrease in net position for the year of \$11,311. Other 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 original general fund budget of \$41,148,667 was increased by \$852,572 (2.1%) during the fiscal year. The following table summarizes the increase:

Purpose of Increase	Amount	Funding Source
Lawrence Street Project	\$ 256,000	Unassigned fund balance
Police department	132,750	Unassigned fund balance
Fire department	117,106	Transfer from Stabilization
SCBA equipment	99,466	Unassigned fund balance
Other	247,250	Unassigned fund balance
<b>Total Net Increase</b>	<b>\$ 852,572</b>	

During the year, revenues and other financing sources were greater than budgetary estimates and expenditures, encumbrances and continuing appropriations were less than budgetary estimates, resulting in a positive budget to actual variance of \$725,488.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

The Town's investment in capital assets for its governmental and business type activities at the end of the fiscal year totaled \$87,200,477 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, land improvements, buildings and improvements, machinery and equipment, vehicles, and infrastructure. The total increase in the investment in capital assets for the current fiscal year totaled \$6,671,735 or 8.3%.

Major capital asset events that occurred during the current fiscal year include the following:

- Police dispatch center construction completion (\$4,178,000)
- H. Olive Day School Roof project construction in progress (\$801,000)
- Lawrence Street Project construction in progress (\$2,523,000)

**TOWN OF NORFOLK, MASSACHUSETTS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2019**

The following table summarizes the Town's capital assets (net of accumulated depreciation):

	<i>Governmental Activities</i>		<i>Business-Type Activities</i>		<i>Total</i>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Land	\$ 10,548,865	\$ 10,548,865	\$ 1,671,071	\$ 1,142,571	\$ 12,219,936	\$ 11,691,436
Construction in Progress	3,545,728	7,102,312	21,500	21,500	3,567,228	7,123,812
Land Improvements	1,355,951	1,459,433	-	-	1,355,951	1,459,433
Buildings	45,718,796	36,127,037	335,100	348,683	46,053,896	36,475,720
Machinery and Equipment	998,698	1,018,523	361,315	487,955	1,360,013	1,506,478
Vehicles	1,236,726	1,083,639	134,292	41,700	1,371,018	1,125,339
Infrastructure	7,513,055	7,027,146	13,759,380	14,119,378	21,272,435	21,146,524
Total Capital Assets	<u>\$ 70,917,819</u>	<u>\$ 64,366,955</u>	<u>\$ 16,282,658</u>	<u>\$ 16,161,787</u>	<u>\$ 87,200,477</u>	<u>\$ 80,528,742</u>

Additional information on the Town's capital assets can be found in Note 5 of this report.

**Long-Term Debt**

At the end of the current fiscal year, total debt outstanding was \$31,059,112, which is backed by the full faith and credit of the Town, and is summarized as follows:

	<i>Governmental Activities</i>		<i>Business-Type Activities</i>		<i>Total</i>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
General Obligation Bonds	\$ 26,461,069	\$ 21,458,713	\$ 4,364,603	\$ 1,995,000	\$ 30,825,672	\$ 23,453,713
MCWT Notes	93,440	105,752	140,000	170,000	233,440	275,752
Total Bonds and Notes	<u>\$ 26,554,509</u>	<u>\$ 21,564,465</u>	<u>\$ 4,504,603</u>	<u>\$ 2,165,000</u>	<u>\$ 31,059,112</u>	<u>\$ 23,729,465</u>

The Town's total bonded debt increased by \$7,329,647 (30.9%) during the current fiscal year.

Additional information on the Town's long-term debt can be found in Note 9 of this report.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The development of the fiscal year 2020 general fund operating budget was influenced by limitations on the property tax levy imposed by Proposition 2 ½ and increased uncontrollable expenses. The limitations of Proposition 2 ½ provided for an increase in property taxes of approximately \$1,700,000. On the expense side, a majority of Town employees are covered by collective bargaining agreements, therefore salary and benefit increases in fiscal year 2020 were largely driven by these agreements. In addition, the Town's expense for pension benefits is dependent upon an actuarial valuation by the Norfolk County Retirement System.

**TOWN OF NORFOLK, MASSACHUSETTS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2019**

**REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, Town Hall, One Liberty Lane, Norfolk, Massachusetts 02056.

**TOWN OF NORFOLK, MASSACHUSETTS**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2019**

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Current Assets:			
Cash and Cash Equivalents	\$ 2,349,252	\$ 1,330,260	\$ 3,679,512
Restricted Cash and Cash Equivalents	11,995,847	2,551,718	14,547,565
Investments	484,711	-	484,711
Restricted Investments	612,215	-	612,215
Real Estate and Personal Property Taxes	378,088	-	378,088
Tax, Trash and Utility Liens	677,084	33,990	711,074
Motor Vehicle and Other Excise Taxes	74,671	-	74,671
Community Preservation Surcharges	2,344	-	2,344
User Charges	-	606,430	606,430
Special Assessments	1,982	20,047	22,029
Intergovernmental	2,100,100	-	2,100,100
Total Current Assets	<u>18,676,294</u>	<u>4,542,445</u>	<u>23,218,739</u>
Noncurrent Assets:			
Receivables, Net of Allowance for Uncollectible Amounts:			
Real Estate Tax Deferrals	9,458	-	9,458
Special Assessments	5,944	35,731	41,675
Tax Foreclosures	888,370	-	888,370
Capital Assets not being Depreciated	14,094,593	1,692,571	15,787,164
Capital Assets, Net of Accumulated Depreciation	56,823,226	14,590,087	71,413,313
Total Noncurrent Assets	<u>71,821,591</u>	<u>16,318,389</u>	<u>88,139,980</u>
Total Assets	<u>90,497,885</u>	<u>20,860,834</u>	<u>111,358,719</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Related to Pension	3,964,333	114,512	4,078,845
Related to OPEB	4,164,176	30,086	4,194,262
Total Deferred Outflows of Resources	<u>8,128,509</u>	<u>144,598</u>	<u>8,273,107</u>
<b>LIABILITIES</b>			
Current Liabilities:			
Warrants Payable	2,137,808	75,028	2,212,836
Accrued Payroll	270,570	13,894	284,464
Tax Refunds Payable	419,312	-	419,312
Other Liabilities	388,700	10,000	398,700
Accrued Interest	307,430	57,850	365,280
Landfill Post-Closure	89,152	-	89,152
Compensated Absences	466,000	-	466,000
Total OPEB Liability	812,078	5,867	817,945
Short-Term Notes Payable	835,421	-	835,421
Long-Term Bonds and Notes Payable	1,710,381	400,455	2,110,836
Total Current Liabilities	<u>7,436,852</u>	<u>563,094</u>	<u>7,999,946</u>
Noncurrent Liabilities:			
Landfill Post-Closure	729,648	-	729,648
Compensated Absences	203,000	-	203,000
Net Pension Liability	19,193,176	554,403	19,747,579
Total OPEB Liability	25,372,071	183,310	25,555,381
Long-Term Bonds and Notes Payable	24,844,128	4,104,148	28,948,276
Total Noncurrent Liabilities	<u>70,342,023</u>	<u>4,841,861</u>	<u>75,183,884</u>
Total Liabilities	<u>77,778,875</u>	<u>5,404,955</u>	<u>83,183,830</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Taxes Paid in Advance	65,165	-	65,165
Deferred Inflows Related to Pension	484,864	14,006	498,870
Total Deferred Inflows of Resources	<u>550,029</u>	<u>14,006</u>	<u>564,035</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	48,335,584	14,329,773	62,665,357
Restricted for:			
Community Preservation	3,363,778	-	3,363,778
Debt Service	122,109	-	122,109
Permanent Funds:			
Expendable	669,707	-	669,707
Nonexpendable	78,763	-	78,763
Other Specific Purposes	3,264,970	-	3,264,970
Unrestricted	(35,537,421)	1,256,698	(34,280,723)
Total Net Position	<u>\$ 20,297,490</u>	<u>\$ 15,586,471</u>	<u>\$ 35,883,961</u>

The accompanying notes are an integral part of the financial statements.

**TOWN OF NORFOLK, MASSACHUSETTS  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2019**

Functions/Programs	Expenses	Program Revenues			Net (Expense)/ Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Primary Government:</b>					
Governmental Activities:					
General Government	\$ 4,107,095	\$ 344,677	\$ 216,052	\$ 521,554	\$ (3,024,812)
Public Safety	7,774,365	997,742	78,479	171,429	(6,526,715)
Education	30,059,108	948,452	6,614,612	-	(22,496,044)
Public Works	3,584,570	388,329	358,101	2,853,414	15,274
Health and Human Services	808,599	88,320	400,779	1,015	(318,485)
Culture and Recreation	1,840,893	103,962	52,805	578,991	(1,105,135)
Debt Service-Interest	743,748	-	-	-	(743,748)
Total Governmental Activities	<u>48,918,378</u>	<u>2,871,482</u>	<u>7,720,828</u>	<u>4,126,403</u>	<u>(34,199,665)</u>
Business-Type Activities:					
Water	1,954,496	1,623,715	19,952	-	(310,829)
Wastewater	126,034	113,976	-	-	(12,058)
Total Business-Type Activities	<u>2,080,530</u>	<u>1,737,691</u>	<u>19,952</u>	<u>-</u>	<u>(322,887)</u>
Total Primary Governments	<u>\$ 50,998,908</u>	<u>\$ 4,609,173</u>	<u>\$ 7,740,780</u>	<u>\$ 4,126,403</u>	<u>\$ (34,522,552)</u>

**TOWN OF NORFOLK, MASSACHUSETTS  
STATEMENT OF ACTIVITIES (CONTINUED)  
YEAR ENDED JUNE 30, 2019**

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>CHANGES IN NET POSITION</b>			
Net (Expense) Revenue (From Previous Page)	<u>\$ (34,199,665)</u>	<u>\$ (322,887)</u>	<u>\$ (34,522,552)</u>
General Revenues:			
Real Estate and Personal Property Taxes	32,737,564	-	32,737,564
Motor Vehicle and Other Excise Taxes	1,950,741	-	1,950,741
Penalties and Interest on Taxes	79,944	-	79,944
Payments in Lieu of Taxes	84,714	-	84,714
Community Preservation Surcharges	252,064	-	252,064
Grants and Contributions not Restricted to Specific Programs	1,089,785	-	1,089,785
Unrestricted Investment Income	<u>96,111</u>	<u>14,181</u>	<u>110,292</u>
Total General Revenues	<u>36,290,923</u>	<u>14,181</u>	<u>36,305,104</u>
<b>CHANGE IN NET POSITION</b>	2,091,258	(308,706)	1,782,552
Net Position - Beginning of Year	<u>18,206,232</u>	<u>15,895,177</u>	<u>34,101,409</u>
<b>NET POSITION - END OF YEAR</b>	<u><u>\$ 20,297,490</u></u>	<u><u>\$ 15,586,471</u></u>	<u><u>\$ 35,883,961</u></u>

The accompanying notes are an integral part of the financial statements.

**TOWN OF NORFOLK, MASSACHUSETTS  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
JUNE 30, 2019**

<b>ASSETS</b>	General	Community Preservation	Lawrence Street Project
Cash and Cash Equivalents	\$ 2,349,252	\$ -	\$ -
Investments	484,711	-	-
Receivables, Net of Allowance for Uncollectible Amounts:			
Real Estate and Personal Property Taxes	378,088	-	-
Real Estate Tax Deferrals	9,458	-	-
Tax and Trash Liens	672,330	4,754	-
Motor Vehicle and Other Excise taxes	74,671	-	-
Community Preservation Surcharges	-	2,344	-
Special Assessments	7,926	-	-
Intergovernmental	354,205	-	1,638,649
Due from Other Funds	1,108,215	-	-
Tax Foreclosures	888,370	-	-
Restricted Assets:			
Cash and Cash Equivalents	122,109	3,357,100	-
Investments	-	-	-
Total Assets	<u>\$ 6,449,335</u>	<u>\$ 3,364,198</u>	<u>\$ 1,638,649</u>
 <b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Warrants Payable	\$ 407,302	\$ -	\$ 659,383
Accrued Payroll	252,986	-	-
Tax Refunds Payable	419,312	-	-
Other Liabilities	278,327	-	-
Due to Other Funds	-	-	1,066,028
Short-Term Notes Payable	-	-	-
Total Liabilities	<u>1,357,927</u>	<u>-</u>	<u>1,725,411</u>
 <b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable Revenue	1,928,133	7,098	-
Taxes Paid in Advance	64,745	420	-
Total Deferred Inflows of Resources	<u>1,992,878</u>	<u>7,518</u>	<u>-</u>
 <b>FUND BALANCES</b>			
Nonspendable	-	-	-
Restricted	122,109	3,356,680	-
Committed	204,898	-	-
Assigned	352,045	-	-
Unassigned	2,419,478	-	(86,762)
Total Fund Balances	<u>3,098,530</u>	<u>3,356,680</u>	<u>(86,762)</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 6,449,335</u>	<u>\$ 3,364,198</u>	<u>\$ 1,638,649</u>

The accompanying notes are an integral part of the financial statements.

**TOWN OF NORFOLK, MASSACHUSETTS  
GOVERNMENTAL FUNDS  
BALANCE SHEET (CONTINUED)  
JUNE 30, 2019**

Police/ Dispatch Center	H. Olive Day School Roof	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ 2,349,252
-	-	-	484,711
-	-	-	378,088
-	-	-	9,458
-	-	-	677,084
-	-	-	74,671
-	-	-	2,344
-	-	-	7,926
-	-	107,246	2,100,100
-	-	-	1,108,215
-	-	-	888,370
3,816,217	797,016	3,903,405	11,995,847
-	-	612,215	612,215
<u>\$ 3,816,217</u>	<u>\$ 797,016</u>	<u>\$ 4,622,866</u>	<u>\$ 20,688,281</u>
\$ 376,388	\$ 651,898	\$ 42,837	\$ 2,137,808
-	-	17,584	270,570
-	-	-	419,312
-	-	110,373	388,700
-	-	42,187	1,108,215
-	-	835,421	835,421
<u>376,388</u>	<u>651,898</u>	<u>1,048,402</u>	<u>5,160,026</u>
-	-	-	1,935,231
-	-	-	65,165
-	-	-	<u>2,000,396</u>
-	-	78,763	78,763
3,439,829	145,118	4,138,581	11,202,317
-	-	-	204,898
-	-	-	352,045
-	-	(642,880)	1,689,836
<u>3,439,829</u>	<u>145,118</u>	<u>3,574,464</u>	<u>13,527,859</u>
<u>\$ 3,816,217</u>	<u>\$ 797,016</u>	<u>\$ 4,622,866</u>	<u>\$ 20,688,281</u>

**TOWN OF NORFOLK, MASSACHUSETTS  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
YEAR ENDED JUNE 30, 2019**

	General	Community Preservation	Lawrence Street Project
<b>REVENUES</b>			
Real Estate and Personal Property Taxes	\$ 32,505,316	\$ -	\$ -
Motor Vehicle and Other Excise Taxes	1,977,780	-	-
Tax and Trash Liens	65,008	381	-
Payments in Lieu of Taxes	84,714	-	-
Community Preservation Surcharges	-	252,584	-
Charges for Services	-	-	-
Trash Disposal	256,600	-	-
Intergovernmental	7,899,602	44,600	2,173,787
Penalties and Interest on Taxes	79,610	334	-
Licenses and Permits	415,540	-	-
Fines and Forfeitures	21,912	-	-
Departmental and Other	309,079	-	-
Contributions	-	-	-
Investment Income (Loss)	96,111	32,348	-
<b>Total Revenues</b>	<b>43,711,272</b>	<b>330,247</b>	<b>2,173,787</b>
<b>EXPENDITURES</b>			
Current:			
General Government	2,630,908	23,538	-
Public Safety	5,556,356	-	-
Education	24,624,635	-	-
Public Works	2,329,575	-	2,522,549
Health and Human Services	292,829	-	-
Culture and Recreation	765,736	-	-
Pension Benefits	2,035,180	-	-
Employee Benefits	2,759,246	-	-
Property and Liability Insurance	363,350	-	-
State and County Charges	473,958	-	-
Debt Service:			
Principal	1,534,312	-	-
Interest	938,898	-	-
<b>Total Expenditures</b>	<b>44,304,983</b>	<b>23,538</b>	<b>2,522,549</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(593,711)</b>	<b>306,709</b>	<b>(348,762)</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Proceeds of Bonds and Notes	-	-	-
Premium from Issuance of Bonds and Notes	-	-	-
Proceeds from Sale of Capital Assets	50,000	-	-
Transfers In	527,164	-	262,000
Transfer Out	(621,635)	(310,800)	-
<b>Total Other Financing Sources (Uses)</b>	<b>(44,471)</b>	<b>(310,800)</b>	<b>262,000</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(638,182)</b>	<b>(4,091)</b>	<b>(86,762)</b>
Fund Balances - Beginning of Year	3,736,712	3,360,771	-
<b>FUND BALANCES - END OF YEAR</b>	<b>\$ 3,098,530</b>	<b>\$ 3,356,680</b>	<b>\$ (86,762)</b>

The accompanying notes are an integral part of the financial statements.

**TOWN OF NORFOLK, MASSACHUSETTS  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES (CONTINUED)  
YEAR ENDED JUNE 30, 2019**

Police/ Dispatch Center	H. Olive Day School Roof	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ 32,505,316
-	-	-	1,977,780
-	-	-	65,389
-	-	-	84,714
-	-	-	252,584
-	-	1,311,927	1,311,927
-	-	-	256,600
-	-	1,668,552	11,786,541
-	-	-	79,944
-	-	11,875	427,415
-	-	115	22,027
-	-	1,108,746	1,417,825
-	-	344,530	344,530
-	-	63,040	191,499
-	-	4,508,785	50,724,091
-	-	291,336	2,945,782
4,178,184	-	599,684	10,334,224
-	801,487	1,449,432	26,875,554
-	-	880,861	5,732,985
-	-	76,475	369,304
-	-	472,943	1,238,679
-	-	-	2,035,180
-	-	-	2,759,246
-	-	-	363,350
-	-	-	473,958
-	-	-	1,534,312
-	-	-	938,898
4,178,184	801,487	3,770,731	55,601,472
(4,178,184)	(801,487)	738,054	(4,877,381)
6,290,000	-	-	6,290,000
253,628	-	-	253,628
-	-	-	50,000
285,411	946,605	743,435	2,764,615
-	-	(1,832,180)	(2,764,615)
6,829,039	946,605	(1,088,745)	6,593,628
2,650,855	145,118	(350,691)	1,716,247
788,974	-	3,925,155	11,811,612
<u>\$ 3,439,829</u>	<u>\$ 145,118</u>	<u>\$ 3,574,464</u>	<u>\$ 13,527,859</u>

**TOWN OF NORFOLK, MASSACHUSETTS  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TOTAL  
FUND BALANCES TO THE STATEMENT OF NET POSITION  
JUNE 30, 2019**

Total Governmental Fund Balances	\$	13,527,859
Capital assets (net of accumulated depreciation) used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds		70,917,819
Other assets are not available to pay for current period expenditures and, therefore, are reported as deferred inflows of resources in the governmental funds		1,935,231
In the statement of net position, interest is accrued on outstanding long-term debt, whereas in the governmental funds interest is not reported until due		(307,430)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Bonds and Notes Payable		(26,554,509)
Landfill Post-Closure		(818,800)
Compensated Absences		(669,000)
Net Pension Liability		(19,193,176)
Total OPEB Liability		(26,184,149)
In the statement of net position, deferred outflows of resources are reported for amounts related to pensions and OPEB		8,128,509
In the statement of net position, deferred inflows of resources are reported for amounts related to pensions		<u>(484,864)</u>
Net Position of Governmental Activities	\$	<u><u>20,297,490</u></u>

The accompanying notes are an integral part of the financial statements.

**TOWN OF NORFOLK, MASSACHUSETTS  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2019**

Net Change in Fund Balances - Total Governmental Funds	\$	1,716,247
<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. These amounts represent the related activity of the current period.</p>		
Capital Outlays		8,860,184
Depreciation		(2,285,678)
<p>In the statement of activities, the loss on the disposals of capital assets is reported, whereas in the governmental funds the disposals are not reported as financial resources. As a result, the change in net position differs from the change in fund balance by the net book value of the capital assets disposed</p>		
		(23,642)
<p>Revenues in the statement of activities that do not provide current financial resources are reported as deferred inflows of resources in the governmental funds. Therefore, the recognition of revenue for various types of accounts receivable (i.e., real estate and personal property, motor vehicle excise, etc.) differ between the two statements. This amount represents the net change in unavailable revenue.</p>		
		137,319
<p>The issuance of long-term debt (e.g., bonds and leases) 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, however, has any impact on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are amortized in the statement of activities. These amounts represent the related activity of the current period.</p>		
Proceeds of Bonds		(6,290,000)
Bond Maturities		1,534,312
Net Amortization of Bond Premiums		(234,356)
<p>In the statement of activities, interest is accrued on outstanding long-term debt, whereas in the governmental funds interest is not reported until due. This amount represents the net change in accrued interest payable</p>		
		195,150
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported in the governmental funds. These amounts represent the net changes:</p>		
Landfill Post-Closure		86,065
Compensated Absences		24,000
Net Pension Liability		(2,638,838)
Total OPEB Liability		(5,163,554)
<p>In the statement of activities, deferred outflows related to OPEB are amortized and recognized as OPEB expense. This amount represents the net change in deferred outflows related to OPEB.</p>		
		(458,352)
<p>In the statement of activities, deferred inflows related to pensions are amortized and recognized as pension expense. This amount represents the net change in deferred inflows related to pensions</p>		
		1,976,161
<p>In the statement of activities, deferred outflows related to pensions are amortized and recognized as pension expense. This amount represents the net change in deferred outflows related to pensions.</p>		
		4,656,240
Changes in Net Position of Governmental Activities	\$	2,091,258

The accompanying notes are an integral part of the financial statements.

**TOWN OF NORFOLK, MASSACHUSETTS  
 PROPRIETARY FUNDS  
 STATEMENT OF NET POSITION  
 JUNE 30, 2019**

	Business-Type Activities - Enterprise Funds		
	Water	Nonmajor Wastewater	Total
<b>ASSETS</b>			
Current Assets:			
Cash and Cash Equivalents	\$ 1,263,031	\$ 67,229	\$ 1,330,260
Restricted Cash and Cash Equivalents	2,551,718	-	2,551,718
Receivables, Net of Allowance for Uncollectible Amount:			
Utility Liens	33,990	-	33,990
User Charges	495,022	111,408	606,430
Special Assessments	20,047	-	20,047
<b>Total Current Assets</b>	<b>4,363,808</b>	<b>178,637</b>	<b>4,542,445</b>
Noncurrent Assets:			
Receivables, Net of Allowance for Uncollectible Amounts:			
Special Assessments	35,731	-	35,731
Capital Assets not being Depreciated	1,692,571	-	1,692,571
Capital Assets, Net of Accumulated Depreciation	14,340,595	249,492	14,590,087
<b>Total Noncurrent Assets</b>	<b>16,068,897</b>	<b>249,492</b>	<b>16,318,389</b>
<b>Total Assets</b>	<b>20,432,705</b>	<b>428,129</b>	<b>20,860,834</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Related to Pension	114,512	-	114,512
Related to OPEB	30,086	-	30,086
<b>Total Deferred Outflows of Resources</b>	<b>144,598</b>	<b>-</b>	<b>144,598</b>
<b>LIABILITIES</b>			
Current Liabilities:			
Warrants Payable	74,160	868	75,028
Accrued Payroll	13,767	127	13,894
Other Liabilities	10,000	-	10,000
Accrued Interest	57,850	-	57,850
Total OPEB Liability	5,867	-	5,867
Long-Term Bonds and Notes Payable	400,455	-	400,455
<b>Total Current Liabilities</b>	<b>562,099</b>	<b>995</b>	<b>563,094</b>
Noncurrent Liabilities:			
Net Pension Liability	554,403	-	554,403
Total OPEB Liability	183,310	-	183,310
Long-Term Bonds and Notes Payable	4,104,148	-	4,104,148
<b>Total Noncurrent Liabilities</b>	<b>4,841,861</b>	<b>-</b>	<b>4,841,861</b>
<b>Total Liabilities</b>	<b>5,403,960</b>	<b>995</b>	<b>5,404,955</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Inflows Related to Pension	14,006	-	14,006
<b>NET POSITION</b>			
Net Investment in Capital Assets	14,080,281	249,492	14,329,773
Unrestricted	1,079,056	177,642	1,256,698
<b>Total Net Position</b>	<b>\$ 15,159,337</b>	<b>\$ 427,134</b>	<b>\$ 15,586,471</b>

The accompanying notes are an integral part of the financial statements.

**TOWN OF NORFOLK, MASSACHUSETTS  
 PROPRIETARY FUNDS  
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
 YEAR ENDED JUNE 30, 2019**

	<u>Business-Type Activities - Enterprise Funds</u>		
	<u>Water</u>	<u>Nonmajor Wastewater</u>	<u>Total</u>
<b>OPERATING REVENUES</b>			
Charges for Services	\$ 1,538,007	\$ 113,976	\$ 1,651,983
Special Assessments	3,321	-	3,321
Penalties and Interest	9,942	-	9,942
Other	72,445	-	72,445
	<u>1,623,715</u>	<u>113,976</u>	<u>1,737,691</u>
Total Operating Revenues			
<b>OPERATING EXPENSES</b>			
Cost of Service and Administration	1,374,638	84,010	1,458,648
Depreciation	481,605	42,024	523,629
	<u>1,856,243</u>	<u>126,034</u>	<u>1,982,277</u>
Total Operating Expenses			
<b>OPERATING INCOME</b>	<u>(232,528)</u>	<u>(12,058)</u>	<u>(244,586)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Intergovernmental	19,952	-	19,952
Investment Income	13,434	747	14,181
Interest Expense	(98,253)	-	(98,253)
	<u>(64,867)</u>	<u>747</u>	<u>(64,120)</u>
Total Nonoperating Revenues (Expenses), Net			
<b>CHANGE IN NET POSITION</b>	(297,395)	(11,311)	(308,706)
Net Position - Beginning of Year	<u>15,456,732</u>	<u>438,445</u>	<u>15,895,177</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 15,159,337</u>	<u>\$ 427,134</u>	<u>\$ 15,586,471</u>

The accompanying notes are an integral part of the financial statements.

**TOWN OF NORFOLK, MASSACHUSETTS  
 PROPRIETARY FUNDS  
 STATEMENT OF CASH FLOWS  
 YEAR ENDED JUNE 30, 2019**

	<u>Business-Type Activities - Enterprise Funds</u>		
	<u>Water</u>	<u>Nonmajor Wastewater</u>	<u>Total</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Customers and Users	\$ 1,518,865	\$ 56,882	\$ 1,575,747
Payments to Vendors	(857,981)	(89,999)	(947,980)
Payments to Employees	(325,180)	-	(325,180)
Net Cash Provided by Operating Activities	<u>335,704</u>	<u>(33,117)</u>	<u>302,587</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Proceeds from the Issuance of Bonds and Notes	2,525,000	-	2,525,000
Premium from the Issuance of Bonds and Notes	99,217	-	99,217
Acquisition and Construction of Capital Assets	(644,500)	-	(644,500)
Principal Payments on Bonds and Notes	(283,000)	-	(283,000)
Interest Paid	(45,283)	-	(45,283)
Net Cash Used by Capital and Related Financing Activities	<u>1,651,434</u>	<u>-</u>	<u>1,651,434</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Investment Income	13,434	747	14,181
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	2,000,572	(32,370)	1,968,202
Cash and Cash Equivalents - Beginning of Year	<u>1,814,177</u>	<u>99,599</u>	<u>1,913,776</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<u>\$ 3,814,749</u>	<u>\$ 67,229</u>	<u>\$ 3,881,978</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH FROM OPERATING ACTIVITIES</b>			
Operating Income	\$ (232,528)	\$ (12,058)	\$ (244,586)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:			
Changes not Requiring Current Cash Flows:			
Depreciation	481,605	42,024	523,629
Net Pension Liability	332,248	-	332,248
Deferred Inflows of Resources Related to Pensions	(19,020)	-	(19,020)
Deferred Outflows of Resources Related to Pensions	(67,916)	-	(67,916)
Total OPEB Liability	(78,002)	-	(78,002)
Deferred Outflows of Resources Related to OPEB	(24,260)	-	(24,260)
Effect of Changes in Operating Assets and Liabilities:			
Utility Liens	(17,051)	-	(17,051)
User Charges	(107,844)	(57,094)	(164,938)
Special Assessments	20,045	-	20,045
Warrants Payable	36,255	(5,993)	30,262
Accrued Payroll	7,172	4	7,176
Other Liabilities	5,000	-	5,000
Total Adjustments	<u>568,232</u>	<u>(21,059)</u>	<u>547,173</u>
Net Cash Provided by Operating Activities	<u>\$ 335,704</u>	<u>\$ (33,117)</u>	<u>\$ 302,587</u>
<b>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES</b>			
Intergovernmental Debt Subsidies (MCWT)	<u>\$ 17,115</u>	<u>\$ -</u>	<u>\$ 17,115</u>

**TOWN OF NORFOLK, MASSACHUSETTS  
FIDUCIARY FUNDS  
STATEMENT OF FIDUCIARY NET POSITION  
JUNE 30, 2019**

<b>ASSETS</b>	Private Purpose Trust Funds	Agency Funds
Cash and Cash Equivalents	\$ 20,815	\$ 783,038
Receivables, Net of Allowance for Uncollectible Amounts:		
Intergovernmental	-	63,511
Total Assets	20,815	846,549
 <b>LIABILITIES</b>		
Warrants Payable	-	396
Accrued Payroll	-	23,908
Liabilities Due Depositors	-	822,245
Total Liabilities	-	\$ 846,549
 <b>NET POSITION</b>		
Restricted	\$ 20,815	

The accompanying notes are an integral part of the financial statements.

**TOWN OF NORFOLK, MASSACHUSETTS  
 FIDUCIARY FUNDS  
 STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
 YEAR ENDED JUNE 30, 2019**

	Private Purpose Trust Funds
<b>ADDITIONS</b>	
Net Investment Income:	
Interest	\$          508
Net Position - Beginning of Year	20,307
<b>NET POSITION - END OF YEAR</b>	<b>\$          20,815</b>

The accompanying notes are an integral part of the financial statements.

**TOWN OF NORFOLK, MASSACHUSETTS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. General**

The basic financial statements 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 standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting policies are described herein.

**B. Reporting Entity**

The Town of Norfolk, Massachusetts (the Town) is a municipal corporation that is governed by an elected Board of Selectmen.

For financial reporting purposes, the basic financial statements include all funds, organizations, agencies, boards, commissions, and institutions that are not legally separate from the Town.

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/or significance of their relationship with the Town are such that exclusion would cause the Town's basic financial statements to be misleading or incomplete. It has been determined that there are no component units that require inclusion in the basic financial statements.

**Joint Ventures**

A joint venture is an organization (resulting from a contractual arrangement) that is owned, operated or governed by two or more participants as a separate and specific activity subject to joint control in which the participants retain an ongoing financial interest or ongoing financial responsibility. Joint control means that no single participant has the ability to unilaterally control the financial or operating policies of the joint venture.

The Town participates in the following joint ventures with other municipalities to pool resources and share the costs, risks, and rewards of providing goods and services to venture participants directly, or for the benefit of the general public or specified recipients.

***The King Philip Regional High School***

The King Philip Regional High School is governed by a nine-member school committee consisting of three elected representatives from the Town. The Town is indirectly liable for the King Philip Regional High School debt and other expenditures and is assessed annually for its share of operating and capital costs. For the fiscal year ended June 30, 2019, the Town's assessment was \$9,290,454. Separate financial statements may be obtained by writing to the Treasurer of the King Philip Regional High School at 201 Franklin Street, Wrentham, MA 02093.

**TOWN OF NORFOLK, MASSACHUSETTS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Reporting Entity (Continued)**

**Joint Ventures (Continued)**

***Tri-County Regional Vocational School***

The Tri-County Regional Vocational School is governed by a fourteen-member school committee consisting of one elected representative from the Town. The Town is indirectly liable for the Tri-County Regional Vocational School debt and other expenditures and is assessed annually for its share of operating and capital costs. For the fiscal year ended June 30, 2019, the Town's assessment was \$454,072. Separate financial statements may be obtained by writing to the Treasurer of the Tri-County Regional Vocational School at 147 Pond Street, Franklin, MA 02038.

**C. Implementation of New Accounting Principles**

For the year ending June 30, 2019, the Town implemented the following pronouncements issued by the GASB:

- GASB Statement No. 83, *Certain Asset Retirement Obligations*
- GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements Agreements*

The implementation of these GASB pronouncements had no reporting impact for the Town.

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

**Government-Wide Financial Statements**

The government-wide financial statements (statement of net position and the statement of activities) report information on all nonfiduciary activities of the primary government. Governmental activities, which are primarily supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which are primarily supported by user fees.

**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. Fiduciary funds are reported by fund type.

**TOWN OF NORFOLK, MASSACHUSETTS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Measurement Focus, Basis of Accounting and Basis of 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 fiscal year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The statement of activities demonstrates the degree to which the direct expenses of a 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 specific function or segment.
- Grants and contributions that are restricted to meeting the capital requirements of a specific function or segment.

Taxes and other items not identifiable as program revenues are reported as general revenues. Except for charges between the general fund and enterprise funds, the effect of interfund activity has been eliminated from the government-wide financial statements. Elimination of these charges would distort the direct costs and program revenues reported for the functions affected.

**Fund Financial Statements**

**Governmental funds** 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 the end of the fiscal year. 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.

TOWN OF NORFOLK, MASSACHUSETTS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

**Fund Financial Statements (Continued)**

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 used to account for and report all financial resources not accounted for and reported in another fund.

The *community preservation fund* is a special revenue fund used to account for the 1% local real estate tax surcharge on nonexempt property (and matching state trust fund distribution) that can be used for open space, historic resource, and affordable housing purposes. Property exempt from the surcharge consists of the first \$100,000 of all residential property and also property owned by low-income residents or seniors with low or moderate income as defined by Massachusetts Department of Revenue (DOR) guidelines. Disbursements from this fund must originate from the Community Preservation Committee and be approved by Town Meeting.

The *Lawrence Street Project fund* is a capital projects fund used to account for financial resources to be used for the construction of the Lawrence street project.

The *Police/Dispatch Center fund* is a capital projects fund used to account for financial resources to be used for the purchase of a building for a police/dispatch center.

The *H. Olive Day School Roof fund* is a capital projects fund used to account for financial resources to be used for the replacement of the school's roof.

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

*Special revenue funds* are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

*Capital projects funds* are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

TOWN OF NORFOLK, MASSACHUSETTS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

**Fund Financial Statements (Continued)**

*Permanent funds* are used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the government's programs and benefit the government or its citizenry.

**Proprietary funds** financial statements are reported using the flow of economic resources measurement focus and use the accrual basis of accounting, whereby 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 fund is reported:

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

The following nonmajor proprietary fund is reported:

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

**Fiduciary funds** 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 government's programs.

The following fiduciary fund types are reported:

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

The *agency fund* is used to account for assets held in a custodial capacity. Such assets consist primarily of performance bonds and bid deposits. Agency funds do not present the results of operations or have a measurement focus.

F. Deposits 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; with exception of external investment pools and certificates of deposit which are carried at amortized cost.

**TOWN OF NORFOLK, MASSACHUSETTS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**G. Accounts Receivable**

**Government-Wide and Fund Financial Statements**

The recognition of revenue related to accounts receivable reported in the government-wide financial statements and fund financial statements are reported under the accrual basis of accounting and the modified accrual basis of accounting, respectively.

***Real Estate Taxes, 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. The tax calculation for fiscal year 2019 was estimated fair market value multiplied by \$18.29 per \$1,000 of value. Taxes are due quarterly starting on August 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 fiscal year of the levy. Real estate tax liens are processed approximately six months after the close of the valuation year on delinquent properties and are recorded as receivables in the fiscal year they are processed.

***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 fiscal year of the levy. The Commonwealth is responsible for reporting the number of vehicles registered and the fair values of those vehicles to the Town. The tax calculation is the fair value of the vehicle multiplied by \$25 per \$1,000 of value.

***Community Preservation Surcharges***

Community preservation surcharges are levied annually and at a rate of 1% of residents' real estate tax bills with exemptions for the first \$100,000 of residential property and property owned by qualified persons with low income and seniors (60+) with low or moderate income as defined by DOR guidelines. The surcharge is due with the real estate tax 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. Overdue surcharges are included on the tax liens processed on delinquent real estate taxes. Surcharges are recorded as receivables in the fiscal year of the levy.

***User Charges***

Water user charges are levied semi-annually based on individual meter readings and are subject to penalties and interest if they are not paid by the respective due date. Utility liens are processed approximately six months after the end of the fiscal year and are included as a lien on the property owner's tax bill. Water charges are recorded as receivables in the fiscal year of the levy.

***Special Assessments***

Special assessments consist of water and sewer system betterments and are recorded as receivables in the fiscal year accrued.

**TOWN OF NORFOLK, MASSACHUSETTS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**G. Accounts Receivable (Continued)**

***Intergovernmental***

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

**H. Allowance for Uncollectible Accounts**

The allowance for uncollectible accounts is estimated based on historical trends and specific account analysis for the following accounts receivable:

- Personal property taxes
- Motor vehicle and other excise taxes
- Departmental and other

An allowance for uncollectible accounts for personal property, motor vehicle and other excise taxes receivables is recorded at June 30, 2019. The allowances for uncollectible accounts for departmental and other receivables is not material in total to the basic financial statements and therefore are not reported.

The following types of accounts receivable are secured via the lien process and are considered 100% collectible. Accordingly, an allowance for uncollectible accounts is not reported.

- Real estate taxes
- Community preservation surcharges
- User charges
- Special assessments

Intergovernmental receivables are considered 100% collectible.

**I. Inventories**

**Government-Wide and Fund Financial Statements**

Inventories are recorded as expenditures at the time of purchase. Such inventories are not material in total to the government-wide and fund financial statements and therefore are not reported.

**J. Restricted Assets**

**Government-Wide and Fund Financial Statements**

Assets are reported as restricted when limitations on their use change the nature of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments, or are imposed by law through constitutional provisions or enabling legislation.

**TOWN OF NORFOLK, MASSACHUSETTS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**K. Capital Assets**

**Government-Wide and Proprietary Funds Financial Statements**

Capital assets, which consist of land, construction-in-progress, land improvements, buildings and improvements, machinery and equipment, vehicles, and infrastructure (e.g., roads, water mains, and similar items), are reported in the applicable governmental or business-type activities column of the government-wide financial statements.

Capital assets are recorded at historical cost or at estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at the estimated acquisition value at the date of donation.

All purchases and construction costs in excess of \$10,000 are capitalized at the date of acquisition or construction, respectively, with expected useful lives of greater than one year.

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

<u>Capital Asset Type</u>	<u>Estimated Useful Life (in years)</u>
Land Improvements	30
Buildings and Improvements	20 - 50
Machinery and Equipment	5 - 25
Vehicles	5 - 6
Infrastructure	20 - 50

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

**Governmental Funds Financial Statements**

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

**TOWN OF NORFOLK, MASSACHUSETTS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**L. Interfund Receivables and Payables**

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

**Government-Wide Financial Statements**

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

**Fund Financial Statements**

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

**M. Interfund Transfers**

During the course of its operations, resources are permanently reallocated between and within funds.

**Government-Wide Financial Statements**

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

**Fund Financial Statements**

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

**N. Deferred Outflows of Resources**

**Government-Wide and Fund Financial Statements**

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

Deferred outflows of resources related to pensions and OPEB are reported in the government-wide and proprietary funds financial statements statement of net position.

**TOWN OF NORFOLK, MASSACHUSETTS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**O. Deferred Inflows of Resources**

In addition to liabilities, the statements of net position report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Taxes paid in advance are reported in the government-wide statement of net position and the governmental funds balance sheet. Taxes paid in advance represent amounts collected in the current fiscal year that apply to the subsequent fiscal year's tax levy.

Unavailable revenue is reported in the governmental funds balance sheet. Unavailable revenue 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.

Deferred inflows of resources related to pensions are reported in the government-wide and proprietary funds financial statements statement of net position.

**P. Net Position and Fund Balances**

**Government-Wide Financial Statements and Proprietary Funds Financial Statements (Net Position)**

Net position is 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:

"Community preservation" represents amounts restricted for affordable housing, open space, and historic purposes.

"Debt service" represents net premiums from the issuance of school construction bonds restricted for the future payment of long-term debt service costs associated with school construction. This amount will be amortized over the next 17 fiscal years.

"Permanent funds – expendable" represents amounts held in trust for which the expenditures are restricted by various trust agreements.

"Permanent funds – nonexpendable" represents amounts held in trust for which only investment earnings may be expended.

"Other specific purposes" represents restrictions placed on assets from outside parties.

**TOWN OF NORFOLK, MASSACHUSETTS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**P. Net Position and Fund Balances (Continued)**

**Government-Wide Financial Statements and Proprietary Funds Financial Statements (Net Position) (Continued)**

Unrestricted net position represents the total net position which does not apply to the previous two categories.

Sometimes the Town will fund outlays for a particular purposes 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.

**Governmental Funds Financial Statements (Fund Balances)**

The following fund balance classifications describe the relative strength of the spending constraints:

Nonspendable — represents amounts that cannot be spent either because they are in nonspendable form (e.g., prepaid amounts) or because they are legally or contractually required to be maintained intact (e.g., principal of permanent fund).

Restricted — represents amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed — represents amounts that can be used only for specific purposes imposed by a formal action of Town Meeting, which is the highest level of decision-making authority for the Town. Committed amounts may be established, modified, or rescinded only through actions approved by Town Meeting.

Assigned — represents amounts that do not meet the criteria to be classified as restricted or committed but are intended to be used for specific purposes. Under the Town's structure, only authorized assignments for noncontractual encumbrances can be made by individual department heads.

Unassigned – represents the residual fund balance for the General Fund and the negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting assigned fund balance amounts.

In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is depleted in the order of restricted, committed, assigned and unassigned.

Encumbrance amounts have been assigned for specific purposes for which resources already have been allocated.

**TOWN OF NORFOLK, MASSACHUSETTS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Q. Long-Term Debt**

**Government-Wide and Proprietary Funds Financial Statements**

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

**Governmental Funds Financial Statements**

The face amount of governmental funds long-term debt is reported as other financing sources when the debt is issued. 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.

**R. 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 the proprietary fund is retained in the fund.

**S. 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 Funds Financial Statements**

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

**Governmental Funds Financial Statements**

Vested or accumulated vacation and sick leave, which will be liquidated with expendable available financial resources, are reported as expenditures and fund liabilities. Investment income from the proprietary fund is retained in the fund.

**T. Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Norfolk County Retirement System (NCRS) and additions to/deductions from NCRS' fiduciary net position have been determined on the same basis as they are reported by NCRS. 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.

**TOWN OF NORFOLK, MASSACHUSETTS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**U. Post Retirement Benefits**

In addition to providing pension benefits, and as more fully described in Note 11, the Town provides health, dental, and life insurance coverage for current and future retirees and their spouses.

**Fund Financial Statements**

Post retirement benefits are recognized as expenditures by recording (on a pay-as-you-go basis) the employer's share of insurance premiums in the general fund in the fiscal year paid.

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

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. Budgetary Information**

Municipal Law requires the adoption of a balanced budget that is approved by Town Meeting vote. The Finance Committee presents an annual budget to Town Meeting, which includes estimates of revenues and other financing sources and recommendations of expenditures and other financing uses. Town Meeting, which has full authority to amend and/or reject the budget or any appropriation at the functional level, adopts the expenditure budget by majority vote.

Increases to the original budget subsequent to Annual Town Meeting require Special Town Meeting approval.

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

Generally, expenditures may not exceed the level of spending (salaries, expenses, and capital) authorized for an appropriation account. However, the Town is statutorily required to pay debt service, regardless of whether such amounts are appropriated.

An annual budget is adopted for the general fund and community preservation fund in conformity with the guidelines described above.

**TOWN OF NORFOLK, MASSACHUSETTS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)**

**A. Budgetary Information(Continued)**

The original fiscal year 2019 approved budget for the general fund authorized \$41,148,667 in appropriations and other amounts to be raised. During fiscal year 2019, total appropriations were increased by \$852,572. The original and final fiscal year 2019 approved budgets for the community preservation fund authorized \$341,813 in appropriations and other amounts to be raised.

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

**B. Fund Deficits**

At June 30, 2019, the following temporary fund deficits exist:

Fund	Amount	Funding Source
Ambulance Purchase	\$ 222,989	Issuance of Long-Term Debt
H. Olive Day School Oil Tank	178,504	Issuance of Long-Term Debt
Road Repairs	135,595	Issuance of Long-Term Debt
Lawrence Street Project	86,762	State Grant
Town Vehicles	69,047	Issuance of Long-Term Debt
H. Olive Day School Sprinkler	36,745	Issuance of Long-Term Debt
Total Deficits	<u>\$ 729,642</u>	

**C. Expenditures in Excess of Appropriations**

For the fiscal year ended June 30, 2019, expenditures exceeded appropriations for Public Works. Such expenditures will be funded with the subsequent year's tax levy.

**NOTE 3 DEPOSITS AND INVESTMENTS**

The municipal finance laws of the Commonwealth authorize the Town to invest temporarily idle cash in bank term deposits and certificates of deposits, and treasury and agency obligations of the United States government, with maturities of one year or less; U.S. treasury or agency repurchase agreements with maturities of not more than 90 days; money market accounts; and the state treasurer's investment pool – the Massachusetts Municipal Depository Trust (MMDT).

The MMDT meets the criteria of an external investment pool and operates in accordance with applicable state laws and regulations. The Treasurer of the Commonwealth serves as Trustee. The reported value of the pool is the same as the fair value of pool shares.

A cash and investment pool is maintained that is available for use by all funds with unrestricted cash and investments. The deposits and investments of permanent funds and private purpose trust funds are held separately from other Town funds.

**TOWN OF NORFOLK, MASSACHUSETTS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)**

**Deposits - Custodial Credit Risk**

Custodial credit risk for deposits is the risk that, in the event of a bank failure, the Town's deposits may not be recovered. The Town's policy is to rely on Federal Depositors Insurance Corporation and Deposit Insurance Fund insurance coverage. As of June 30, 2019, \$9,513,187 of the Town's bank balance of \$17,341,491 was uninsured and uncollateralized and, therefore, exposed to custodial credit risk.

**Investments Summary**

The Town's investments at June 30, 2019 are presented below. All investments are presented by investment type, with debt securities presented by maturity.

Investment Type	Fair Value	Investment Maturities (in Years)		
		Less Than 1	1 - 5	6 - 10
<u>Debt Securities:</u>				
U.S. Treasuries	\$ 324,967	\$ -	\$ 300,332	\$ 24,635
U.S. Agencies	260,008	-	205,162	54,846
Corporate Bonds	123,403	-	60,515	62,888
Money Market Mutual Funds	22,207	22,207	-	-
Fixed Income Mutual Funds	57,952	57,952	-	-
External Investment Pools	2,204,173	2,204,173	-	-
Total Debt Securities	<u>\$ 2,992,710</u>	<u>\$ 2,284,332</u>	<u>\$ 566,009</u>	<u>\$ 142,369</u>
<u>Other Investments:</u>				
Equity Securities	330,596			
Total Investments	<u>\$ 3,323,306</u>			

**Investments - Interest Rate Risk of Debt Securities**

Interest rate risk for debt securities is the risk that changes in interest rates of debt securities will adversely affect the fair value of an investment. The Town does not have a policy for interest rate risk of debt securities.

**Investments - Custodial Credit Risk**

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town does not have a policy for custodial credit risk of investments. As of June 30, 2019, the Town's investments were not exposed to custodial credit risk.

**TOWN OF NORFOLK, MASSACHUSETTS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)**

**Investments - Credit Risk of Debt Securities**

Credit risk for debt securities is the risk that an issuer or other counterparty to a debt security will not fulfill its obligations. The Town does not have a policy for credit risk of debt securities. As of June 30, 2019, the credit quality ratings of the Town's debt security investments were as follows:

Investment Type	Fair Value	Investment Quality Ratings*				
		AAA	A	AA	BAA	Unrated
U.S. Treasuries	\$ 324,967	\$ 324,967	\$ -	\$ -	\$ -	\$ -
U.S. Agencies	260,008	260,008	-	-	-	-
Corporate bonds	123,403	-	60,515	35,750	27,138	-
Money market mutual funds	22,207	-	-	-	-	22,207
Fixed Income Mutual Funds	57,952	57,952	-	-	-	-
External investment pools	2,204,173	-	-	-	-	2,204,173
Total	\$ 2,992,710	\$ 642,927	\$ 60,515	\$ 35,750	\$ 27,138	\$ 2,226,380

\*(Ratings by nationally recognized credit rating organizations such as Moody's or Standards & Poor.)

**Investments - Concentration of Credit Risk**

Concentration of credit risk for investments is the risk of loss attributed to the magnitude of the Town's investment in a single issuer. The Town does not have a policy for concentration of credit risk of investments. As of June 30, 2019, the Town was not exposed to concentration of credit risk.

**Investments - Fair Value Measurements**

The Town categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on 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.

As of June 30, 2019, the Town's investments in U.S. Treasuries, U.S. Agencies, Corporate Bonds, Fixed Income Mutual Funds, and Equity Securities were measured at fair value measurements using Level 1 inputs.

**TOWN OF NORFOLK, MASSACHUSETTS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 4 ACCOUNTS RECEIVABLE**

At June 30, 2019, receivables for the individual major governmental funds and nonmajor governmental and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>Gross Amount</u>	<u>Allowance for Uncollectibles</u>	<u>Net Amount</u>
<u>Receivables:</u>			
Real Estate and Personal Property Taxes	\$ 419,313	\$ (41,225)	\$ 378,088
Real Estate Tax Deferrals	9,458	-	9,458
Tax Liens	677,084	-	677,084
Motor Vehicle and Other Excise Taxes	112,717	(38,046)	74,671
Community Preservation Surcharges	2,344	-	2,344
Special Assessments	7,926	-	7,926
Intergovernmental	<u>2,100,100</u>	<u>-</u>	<u>2,100,100</u>
Total	<u>\$ 3,328,942</u>	<u>\$ (79,271)</u>	<u>\$ 3,249,671</u>

At June 30, 2019, receivables for the enterprise funds consist of the following:

	<u>Gross Amount</u>	<u>Allowance for Uncollectibles</u>	<u>Net Amount</u>
<u>Receivables:</u>			
Utility Liens	\$ 33,990	\$ -	\$ 33,990
User Charges	606,430	-	606,430
Special Assessments	55,778	-	55,778
Total	<u>\$ 696,198</u>	<u>\$ -</u>	<u>\$ 696,198</u>

**TOWN OF NORFOLK, MASSACHUSETTS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 5 CAPITAL ASSETS**

Capital asset activity for the fiscal year ended June 30, 2019 was as follows:

	Balance at 6/30/18	Increases	Decreases	Balance at 6/30/19
<b>Governmental Activities:</b>				
<u>Capital Assets Not Being Depreciated:</u>				
Land	\$ 10,548,865	\$ -	\$ -	\$ 10,548,865
Construction in Progress	7,102,312	3,324,038	(6,880,622)	3,545,728
Total Capital Assets Not Being Depreciated	<u>17,651,177</u>	<u>3,324,038</u>	<u>(6,880,622)</u>	<u>14,094,593</u>
<u>Capital Assets Being Depreciated:</u>				
Land Improvements	2,514,823	-	-	2,514,823
Buildings and Improvements	49,741,622	10,784,963	-	60,526,585
Machinery and Equipment	6,627,308	238,529	-	6,865,837
Vehicles	3,622,684	456,666	(331,284)	3,748,066
Infrastructure	30,601,578	936,610	-	31,538,188
Total Capital Assets Being Depreciated	<u>93,108,015</u>	<u>12,416,768</u>	<u>(331,284)</u>	<u>105,193,499</u>
<u>Less Accumulated Depreciation For:</u>				
Land Improvements	(1,055,390)	(103,482)	-	(1,158,872)
Buildings and Improvements	(13,614,585)	(1,193,204)	-	(14,807,789)
Machinery and Equipment	(5,608,785)	(258,354)	-	(5,867,139)
Vehicles	(2,539,045)	(279,937)	307,642	(2,511,340)
Infrastructure	(23,574,432)	(450,701)	-	(24,025,133)
Total Accumulated Depreciation	<u>(46,392,237)</u>	<u>(2,285,678)</u>	<u>307,642</u>	<u>(48,370,273)</u>
Total Capital Assets Being Depreciated, Net	<u>46,715,778</u>	<u>10,131,090</u>	<u>(23,642)</u>	<u>56,823,226</u>
Total Governmental Activities Capital Assets, Net	<u>\$ 64,366,955</u>	<u>\$ 13,455,128</u>	<u>\$ (6,904,264)</u>	<u>\$ 70,917,819</u>
	Balance at 6/30/18	Increases	Decreases	Balance at 6/30/19
<b>Business-Type Activities:</b>				
<u>Capital Assets Not Being Depreciated:</u>				
Land	\$ 1,142,571	\$ 528,500	\$ -	\$ 1,671,071
Construction in Progress	21,500	-	-	21,500
Total Capital Assets Not Being Depreciated	<u>1,164,071</u>	<u>528,500</u>	<u>-</u>	<u>1,692,571</u>
<u>Capital assets being depreciated:</u>				
Buildings and Improvements	587,365	-	-	587,365
Machinery and equipment	1,998,059	-	-	1,998,059
Vehicles	136,848	116,000	-	252,848
Infrastructure	21,580,371	-	-	21,580,371
Total Capital Assets Being Depreciated	<u>24,302,643</u>	<u>116,000</u>	<u>-</u>	<u>24,418,643</u>
<u>Less accumulated depreciation for:</u>				
Buildings and Improvements	(238,682)	(13,583)	-	(252,265)
Machinery and Equipment	(1,510,104)	(126,640)	-	(1,636,744)
Vehicles	(95,148)	(23,407)	-	(118,555)
Infrastructure	(7,460,993)	(359,999)	-	(7,820,992)
Total Accumulated Depreciation	<u>(9,304,927)</u>	<u>(523,629)</u>	<u>-</u>	<u>(9,828,556)</u>
Total Capital Assets Being Depreciated, Net	<u>14,997,716</u>	<u>(407,629)</u>	<u>-</u>	<u>14,590,087</u>
Total Business-Type Activities Capital Assets, Net	<u>\$ 16,161,787</u>	<u>\$ 120,871</u>	<u>\$ -</u>	<u>\$ 16,282,658</u>

**TOWN OF NORFOLK, MASSACHUSETTS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 5 CAPITAL ASSETS (CONTINUED)**

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

**Governmental Activities:**

General Government	\$ 111,958
Public Safety	248,990
Education	956,198
Public Works	612,403
Health and Human Services	46,528
Culture and Recreation	309,601
<b>Total Depreciation Expense - Governmental Activities</b>	<b><u>\$ 2,285,678</u></b>

**Business-Type Activities:**

Water	\$ 481,605
Wastewater	42,024
<b>Total Depreciation Expense - Business-Type Activities</b>	<b><u>\$ 523,629</u></b>

**NOTE 6 INTERFUND TRANSFERS**

Interfund transfers for the fiscal year ended June 30, 2019 are summarized as follows:

Transfers Out:	Transfers In:					
	General Fund	Lawrence Street Project	Police/ Dispatch Center	H. Olive Day School Roof	Nonmajor Governmental Funds	Total
General Fund	\$ -	\$ 256,000	\$ -	\$ -	\$ 365,635	\$ 621,635 (1)
Community Preservation Fund	-	-	-	-	310,800	310,800 (2)
Nonmajor Governmental Funds	527,164	6,000	285,411	946,605	67,000	1,832,180 (3)
Total	\$ 527,164	\$ 262,000	\$ 285,411	\$ 946,605	\$ 743,435	\$ 2,764,615

- (1) Represents transfer to the Lawrence Street Project fund (\$256,000), transfers to capital project funds for payments of short-term debt (\$266,169), and transfer to nonmajor special revenue fund (\$99,466).
- (2) Represents transfer from the Community Preservation Fund to the Norfolk Affordable Housing Trust Fund (\$310,800).
- (3) Represents transfers from nonmajor funds to fund the 2019 operating budget (\$523,556). Also represents closeouts from special revenue funds to the general fund (\$3,608). Also represents closeout of the Elementary School Construction capital projects fund to the H. Olive Day School Roof fund (\$946,605). Also represents transfers from nonmajor capital projects funds to other nonmajor capital projects funds (\$67,000), Police/Dispatch Center fund (\$74,153) and Lawrence Street Project fund (\$6,000). Also represents transfer from receipts reserved for bond premiums special revenue fund to the Police/Dispatch Center fund (\$211,258).

**TOWN OF NORFOLK, MASSACHUSETTS  
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JUNE 30, 2019**

**NOTE 7 SHORT-TERM FINANCING**

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

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

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 water enterprise fund, respectively.

Details related to the short-term debt activity for the fiscal year ended June 30, 2019 are as follows:

**Governmental Funds**

Type	Description	Origination Date	Maturity Date	Interest Rate %	Balance at 7/1/2018	Increases	Decreases	Balance at 6/30/2019
BAN	BAN - Vehicles	2/23/18	2/22/19	1.55	\$ 29,335	\$ -	\$ (29,335)	\$ -
BAN	BAN - MPL	7/28/17	7/27/18	1.29	477,255	-	(477,255)	-
BAN	BAN - Oil Tanks	6/29/18	6/28/19	1.95	300,000	-	(300,000)	-
BAN	BAN-MPL- Roads/Vehicles	7/27/18	7/26/19	2.40	-	340,421	-	340,421
BAN	BAN- Public Safety Building	9/17/18	3/18/19	2.19	-	3,500,000	(3,500,000)	-
BAN	BAN-Ambulance	2/6/19	2/6/20	2.60	-	295,000	-	295,000
BAN	BAN-Tanks	6/28/19	6/26/20	2.09	-	200,000	-	200,000
Total					<u>\$ 806,590</u>	<u>\$ 4,335,421</u>	<u>\$ (4,306,590)</u>	<u>\$ 835,421</u>

**Subsequent Events**

On July 26, 2019, the Town paid down \$136,834 of the \$340,421 BAN outstanding at June 30, 2019 and issued a new BAN for \$203,587 with an interest rate of 2.04% and a maturity date of July 24, 2020.

**TOWN OF NORFOLK, MASSACHUSETTS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 8 LONG-TERM OBLIGATIONS**

The following represents a summary of changes that occurred in long-term obligations during the fiscal year ended June 30, 2019:

	Balance June 30, 2018	Increases	Decreases	Balance June 30, 2019	Due in One Year
<b>Governmental Activities:</b>					
Bonds and Notes Payable	\$ 21,564,465	\$ 6,543,628	\$ (1,553,584)	\$ 26,554,509	\$ 1,710,381
Landfill Closure	904,865	-	(86,065)	818,800	89,152
Compensated Absences	693,000	-	(24,000)	669,000	466,000
Total	<u>\$ 23,162,330</u>	<u>\$ 6,543,628</u>	<u>\$ (1,663,649)</u>	<u>\$ 28,042,309</u>	<u>\$ 2,265,533</u>
<b>Business-Type Activities:</b>					
Bonds and Notes Payable	<u>\$ 2,165,000</u>	<u>\$ 2,624,217</u>	<u>\$ (284,614)</u>	<u>\$ 4,504,603</u>	<u>\$ 400,455</u>

The governmental activities long-term liabilities are generally liquidated by the general fund; whereas business-type activities long-term liabilities are generally liquidated by the Water enterprise fund.

**NOTE 9 LONG-TERM DEBT**

Details related to the outstanding indebtedness at June 30, 2019 and the debt service requirements are as follows:

**Bonds and Notes Payable – Governmental Activities**

Date of Issue	1st Payment Date	Original Issue	Project	Maturity Date	Interest Rate %	Outstanding at July 1, 2018	Additions	Reductions	Outstanding at June 30, 2019
01/15/03	01/15/04	2,650,000	Building Construction - Library	01/15/23	2.00 - 4.50	\$ 654,000	\$ -	\$ (132,000)	\$ 522,000
01/15/03	01/15/04	215,000	Building Addition - Highway	01/15/22	2.00 - 4.40	40,000	-	(10,000)	30,000
01/15/03	01/15/04	350,000	Engineering Services - Library	01/15/22	2.00 - 4.40	62,000	-	(17,000)	45,000
01/15/03	01/15/04	185,000	Sewer	01/15/23	2.00 - 4.50	45,000	-	(9,000)	36,000
01/15/05	01/15/05	767,000	Underground Utilities	01/15/22	3.00 - 4.20	180,000	-	(45,000)	135,000
06/22/05	07/15/06	234,828	MCWT	07/15/25	2.00	105,752	-	(12,312)	93,440
03/15/11	03/15/12	15,000,000	Building Construction - School	03/15/31	2.00 - 5.00	9,750,000	-	(750,000)	9,000,000
4/1/2012	04/01/13	4,344,000	School Project/Architectural Services Building	04/01/32	2.25 - 3.13	3,010,000	-	(215,000)	2,795,000
9/15/2017	08/15/18	1,675,000	Land Acquisition - Police	08/15/43	2.00 - 4.00	1,675,000	-	(65,000)	1,610,000
9/15/2017	08/15/18	5,500,000	Land Acquisition - Police	08/15/47	2.00 - 4.00	5,500,000	-	(185,000)	5,315,000
9/15/2017	08/15/18	101,000	Land Acquisition -Refunding	08/15/27	2.00 - 4.00	109,000	-	(8,000)	101,000
9/15/2017	08/15/18	56,000	Building Remodeling - Public Safety Refunding	08/15/29	2.00 - 4.00	56,000	-	(4,000)	52,000
9/15/2017	08/15/18	73,000	Departmental Equipment - Refunding	08/15/18	2.00	73,000	-	(73,000)	-
9/15/2017	08/15/18	109,000	Landfill Pollution Prevention - Refunding	08/15/27	2.00 - 4.00	101,000	-	(9,000)	92,000
3/15/2019	09/15/19	8,815,000	Building Construction- Public Safety	03/15/49	3.50 - 5.00	-	6,290,000	-	6,290,000
Sub-total						21,360,752	6,290,000	(1,534,312)	26,116,440
Unamortized Premiums						203,713	253,628	(19,272)	438,069
Total Governmental Activities						<u>\$ 21,564,465</u>	<u>\$ 6,543,628</u>	<u>\$ (1,553,584)</u>	<u>\$ 26,554,509</u>

**TOWN OF NORFOLK, MASSACHUSETTS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 9 LONG-TERM DEBT (CONTINUED)**

Debt service requirements for principal and interest in future fiscal years are as follows:

Fiscal Year	Principal	Interest	Total
2020	\$ 1,678,561	\$ 979,401	\$ 2,657,962
2021	1,678,815	922,108	2,600,923
2022	1,678,074	858,263	2,536,337
2023	1,606,338	790,649	2,396,987
2024	1,467,607	726,059	2,193,666
2025	1,467,882	667,624	2,135,506
2026	1,468,163	609,184	2,077,347
2027	1,454,000	544,752	1,998,752
2028	1,453,000	481,847	1,934,847
2029	1,442,000	419,122	1,861,122
2030	1,442,000	358,712	1,800,712
2031	1,430,000	300,632	1,730,632
2032	680,000	242,458	922,458
2033	465,000	221,794	686,794
2034	465,000	207,844	672,844
2035	465,000	193,894	658,894
2036	465,000	179,944	644,944
2037	465,000	165,994	630,994
2038	465,000	152,044	617,044
2039	460,000	137,900	597,900
2040	460,000	123,563	583,563
2041	455,000	109,225	564,225
2042	450,000	95,125	545,125
2043	450,000	80,838	530,838
2044	450,000	66,550	516,550
2045	390,000	52,938	442,938
2046	390,000	40,000	430,000
2047	390,000	26,800	416,800
2048	390,000	13,600	403,600
2049	95,000	3,325	98,325
<b>Total</b>	<b>\$ 26,116,440</b>	<b>\$ 9,772,183</b>	<b>\$ 35,888,623</b>

**Bonds Payable – Water Enterprise Fund**

Project	Maturity Date	Interest Rate %	Outstanding at July 1, 2018	Additions	Reductions	Outstanding at June 30, 2019
Water Storage Tank Construction	01/15/23	2.00 - 4.50	\$ 492,000	\$ -	\$ (99,000)	\$ 393,000
Water Treatment Facility	01/15/23	2.00 - 4.50	5,000	-	(1,000)	4,000
Water Mains	01/15/23	2.00 - 4.50	81,000	-	(17,000)	64,000
Water Mains	01/15/23	2.00 - 4.50	26,000	-	(6,000)	20,000
Water Mains	01/15/23	2.00 - 4.50	70,000	-	(14,000)	56,000
MCWT	08/01/22	3.00 - 5.00	170,000	-	(30,000)	140,000
Water Mains	01/15/22	3.00 - 4.20	200,000	-	(50,000)	150,000
Well	03/15/31	2.00 - 5.00	210,000	-	(20,000)	190,000
Water Mains - Refunding	8/15/2029	2.00 - 4.00	113,000	-	(6,000)	107,000
Water Mains - Refunding	8/15/2029	2.00 - 4.00	148,000	-	(7,000)	141,000
Water Mains - Refunding	8/15/2029	2.00 - 4.00	448,000	-	(22,000)	426,000
Well - Refunding	8/15/2029	2.00 - 4.00	202,000	-	(11,000)	191,000
Water	3/15/2049	3.00 - 5.00	-	2,525,000	-	2,525,000
<b>Total</b>			2,165,000	2,525,000	(283,000)	4,407,000
Unamortized Premiums			-	99,217	(1,614)	97,603
<b>Total Water Enterprise Fund</b>			<b>\$ 2,165,000</b>	<b>\$ 2,624,217</b>	<b>\$ (284,614)</b>	<b>\$ 4,504,603</b>

**TOWN OF NORFOLK, MASSACHUSETTS  
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**NOTE 9 LONG-TERM DEBT (CONTINUED)**

Debt service requirements for principal and interest in future fiscal years are as follows:

Fiscal Year	Principal	Interest	Total
2020	\$ 394,000	\$ 169,371	\$ 563,371
2021	394,000	153,461	547,461
2022	390,000	135,899	525,899
2023	337,000	118,459	455,459
2024	176,000	104,060	280,060
2025	181,000	96,170	277,170
2026	186,000	88,060	274,060
2027	181,000	79,670	260,670
2028	187,000	72,225	259,225
2029	188,000	64,615	252,615
2030	188,000	56,670	244,670
2031	100,000	52,050	152,050
2032	85,000	48,750	133,750
2033	85,000	46,200	131,200
2034	85,000	43,650	128,650
2035	85,000	41,100	126,100
2036	85,000	38,550	123,550
2037	85,000	36,000	121,000
2038	85,000	33,450	118,450
2039	85,000	30,794	115,794
2040	85,000	28,031	113,031
2041	85,000	25,269	110,269
2042	85,000	22,506	107,506
2043	85,000	19,638	104,638
2044	85,000	16,769	101,769
2045	80,000	13,900	93,900
2046	80,000	11,200	91,200
2047	80,000	8,400	88,400
2048	80,000	5,600	85,600
2049	80,000	2,800	82,800
Total	<u>\$ 4,407,000</u>	<u>\$1,663,316</u>	<u>\$ 6,070,316</u>

The Town receives subsidy assistance from the Massachusetts Clean Water Trust (MCWT). Principal and interest on the outstanding bonds for MCWT is subsidized over the life of the bonds to assist the Town in the repayment of this future debt. During fiscal year 2019, the Town's subsidy totaled approximately \$17,000. Future subsidies total approximately \$59,000. The amount of MCWT bonds outstanding at June 30, 2019, totaled \$233,440.

**Subsequent Event**

On August 22, 2019, the Town issued \$8,040,000 in general obligation refunding bonds to redeem \$9,190,000 of previously issued and outstanding bonds. The net proceeds from the refunding were used to redeem the outstanding bonds and the related accrued interest. As a result of this refunding, the Town will realize an economic gain of approximately \$1,560,000.

**TOWN OF NORFOLK, MASSACHUSETTS  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 JUNE 30, 2019**

**NOTE 9 LONG-TERM DEBT (CONTINUED)**

**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, 2019, the Town had authorized and unissued debt of \$2,503,395 for the H. Olive Day School Roof project.

**NOTE 10 LANDFILL CLOSURE AND POST-CLOSURE CARE COSTS**

State and federal laws and regulations required the Town to close its old landfill site when it stopped accepting waste and to perform certain maintenance and monitoring functions at the site after closure. The Town had operated a solid waste landfill that ceased operations in 1990 and, accordingly, was subsequently capped and funded via long-term debt. The Town has reflected \$818,800 as the estimate of the landfill post-closure care liability at June 30, 2019. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

**NOTE 11 OTHER POST EMPLOYMENT BENEFITS**

**Plan Description** – The Town provides health, dental, and life insurance coverage for its retirees and their survivors (hereinafter referred to as the Plan) as a single-employer defined benefit Other Post Employment Benefit (OPEB) plan; which is administered by the Town. Chapter 32B of the MGL assigns authority to establish and amend benefit provisions. Changes to plan design and contribution rates must be accomplished through the collective bargaining process. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

**Benefits Provided** - The Town provides health, dental, and life insurance coverage for its retirees and their survivors. The contribution requirements of Plan members and the Town are established and may be amended by the Town. The required health insurance contribution rates of Plan members and the Town vary by health plan and range from 37% - 50% and 63% - 50%, respectively. Dental insurance is voluntary and if elected, the contribution rate of Plan members is 100%. The Plan members and the Town contribute 42% and 58%, respectively, towards a \$5,000 term life insurance policy. The Town currently contributes enough money to the Plan to satisfy current obligations on a pay-as-you-go basis. The costs of administering the Plan are paid by the Town.

**Employees Covered By Benefit Terms** - The number of participants as of July 1, 2018, the latest actuarial valuation, is as follows:

Active Employees	215
Retired Employees	153
Total	368

**TOWN OF NORFOLK, MASSACHUSETTS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 11 OTHER POST EMPLOYMENT BENEFITS (CONTINUED)**

**Total OPEB Liability** – The Town’s total OPEB Liability of \$26,373,326 as of June 30, 2019 was determined by an actuarial valuation as of July 1, 2018, which is also the measurement date.

**Actuarial Assumptions** – The following actuarial methods and assumptions used in the July 1, 2018 actuarial valuation apply to all periods included in the measurement:

**ASSUMPTIONS**

Discount Rate:	3.00%
Healthcare/Medical Cost Trend Rate:	4.50%
Pre-Retirement Mortality:	General: RP-2014 Mortality Table for Blue Collar Employees projected generationally with scale MP-2016 for males and 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 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 Teachers: RP-2014 Mortality Table for White Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females

**Changes in Total OPEB Liability** – The changes in the total OPEB Liability are as follows:

	Total OPEB Liability
Balances at June 30, 2017	\$ 21,287,774
Changes for the Year:	
Service cost	986,243
Interest	711,288
Changes in assumptions	2,012,870
Differences between expected and actual experience	2,157,873
Benefit Payments	(577,746)
Implicit Cost Amount	(204,976)
Net Changes	<u>5,085,552</u>
Balances at June 30, 2018	\$ <u><u>26,373,326</u></u>

**TOWN OF NORFOLK, MASSACHUSETTS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 11 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**Sensitivity Of The Total OPEB Liability To Changes In The Discount Rate** - The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.00%) or 1-percentage-point higher (4.00%) than the current rate:

	<u>1% Decrease (2.00%)</u>		<u>Current Discount Rate (3.00%)</u>		<u>1% Increase (4.00%)</u>
Total OPEB Liability	\$ 30,558,830	\$	26,373,326	\$	23,002,079

**Sensitivity Of The Total OPEB Liability To Changes In The Healthcare Trend Rate** - The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using healthcare cost trend rates that is 1-percentage-point lower (3.50%) or 1-percentage-point higher (5.50%) than the current rate:

	<u>1% Decrease (3.50%)</u>		<u>Current Trend Rate (4.50%)</u>		<u>1% Increase (5.50%)</u>
Total OPEB Liability	\$ 22,614,943	\$	26,373,326	\$	31,139,626

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

For the year ended June 30, 2019, the Town recognized OPEB expense of \$2,491,957. At June 30, 2019, the Town reported the following deferred outflows of resources related to OPEB:

	<u>Deferred Outflows of Resources</u>
Differences between expected and actual experience	\$ 1,746,850
Changes of assumptions	1,629,467
Benefit payments made subsequent to the measurement date	<u>817,945</u>
Total	<u>\$ 4,194,262</u>

Deferred outflows of resources related to OPEB for benefit payments made subsequent to the measurement date of \$817,945 will be recognized as a reduction of the total OPEB liability in the following fiscal year. The other deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows.

<u>Year Ended June 30</u>	<u>Amount</u>
2020	\$ 794,426
2021	794,426
2022	794,426
2023	794,426
2024	<u>198,613</u>
Total	<u>\$ 3,376,317</u>

**TOWN OF NORFOLK, MASSACHUSETTS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 12 PENSION PLAN**

**General Information about the Pension Plan**

**Plan Description** – Employees of the Town deemed eligible by the Norfolk County Retirement Board are provided with pensions through the NCRS - a cost-sharing multiple-employer defined benefit pension plan administered by the Norfolk County Retirement Board. Membership in the NCRS is mandatory immediately upon the commencement of employment for all permanent, full time employees (except for school department employees who serve in a teaching capacity). The NCRS issues a publicly available financial report that can be obtained by contacting the NCRS located at 480 Neponset Street #15, Canton, MA 02021, or online at <https://www.norfolkcountyretirement.org/general/page/employers>.

**Benefits Provided** – Chapter 32 of the MGL assigns authority to establish and amend benefit provisions of the plan. The plan provides for retirement allowance benefits up to a maximum of 80% of a member's highest three-year average annual rate of regular compensation for those hired prior to April 2, 2012. 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.

There are three classes of membership in the plan; Group 1, Group 2, and Group 4. Group 1 consists of general employees which includes clerical and administrative positions. Group 2 consists of positions that have been specified as hazardous. Lastly, Group 4 consists of police officers, firefighters, and other hazardous positions.

Members become vested after ten years of creditable service. 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 if hired after 1978 and if classified in groups 1 or 2. A person who became a member on or after April 2, 2012 is eligible for a superannuation retirement allowance upon reaching the age of 60 with 10 years of service if in group 1, 50 years of age with 10 years of service if in group 2, and 55 years of age if hired prior to 1978 or if classified in group 4. Normal retirement for most employees occurs at age 65 (except for certain hazardous duty and public safety positions, whose normal retirement is at age 55).

A retirement allowance consists of two parts: an annuity and a pension. A member's accumulated total deductions and the interest they generate constitute the annuity. The differential between the total retirement benefit and the annuity is the pension. The average retirement benefit is approximately 80-85% pension and 15-20% annuity.

Members who become permanently and totally disabled for further duty may be eligible to receive a disability retirement allowance. The amount of benefits to be received in such cases is dependent on several factors, including whether or not the disability is work related, the member's age, years of creditable service, level of compensation, veterans' status, and group classification. Survivor benefits are extended to eligible beneficiaries of members whose death occurs prior to or following retirement.

**TOWN OF NORFOLK, MASSACHUSETTS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 12 PENSION PLAN (CONTINUED)**

**Contributions** - Chapter 32 of the MGL assigns authority to establish and amend contribution requirements of the plan. Employers are required to pay an actuarially determined annual appropriation. 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 plan's funding schedule, and additional appropriations in accordance with adopted early retirement incentive programs. The pension fund appropriations are allocated amongst employers based on covered payroll. Active member employees contribute between 5 and 11% of their gross regular compensation. The percentage rate is keyed to the date upon which an employee's membership commences. Contributions to the pension plan from the Town were \$2,122,281 for the year ended June 30, 2019.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2019, the Town reported a liability of \$19,747,579 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2018 for which update procedures were used to roll forward the total pension liability to the measurement date. The Town proportion of the net pension liability is a blended rate of the proportionate share of active employer's covered payroll, direct charges for early retirement incentives, and the direct amortization of the actuarial determined net pension liability for employer members that no longer have active covered payroll. At December 31, 2018, the Town's proportion was 3.034 percent; the same proportionate share at December 31, 2017.

For the year ended June 30, 2019, the Town recognized pension expense of approximately \$2,639,271. At June 30, 2019, the Town reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings	\$ 2,396,929	\$ -
Changes in assumptions	583,937	320,501
Changes in proportion	23,626	178,369
Differences between expected and actual experience	1,074,353	-
Total	\$ 4,078,845	\$ 498,870

The net amount reported as deferred outflows/inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	Amount
2019	\$ 1,216,678
2020	1,002,692
2021	585,655
2022	774,950
Total	\$ 3,579,975

**Actuarial assumptions** - The total pension liability was determined using the following actuarial assumptions:

**TOWN OF NORFOLK, MASSACHUSETTS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 12 PENSION PLAN (CONTINUED)**

Salary increases: 3.5% - 5.5%

Mortality Rates: The RP-2014 Blue Collar Mortality Table with Scale with MP-2014

Investment Rate of Return: 7.75%

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	32.00%	8.10%
International Equities	17.50%	8.20%
Fixed Income	19.00%	3.20%
Real Estate	9.00%	7.30%
Private Equity	8.50%	10.40%
Hedge Funds	9.00%	7.40%
Real Assets	5.00%	10.40%
Totals	<u>100.00%</u>	

**Discount rate** - The discount rate used to measure the total pension liability was 7.75 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from employers will be made at rates equal to the actuarially determined contribution rates. 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 Town's proportionate share of the net pension liability to changes in the discount rate** - The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 7.75 percent, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75 percent) or 1-percentage-point higher (8.75 percent) than the current rate:

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Town's Proportionate Share of the Net Pension Liability	\$ 24,765,196	\$ 19,747,579	\$ 15,481,863

**Pension plan fiduciary net position** - Detailed information about the pension plan's fiduciary net position is available in the separately issued NCRS financial report (<https://www.norfolkcountyretirement.org/general/page/employers>).

**TOWN OF NORFOLK, MASSACHUSETTS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 13 MASSACHUSETTS TEACHERS RETIREMENT SYSTEM**

**Plan Description** – Public school teachers and certain administrators are provided with pensions through the Massachusetts Teachers' Retirement System (MTRS), a cost-sharing multiple-employer defined benefit pension plan administered by the Massachusetts Teachers' Retirement Board. The MTRS is part of the Commonwealth of Massachusetts' (Commonwealth) reporting entity and does not issue a stand-alone audited financial report. The MTRS is reported as a Pension Trust Fund in the Commonwealth's audited financial statements that can be obtained at <http://www.mass.gov/osc/publications-and-reports/financial-reports/cafr-reports.html>.

**Benefits Provided** – MTRS provides retirement, disability, survivor and death benefits to members and their beneficiaries. MGL establishes uniform benefit requirements. These requirements provide for superannuation retirement allowance benefits up to a maximum of 80% of a member's highest three-year average annual rate of regular compensation. For employees hired after April 1, 2012, retirement allowances are calculated on the basis of the last five years or any five consecutive years, whichever is greater in terms of compensation. Benefit payments are based upon a member's age, length of creditable service, and group creditable service, and group classification. The authority for amending these provisions rests with the Legislature.

Members become vested after ten years of creditable service. A superannuation retirement allowance may be received upon the completion of twenty years of creditable service or upon reaching the age of 55 with ten years of service. Normal retirement for most employees occurs at age 65. Most employees who joined the system after April 1, 2012 cannot retire prior to age 60.

**Contributions** - The MTRS' funding policies have been established by Chapter 32 of the MGL. The Legislature has the authority to amend these policies. The annuity portion of the MTRS retirement allowance is funded by employees, who contribute a percentage of their regular compensation. Member contributions for MTRS vary depending on the most recent date of membership, ranging from 5-11% of regular compensation. Members hired in 1979 or subsequent contribute an additional 2% of regular compensation in excess of \$30,000.

The Commonwealth is a nonemployer contributor and is required by statute to make all actuarially determined employer contributions on behalf of the member employers. 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 contributing entity in MTRS.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

Since the Town does not contribute directly to MTRS, the Town does not report a proportionate share of the net pension liability of the MTRS at June 30, 2018. The Commonwealth's net pension liability associated with the Town was \$26,108,227.

The MTRS' net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2018 rolled forward to June 30, 2018.

**TOWN OF NORFOLK, MASSACHUSETTS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 13 MASSACHUSETTS TEACHERS RETIREMENT SYSTEM (CONTINUED)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)**

For the year ended June 30, 2018, the Town recognized pension expense of \$2,645,691 associated with MTRS and revenue of the same amount for support provided by the Commonwealth.

**Actuarial assumptions** - The total pension liability was determined using the following actuarial assumptions:

Investment rate of return 7.35%

Salary increases Salary increases are based on analyses of past experience but range from 4.0% to 7.5% depending on length of service

Mortality Rates: Pre-retirement – reflects RP-2014 White Collar Employees table projected generationally with Scale MP 2016 (gender distinct)

Post-retirement – reflects RP-2014 White Collar Healthy Annuitant table projected generationally with Scale MP 2016 (gender distinct)

Disability – assumed to be in accordance with the RP- 2014 White Collar Healthy Annuitant table projected generationally with Scale MP-2016 (gender distinct)

Investment assets of the MTRS are with the Pension Reserves Investment Trust (PRIT) Fund. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage. Best estimates of geometric rates of return for each major asset class included in the PRIT Fund's target asset allocation as of June 30, 2018 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	39%	5.0%
Core Fixed Income	12%	0.9%
Private Equity	12%	6.6%
Real Estate	10%	3.8%
Value Added Fixed Income	10%	3.8%
Portfolio Completion Strategies	13%	3.7%
Timber/Natural Resources	4%	3.4%
Totals	<u>100%</u>	

**TOWN OF NORFOLK, MASSACHUSETTS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 13 MASSACHUSETTS TEACHERS RETIREMENT SYSTEM (CONTINUED)**

**Discount rate** - The discount rate used to measure the MTRS' total pension liability was 7.35%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rates and the Commonwealth's contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rates. Based on those assumptions, the net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Pension plan fiduciary net position** - Detailed information about the MTRS' fiduciary net position is available in the Commonwealth's audited financial statements.

**NOTE 14 FUND BALANCES**

The fund balance constraints listed in aggregate in the governmental funds balance sheet are detailed as follows:

	General	Community Preservation	Lawrence Street Project	Police/ Dispatch Center	H. Olive Day School Roof	Nonmajor Governmental Funds	Total Governmental Funds
<b>Nonspendable:</b>							
Permanent Fund Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 78,763	\$ 78,763
<b>Restricted:</b>							
Debt Service	122,109	-	-	-	-	-	122,109
Community Preservation	-	3,356,680	-	-	-	-	3,356,680
Kunde Conservation Trust	-	-	-	-	-	353,396	353,396
Kunde Library Conservation Trust	-	-	-	-	-	199,424	199,424
Affordable Housing	-	-	-	-	-	724,371	724,371
School Lunch	-	-	-	-	-	40,197	40,197
General Government	-	-	-	-	-	766,858	766,858
Public Safety	-	-	-	3,439,829	-	219,760	3,659,589
Education	-	-	-	-	145,118	878,467	1,023,585
Public Works	-	-	-	-	-	674,366	674,366
Health and Human Services	-	-	-	-	-	3,529	3,529
Culture and Recreation	-	-	-	-	-	278,213	278,213
Sub-Total - Restricted	<u>122,109</u>	<u>3,356,680</u>	<u>-</u>	<u>3,439,829</u>	<u>145,118</u>	<u>4,138,581</u>	<u>11,202,317</u>
<b>Committed:</b>							
Subsequent Year's Expenditures	163,197	-	-	-	-	-	163,197
Continuing Appropriations	41,701	-	-	-	-	-	41,701
Sub-Total - Committed	<u>204,898</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>204,898</u>
<b>Assigned:</b>							
Encumbrances	352,045	-	-	-	-	-	352,045
<b>Unassigned</b>	<u>2,419,478</u>	<u>-</u>	<u>(86,762)</u>	<u>-</u>	<u>-</u>	<u>(642,880)</u>	<u>1,689,836</u>
<b>Total Fund Balances</b>	<u>\$ 3,098,530</u>	<u>\$ 3,356,680</u>	<u>\$ (86,762)</u>	<u>\$ 3,439,829</u>	<u>\$ 145,118</u>	<u>\$ 3,574,464</u>	<u>\$ 13,527,859</u>

**TOWN OF NORFOLK, MASSACHUSETTS  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 15 STABILIZATION FUNDS**

The Town maintains a general stabilization fund that was established under MGL Chapter 40, Section 5B. Appropriations in and out of the stabilization fund require two-thirds vote of Town meeting. Investment income is retained by the fund. The balance of the stabilization fund at June 30, 2019 totals \$1,708,929 and is reported as unassigned fund balance in the general fund.

**NOTE 16 RISK FINANCING**

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Town carries commercial insurance. The Town participates in premium-based health care and workers' compensation plans for its employees. The amount of claim settlements has not exceeded insurance coverage in any of the previous three fiscal years.

**NOTE 17 COMMITMENTS**

Significant commitments include the encumbrances and continuing appropriations for outstanding for the general fund and community preservation fund; which totaled \$393,746 and \$265,097, respectively, at June 30, 2019.

**NOTE 18 CONTINGENCIES**

Various legal actions and claims are pending against the Town. 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, 2019, cannot be ascertained, management believes any resulting liability should not materially affect the financial position of the Town at June 30, 2019.

The Town participates in a number of federal award programs. The programs are 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 the Town expects such amounts, if any, to be immaterial

**TOWN OF NORFOLK, MASSACHUSETTS  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2019**

	Prior Year Encumbrances and Continuing Appropriations	Original Budget	Supplemental Appropriations and Transfers	Final Budget
<b>REVENUES</b>				
Real Estate and Personal Property Taxes	\$ -	\$ 32,678,235	\$ -	\$ 32,678,235
Motor Vehicle and Other Excise Taxes	-	2,085,000	-	2,085,000
Tax Liens	-	-	-	-
Payments in Lieu of Taxes	-	75,000	-	75,000
Trash Disposal	-	325,000	-	325,000
Intergovernmental	-	4,717,711	-	4,717,711
Penalties and Interest on Taxes	-	110,000	-	110,000
Licenses and Permits	-	415,000	-	415,000
Fines and Forfeitures	-	20,000	-	20,000
Departmental and Other	-	332,000	-	332,000
Investment Income	-	25,000	-	25,000
Total Revenues	<u>-</u>	<u>40,782,946</u>	<u>-</u>	<u>40,782,946</u>
<b>EXPENDITURES</b>				
Current:				
General Government	37,240	2,627,630	98,750	2,763,620
Public Safety	153,212	5,292,479	273,856	5,719,547
Education	291,481	22,099,807	-	22,391,288
Public Works	144,388	2,108,687	84,500	2,337,575
Health and Human Services	60	265,794	40,000	305,794
Culture and Recreation	-	787,376	-	787,376
Pension Benefits	-	2,063,494	-	2,063,494
Employee Benefits	6,941	2,784,235	-	2,784,235
Property and Liability Insurance	-	363,350	-	363,350
State and County Charges	-	-	-	473,958
Debt Service:				
Principal	-	1,534,360	-	1,534,360
Interest	-	955,286	-	955,286
Total Expenditures	<u>633,322</u>	<u>40,882,498</u>	<u>497,106</u>	<u>42,479,883</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>				
	<u>(633,322)</u>	<u>(99,552)</u>	<u>(497,106)</u>	<u>(1,696,937)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	506,450	117,106	623,556
Transfers Out	-	(266,169)	(355,466)	(621,635)
Total Other Financing Sources (Uses)	<u>-</u>	<u>240,281</u>	<u>(238,360)</u>	<u>1,921</u>
<b>NET CHANGE IN FUND BALANCE</b>				
	<u>(633,322)</u>	<u>140,729</u>	<u>(735,466)</u>	<u>(1,695,016)</u>
Fund Balance - Beginning of Year	<u>2,281,981</u>	<u>2,281,981</u>	<u>2,281,981</u>	<u>2,281,981</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 1,648,659</u>	<u>\$ 2,422,710</u>	<u>\$ 1,546,515</u>	<u>\$ 586,965</u>

See accompanying notes to required supplementary information.

**TOWN OF NORFOLK, MASSACHUSETTS  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED JUNE 30, 2019**

Actual	Current Year Encumbrances and Continuing Appropriations	Actual and Encumbrances and Continuing Appropriations	Variance Positive/ (Negative)
\$ 32,535,868	\$ -	\$ 32,535,868	\$ (142,367)
1,977,780	-	1,977,780	(107,220)
65,008	-	65,008	65,008
84,714	-	84,714	9,714
256,600	-	256,600	(68,400)
5,253,911	-	5,253,911	536,200
79,610	-	79,610	(30,390)
415,540	-	415,540	540
21,912	-	21,912	1,912
309,079	-	309,079	(22,921)
27,959	-	27,959	2,959
<u>41,027,981</u>	<u>-</u>	<u>41,027,981</u>	<u>245,035</u>
2,630,908	41,142	2,672,050	91,570
5,556,356	13,321	5,569,677	149,870
21,978,944	279,750	22,258,694	132,594
2,329,575	59,533	2,389,108	(51,533)
292,829	-	292,829	12,965
765,736	-	765,736	21,640
2,035,180	-	2,035,180	28,314
2,759,246	-	2,759,246	24,989
363,350	-	363,350	-
473,958	-	473,958	-
-	-	-	-
1,534,312	-	1,534,312	48
938,898	-	938,898	16,388
<u>41,659,292</u>	<u>393,746</u>	<u>42,053,038</u>	<u>426,845</u>
<u>(631,311)</u>	<u>(393,746)</u>	<u>(1,025,057)</u>	<u>671,880</u>
627,164	-	627,164	3,608
<u>(621,635)</u>	<u>-</u>	<u>(621,635)</u>	<u>-</u>
<u>55,529</u>	<u>-</u>	<u>55,529</u>	<u>53,608</u>
(575,782)	(393,746)	(969,528)	725,488
<u>2,281,981</u>	<u>-</u>	<u>2,281,981</u>	<u>-</u>
<u>\$ 1,706,199</u>	<u>\$ (393,746)</u>	<u>\$ 1,312,453</u>	<u>\$ 725,488</u>

**TOWN OF NORFOLK, MASSACHUSETTS  
COMMUNITY PRESERVATION FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2019**

	Prior Year Encumbrances and Continuing Appropriations	Original Budget	Supplemental Appropriations and Transfers	Final Budget
<b>REVENUES</b>				
Community Preservation Surcharges	\$ -	\$ 240,000	\$ -	\$ 240,000
Tax Liens	-	-	-	-
Penalties and Interest on Taxes	-	-	-	-
Intergovernmental	-	40,000	-	40,000
Investment Income	-	-	-	-
Total Revenues	<u>-</u>	<u>280,000</u>	<u>-</u>	<u>280,000</u>
<b>EXPENDITURES</b>				
Current:				
Administrative	-	14,000	-	14,000
Acquisitions and Projects	<u>261,213</u>	<u>17,013</u>	<u>-</u>	<u>278,226</u>
Total Expenditures	<u>261,213</u>	<u>31,013</u>	<u>-</u>	<u>292,226</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(261,213)</u>	<u>248,987</u>	<u>-</u>	<u>(12,226)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	<u>-</u>	<u>(310,800)</u>	<u>-</u>	<u>(310,800)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>(261,213)</u>	<u>(61,813)</u>	<u>-</u>	<u>(323,026)</u>
Fund Balance - Beginning of Year	<u>3,360,771</u>	<u>3,360,771</u>	<u>3,360,771</u>	<u>3,360,771</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ 3,099,558</u></u>	<u><u>\$ 3,298,958</u></u>	<u><u>\$ 3,360,771</u></u>	<u><u>\$ 3,037,745</u></u>

See accompanying Notes to Required Supplementary Information.

**TOWN OF NORFOLK, MASSACHUSETTS  
COMMUNITY PRESERVATION FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED JUNE 30, 2019**

<u>Actual</u>	<u>Current Year Encumbrances and Continuing Appropriations</u>	<u>Actual and Encumbrances and Continuing Appropriations</u>	<u>Variance Positive/ (Negative)</u>
\$ 252,584	\$ -	\$ 252,584	\$ 12,584
381	-	381	381
334	-	334	334
44,600	-	44,600	4,600
<u>32,348</u>	<u>-</u>	<u>32,348</u>	<u>32,348</u>
<u>330,247</u>	<u>-</u>	<u>330,247</u>	<u>50,247</u>
10,409	-	10,409	3,591
<u>13,129</u>	<u>265,097</u>	<u>278,226</u>	<u>-</u>
<u>23,538</u>	<u>265,097</u>	<u>288,635</u>	<u>3,591</u>
<u>306,709</u>	<u>(265,097)</u>	<u>41,612</u>	<u>53,838</u>
<u>(310,800)</u>	<u>-</u>	<u>(310,800)</u>	<u>-</u>
(4,091)	(265,097)	(269,188)	53,838
<u>3,360,771</u>	<u>-</u>	<u>3,360,771</u>	<u>-</u>
<u>\$ 3,356,680</u>	<u>\$ (265,097)</u>	<u>\$ 3,091,583</u>	<u>\$ 53,838</u>

**TOWN OF NORFOLK, MASSACHUSETTS  
REQUIRED SUPPLEMENTARY INFORMATION  
LAST TEN FISCAL YEARS**

**SCHEDULE OF TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
NORFOLK COUNTY RETIREMENT SYSTEM (1) (2)**

	2019	2018	2017	2016	2015
Town's proportion of the net pension liability	3.034%	3.034%	3.098%	3.097%	3.085%
Town's proportionate share of the net pension liability	19,747,579	16,776,493	16,170,695	16,827,053	16,001,415
Town's covered payroll	9,005,175	8,700,652	8,521,080	8,076,283	7,595,309
Town's proportionate share of the net pension liability as a percentage of its covered payroll	219.29%	192.82%	189.77%	208.35%	210.67%
Plan fiduciary net position as a percentage of the total pension liability	58.30%	63.50%	61.60%	58.60%	60.10%

- (1) Amounts presented were determined as of December 31 within the applicable fiscal year.  
(2) Data is being accumulated annually to present ten years of the reported information.

**SCHEDULE OF TOWN CONTRIBUTIONS  
NORFOLK COUNTY RETIREMENT SYSTEM (1)**

	2019	2018	2017	2016	2015
Actuarially Required Contribution	\$ 2,122,281	\$ 1,941,855	\$ 1,810,010	\$ 1,642,218	\$ 1,447,468
Contributions in Relation to the Actuarially Required Contribution	(2,122,281)	(1,941,855)	(1,810,010)	(1,642,218)	(1,447,468)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Town's Covered Payroll	\$ 9,005,175	\$ 8,700,652	\$ 8,521,080	\$ 8,076,283	\$ 7,595,309
Contributions as a Percentage of Covered Payroll	23.57%	22.32%	21.24%	20.33%	19.06%

- (1) Data is being accumulated annually to present ten years of the reported information.

**SCHEDULE OF SPECIAL FUNDING AMOUNTS OF THE NET PENSION LIABILITY  
MASSACHUSETTS TEACHERS' RETIREMENT SYSTEM (1) (2)**

	2019	2018	2017	2016	2015
Commonwealth's 100% Share of the Net Pension Liability associated with the Town	\$ 26,108,227	\$ 24,535,727	\$ 24,018,395	\$ 22,165,988	\$ 16,481,016
Town's Expense and Revenue Recognized for the Commonwealth's Support	\$ 2,645,691	\$ 2,560,865	\$ 2,450,034	\$ 1,797,859	\$ 1,145,015
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	54.84%	54.25%	52.73%	55.38%	61.64%

- (1) Amounts presented were determined as of June 30 of the previous fiscal year.  
(2) Data is being accumulated annually to present ten years of the reported information.

See accompanying Notes to Required Supplementary Information.

**TOWN OF NORFOLK, MASSACHUSETTS  
REQUIRED SUPPLEMENTARY INFORMATION  
LAST TEN FISCAL YEARS**

The following schedule provides information related to the Town's other post employment benefits plan:

**SCHEDULE OF CHANGES IN THE TOWN'S  
TOTAL OPEB LIABILITY AND RELATED RATIOS (1)**

	2019	2018
<u>Total OPEB Liability</u>		
Service Cost	\$ 986,243	\$ 942,762
Interest	711,288	678,101
Changes in assumptions	2,012,870	-
Differences between expected □ and actual experience	2,157,873	-
Benefit Payments	(577,746)	(505,860)
Implicit Cost Amount	(204,976)	-
Net Change in Total OPEB Liability	5,085,552	1,115,003
Total OPEB Liability - Beginning	21,287,774	20,172,771
Total OPEB Liability - Ending	\$ 26,373,326	\$ 21,287,774

(1) Data is being accumulated annually to present ten years of the reported information

**TOWN OF NORFOLK, MASSACHUSETTS  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2019**

**NOTE A BUDGETARY – GAAP RECONCILIATION**

For budgetary financial reporting purposes, the Uniform Massachusetts 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 and community preservation fund for the fiscal year ended June 30, 2019, is presented below:

**General Fund**

	<u>Revenues</u>	<u>Expenditures</u>	<u>Other Financing Sources (Uses)</u>	<u>Fund Balance</u>
Budgetary Basis as Reported on the Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	\$ 41,027,981	\$ 42,053,038	\$ 55,529	\$ 1,312,453
<u>Reclassifications</u>				
Activity of Stabilization Fund Recorded in the General Fund for GAAP Purposes	68,152	-	(100,000)	1,708,929
<u>Adjustments</u>				
Net Change in Recording 60-day Receipts	24,398	-	-	102,709
Net Change in Recording Tax Refunds Payable	(54,950)	-	-	(419,307)
To Record Activity for MTRS On-Behalf Payments	2,645,691	2,645,691	-	-
To Record Encumbrances and Continuing Appropriations	-	(393,746)	-	393,746
GAAP Basis as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances	<u>\$ 43,711,272</u>	<u>\$ 44,304,983</u>	<u>\$ (44,471)</u>	<u>\$ 3,098,530</u>

**Community Preservation Fund**

	<u>Expenditures</u>	<u>Fund Balance</u>
Budgetary Basis as Reported on the Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	\$ 288,635	\$ 3,091,583
<u>Adjustments</u>		
To Record Encumbrances and Continuing Appropriations	<u>(265,097)</u>	<u>265,097</u>
GAAP Basis as Reported on the Statement of Revenues Expenditures and Changes in Fund Balances	<u>\$ 23,538</u>	<u>\$ 3,356,680</u>

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an SEC-registered investment advisor. | CliftonLarsonAllen LLP





CliftonLarsonAllen LLP  
CLAconnect.com

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

Honorable Board of Selectmen  
Town of Norfolk, Massachusetts

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Norfolk, Massachusetts (Town), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Towns' basic financial statements, and have issued our report thereon dated January 14, 2020.

**Internal Control Over Financial Reporting**

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

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

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

**Compliance and Other Matters**

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

**Purpose of this Report**

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



**CliftonLarsonAllen LLP**

Boston, Massachusetts  
January 14, 2020

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**Norfolk Republican Town Committee**

6 Stop River Road  
Norfolk, MA 02056  
(617)448-0987

30 March 2020

Carol Greene, Town Clerk

Dear Carol,

Please be advised that Ken Ralff has informed me of his intent to resign as Registrar effective immediately. As such, I would like to nominate Mr. Peter Stagg, 3 Wrights Farm Road, as Registrar to replace Mr. Ralff. Mr. Stagg can be reached at 508-397-2337 or via email at [pstagg@mathworks.com](mailto:pstagg@mathworks.com). Should you need any further information, please call me at 617-448-0987. Thank you.

Sincerely,

Donna DiCenso

Chair, Norfolk Republican Town Committee

April 1, 2020

**Norfolk Department of Public Works  
Solid Waste Division  
FY21 Proposed Fee Changes**

	<b>Current Fee</b>	<b>Proposed Fee</b>	<b>Change</b>
<b>Decals</b>			
Decal Mail/On Line	\$60.00	<b>\$75.00</b>	\$15.00
Decal In Person	\$65.00	<b>\$75.00</b>	\$10.00
Senior Decal	\$45.00	<b>\$55.00</b>	\$10.00
Additional Decal Mail/On Line	\$5.00	<b>\$20.00</b>	\$15.00
Additional Decal In Person	\$10.00	<b>\$20.00</b>	\$10.00
<del>Pro-Rated Standard</del>	<del>\$33.00</del>		
<del>Pro-Rated Senior</del>	<del>\$23.00</del>		
<del>Pro-Rated Additional Decal</del>	<del>\$5.00</del>		
<b>Materials Large (Resident Pick Up Vehicle or Delivery)</b>			
Delivery Charge Per Trip	\$50	<b>\$85</b>	\$35
Processed Wood Chips	\$0	<b>\$5</b>	\$5
Compost	\$0	<b>\$10</b>	\$10
Screened Loam	\$9	<b>\$12</b>	\$3
River Stone 2" Minus	\$0	<b>\$20</b>	\$20
Clean Fill	\$2	<b>\$5</b>	\$3
Resident With Sticker Only Contractors Call For Availability			
<b>Materials Small (Resident Pick Up 30 Gallon Container)</b>			
Processed Wood Chips	\$0	<b>\$5</b>	\$5
Compost (leaf and yard waste)	\$0	<b>\$5</b>	\$5
<b>Recycling</b>			
Bulk Materials	\$4	<b>\$5</b>	\$1
Scrap Metal & White Goods	\$0	<b>\$5</b>	\$5
Per 50 lbs. or \$.10 Per Pound			
<b>Container</b>			
Rentals	\$200	<b>\$400</b>	\$200
Rental Extension (Per Week)	\$50	<b>\$65</b>	\$15
Tipping Fee Per Ton	\$85	<b>\$85</b>	\$0
\$400 Includes 1st Ton Tipping Fee, minimum charge			



# TOWN OF NORFOLK FY21 BUDGET

<u>ITEM</u>	<u>DESCRIPTION</u>	<u>PAGE</u>
1	REVENUE BUDGET	2
2	BUDGET DRIVERS	3
3	EMPLOYEE BENEFITS	4
4	EXCLUDED DEBT	5
5	DEBT	6
6	SUMMARY BUDGET	7-10
7	WATER ENTERPRISE BUDGET	11
8	WASTE WATER ENTERPRISE BUDGET	12

## Town of NORFOLK Revenue Budget

	FY18 Budget	FY19 Budget	FY20 Budget	FY21 Budget
Tax Levy Base (Prior Levy Limit)	\$27,469,682	\$28,658,330	\$30,047,297	\$31,381,469
2.5%	\$686,743	\$716,458	\$751,511	\$784,537
New Growth	\$510,729	\$672,509	\$582,661	\$600,000
<b>Reserve for Abatements</b>	<b>(\$75,000)</b>	<b>(\$125,000)</b>	<b>(\$125,000)</b>	<b>(\$125,000)</b>
Total Levy Base	\$28,592,154	\$29,922,297	\$31,256,469	\$32,641,006
Local Estimated Receipts:				
Motor Vehicle	\$1,950,000	\$2,000,000	\$2,000,000	\$2,000,000
Penalties/Interest on Taxes	\$110,000	\$110,000	\$110,000	\$120,000
P.I.L.O.T.	\$75,000	\$75,000	\$75,000	\$75,000
Water Dept - Indirect Costs	\$65,000	\$65,000	\$65,000	\$65,000
Septic - Indirect Costs	\$5,000	\$5,000	\$5,000	\$5,000
Transfer Station Revenue	\$325,000	\$325,000	\$325,000	\$310,000
Fees	\$20,000	\$20,000	\$20,000	\$20,000
Other Dept'l Revenue	\$125,000	\$130,000	\$125,000	\$150,000
Lease & Maintenance - Public Safety	\$0	\$0	\$86,000	\$90,000
Licenses & Permits	\$380,000	\$415,000	\$415,000	\$440,000
Fines & Forfeits	\$20,000	\$20,000	\$20,000	\$20,000
Investment Income	\$7,500	\$25,000	\$25,000	\$25,000
Meals Tax	\$80,000	\$85,000	\$85,000	\$85,000
Ambulance Receipts	\$380,000	\$380,000	\$410,000	\$470,000
Miscellaneous Recurring	\$27,000	\$27,000	\$25,000	\$25,000
Miscellaneous Non - Recurring	\$90,000	\$90,000	\$250,000	\$250,000
<b>Total Estimated Receipts</b>	<b>\$3,659,500</b>	<b>\$3,772,000</b>	<b>\$4,041,000</b>	<b>\$4,150,000</b>
<b>Cherry Sheet:</b>				
School Aid				
Chapter 70	\$3,406,815	\$3,424,875	\$3,452,225	\$3,489,705
Charter School Reimbursement	\$21,531	\$3,996	\$3,381	\$72,650
<b>Total Education - State Aid</b>	<b>\$3,428,346</b>	<b>\$3,428,871</b>	<b>\$3,455,606</b>	<b>\$3,562,355</b>
<b>General Government</b>				
Lottery	\$958,026	\$991,557	\$1,018,329	\$1,046,842
Additional Aid	\$15,457	\$15,573	\$16,511	\$17,722
Police Career Incentive				
Exemptions:Vets/Blind/Surviving Spou	\$60,953	\$60,597	\$69,618	\$82,403
State Owned Land	\$152,571	\$208,326	\$217,114	\$225,957
<b>Total General Government - State Aid</b>	<b>\$1,187,007</b>	<b>\$1,276,053</b>	<b>\$1,321,572</b>	<b>\$1,372,924</b>
<b>Cherry Sheet Revenue Total</b>	<b>\$4,615,353</b>	<b>\$4,704,924</b>	<b>\$4,777,178</b>	<b>\$4,935,279</b>
<b>Cherry Sheet Assessments</b>	<b>(\$468,979)</b>	<b>(\$444,132)</b>	<b>(\$498,098)</b>	<b>(\$659,600)</b>
<b>Net Cherry Sheet Total</b>	<b>\$4,146,374</b>	<b>\$4,260,792</b>	<b>\$4,279,080</b>	<b>\$4,275,679</b>
<b>Total Operating Revenue</b>	<b>\$36,398,028</b>	<b>\$37,955,089</b>	<b>\$39,576,549</b>	<b>\$41,066,685</b>
<b>Other Sources:</b>				
Receipts Reserved Cemetery	\$25,000	\$25,000	\$70,000	\$0
Free Cash (to pay Capital Debt)	\$0	\$0	\$0	\$0
Stabilization	\$0	\$0	\$0	\$0
Free Cash	\$300,000	\$380,000	\$163,197	\$124,679
<b>Total Other Sources</b>	<b>\$325,000</b>	<b>\$405,000</b>	<b>\$233,197</b>	<b>\$124,679</b>
<b>Total Non-Exclud Budget Sources</b>	<b>\$36,723,028</b>	<b>\$38,360,089</b>	<b>\$39,809,746</b>	<b>\$41,191,364</b>
	\$1,372,303	\$1,637,061	\$1,449,657	\$1,381,618

# TOWN OF NORFOLK - Recommended Budget

## Budget Summary

<u>General Revenue</u>						
<u>Revenue</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>Difference</u>	<u>%</u>
Real Estate Taxes (Non Excluded)	\$28,592,154	\$29,922,297	\$31,256,469	\$32,641,006	\$1,384,537	4.43%
State Aid	\$4,146,374	\$4,260,792	\$4,279,080	\$4,275,679	(\$3,401)	-0.08%
Local Receipts	\$3,659,500	\$3,772,000	\$4,041,000	\$4,150,000	\$109,000	2.70%
Non Recurring Revenues	\$325,000	\$405,000	\$233,197	\$124,679	(\$108,518)	-46.53%
<b>Total Available (Non Excluded)</b>	<b>\$36,723,028</b>	<b>\$38,360,089</b>	<b>\$39,809,746</b>	<b>\$41,191,364</b>		
<u>Fixed Costs</u>						
	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>Difference</u>	<u>%</u>
Debt Service (Non Excluded)	\$694,374	\$640,429	\$512,935	\$630,000	\$117,065	22.82%
Health Insurance	\$2,321,000	\$2,402,235	\$2,354,190	\$2,444,000	\$89,810	3.81%
Norfolk County Retirement	\$1,941,855	\$2,063,494	\$2,210,845	\$2,359,197	\$148,352	6.71%
Unemployment Benefits	\$25,000	\$25,000	\$25,000	\$25,000	\$0	0.00%
Medicare	\$215,000	\$225,000	\$230,000	\$250,000	\$20,000	8.70%
Other Employee Benefits	\$130,000	\$132,000	\$133,000	\$143,000	\$10,000	7.52%
Building Liability	\$350,000	\$360,000	\$375,000	\$386,250	\$11,250	3.00%
Tri-County	\$466,841	\$454,072	\$360,053	\$362,201	\$2,148	0.60%
Norfolk Agricultural School	\$19,610	\$20,394	\$21,500	\$14,000	(\$7,500)	-34.88%
Transfer Station Expenses	\$387,946	\$403,229	\$419,618	\$427,281	\$7,663	1.83%
Road Program	\$1	\$1	\$1	\$1	\$0	0.00%
Reserve Fund	\$75,000	\$50,000	\$50,000	\$50,000	\$0	0.00%
Shared Services (Fuel, St. Lights, Landfill, Snow)	\$440,522	\$442,957	\$440,957	\$450,424	\$9,467	2.15%
<b>Total</b>	<b>\$7,067,149</b>	<b>\$7,218,811</b>	<b>\$7,133,099</b>	<b>\$7,541,354</b>		
<u>Discretionary Costs</u>						
	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>Difference</u>	<u>%</u>
Norfolk Elementary	\$11,831,222	\$12,263,361	\$12,753,837	\$13,285,384	\$531,547	4.17%
General Government	\$2,073,668	\$2,251,261	\$2,294,408	\$2,335,175	\$40,767	1.78%
{Facilities Maintenance}	\$595,822	\$863,426	\$1,058,663	\$1,134,004	\$75,341	7.12%
Public Safety	\$4,943,336	\$5,233,809	\$5,576,854	\$5,782,275	\$205,421	3.68%
Public Works - Operations	\$1,268,203	\$1,273,684	\$1,395,266	\$1,347,846	(\$47,420)	-3.40%
King Philip Operating Budget & Turf	\$8,263,166	\$8,624,390	\$8,852,281	\$8,981,874	\$129,593	1.46%
Culture and Recreation	\$699,568	\$730,070	\$770,769	\$783,452	\$12,683	1.65%
<b>Total</b>	<b>\$29,674,985</b>	<b>\$31,240,002</b>	<b>\$32,702,078</b>	<b>\$33,650,010</b>		

Total Non-Excluded Expense Budget

Surplus / (Shortage)

\$0

## Proposed Employee Benefits

	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>Change</u>	<u>%</u>
Medical Insurance	\$2,321,000	\$2,402,235	\$2,354,190	\$2,444,000	\$89,810	3.81%
Life Insurance	\$12,000	\$13,000	\$13,000	\$13,000	\$0	0.00%
Longevity	\$95,000	\$96,000	\$97,000	\$110,000	\$13,000	13.40%
Medicare	\$215,000	\$225,000	\$230,000	\$250,000	\$20,000	8.70%
Unemployment Comp.	\$25,000	\$25,000	\$25,000	\$25,000	\$0	0.00%
State/County Retirement	\$1,941,855	\$2,063,494	\$2,210,845	\$2,359,197	\$148,352	6.71%
Contractual Benefits	\$23,000	\$23,000	\$23,000	\$20,000	(\$3,000)	-13.04%
	<u>\$4,632,855</u>	<u>\$4,847,729</u>	<u>\$4,953,035</u>	<u>\$5,221,197</u>	<u>\$268,162</u>	<u>5.41%</u>

**Excluded Debt**  
FY 21

		FY17	FY18	FY19	FY20	FY21
<b>Excluded Debt Revenue</b>	<b>Debt Exclusions</b>					
	King Philip (Net SBA)	\$717,535	\$681,485	\$671,975	\$639,900	\$593,549
	Library Expansion	\$195,028	\$188,762	\$180,420	\$171,013	\$164,589
	Freeman Kennedy	\$1,507,738	\$1,483,438	\$1,456,325	\$1,429,213	\$1,246,513
	Public Safety Building - MECC	\$0	\$0	\$429,934	\$851,875	\$790,544
	<b>Total Debt Exclusions</b>	<b>\$2,420,300</b>	<b>\$2,353,684</b>	<b>\$2,738,654</b>	<b>\$3,092,001</b>	<b>\$2,795,195</b>

<b>Excluded Debt Budget</b>	<b>Debt Exclusions</b>					
	King Philip (Net SBA)	\$717,535	\$681,485	\$671,975	\$639,900	\$593,549
	Library Expansion	\$195,028	\$188,762	\$180,420	\$171,013	\$164,589
	Freeman Centennial	\$1,507,738	\$1,483,438	\$1,456,325	\$1,429,213	\$1,246,513
	Public Safety Building - MECC	\$0	\$0	\$429,934	\$851,875	\$790,544
	<b>Total Debt Exclusions</b>	<b>\$2,420,300</b>	<b>\$2,353,684</b>	<b>\$2,738,654</b>	<b>\$3,092,001</b>	<b>\$2,795,195</b>

<u>Date of Issue</u>	<u>Purpose</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<b>General Fund Non-Exempt</b>					
9/15/2017	Leachate Pond Cover	13,400.00	13,100.00	12,700.00	12,300.00
1/15/2003	Sewer	10,588.50	10,192.50	9,796.50	9,400.50
1/15/2003	Highway Building Addition	11,320.00	10,880.00	10,440.00	
11/9/2007	Sewer CW-04-12 MWPAT Refund	13,061.44	13,061.66	13,061.76	13,061.65
3/18/2009	Sewer CW-04-12-A MWPAT	1,299.29	1,299.24	1,298.73	1,298.75
1/15/2005	Underground Utilities	50,546.00	48,746.00	46,890.00	0.00
9/15/2017	Public Safety Septic Refunding	6,760.00	6,610.00	6,410.00	6,210.00
9/15/2017	Land Acquisition Refunding	14,150.00	13,820.00	12,400.00	12,000.00
4/1/2012	School Feasibility Study	13,925.00	13,625.00	13,325.00	13,025.00
9/15/2017	Land Acquisition - Police	115,900.00	113,950.00	111,350.00	108,750.00
7/31/2014	Roads/Vehicles/Sprinkler (\$750,923)	144,981.41	44,848.10	45,605.00	44,993.00
6/30/2016	Underground Tanks (\$300,000)	104,156.78	103,000.00		
2/6/2019	Ambulance (\$295,000)	66,670.00	62,742.98	65,195.00	63,425.00
<b>Total Non-Exempt Debt</b>		<b>566,758.42</b>	<b>455,875.48</b>	<b>348,471.99</b>	<b>284,463.90</b>
<b>General Fund Exempt Debt</b>					
		<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
1/15/2003	Library Plans	16,980.00	16,320.00	15,660.00	
1/15/2003	Library Construction	154,032.50	148,268.50	142,504.50	134,740.50
8/22/2019	School - Refunding	1,007,337.78	967,200.00	944,450.00	911,200.00
4/1/2012	School	285,462.50	279,312.50	273,162.50	267,012.50
9/15/2017	Building Construction - Public Safety	353,650.00	348,100.00	340,700.00	333,300.00
3/15/2019	Building Construction - Public Safety	453,193.75	442,443.75	431,693.75	420,943.75
<b>Total Exempt Debt</b>		<b>2,270,656.53</b>	<b>2,201,644.75</b>	<b>2,148,170.75</b>	<b>2,067,196.75</b>
<b>Water Debt</b>					
		<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
11/15/2002	Water Treatment Facility DW-01-05	39,395.25	38,401.18	37,625.00	35,875.00
1/15/2003	Storage Tank Construction	116,340.00	111,984.00	107,628.00	100,272.00
1/15/2003	Water Treatment Facility	1,176.50	1,132.50	1,088.50	1,044.50
1/15/2003	Town Center Water Mains	18,824.00	18,120.00	17,416.00	16,712.00
1/15/2003	Town Center Water Mains	5,882.50	5,662.50	5,442.50	5,222.50
1/15/2003	Pond Street Water Mains	16,471.00	15,855.00	15,239.00	14,623.00
1/15/2005	Water Mains	56,162.50	54,162.50	52,100.00	
9/15/2017	Gold Street Well Site Refunding	21,410.00	19,980.00	20,400.00	19,800.00
9/15/2017	Medway Branch Mains Refunding	14,750.00	15,430.00	14,990.00	14,550.00
9/15/2017	Maple St. Water Mains Refunding	12,580.00	12,310.00	11,950.00	11,590.00
9/15/2017	Water Mains Refunding	49,350.00	48,300.00	46,900.00	45,500.00
8/22/2019	Spruce Road Well - Refunding	23,721.80	21,800.00	21,050.00	20,300.00
3/15/2019	Water	180,500.00	176,250.00	172,000.00	167,750.00
<b>Total Water Debt</b>		<b>556,563.55</b>	<b>539,387.68</b>	<b>523,829.00</b>	<b>453,239.00</b>
<b>Total All Debt</b>		<b>3,393,978.50</b>	<b>3,196,907.91</b>	<b>3,020,471.74</b>	<b>2,804,899.65</b>

## Town of Norfolk - Fiscal 2021 General Fund Budget

		FY 20 Budget	FY 21 Requested	Change	%
<b>GENERAL GOVERNMENT</b>					
<b>Selectmen/Town Admin.</b>	Salary	\$270,000	\$292,395		
	Expense	\$31,600	\$28,400		
	<b>Total</b>	<b>\$301,600</b>	<b>\$320,795</b>	\$19,195	6.4%
<b>Advisory</b>	Salary	\$6,000	\$6,000		
	Expense	\$7,000	\$7,000		
	<b>Sub Total</b>	<b>\$13,000</b>	<b>\$13,000</b>		
	Reserve Fund	\$50,000	\$50,000		
	<b>Advisory Board Total</b>	<b>\$63,000</b>	<b>\$63,000</b>	\$0	0.0%
<b>Municipal Finance</b>	Salary	\$636,204	\$647,767		
<b>Board of Assessors</b>	Expense	\$158,081	\$159,350		
	Audit	\$36,000	\$35,000		
	Assessors Valuation	\$6,000	\$7,000		
	Assessors Expense	\$2,000	\$2,000		
	<b>Total</b>	<b>\$838,285</b>	<b>\$851,117</b>	\$12,832	1.5%
<b>Town Counsel</b>	Expense	\$90,000	\$90,000		
	<b>Total</b>	<b>\$90,000</b>	<b>\$90,000</b>	\$0	0.0%
<b>Human Resources</b>	Salary	\$107,138	\$110,352		
	Expense	\$1,000	\$750		
	<b>Total</b>	<b>\$108,138</b>	<b>\$111,102</b>	\$2,964	2.7%
<b>Information Technology</b>	Salary	\$123,461	\$101,707		
	Expenses	\$96,862	\$99,767		
	<b>Total</b>	<b>\$220,323</b>	<b>\$201,474</b>	(\$18,849)	-8.6%
<b>Tax Title/Foreclosure</b>	Expense	\$15,000	\$15,000		
	<b>Total</b>	<b>\$15,000</b>	<b>\$15,000</b>	\$0	0.0%
<b>Facilities Management</b>	Salary	\$260,779	\$270,014		
	Expense	\$797,884	\$863,990		
	<b>Total</b>	<b>\$1,058,663</b>	<b>\$1,134,004</b>	\$75,341	7.1%
<b>(INFORMATIONAL)</b>					
	Expense	\$14,300	\$16,100	\$1,800	12.6%
	Town Hall	\$76,174	\$70,250	(\$5,924)	-7.8%
	DPW	\$37,300	\$47,900	\$10,600	28.4%
	Senior Center	\$43,400	\$44,640	\$1,240	2.9%
	Old Town Hall & Garage	\$2,000	\$1,200	(\$800)	-40.0%
	Fire Station	\$52,100	\$50,500	(\$1,600)	-3.1%
	Police Station	\$82,810	\$76,400	(\$6,410)	-7.7%
	Solar Power Generation	\$192,350	\$275,350	\$83,000	43.2%
	Elementary Maintenance	\$196,250	\$181,250	(\$15,000)	-7.6%
	Library	\$51,200	\$50,400	(\$800)	-1.6%
	Major Maintenance	\$50,000	\$50,000	\$0	0.0%
	<b>Sub-Total</b>	<b>\$797,884</b>	<b>\$863,990</b>	\$66,106	8.3%
<b>Town Clerk</b>	Salary	\$133,389	\$138,678		
<b>Elections</b>	Expense	\$29,340	\$29,500		
<b>Voter Registration</b>	<b>Total</b>	<b>\$162,729</b>	<b>\$168,178</b>	\$5,449	3.3%
<b>Land Use Department</b>	Salary	\$270,584	\$287,926		
	Expense	\$17,850	\$29,850		
<b>Planning Board</b>	Expense	\$20,000	\$0		
	<b>Total</b>	<b>\$308,434</b>	<b>\$317,776</b>	\$9,342	3.0%

<b>Town Reports</b>	Expense	\$2,000	\$1,500		
	Total	<b>\$2,000</b>	<b>\$1,500</b>	(\$500)	<b>-25.0%</b>
<b>GENERAL GOVERNMENT</b>		<b>\$3,168,172</b>	<b>\$3,273,946</b>	<b>\$105,774</b>	<b>3.3%</b>
<b>PUBLIC SAFETY</b>					
<b>Police</b>	Salary	\$2,686,821	\$2,751,528		
	Expense	\$173,350	\$174,450		
	Total	<b>\$2,860,171</b>	<b>\$2,925,978</b>	\$65,807	<b>2.3%</b>
<b>Fire &amp; Ambulance</b>	Salary	\$1,715,590	\$1,912,158		
	Expense	\$131,200	\$105,700		
	Total	<b>\$1,846,790</b>	<b>\$2,017,858</b>	\$171,068	<b>9.3%</b>
<b>Ambulance Billing</b>	Expense	\$25,000	\$10,000		
	Total	<b>\$25,000</b>	<b>\$10,000</b>	(\$15,000)	<b>-60.0%</b>
<b>Building Dept</b>	Salary	\$356,141	\$353,122		
	Expense	\$13,200	\$13,200		
	Total	<b>\$369,341</b>	<b>\$366,322</b>	(\$3,019)	<b>-0.8%</b>
<b>Weights &amp; Measures</b>	Salary				
	Expense	\$1,000	\$1,000		
	Total	<b>\$1,000</b>	<b>\$1,000</b>	\$0	<b>0.0%</b>
<b>Emergency Management</b>	Salary	\$700	\$700		
	Expense	\$900	\$900		
	Total	<b>\$1,600</b>	<b>\$1,600</b>	\$0	<b>0.0%</b>
<b>Animal Inspector</b>	Salary	\$2,593	\$2,671		
	Expense	\$2,505	\$200		
	Total	<b>\$5,098</b>	<b>\$2,871</b>	(\$2,227)	<b>-43.7%</b>
<b>Animal Control</b>	Salary	\$70,720	\$68,549		
	Expense	\$8,000	\$7,533		
	Total	<b>\$78,720</b>	<b>\$76,082</b>	(\$2,638)	<b>-3.4%</b>
<b>MECC - Assessment</b>	Salary	\$0	\$0		
	Regional	\$389,134	\$380,564		
	Expense	\$0	\$0		
	Total	<b>\$389,134</b>	<b>\$380,564</b>	(\$8,570)	<b>-2.2%</b>
<b>Total Public Safety</b>		<b>\$5,576,854</b>	<b>\$5,782,275</b>	<b>\$205,421</b>	<b>3.7%</b>
<b>EDUCATION</b>					
	<b>Norfolk Elementary</b>	<b>\$12,753,837</b>	<b>\$13,285,384</b>	\$531,547	<b>4.2%</b>
	<b>King Philip Regional (Operating)</b>	<b>\$8,852,281</b>	<b>\$8,981,874</b>	\$129,593	<b>1.5%</b>
	<b>King Philip Regional (Stabilization Transfer)</b>				
	<b>Norfolk Agricultural School</b>	<b>\$21,500</b>	<b>\$14,000</b>	(\$7,500)	<b>-34.9%</b>
	<b>Tri-County</b>	<b>\$360,053</b>	<b>\$362,201</b>	\$2,148	<b>0.6%</b>
<b>Total Education</b>		<b>\$21,987,671</b>	<b>\$22,643,459</b>	<b>\$655,788</b>	<b>3.0%</b>
<b>PUBLIC WORKS</b>					
<b>DPW Administration</b>	Salary	\$206,609	\$144,060		
	Expense	\$72,072	\$63,480		
	Total	<b>\$278,681</b>	<b>\$207,540</b>	(\$71,141)	<b>-25.5%</b>
<b>Highway</b>	Salary	\$287,205	\$296,775		
	Expense	\$149,500	\$179,300		
	Total	<b>\$436,705</b>	<b>\$476,075</b>	\$39,370	<b>9.0%</b>

Vehicle Maintenance	Salary	\$156,861	\$135,534		
	Expense	\$162,711	\$157,000		
	<b>Total</b>	<b>\$319,572</b>	<b>\$292,534</b>	(\$27,038)	-8.5%
Grounds Municipal	Salary	\$270,067	\$278,450		
	Expense	\$52,150	\$59,650		
	<b>Total</b>	<b>\$322,217</b>	<b>\$338,100</b>	\$15,883	4.9%
Grounds - Cemetery	Salary	\$24,073	\$20,997		
	Expense	\$10,000	\$10,100		
	<b>Total</b>	<b>\$34,073</b>	<b>\$31,097</b>	(\$2,976)	-8.7%
Custodian of Veteran Graves	Salary				
	Expense	\$4,018	\$2,500		
	<b>Total</b>	<b>\$4,018</b>	<b>\$2,500</b>	(\$1,518)	-37.8%
<b>Sub-Total Public Works</b>		<b>\$1,395,266</b>	<b>\$1,347,846</b>	<b>(\$47,420)</b>	<b>-3.4%</b>
<b>SHARED/FIXED COSTS (Administered by DPW)</b>					
Road Program	<b>Total</b>	<b>\$1</b>	<b>\$1</b>	<b>\$0</b>	<b>0.0%</b>
Non - Appropriated Funds Road Program (Chapter 90)		<b>\$389,773</b>			
Landfill	Expense	\$98,210	\$97,900		
	<b>Total</b>	<b>\$98,210</b>	<b>\$97,900</b>	(\$310)	-0.3%
Snow & Ice	Expense	\$250,000	\$250,000		
	<b>Total</b>	<b>\$250,000</b>	<b>\$250,000</b>	\$0	0.0%
Street Lighting	Expense	\$5,700	\$5,700		
	<b>Total</b>	<b>\$5,700</b>	<b>\$5,700</b>	\$0	0.0%
Town Vehicle Fuel	Expense	\$87,046	\$96,823		
	<b>Total</b>	<b>\$87,046</b>	<b>\$96,823</b>	\$9,777	11.2%
<b>Total Shared / Fixed Costs</b>		<b>\$440,957</b>	<b>\$450,424</b>	<b>\$9,467</b>	<b>2.1%</b>
<b>Transfer Station</b>					
Transfer Station	Salary	\$252,216	\$238,571		
	Expense	\$167,402	\$188,710		
	<b>Total</b>	<b>\$419,618</b>	<b>\$427,281</b>	\$7,663	1.8%
<b>Total Transfer Station</b>		<b>\$419,618</b>	<b>\$427,281</b>	<b>\$7,663</b>	<b>1.8%</b>
<b>Total Public Works</b>		<b>\$2,255,841</b>	<b>\$2,225,551</b>	<b>(\$30,290)</b>	<b>-1.3%</b>
<b>HUMAN SERVICES</b>					
Board of Health	Salary				
	Expense	\$18,875	\$18,875		
	<b>Total</b>	<b>\$18,875</b>	<b>\$18,875</b>	\$0	0.0%
Special Programs	SNCARC	\$4,025	\$4,025		
	<b>Total</b>	<b>\$4,025</b>	<b>\$4,025</b>	\$0	0.0%
Council on Aging	Salary	\$167,799	\$174,651		
	Expense	\$10,000	\$8,482		
	<b>Total</b>	<b>\$177,799</b>	<b>\$183,133</b>	\$5,334	3.0%
Veteran's Services	Salary	\$7,200	\$7,200		
	Expense	\$27,000	\$32,000		
	<b>Total</b>	<b>\$34,200</b>	<b>\$39,200</b>	\$5,000	14.6%
<b>Total Human Services</b>		<b>\$234,899</b>	<b>\$245,233</b>	<b>\$10,334</b>	<b>4.4%</b>

<b>CULTURE AND RECREATION</b>					
<b>Library</b>	Salary	\$463,101	\$469,995		
	Expense	\$174,467	\$176,700		
	<b>Total</b>	<b>\$637,568</b>	<b>\$646,695</b>	\$9,127	1.4%
<b>Recreation</b>	Salary	\$127,826	\$131,732		
	Expense	\$2,375	\$2,375		
	<b>Total</b>	<b>\$130,201</b>	<b>\$134,107</b>	\$3,906	3.0%
<b>Historical Commission</b>	Expense	\$2,500	\$2,000		
	<b>Total</b>	<b>\$2,500</b>	<b>\$2,000</b>	(\$500)	-20.0%
<b>Memorial Day</b>	Expense	\$500	\$650		
	<b>Total</b>	<b>\$500</b>	<b>\$650</b>	\$150	30.0%
<b>Total Culture &amp; Rec.</b>		<b>\$770,769</b>	<b>\$783,452</b>	\$12,683	1.6%
<b>FIXED COSTS</b>					
	Employee Benefits	\$4,953,035	\$5,221,197	\$268,162	5.4%
	Building/Liability Insurance	\$375,000	\$386,250	\$11,250	3.0%
<b>Total Fixed Costs</b>		<b>\$5,328,035</b>	<b>\$5,607,447</b>	\$279,412	5.2%
<b>DEBT SERVICE</b>					
	Non - Exempt Debt Service	\$512,935	\$630,000	\$117,065	22.8%
<b>Total Local Debt Service</b>		<b>\$512,935</b>	<b>\$630,000</b>	<b>\$117,065</b>	<b>22.8%</b>
<b>TOTAL OPERATING BUDGET WITHOUT EXEMPT DE</b>		<b>\$39,835,176</b>	<b>\$41,191,363</b>	<b>\$1,356,187</b>	
<b>EXEMPT DEBT</b>					
	<b>Local</b>	<b>\$2,452,101</b>	<b>\$2,201,646</b>		
	<b>King Philip</b>	<b>\$639,900</b>	<b>\$593,549</b>		
	<b>Total - Exempt Debt</b>	<b>\$3,092,001</b>	<b>\$2,795,195</b>		
	<b>Grand Total</b>	<b>\$42,943,757</b>	<b>\$43,986,559</b>	<b>\$1,042,802</b>	<b>2.43%</b>
<b>REVENUES</b>					
	Municipal Tax Revenue		\$32,641,006		
	Local Receipts		\$4,150,000		
	State Aid		\$4,275,679		
	Debt Exclusion		\$2,795,195		
	Other Sources		\$124,679		
	<b>Total Operating Budget Sources</b>		<b>\$43,986,559</b>		
<b>Surplus / (Deficit)</b>			<b>\$0</b>		

<b>TOWN OF NORFOLK - WATER DEPARTMENT BUDGET</b>			
	<b>FY2020</b>	<b>FY2021</b>	
		<b>Requested</b>	
<b>Salaries</b>	310,119	306,870	<b>(3,249)</b>
<b>Expenses</b>	165,506	196,550	31,044
<b>Engineering &amp; Contract Services</b>	316,500	370,420	53,920
<b>Water Purchase</b>	33,662	30,000	<b>(3,662)</b>
<b>Fuel &amp; Utilities</b>	96,035	92,650	<b>(3,385)</b>
<b>Indirect Costs</b>	184,330	190,134	5,804
<b>Indirect Costs - Technology</b>	7,500	7,500	0
<b>Unforeseen Expenses</b>	50,000	50,000	0
<b>Sub Total (Salaries &amp; Expenses)</b>	<b>1,163,652</b>	<b>1,244,124</b>	<b>80,472</b>
<b>Debt Service</b>	580,367	539,390	<b>(40,977)</b>
<b>Total (including Debt)</b>	<b>1,744,019</b>	<b>1,783,514</b>	<b>39,495</b>

<b>TOWN OF NORFOLK</b>				
<b>Waste Water Treatment Facility - Town Cent</b>	<b>FY2020</b>	<b>FY2021</b>	<b>INCREASE</b>	
		<b>Requested</b>	<b>(DECREASE)</b>	<b>COMMENTS</b>
<b>SALARIES</b>	10,000	12,772	2,772	
<b>EXPENSES</b>				
Waste Water Treatment (Whitewater)	66,500	69,995	3,495	
Utilities	14,000	14,000	0	
Equipment & System Maintenance	5,000	5,000	0	
Permits	2,000	2,000	0	
Building Maintenance	2,500	2,500	0	
Indirect Costs	5,000	5,000	0	
Major Repairs Equipment	25,000	25,000	0	
Budget Unforeseen Expenses	20,000	20,000	0	
<b>TOTAL SALARIES &amp; EXPENSES</b>	<b>150,000</b>	<b>156,267</b>	<b>6,267</b>	

## **Budget Changes - April 2, 2020**

### ***Revenues***

1. Increased Transfer Station Revenue - \$10,000.
2. Increased Ambulance Receipts - \$5,000.
3. Free Cash adjusted - \$27,120.

Revenues Adjust up in total \$42,120.

### ***Expenses***

1. Reinstated \$120,000 for the health care savings on retirees.
2. Reduced Town Administrator Expenses - \$1,000
3. Reduced Finance Dept Salaries – \$10,000
4. Reduced Solar Generation Electrical Expenses - \$15,000
5. Reduced Ambulance Billing - \$10,000
6. Reduced MECC Assessment -\$240
7. Reduced Norfolk Elementary - \$30,000
8. Adjustments to DPW Salaries reduce by - \$8,140
9. Increase Veterans Service Expense - \$5,000
10. Reduce Library Salaries and Expenses - \$10,000
11. Increase Historical Commission 150 Party - \$1,500

Expenses Adjusted in total (\$42,120)

**Retiree Health Plan Cost Comparison - Premium Share Change**

4/2/2020

Health Plan	Plan Type	Total Cost/Month	Enrolled	Current Town/ Employee Split	Number of Retirees	Retiree Premium Share Options						
						35% Cost/Month	40% Cost/Month	45% Cost/Month	50% Cost/Month	40% Diff. Annually	45% Diff. Annually	50% Diff. Annually
Medex BlueMedcare Full Pay	Individual	\$ 325	123	65/35%	123	\$113.80	\$130.06	\$146.32	\$162.58	\$195.09	\$390.18	\$585.27
Health Plan	Plan Type	Cost	Active Enrolled	Town/ Employee Split	Number of Retirees							
BCBS HMO NE Benchmark 2	Family	\$ 2,393	61	65/35%	4	\$837.43	\$957.06	\$1,076.70	\$1,196.33	\$1,435.60	\$2,871.19	\$4,306.79
	Individ +1	\$ 1,710	34	65/35%	3	598.39	683.87	769.36	854.84	1,025.81	2,051.62	3,077.42
	Individual	\$ 855	65	65/35%	7	299.19	341.93	384.67	427.42	512.90	1,025.80	1,538.69

**Total # Retiree Plans**

**137**



# Bulletin

BUL-2020-02

## **An Act to Address Challenges Faced by Municipalities and State Authorities Resulting From COVID-19**

TO: Local Officials  
FROM: Patricia Hunt, Chief, Bureau of Municipal Finance Law  
DATE: April 3, 2020  
SUBJECT: **An Act to Address Challenges Faced by Municipalities and State Authorities Resulting From COVID-19**

This Bulletin provides guidance to local officials regarding changes in municipal finance laws included in An Act to Address Challenges Faced by Municipalities and State Authorities Resulting From COVID-19, Chapter 53 of the Acts of 2020, (the Act). Unless otherwise noted below, these changes became effective on April 3, 2020, upon Governor Baker's signing the Act into law.

### **I. Town Meeting Delays**

#### **A. Power of Boards of Selectmen and Town Councils to Delay Annual Town Meeting**

**Section 1 of the Act** - Before its amendment, G.L. c. 39, § 9 provided that an annual town meeting must take place during the months of February, March, April, May or June; however, a board of selectmen or town council, by vote, could delay the annual town meeting as long as the town meeting completed its business on or before June 30<sup>th</sup>. Section 1 adds the following exception to the June 30<sup>th</sup> deadline "in the event of an emergency that poses an immediate threat to the health or safety of persons or property that prevents the completion of the business of the delayed town meeting on or before June 30 if the governor has declared a state of emergency with respect to such emergency."

This exception is available, if necessary, to towns that must delay their town meetings beyond June 30, 2020 due to the COVID-19 outbreak and the declaration of a state of emergency by the governor. Towns are advised to consult with their local counsel regarding the form of vote. See Section I-B of this Bulletin for recess and continuation of town meetings by a town moderator where the town meeting warrant has already been issued.

## **B. Power of Moderator to Continue Scheduled Town Meetings in Event of Public Health Emergency (Application to Districts)**

**Sections 2 through 4 of the Act** - These sections amend [G.L. c. 39, § 10A](#) by adding “public health” emergencies as a reason for a moderator to recess and continue town meetings already scheduled by warrant. Prior to the amendment, section 10A applied to weather-related and public safety emergencies. Under the amended section 10A, during and for a period of five days after a weather-related, public safety or public health emergency, a town moderator may, in consultation with public safety or public health officials and the board of selectmen, declare a recess and continuance of the town meeting to another time, date and place certain; however, the continuance is limited to a period of 30 days. There are notice, posting and other requirements regarding the time, date and place of the recessed and continued meeting. Additionally, within 10 days after the initial declaration by the moderator of recess and continuance, a local public safety or public health official designated by the board of selectmen must submit a report to the Attorney General providing the justification for the moderation’s continuance.

These amendments also clarify that a moderator may invoke section 10A more than once to recess and continue a town meeting during the same emergency; however, each continuance period must not exceed 30 days and the moderator may not continue the meeting more than 30 days after the rescission of the declaration of emergency by the governor. Additionally, if a town does not have a moderator, the board of selectmen may recess and continue the town meeting under the amended section 10A.

Under [G.L. c. 41, § 119](#) and [c. 48, § 66](#) (fire districts only), the moderator of a district meeting has the powers of a moderator of a town meeting. As a result, a district moderator may recess and continue scheduled district meetings under [G.L. c. 39, § 10A](#). For purposes of section 119, a district means a fire, water, sewer, water pollution abatement, refuse disposal, light, or improvement district, or any other district formed for the purpose of carrying out any of these functions, whether established under general law or special act. [G.L. c. 41, § 1A](#).

Because several town moderators had already invoked Section 10A to recess and continue a scheduled town meeting due to the outbreak of COVID-19, the amendments to section 10A were made retroactive to March 10, 2020. (See Section 19 of the Act.)

## **II. Emergency Liabilities in Excess of Appropriation if the COVID-19 Emergency Prevents the Adoption of an Annual Budget**

**Section 5 of the Act** - Under [G.L. c. 44, § 31](#), no department financed by municipal revenue, or in whole or in part by taxation, of any city, town or special purpose district, except Boston, may incur liabilities in excess of appropriation “except in cases of major disaster, including, but not limited to, flood, drought, fire, hurricane, earthquake, storm or other catastrophe, whether natural or otherwise, which poses an immediate threat to the health or safety of persons or property, and then only upon a declaration by the governor of a state of emergency with respect to the disaster ....” On March 10, 2020, the Governor declared a state of emergency regarding COVID-19. As a result, cities, towns and special purpose districts may, with the approval of the Director of Accounts (director) of the Division of Local Services (DLS), expend from any available funds in the treasury in relation to the emergency without an appropriation by following the procedure described in [Bulletin 2020-1](#).

Section 5 amends [G.L. c. 44, § 31](#) by inserting the following:

If the declared emergency prevents the adoption of an annual budget by a town or district by the June 30 preceding the start of the fiscal year, the board of selectmen, town council or district commissioners shall notify the director and the director may approve expenditures, from any appropriate fund or account, of an amount sufficient for the operations of the town or district during the month of July not less than 1/12 of the total budget approved by the town or district in the most recent fiscal year pursuant to a plan approved by the board of selectmen, town council or district commissioners and such authority shall continue for each successive month while the emergency continues to prevent the adoption of a budget. The director may promulgate and revise rules or regulations regarding the approval of emergency expenditures described in this section and accounting with regard to such expenditures.

This amendment will allow deficit spending, with the approval of the director, on a month-to-month basis in fiscal year 2021 if the town or district was prevented from adopting a budget for fiscal year 2021 due to Governor Baker's Declaration of Emergency issued on March 10, 2020. Additional guidance will be issued by the director, like that contained in [Bulletin 2020-01](#), that will explain the procedure to follow to obtain the director's approval to deficit spend under this provision.

### **III. Director's Authority to Allow Appropriations after June 30, 2020 from Free Cash Certified as of July 1, 2019**

**Section 6 of the Act** provides:

"...[I]f the adoption of an annual budget in a city, town or district is delayed beyond June 30, 2020, as a result of the governor's March 10, 2020 declaration of a state of emergency or the outbreak of the 2019 novel coronavirus, also known as COVID-19, the director of accounts of the department of revenue may authorize the appropriation from the available balance of the city's, town's or district's undesignated fund balance or "free cash" certified by the director under section 23 of chapter 59 of the General Laws as of July 1, 2019, as a funding source for the city's, town's or district's fiscal year 2021 expenditures, including, but not limited to any such undesignated fund balance in an enterprise fund or special revenue account...."

Ordinarily, under [G.L. c. 59, § 23](#), appropriations from certified free cash may only be made until the June 30<sup>th</sup> following its July 1 certification date. As a result, free cash certified by the director as of July 1, 2019 is available for appropriation only up to and including June 30, 2020. This section allows the director to authorize the appropriation from free cash certified as of July 1, 2019 after June 30, 2020 where the city, town or district has been prevented from adopting its FY 2021 annual budget by June 30, 2020 due to the Governor's March 10, 2020 declaration of a state of emergency or the outbreak of the 2019 novel coronavirus. Once a city, town or district can meet and adopt its FY 2021 budget, this section will allow the director to permit appropriations from free cash certified as of July 1, 2019 as a funding source for its FY 2021 expenditures. Pursuant to Section 6, the director will issue additional guidance regarding the implementation of this provision.

#### **IV. Amortization of Deficit Resulting from COVID-19 Over a Three-year Period**

**Section 7 of the Act** - Under [G.L. c. 44, § 31](#), deficit expenditures not otherwise provided for must be funded in full when setting the tax rate for the next fiscal year. Section 7 of the Act permits the amortization over a three-year period of the amount of a city, town or district's fiscal year 2020 deficit resulting from the outbreak of the 2019 novel coronavirus also known as COVID-19, as described in the governor's March 10, 2020 declaration of a state of emergency. This applies to both expenditure deficits and revenue deficits related to the emergency. Examples of revenue deficits that could result from the emergency are reduced meals tax and room occupancy revenues. This legislation is similar to [St. 2015, c. 10, § 58](#) which, due to the extreme snow removal costs incurred the previous winter, permitted amortization of snow and ice expenditure deficits over three years. Again, the director will issue additional guidance on the implementation of this section.

#### **V. Continuation of Expenditure Authorization for Departmental Revolving Funds under [G.L. c. 44, § 53 E ½](#) in FY 2021**

**Section 8 of the Act** - Under [G.L. c. 44, § 53 E ½](#), a city or town may authorize by bylaw or ordinance one or more revolving funds and must annually before July 1 vote the limit on the total amount that may be expended from each revolving account. Section 8 of the Act allows the continued expenditure in FY 2021 from these departmental revolving funds at the same level of expenditure authorized by the city or town for FY 2020 until the city or town adopts its FY 2021 annual budget at which time the legislative body of the city or town must adopt the FY 2021 expenditure limits for each departmental revolving fund.

#### **VI. Suspension of Time Period for Cities and Towns to Exercise Right of First Refusal to Purchase Lands Classified under G.L. c. 61, 61A and 61B**

**Section 9 of the Act** - Section 9 suspends the time periods that require a city or town to "act, respond, effectuate or exercise an option to purchase" under [G.L. c. 61, § 8](#), [c. 61A, § 14](#) and [c. 61 B, § 9](#). The suspension is during and for a period of 90 days after the termination of the governor's March 10, 2020 declaration of a state of emergency. If a city or town receives notice of intent to convert or sell classified land during this period, we advise that local counsel be contacted for advice.

#### **VII. Due Dates of Real and Personal Property Tax Bills and Applications for Exemptions and Waiver of Interest on Certain Late Payments**

**Sections 10 and 11 of the Act** include several provisions regarding local tax bills.

##### **A. Local Option to extend the Due Dates of Property Tax Bills**

**Sections 10(a)(i-iii)** include a local option to extend the due dates of property tax bills under [G.L. c. 59, §§ 57](#) and [57C](#) from April 1, 2020 (for semi-annual billing communities with annual

preliminary bills) or May 1, 2020 to a date not later than June 1, 2020. This local option applies to semi-annual tax billing communities and quarterly tax billing communities. The local option is exercised by the chief executive officer of a city, town or district. The chief executive officer is a mayor in a city and the board of selectmen in a town unless some other municipal office is designated to be the chief executive officer under the provisions of a local charter. In a district, the chief executive officer is the prudential committee or commissioners.

## **B. Local Option to Extend the Due Date for Exemption and Deferral Applications**

**Section 10(a)(iv)** includes a local option to extend the due date under [G.L. c. 59, § 59](#) for applications for exemptions from April 1, 2020 to a date not later than June 1, 2020. This due date extension, if exercised, will automatically apply to deferrals under [G.L. c. 59, § 5\[18A\] and \[41A\]](#), residential exemptions under [G.L. c. 59, § 5C](#) and small commercial exemptions under [G.L. c. 59, § 5I](#). This second local option is exercised in the same manner described in Section VII-A of this Bulletin.

## **C. Local Option to Waive Interest on Certain Payments Made After Due Dates**

**Section 11** includes a local option to waive interest and other penalty for late payment of any excise, tax, betterment assessment or apportionment thereof, water rate or annual sewer use or other charge added to a tax for any payments with a due date on or after March 10, 2020 where payment is made after its respective due date but before June 30, 2020. This third local option is also exercised in the same manner described in Section VII-A of this Bulletin.

This section allows the waiver of interest and penalties regarding late payments of bills with a due date of March 10, 2020 or after, when such bills are paid late but paid on or before June 30, 2020. This section does not permit waiver of interest and penalties regarding bills with due dates before March 10, 2020 or if the bill is not paid by June 30, 2020.

Section 11 also provides that a city or town shall not terminate an essential service of a resident, including but not limited to, water, trash collection or electricity, for nonpayment of taxes or fees with due dates on or after March 10, 2020 if paid on or before June 30, 2020, if the inability to pay resulted from circumstances related to the outbreak of COVID-19 or the governor's March 10, 2020 declaration of a state of emergency.

## **D. Clarification of Due Dates When Municipal Office is Closed Due to COVID-19**

**Section 10(b)** - Under [G.L. c. 59, §§ 57, 57C](#) and [59](#), there is an automatic extension of due dates for tax payments and applications for exemptions when a municipal office is closed for a weather-related or other public safety emergency until the next day that the municipal office is open. Section 10(b) of the Act clarifies that these automatic extensions do not apply if municipal offices are closed as a result of the outbreak of the 2019 novel coronavirus or the declaration of a state of emergency issued by the governor on March 10, 2020 and that due dates shall only be extended by the exercise of the local options described in Sections VII- A and B of this Bulletin.

## **E. Notice to Taxpayers**

Tax bills (with due dates of April 1, 2020 or May 1, 2020) should have already been mailed in the formats described in [IGR 2019-1](#), [IGR 2019-2](#), [IGR 2019-3](#) or [IGR 2019-4](#), as applicable. Where

tax bills have been mailed, the attached Notice must be sent to taxpayers by separate mailing if any of the local options described above are exercised. If a city or town has not adopted all three local options or June 1, 2020 due dates, the attached Notice must be amended, as appropriate, by the city or town to reflect its exercised options.

If the tax bills have not been mailed and any of the above local options are exercised, the format and content of the tax bills themselves should not be changed. Instead, tax bills should be issued in the form described in [IGR 2019-1](#), [IGR 2019-2](#), [IGR 2019-3](#) and [IGR 2019-4](#), as applicable, and the mailing must include the attached Notice (worded to reflect the local options and due dates approved by the city/town) in the same mailing as the tax bill. (See Sections IV-B-1 of [IGR 2019-1](#), [IGR 2019-2](#) and [IGR 2019-3](#) and Section V-B-1 of [IGR 2019-4](#) for insertion by collector of tax billing information in same envelope as a tax bill.)

#### **VIII. Waiver for Hours Worked and Earnings Received During State of Emergency Regarding Services Performed by Certain Retirees Under [G.L. c. 32](#)**

**Section 14 of the Act** includes a waiver for hours worked and earnings received by certain retirees during the state of emergency. Cities and towns are advised to contact the Public Employee Retirement Administration Commission (PERAC) for more information regarding this section.

#### **IX. Other Provisions of the Act**

The Act also includes other non-finance provisions related to cities and towns, including **Section 17** regarding the suspension of certain deadlines affecting local permits and local permitting authorities. Cities and towns are advised to review the Act with their local counsel.

SAMPLE NOTICE TO TAXPAYERS  
TO BE INCLUDED WITH TAX BILL OR SEPARATELY MAILED  
(Samples should not be used without the advice of municipal counsel.)

Town/City of \_\_\_\_\_

**Important information Regarding Your Tax Bill**

**Under “An Act to Address Challenges Faced by Municipalities and State Authorities Resulting From COVID-19,” Chapter 53 of the Acts of 2020, the town/city has adopted local options to extend due dates for real and personal property tax payments and applications for exemptions and a waiver of interest on certain municipal tax and other bills paid by June 30, 2020. See below.**

1. **The due date of your real and personal property tax bill has been extended to June 1, 2020.** June 1, 2020 is the new due date even if the due date for payment on your enclosed or previously mailed tax bill is April 1, 2020 or May 1, 2020.
2. **The due date for applications for property tax exemptions has also been extended to June 1, 2020.** June 1, 2020 is the new due date even if the due date for applications on your enclosed or previously mailed tax bill is April 1, 2020.

This extension applies to applications for the exemptions listed in the third paragraph of G.L. c. 59, § 59, including exemptions under clauses 17, 17C, 17C1/2 and 17D (seniors, surviving spouses, minor children of deceased parent); 18 (financial hardship – activated military, age and infirmity); 22, 22A, 22B, 22C, 22D, 22E, 22F and 22H (veterans, surviving spouses and surviving parents); 37 and 37A (blind persons); 41, 41B, 41C and 41C1/2 (seniors); 42 and 43 (surviving spouse and minor children of firefighter/police officer killed in line of duty); 52 (certain eligible seniors); 53 (certain eligible properties with septic systems); 56 (National Guard and reservists on active duty in foreign countries); and 57 (local option tax rebates). This extension also automatically applies to applications for residential exemptions under G.L. c. 59, § 5C, for small commercial exemptions under G.L. c. 59, § 5I and for deferrals under G.L. c. 59, § 5, clauses 41A (seniors) and 18A (poverty or financial hardship due to change to active military).

3. The town/city has also voted to waive interest and other penalty for late payment of any excise, tax, betterment assessment or apportionment thereof, water rate or annual sewer use or other charge added to a tax for any payments with a due date on or after March 10, 2020 where payment is made late but before June 30, 2020. This applies to late payments of bills that have a due date of March 10, 2020 or after, when such bills are paid late but paid on or before June 30. This waiver of interest does not apply to bills with due dates before March 10, 2020 or if the bill is not paid by June 30.

**NOTE - If the municipal offices are closed on the June 1, 2020 extended due date for tax payments or filing of exemption applications as a result of the outbreak of the 2019 novel coronavirus or the declaration of a state of emergency issued by the governor on March 10, 2020, the due dates for tax payments and applications for exemptions are not extended – they will be due on June 1, 2020 even if the municipal offices are closed. (See section 10(b) of the Act.)**

[City/town should add information on how/where to make tax payments and file applications for exemptions, for example, by mail, through an on-line payment system or dropping payment into a lockbox (with the location). The city/town should also provide a telephone number where questions to local officials can be directed and the address of any relevant website information.]



Town of Norfolk

Blythe Robinson <brobinson@norfolk.ma.us>

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## Parade Committee

1 message

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**Paul Terrio** <phterrio@gmail.com>

Fri, Mar 27, 2020 at 2:38 PM

To: Blythe Robinson <brobinson@norfolk.ma.us>, Nancy Langlois <nlanglois@norfolk.ma.us>, Judith Lizardi <jlizardi@norfolk.ma.us>

Hi Blythe,

Just a quick note.

So far the committee has about \$5K committed to the parade between promises and checks received

Right now, we are in a self administered holding pattern until the second week of April.

We think there might be more clarity as to the trend of the virus and if we will be able to pull everything off.

What I would like for you to do is to ask the Select Board how they want us to proceed.

Here is why. I dont want to go through all of the motions of getting the money, groups and participation then have Select Board say no. Put it off. Please ask them how they want to proceed

Of course I am only guessing that everything will be just fine by Sept. I just dont know if that will bear out.

Thanks,  
Paul Terrio  
508-528-1922

## PARADE PARTICIPANTS, GROUPS AND ORGANIZATIONS

Group	Location	What Will They Do	How Much	Contact	Cell	Email
KP Marching Band		<b>CURRENTLY NOT WILLING TO PARTICIPATE</b>		Michael Keough		<a href="mailto:keoughm@kingphilip.org">keoughm@kingphilip.org</a>
Norfolk Lions	Norfolk	Float Pulled by Truck or Tractor	\$0	Scott Dittrich		
Run and Gun		Horses,		Maureen		
Dunkins		Support event at end of Parade		John Primpas	781-726-0188	<a href="mailto:john.primpas@comcast.net">john.primpas@comcast.net</a>
Girl Scouts		March or Float		Hillary Cohen		
Boy Scouts		March or Float		Hillary Cohen		
4-H		March or Float		Hillary Cohen		
Colonial Pipers Bagpipe Band		Bagpipe Marching Band	\$1,000.00	Donna Lucas	508-369-7592	<a href="mailto:jazzyluke@aol.com">jazzyluke@aol.com</a>
Colonial Pipers Bagpipe Band		Bagpipe Marching Band	\$1,000.00	Donna Lucas	508-369-7592	<a href="mailto:dmpiper@aol.com">dmpiper@aol.com</a>
Unlikely Strummers	Plainville	Band that is Ukialie, on a trailer	\$500.00	Cindy Miller	339-237-2030	<a href="mailto:unlikelystrummers@gmail.com">unlikelystrummers@gmail.com</a>
Fire Dept. Procession	Norfolk	Organized by Jack Kelly	\$0	Jack Kelly		<a href="mailto:jkelly@norfolk.ma.us">jkelly@norfolk.ma.us</a>
Boston Wind Jammers	Woonsocket	23 Piece Marching Band	\$2,800.00	Russell Weismanr	401-765-8812	<a href="mailto:rkwenterprise@msn.com">rkwenterprise@msn.com</a>
Boston Wind Jammers	Woonsocket	20 Piece Marching Band	\$2,500.00			
Boston Wind Jammers	Woonsocket	15 Piece Marching Band	\$1,800.00			
Boston Wind Jammers	Woonsocket	Drum Squad, marches behind any Grp	\$975.00	Russell Weismann		<a href="mailto:rkwenterprise@msn.com">rkwenterprise@msn.com</a>
5-Piece Dixieland Jazz Band	Woonsocket	5 Piece Jazz Band, Truck, Trailer, Bunting	\$975.00	Russell Weismanr	401-765-8812	<a href="mailto:rkwenterprise@msn.com">rkwenterprise@msn.com</a>
Model A Fire Truck,	Norfolk	Model A Truck		Peter Hilderbrant		
Model A Car	Norfolk	Model A Car/ Donna Jones	\$0	Cindy Raferty		djones
Stoneybrook Group	Norfolk	TBD		Donna Jones		
Lions Flag Display	Norfolk	150-200 Country and State Flags		Kevin Roche	508-328-5604	<a href="mailto:kevinr11000@yahoo.com">kevinr11000@yahoo.com</a>
Marine Corp Band		Marine Corp Band		Hillary Cohen		
Norfolk Recreation	Norfolk			Brendan Cardy		<a href="mailto:brendan@carty.us">brendan@carty.us</a>
Norfolk Recreation	Norfolk			Anne Proto		<a href="mailto:aproto@norfolk.ma.us">aproto@norfolk.ma.us</a>
Committee Member		Member		Dave Turi		<a href="mailto:dturi0330@aol.com">dturi0330@aol.com</a>
		Member		Betsey Whitney		<a href="mailto:beewhitney@verizion.net">beewhitney@verizion.net</a>
		Member		Donna Jones		<a href="mailto:djones64@aol.com">djones64@aol.com</a>

## Parade Contributors

Company	Promised Amounts	Date	Paid Amt.	Contact
Cronin Oil		2/10/2020	\$250.00	
Hillary Cohen			\$1,000.00	
Holmes Transportaion	TBD			Brian Holms
Daleys Automotive	\$150.00		\$0.00	Ms Daly
Peter Diamond			\$100.00	
Dunkins	\$1,000.00		\$0.00	John Primpas
Scott Dittrich	\$0.00		\$150.00	
Eagle Brook Saloon				Chuck
Don Hanson	\$150.00		\$0.00	
John Pokorney			\$500.00	
Norfolk Lions			\$1,000.00	
Ted Oharte, Seekonk	\$500.00			
Walgreens	TBD			
Santander Bank	TBD			



03/17/2020 11:49  
9730rrov

Town of Norfolk - LIVE  
PRELIMINARY ACCOUNTS PAYABLE WARRANT REPORT

DATE: 03/17/2020 WARRANT: 38V20 AMOUNT: \$ 200,135.48

\$	29,809.87
\$	3,363.37
\$	2,659.16
\$	667.09
\$	23,017.28
\$	1,525.52
\$	136,334.87
\$	2,510.93
\$	247.39
\$	200,135.48

TO THE TREASURER:

PAY TO EACH OF THE PERSONS NAMED IN THE ABOVE WARRANT, ACCOMPANYING SCHEDULES OF BILLS PAYABLE THE SUMS SET AGAINST THEIR RESPECTIVE NAMES, AMOUNTING IN THE AGGREGATE SHOWN ABOVE, AND CHARGE THE SAME TO THE APPROPRIATIONS OR ACCOUNT INDICATED.

APPROVED

  
FINANCE DIR TODD LINDMARK

SELECTMEN KEVIN KALKUT

SELECTMEN CHRISTOPHER WIDER

  
SELECTMEN CAROLYN C. VAN TINE

\*\*\*\*\*

SCHOOL BILLS

SCHOOL COMMITTEE  
THOMAS DOYLE

SCHOOL COMMITTEE  
PAUL COCHRAN

SCHOOL COMMITTEE  
JENNIFER WYNN

SCHOOL COMMITTEE  
MEDORA CHAMPAGNE

SCHOOL COMMITTEE  
JEFFREY CURRY

03/12/2020 15:41  
9730bb00

Town of Norfolk - LIVE  
ACCOUNTS PAYABLE WARRANT REPORT

P 1  
apwarrnt

DATE: 03/17/2020 WARRANT: 38V520 AMOUNT: \$ 103,614.87

TO THE TREASURER:

PAY TO EACH OF THE PERSONS NAMED IN THE ABOVE WARRANT, ACCOMPANYING SCHEDULES OF  
BILLS PAYABLE THE SUMS SET AGAINST THEIR RESPECTIVE NAMES, AMOUNTING IN THE  
AGGREGATE SHOWN ABOVE, AND CHARGE THE SAME TO THE APPROPRIATIONS OR ACCOUNT  
INDICATED.

APPROVED

*Todd Landmark*  
FINANCE DIR TODD LANDMARK

*Kevin Kalkut*  
SELECTMEN KEVIN KALKUT

SELECTMEN CHRISTOPHER WIDER

*Carolyn C. Van Tine*  
SELECTMEN CAROLYN C. VAN TINE

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SCHOOL BILLS

SCHOOL COMMITTEE  
THOMAS DOYLE

*Paul Cochran*  
SCHOOL COMMITTEE  
PAUL COCHRAN

SCHOOL COMMITTEE  
JENNIFER WYNN

SCHOOL COMMITTEE  
MEDORA CHAMPAGNE

SCHOOL COMMITTEE  
JEFFREY CURRY

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721.17 +  
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03/24/2020 07:12  
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Town of Norfolk - LIVE  
PRELIMINARY ACCOUNTS PAYABLE WARRANT REPORT

P 1  
apwarrnt

DATE: 03/24/2020 WARRANT: 39V20 AMOUNT: \$ 372,791.69

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7,390.88 +  
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1,535.92 +  
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121.08 +  
5,505.09 +  
372,791.69 \*

TO THE TREASURER:

PAY TO EACH OF THE PERSONS NAMED IN THE ABOVE WARRANT, ACCOMPANYING SCHEDULES OF BILLS PAYABLE THE SUMS SET AGAINST THEIR RESPECTIVE NAMES, AMOUNTING IN THE AGGREGATE SHOWN ABOVE, AND CHARGE THE SAME TO THE APPROPRIATIONS OR ACCOUNT INDICATED.

APPROVED

FINANCE DIR TODD LINDMARK

SELECTMEN KEVIN KALKUT

SELECTMEN CHRISTOPHER WIDER

SELECTMEN CAROLYN C. VAN TINE

SCHOOL BILLS

SCHOOL COMMITTEE  
THOMAS DOYLE

SCHOOL COMMITTEE  
PAUL COCHRAN

SCHOOL COMMITTEE  
JENNIFER WYNN

SCHOOL COMMITTEE  
MEDORA CHAMPAGNE

SCHOOL COMMITTEE  
JEFFREY CURRY

03/23/2020 17:20  
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Town of Norfolk - LIVE  
PRELIMINARY ACCOUNTS PAYABLE WARRANT REPORT

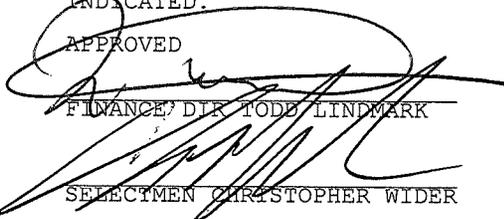
P 1  
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DATE: 03/24/2020 WARRANT: 39VS20 AMOUNT: \$ 7,268.80

TO THE TREASURER:

PAY TO EACH OF THE PERSONS NAMED IN THE ABOVE WARRANT, ACCOMPANYING SCHEDULES OF  
BILLS PAYABLE THE SUMS SET AGAINST THEIR RESPECTIVE NAMES, AMOUNTING IN THE  
AGGREGATE SHOWN ABOVE, AND CHARGE THE SAME TO THE APPROPRIATIONS OR ACCOUNT  
INDICATED.

APPROVED

  
FINANCE DIR TODD LINDMARK

SELECTMEN KEVIN KALKUT

SELECTMEN CHRISTOPHER WIDER

SELECTMEN CAROLYN C. VAN TINE

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SCHOOL BILLS

SCHOOL COMMITTEE  
THOMAS DOYLE

SCHOOL COMMITTEE  
PAUL COCHRAN

SCHOOL COMMITTEE  
JENNIFER WYNN

SCHOOL COMMITTEE  
MEDORA CHAMPAGNE

SCHOOL COMMITTEE  
JEFFREY CURRY



03/31/2020 12:35  
9730rrov

Town of Norfolk - LIVE  
PRELIMINARY ACCOUNTS PAYABLE WARRANT REPORT

P 1  
apwarnt

DATE: 03/31/2020 WARRANT: 40V20 AMOUNT: \$ 826,887.38

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\$	118,904.12
\$	2,691.54
\$	200,920.62
\$	128,006.23
\$	32,040.94
\$	2,600.95
\$	16,942.14
\$	6,754.14
\$	315,312.58
\$	826,887.38

TO THE TREASURER:

PAY TO EACH OF THE PERSONS NAMED IN THE ABOVE WARRANT, ACCOMPANYING SCHEDULES OF BILLS PAYABLE THE SUMS SET AGAINST THEIR RESPECTIVE NAMES, AMOUNTING IN THE AGGREGATE SHOWN ABOVE, AND CHARGE THE SAME TO THE APPROPRIATIONS OR ACCOUNT INDICATED.

APPROVED

  
FINANCE DIR TODD LINDMARK

\_\_\_\_\_  
SELECTMEN KEVIN KALKUT

  
SELECTMEN CHRISTOPHER WIDER

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SELECTMEN CAROLYN C. VAN TINE

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SCHOOL BILLS

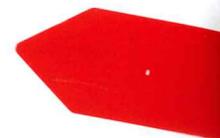
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JEFFREY CURRY



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Town of Norfolk - LIVE  
ACCOUNTS PAYABLE WARRANT REPORT

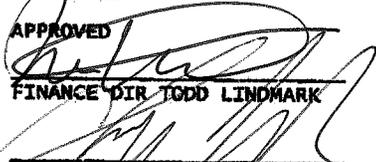
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DATE: 03/31/2020 WARRANT: 40VS20 AMOUNT: \$ 32,396.67

TO THE TREASURER:

PAY TO EACH OF THE PERSONS NAMED IN THE ABOVE WARRANT, ACCOMPANYING SCHEDULES OF  
BILLS PAYABLE THE SUMS SET AGAINST THEIR RESPECTIVE NAMES, AMOUNTING IN THE  
AGGREGATE SHOWN ABOVE, AND CHARGE THE SAME TO THE APPROPRIATIONS OR ACCOUNT  
INDICATED.

APPROVED

  
FINANCE DIR TODD LINDMARK

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SELECTMEN KEVIN KALKUT

  
SELECTMEN CHRISTOPHER WIDER

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SELECTMEN CAROLYN C. VAN TINE

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SCHOOL BILLS

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SCHOOL COMMITTEE  
THOMAS DOYLE

  
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SCHOOL COMMITTEE  
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SCHOOL COMMITTEE  
JEFFREY CURRY

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4,247.11 +  
32,396.67 ✓

**Norfolk Select Board's Open Session Meeting Minutes  
March 4, 2020**

Members Present: Kevin Kalkut; Cici Van Tine. Members Not Present: Christopher Wider. Also Present: Blythe Robinson.

The meeting was held in Freeman Kennedy School, Cafeteria, 70 Boardman Street, Norfolk, MA.

The meeting was opened by School Committee Chair Thomas Doyle at 7:00 PM.

**Information Items**

1. Attend Norfolk School Committee discussion of the proposed FY2021 annual school budget Public Hearing

Select Board members attended the public hearing of the Norfolk School Committee discussion of the proposed FY2021 annual school budget. Ms. Van Tine, in her capacity as a Select Board member, stated that she is in favor of the school budget as presented. Mr. Kalkut, in his capacity as a Select Board member and as a parent, stated that he favorably supports the school budget as presented. There were no deliberations, no discussion among the members, and no votes taken.

The meeting adjourned at 8:15 PM.

This is a true and accurate report of the Select Board's Meeting of March 4, 2020.

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Cici Van Tine, Clerk

## **Norfolk Select Board's Open Session Meeting Minutes March 24, 2020**

### **This meeting was held as a Remote Access Zoom Virtual Meeting.**

Members Present: Kevin Kalkut; Christopher Wider; CiCi Van Tine. Members Not Present: None.  
Also Present: Blythe Robinson, Town Administrator; Judith Lizardi, Executive Assistant.

Mr. Kalkut called the Remote Access Zoom Virtual Meeting to order at 6:00 p.m. He announced this meeting is being both video and audio recorded.

Mr. Kalkut read a prepared statement regarding the Massachusetts State of Emergency and the associated state legislation allowing towns to hold remote access virtual meetings during the COVID-19 pandemic crisis. He reviewed his ground rules for conducting this Remote Access Zoom Virtual Meeting including that the public will be allowed to comment at the end of the Select Board's discussion of each agenda item.

Ms. Robinson reviewed the agenda.

#### Public Comment (submitted by email only)

Ms. Robinson stated that she did not receive any public comment emails for this meeting.

### **Norfolk Select Board Items**

#### Please discuss changing the date of the 2020 Town Election from May 5, 2020 to a date in June, 2020 to be determined at a later time by the Select Board

Ms. Robinson stated that with so many questions about the COVID-19 pandemic and the preparation required to hold the Town's general election, this item is on the agenda to discuss changing the Town election date to sometime in June. She stated that since scripting the motion for this item found in the Select Board's meeting packet, the State has passed legislation to allow changing the date of the election. Although it is not critical that a rescheduled date be chosen at this time, she recommended changing the date to June 2, 2020. She read aloud the suggested motion provided by the Secretary of State's office.

Mr. Kalkut stated that changing the election date is going to be very common for many towns given this COVID-19 situation. Mr. Wider and Ms. Van Tine stated they have no questions or concerns.

A motion was made by Mr. Kalkut that pursuant to section 1 of chapter 45 of the Acts of 2020 and because of the state of emergency declared by the governor pursuant to executive order 591, Declaration of a State of Emergency to Respond to COVID-19, the municipal town election scheduled for May 5, 2020 is hereby postponed. It was seconded by Ms. Van Tine. A roll call vote was taken as follows: Mr. Wider – aye; Ms. Van Tine – aye; Mr. Kalkut – aye. All were in favor.

#### Please consider changing the date of the 2020 Annual Town Meeting from May 12, 2020 to a date to be determined in June 2020

Ms. Robinson stated that as discussed in the previous meeting topic, the current pandemic may make it impossible to complete all of the necessary work to have the Annual Town Meeting on May 12, 2020. The Moderator, Advisory Committee, Town Counsel, Town Clerk, and Finance Director have all been polled and all are available to move this meeting from its usual date to the

second Tuesday in June which is the 9<sup>th</sup>. It has been confirmed that the meeting can be held at the KP Middle School on June 9<sup>th</sup>, but a second date has not been confirmed. The Select Board has the authority under state law to make this change.

Mr. Kalkut stated changing the meeting date is common practice for towns during this time. Mr. Wider and Ms. Van Tine stated they have no questions or concerns.

A motion was made by Mr. Kalkut that the Board approve changing the date of the 2020 Annual Town Meeting from May 12, 2020 to June 9, 2020. It was seconded by Mr. Wider. A roll call vote was taken as follows: Mr. Wider – aye; Ms. Van Tine – aye; Mr. Kalkut – aye. All were in favor.

Please consider approval of an emergency declaration with regard to the COVID-19 virus pandemic  
Ms. Robinson stated that with the uncertain times relative to this pandemic, many communities are passing emergency declarations in order to ensure that the community has access to any resources that may become available and has the ability to respond to the emergency through various means. While it has not been determined to be a required step, it appears to be a best practice. The version of the emergency declaration provided in the Select Board’s meeting packet has been vetted by Town Counsel; she recommended approval.

Mr. Kalkut stated numerous communities have taken this measure. It does not mean any action will be taken, but it will ensure that if additional resources are needed, they will be available to the Town. Ms. Van Tine stated she has no questions or concerns. Mr. Wider asked if Mr. Ed Nolan was consulted. Ms. Robinson stated Mr. Nolan said he has no concerns.

A motion was made by Mr. Kalkut that the Board approve an emergency declaration regarding the COVID-19 pandemic. It was seconded by Mr. Wider. A roll call vote was taken as follows: Mr. Wider – aye; Ms. Van Tine – aye; Mr. Kalkut – aye. All were in favor.

Please consider approval of a transfer of ownership for the Class II License held by Norfolk Auto

Ms. Robinson stated Norfolk Auto contacted the Town Administrator’s office to request a transfer of their license from one family member to another. This can be accomplished by a vote of the Select Board; no issues with the change are seen. She stated that the establishment would appreciate the Select Board’s action on this so they can renew their dealer plates with the Registry of Motor Vehicles by the end of the month. Class II licenses are no longer issued in Norfolk, but this business is grandfathered in. She noted that Mr. Roche has been sent all the required application paperwork needing to be completed; however, her office has not yet heard back from Norfolk Auto. She recommended the Select Board approve the transfer conditionally upon receipt of the required documents.

Mr. Wider reviewed the ownership of the Norfolk Auto business. He and Ms. Van Tine stated they have no questions or concerns.

A motion was made by Mr. Kalkut that the Board approve a transfer of ownership for the Class II License held by Norfolk Auto conditioned upon receipt of the required application, insurance bond, and other documentation. It was seconded by Ms. Van Tine. A roll call vote was taken as follows: Mr. Wider – aye; Ms. Van Tine – aye; Mr. Kalkut – aye. All were in favor.

Please consider modifying all Common Victualler Licenses to allow businesses to offer home delivery of food in accordance with Massachusetts G.L. c.140

Ms. Robinson stated that she received an email from a person expressing concern that the Town does not allow for the delivery of food from restaurants. Taking a strict interpretation of the Town's Common Victualler licenses, this is true. As an example, included in the Select Board's meeting packet is the current license for Norfolk Town Pizza which states in part the license is hereby granted "in said location and at the place only...." She stated that staff has done some research and spoken to the former Executive Assistant (Ms. Harrington), and it is understood that this language has been in place for years; there is no history as to why it was written this way and has not changed. Certainly, in the age of various delivery options, it would be something to review. Given the existing pandemic and its impact on the Town's restaurants as well as residents who may prefer delivery of food, changing this at least for the duration of this situation is warranted. She suggests the Select Board approve a change for now which can be revisited during the next license renewal period.

Mr. Kalkut stated that at this time they are supposed to be removing roadblocks for services, so this would be a good start. He noted that all licenses should be aligned. Mr. Wider and Ms. Van Tine stated they have no questions or concerns.

Ms. Anne Marie Battistone, 59 Seekonk Street, stated that she remembers at one time a certain establishment wanted to provide food delivery but was not allowed to. She stated that it is time that they are allowed to provide delivery service.

A motion was made by Mr. Kalkut that the Board approve a modification to all Common Victualler licenses to allow businesses to offer home delivery of food in accordance with Massachusetts G.L. c.140 during the state of emergency as a result of the COVID-19 pandemic. It was seconded by Mr. Wider. A roll call vote was taken as follows: Mr. Wider – aye; Ms. Van Tine – aye; Mr. Kalkut – aye. All were in favor.

Mr. Kalkut stated that at the conclusion of this meeting at 6:30 p.m., a joint meeting with the Select Boards of Norfolk, Wrentham, and Plainville will commence to discuss the King Philip School District FY21 Budget and Joint Services/Regionalization; this will also be a Remote Access Zoom Virtual Meeting.

At 6:29 p.m., a motion was made by Mr. Kalkut to adjourn the meeting. It was seconded by Ms. Van Tine. A roll call vote was taken as follows: Mr. Wider – aye; Ms. Van Tine – aye; Mr. Kalkut – aye. All were in favor.

Mr. Kalkut called the Remote Access Zoom Virtual Meeting for a joint meeting with the Select Boards of Norfolk, Wrentham, and Plainville to order at 6:43 p.m. Mr. Kalkut announced this meeting is being both video and audio recorded.

### **Discussion Items**

#### General introductions

Mr. Kalkut requested confirmation of attendance at this Remote Access Zoom Virtual Meeting by each Select Board.

Mr. Kalkut confirmed the following Norfolk Select Board members, Town Administrator, and staff were in attendance at the Remote Access Zoom Virtual Meeting: Mr. Wider – present; Ms. Van Tine – present; Mr. Kalkut – present; Ms. Robinson – present; Ms. Lizardi – present.

Mr. Jeff Johnson, Chairman, confirmed the following Plainville Board of Selectmen members and Town Administrator were in attendance at the Remote Access Zoom Virtual Meeting: Mr. Brian Kelly, Vice Chairman – present; Mr. Stanley Widak, Jr., Clerk – present; Ms. Jennifer Thompson, Town Administrator – present.

Mr. Joseph Botaish, Chairman, confirmed the following Wrentham Board of Selectmen members, Town Administrator, and staff were in attendance at the Remote Access Zoom Virtual Meeting: Mr. Stephen Langley, Vice Chairman – present; Mr. Jerome McGovern, Clerk – present; Mr. Gerard Nolan, member – present; Mr. James Anderson, member – present; Mr. Kevin Sweet, Town Administrator – present; Ms. Amanda Vasapollo, Administrative Assistant – present.

Mr. Kalkut, Mr. Johnson, and Mr. Botaish each read their introductory statements regarding the Massachusetts State of Emergency and the associated state legislation allowing towns to hold remote access virtual meetings during the COVID-19 pandemic crisis. Each Chair explained that this meeting is being held as a Remote Access Zoom Virtual Meeting and noted that this meeting is being both audio and video recorded. All meeting materials are available on each Town's website. Mr. Kalkut reviewed the ground rules for conducting this Remote Access Zoom Virtual Meeting including that the public will be allowed to comment at the end of the Select Boards' discussions of each agenda item.

#### Discussion of the King Philip School District FY 21 Budget

Ms. Robinson stated that the original reason for holding this joint meeting with Norfolk's sister communities in the KP District was to talk about the budget and each Town's plans to fund its share of the cost. The overall budget increase certified by the KP School Committee for next year is 3.49 percent. Norfolk's assessment increase is 1.46 percent. The other two town's assessments are higher, mostly due to enrollment breakdown, with Wrentham's being the highest at 7.82 percent. She noted that healthcare costs are a part of this discussion. She stated that Norfolk is working on the last details of their proposed budget for next year. Ms. Thompson stated that Plainville has just finished compiling their budgets. Their financial task group has been meeting since last fall. She noted that Plainridge Park has closed due to the COVID-19 pandemic; this has made their budget even more challenging. Mr. Sweet provided an overview of Wrentham's budget process and noted they are finalizing their numbers. He stated that they have a number of budget challenges and noted the COVID-19 crisis is changing things. He encouraged the Select Boards to discuss healthcare costs.

Mr. Paul Zinni, Superintendent of King Philip Regional School District, and Mr. Larry Azer, Director of Finance and Operations, addressed the Select Boards. Mr. Zinni stated that at their first budget presentation in January, which was prepared with preliminary information, they were at over 4 percent. As some factors changed, at their presentation to the School Committee on March 2, 2020, they were at 3.49 percent for a level-service budget. They are trying to be cognizant of the towns' budget issues and deliver the highest level of services possible.

Mr. Wider asked at what point in the future can these budget increases no longer be sustained. How can excellent education be provided and rein in budget costs that continue to rise every year? He asked why the Facilities budget increased 8 percent. Mr. Azer explained that the increase was due to

utility costs for electricity and heating. He stated that the buildings and components in the buildings are getting old. He stated they are in the process of finalizing a long-term capital plan. Ms. Van Tine commented that all three towns will experience budget tightening due to the virus pandemic. She asked what areas could be modified while protecting students' education if there is a downturn in the economy. Mr. Zinni stated that they always put the students and quality education first. He cannot make predictions as they do not know what the future will look like. He noted that there is very little room for movement within the budget as most costs are fixed costs. He discussed savings they have achieved in special education costs by building programs internally and reallocating the funds to do this enabling more students to stay in the schools, lowering costs.

Mr. Kelly discussed that some line items are uncontrollable due to previous negotiations such as salaries and benefits. He expressed concern about the 8 percent increase in facilities; he asked if there has been an efficiency audit done to try to reduce these costs. He suggested that purchasing versus leasing equipment may be a potential area for cost reduction. He asked about the increase in insurance costs. Mr. Azer said an extensive facilities audit has not been done. They are working to get better pricing on the energy contracts, and they are looking at solar opportunities. He advocated purchasing versus leasing of computers. Mr. Zinni said he was pleased the final insurance increase was five percent; he thinks Mr. Azer did a great job with the negotiations. Mr. Zinni stated there are 262 KP employees and approximately 210 are on the KP insurance. Discussion commenced regarding insurance costs. Mr. Widak expressed concern about capital improvements in the next few years if the economy downturns. Mr. Azer said that the high school roof will be need to be replaced or repaired within the next five years; HVAC and heating systems are also having trouble. He stated he is planning to have the capital improvements plan finished and published by later this spring.

Mr. Botaish said he thinks KP is doing a great job. He would like the towns to work together. He thinks health insurance is dictating the budget. Mr. Anderson stated he has no questions. Mr. Nolan stated he has no questions other than about insurance. Mr. McGovern stated he has no questions and disclosed that his wife is a teacher at KP. Mr. Langley disclosed that his daughter is an employee at KP. He requested the current E & D (excess and deficiency) balance. Mr. Botaish stated the Boards of the three towns have had meetings in the past about collaborative initiatives. Health insurance is something they need to talk about. Mr. Johnson suggested it may be better if the four groups join together for insurance purposes.

#### Public Comment

Mr. Ed Haddad, Norfolk resident at 138 Red Maple Run, stated he heard good conversation and ideas about KP and the three towns working together on the health insurance plans, but he would like more specific ideas.

Mr. Botaish said that unlike the private sector, collective bargaining with the unions has to occur in a municipality. Mr. Kalkut agreed that any change will trigger a collective bargaining discussion. Mr. Johnson suggested discussions begin with the towns, and discussions with the unions will need to be done afterward.

Ms. Donna Jones, Norfolk resident at 64 North Street, asked if any tracking is done for facilities maintenance. Mr. Azer said most systems are on preventive maintenance schedules. A more robust facilities work order program is planned for implementation in the summer.

Mr. Kalkut said this was a good discussion; it seemed like the three Boards will be focused on budgets. When things return to normal, the Boards can explore these paths in more detail. Mr. Zinni and Mr. Azer were thanked for their work; they exited the Remote Access Zoom Virtual meeting.

#### Discussion of Joint Services/Regionalization

Ms. Robinson reviewed that this item is on the agenda so the three Select Boards can discuss opportunities for joint services/regionalization. Wrentham specifically would like to talk about Veterans Services. This would be a good discussion point for Norfolk as well, because both Norfolk and Wrentham anticipate that the results of the 2020 census will be that both towns will have a reported population of more than 12,000. When that threshold is reached, state law requires that a Town have a full time Veterans' Agent. Currently, neither Norfolk or Wrentham do, so such a change would have a large fiscal impact. In light of the current pandemic, she suggested talking about regionalized health services or at least sharing of public health nurses. Wrentham has two full-time nurses at present, while Norfolk utilizes the VNA for minimal services, paying \$2,500 per year. There may be an opportunity to share this service and enhance capabilities. Mr. Sweet provided an overview of forming a regional Veterans District. He stated that the Town of Franklin's Veterans' Agent is retiring in 18 to 24 months, and Mr. Hellen, Town Administrator of Franklin, discussed with him possibilities of working with other towns. Mr. Sweet has been waiting to hear back from Mr. Hellen. He noted that Wrentham's Veterans' Agent left the position; North Attleboro agreed to take over in Wrentham as they do for Plainville. Ms. Thompson said they have a regional district with North Attleboro; it has been a great benefit to them. Mr. Johnson asked if there were regional requirements for the FTEs. Ms. Robinson discussed that in Wellesley one Veterans' Agent was used for four towns; it must be approved by the state. Mr. Botaish discussed the number of veterans in each town. He suggested that putting the Veterans Services programs together would be beneficial for the veterans. Mr. Johnson said he would not be averse to a three or four-town district. Mr. Sweet stated he would like to meet with North Attleboro about this possibly. Mr. McGovern stated regionalization would be a good way to move forward. Mr. Nolan stated that regionalization of Veterans Services would be beneficial. Select Board members and Town Administrators agreed that they should continue to work on this. Mr. Sweet discussed their Town's nursing services; they are providing services to Plainville, as well.

Ms. Van Tine stated she has no comments. Mr. Wider said he thinks regionalization is the way to go; possibly some of the administrative functions within the schools could be regionalized, as well. Mr. Kelly stated he has no questions. He stated that costs have to be cut; if unifying and sharing can help, it should be looked into. Mr. Widak stated that regionalization between the three towns is the way to go. Mr. Botaish stated that if each town had to have their own high school, it would be much more difficult. Mr. Langley concurred that regionalization is good, but they need to be careful, as well. Sharing equipment could be good also; further discussions should continue. Mr. McGovern said there have been discussions about this in the past; any opportunities for regionalization should be considered. Mr. Nolan said he agrees with regionalization; it is an alternative to raising taxes. Mr. Kalkut stated there is support and alignment with the Select Boards; it is now with the Town Administrators to pursue. Mr. Sweet discussed possible next meeting dates. Ms. Robinson said she will work on scheduling a meeting. Ms. Thompson discussed Plainville's success story with regionalization and shared services for the public nurse. Mr. Botaish said he would like to keep working on this to move it along. Mr. Kalkut agreed the discussion should continue. He thanked everyone for attending the Remote Access Zoom Virtual meeting.

#### Public Comment

Mr. David Rosenberg, Norfolk Resident of 123 North Street, said that Plainville is in a consortium with other towns to buy electricity. He asked if it would be good to join Plainville. Ms. Thompson said it was a success in Plainville with decreases in rates; she encouraged other towns to look into it.

At 8:58 p.m., a motion was made by Mr. Kalkut to adjourn the meeting. It was seconded by Ms. Van Tine. A roll call vote was taken as follows: Mr. Wider – aye; Ms. Van Tine – aye; Mr. Kalkut – aye. All were in favor.

At 8:58 p.m., a motion was made by Mr. Johnson to adjourn the meeting. It was seconded by Mr. Kelly. A roll call vote was taken as follows: Mr. Kelly – aye; Mr. Widak, Jr. – aye; Mr. Johnson – aye. All were in favor.

At 8:59 p.m., a motion was made by Mr. Botaish to adjourn the meeting. It was seconded by Mr. Langley. A roll call vote was taken as follows: Mr. Langley – aye; Mr. McGovern – aye; Mr. Nolan – aye; Mr. Anderson – aye; Mr. Botaish – aye. All were in favor.

The next meeting of the Norfolk Select Board is scheduled to be remotely on Tuesday, April 7, 2020, at 7:00 p.m.

This is a true and accurate report of the Select Board's meeting of March 24, 2020.

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CiCi Van Tine, Clerk