

TOWN OF EAST LONGMEADOW, MASSACHUSETTS

**Report on the Examination
Of Basic Financial Statements**

For the Year Ended June 30, 2021

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Independent Auditor's Report

To the Honorable Town Council
Town of East Longmeadow, 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 East Longmeadow, Massachusetts, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Town of East Longmeadow, Massachusetts' 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.

Auditor's 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 the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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 of East Longmeadow, Massachusetts, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund 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, pension plan and other post employment benefit plan schedules as listed on the table of contents 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 Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of East Longmeadow's basic financial statements. The Supplementary Schedules, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements.

The Supplementary Schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we also have issued our report dated February 14, 2022 on our consideration of the Town of East Longmeadow, Massachusetts' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of East Longmeadow Massachusetts' internal control over financial reporting and compliance.

Scanlon and Associates, LLC

Scanlon & Associates, LLC
South Deerfield, Massachusetts

February 14, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Town of East Longmeadow, we offer readers of these financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2021. The intent of this discussion and analysis is to look at the Town's financial performance as a whole. Readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the Town's financial performance.

Financial Highlights

- The Town's liabilities and deferred inflows of resources exceeded its assets and deferred outflows of resources by \$36,235,240 (net position) for the fiscal year reported. This compares to the previous year when liabilities and deferred inflows of resources exceeded its assets and deferred outflows of resources by \$45,965,265, or an increase of \$9,730,025 (21%) over last fiscal year's total net position.
- At the close of the current fiscal year, the Town's governmental funds reported total ending fund balance of \$21,913,255, an increase of \$6,511,135 (42%) in comparison with prior year.
- The General Fund's total fund balance increased \$3,579,876 (44%) to \$11,746,877. The ending fund balance is 16% of revenues and transfers in and 17% of expenditures and transfers out.
- Total long-term liabilities of the Town decreased by \$24,363,567 (23%) to \$128,323,369 during the fiscal year. This change was mainly the result of net increases in other liability of \$674,311 (mainly due to escrow and deposit accounts under GASB 84), unearned revenue of \$847,466, bond anticipation notes payable of \$4,120,944, in the Other Post Employment Benefits (OPEB) liability of \$17,222,012 and in the pension liability of \$1,557,834; and a net decrease and in bonds and leases payable of \$389,882.
- The Town had General fund free cash certified by the Department of Revenue in the amount of \$5,635,532. The key factors that attributed to the free cash amount for fiscal year 2021 were unexpended/unencumbered appropriations of \$2,841,200, excess over budget other financing sources(uses) of \$122,000 and prior year free cash not appropriated of \$1,605,000.
- The Town's enterprise fund certified free cash is as follows:
 - Sewer fund \$ 642,856.
 - Stormwater fund \$ 119,470.
 - Water fund \$ 1,844,038.

Overview of the Financial Statements

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

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

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

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

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

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

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund statements focus on *near-term inflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial 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 activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decision. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds and governmental activities*.

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

Proprietary funds. The Town maintains one type of proprietary fund.

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

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

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

Financial Highlights

Statement of Net Position Highlights

	Governmental Activities		
	2021	2020	Change
Assets:			
Current assets	\$ 31,254,523	\$ 20,062,915	\$ 11,191,608
Capital assets	39,545,992	40,843,999	(1,298,007)
Total assets	70,800,515	60,906,914	9,893,601
Deferred Outflows of Resources	23,699,190	8,564,221	15,134,969
Liabilities:			
Current liabilities (excluding debt and leases)	4,483,240	2,551,180	1,932,060
Current debt including leases	4,450,093	2,475,737	1,974,356
Noncurrent liabilities (excluding debt and leases)	102,381,719	83,830,474	18,551,245
Noncurrent debt including leases	7,511,190	8,052,862	(541,672)
Total liabilities	118,826,242	96,910,253	21,915,989
Deferred Inflows of Resources	27,420,538	32,647,464	(5,226,926)
Net Position:			
Net investment in capital assets	27,584,709	30,969,338	(3,384,629)
Restricted	11,219,028	6,903,724	4,315,304
Unrestricted	(90,550,812)	(97,959,644)	7,408,832
Total net position	\$ (51,747,075)	\$ (60,086,582)	\$ 8,339,507
	Business-Type Activities		
	2021	2020	Change
Assets:			
Current assets	\$ 6,415,235	\$ 3,837,135	\$ 2,578,100
Noncurrent assets (excluding capital assets)	33,378	43,986	(10,608)
Capital assets	18,466,316	17,380,008	1,086,308
Total assets	24,914,929	21,261,129	3,653,800
Deferred Outflows of Resources	412,514	274,193	138,321
Liabilities:			
Current liabilities (excluding debt)	152,690	142,991	9,699
Current debt	2,465,712	955,089	1,510,623
Noncurrent liabilities (excluding debt)	2,335,186	2,195,685	139,501
Noncurrent debt	4,543,539	3,755,784	787,755
Total liabilities	9,497,127	7,049,549	2,447,578
Deferred Inflows of Resources	318,481	364,456	(45,975)
Net Position:			
Net investment in capital assets	11,457,065	12,669,135	(1,212,070)
Restricted	2,192,627	599,806	1,592,821
Unrestricted	1,862,143	852,376	1,009,767
Total net position	\$ 15,511,835	\$ 14,121,317	\$ 1,390,518

Financial Highlights

Statement of Activities Highlights

	Governmental Activities		
	2021	2020	Change
Program Revenues:			
Charges for services	\$ 4,031,743	\$ 4,063,240	\$ (31,497)
Operating grants and contributions	28,463,242	25,220,204	3,243,038
Capital grants and contributions	816,158	1,311,221	(495,063)
General Revenues:			
Property taxes	44,881,307	43,030,064	1,851,243
Motor vehicle excise and other taxes	2,680,594	2,709,804	(29,210)
Penalties and interest on taxes	206,286	184,130	22,156
Nonrestricted grants	1,768,829	1,845,684	(76,855)
Unrestricted investment income	469,415	280,211	189,204
Miscellaneous	1,667	60,371	(58,704)
Total revenues	83,319,241	78,704,929	4,614,312
Expenses:			
General Government	4,130,989	4,137,012	(6,023)
Public Safety	6,347,511	6,349,808	(2,297)
Public Works	5,335,522	5,467,420	(131,898)
Education	36,597,322	36,589,731	7,591
Health and Human Services	948,584	1,152,288	(203,704)
Culture and Recreation	1,667,929	1,895,791	(227,862)
Employee Benefits and Insurance	19,301,740	14,656,917	4,644,823
State Assessments	461,725	463,096	(1,371)
Interest	188,412	391,177	(202,765)
Total expenses	74,979,734	71,103,240	3,876,494
Net (expenses) revenues	8,339,507	7,601,689	737,818
Transfers	-	126,742	(126,742)
Change in net position	8,339,507	7,728,431	611,076
Net position - beginning of year	(60,086,582)	(67,815,013)	7,728,431
Net position - end of year	\$ (51,747,075)	\$ (60,086,582)	\$ 8,339,507

	Business-Type Activities		
	2021	2020	Change
Program Revenues:			
Charges for services	\$ 6,226,340	\$ 5,210,898	\$ 1,015,442
Operating grants and contributions	11,004	28,769	(17,765)
Capital grants and contributions	195,500	-	195,500
Total revenues	6,432,844	5,239,667	1,193,177
Expenses:			
Sewer	1,925,816	1,797,796	128,020
Stormwater	276,874	142,566	134,308
Water	2,839,636	2,304,302	535,334
Total expenses	5,042,326	4,244,664	797,662
Net (expenses) revenues	1,390,518	995,003	395,515
Transfers	-	(126,742)	126,742
Change in net position	1,390,518	868,261	522,257
Net position - beginning of year	14,121,317	13,253,056	868,261
Net position - end of year	\$ 15,511,835	\$ 14,121,317	\$ 1,390,518

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. Liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$36,235,240 at the close of fiscal year 2021.

Net position of \$39,041,774 reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment) less any related debt used to acquire those assets that are still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the investment in its capital assets is reported net of its related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the net position, \$13,411,655 represents resources that are subject to external restrictions on how they may be used. The remaining balance consists of *unrestricted net position* (\$88,688,669).

At the end of the current fiscal year, the Town is able to report positive balances in two categories of net position and a negative balance in the unrestricted category in the governmental activities and for the government as a whole. The unrestricted governmental activities and government as a whole resulted in a negative balance mainly due to the accrual of the OPEB and pension liabilities that are required under GASB to be recognized in the Town's financial statements. These liabilities are presented on the statement of net position.

The business-type activities are able to report positive balances in all categories of net position.

The governmental activities net position increased by \$8,339,507 (14%) during the current fiscal year. The key elements of the increase in net position for fiscal year 2021 is attributed to increases from the net changes in governmental fund balances of \$6,511,135, in recognizing the net changes in this year's debt and leases of \$1,310,852 and in the deferred outflow/(inflow) of resources related to OPEB of \$20,524,645; and decreases in the depreciation expense (cost spread out over the useful life of the asset) for the year of \$3,038,358 exceeding the acquisition of \$1,740,351 in new capital assets and in recognizing the changes to the OPEB liability of \$17,148,873 and in the pension liability of \$1,493,526.

There was an increase of \$1,390,518 (10%) in net position reported in connection with the business-type activities. Of this, there were increases of \$447,291 attributed to the sewer department, of \$12,538 attributed to the stormwater department and of \$930,689 attributed to the water department.

Financial Analysis of the Government's Funds

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

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

As of the end of the current fiscal year, governmental funds reported combined ending fund balances of \$21,913,255, an increase of \$6,511,135 (42%) in comparison with the prior year.

The breakdown of the governmental funds is as follows:

- Restricted fund balance – \$8,540,710 (39%).
- Committed fund balance – \$3,038,780 (14%).
- Assigned fund balance – \$926,172 (4%).
- Unassigned fund balance – \$9,407,593 (43%).

Major Governmental Funds

At the end of the fiscal year, the General Fund reported a total fund balance of \$11,746,877 increasing \$3,579,876 (44%) from the prior year. Of the \$11,746,877, the unassigned amount is \$10,448,445 (89%), the assigned amount is \$926,172 (8%) and the restricted amount is \$372,260 (3%). General fund revenues were \$3,113,844 (4%) more than the prior fiscal year and expenditures also increased by \$724,361 (1%). Other activities in the General fund were net transfers to other funds of \$778,528.

The main components of the increases in general fund revenues were related to an increase in property taxes of \$2,100,410 (5%) and in intergovernmental – “on-behalf” payments of \$977,287 (11%).

The major changes in general fund expenditures from the prior fiscal year were as follows:

- Decrease in Public works expenditures of \$106,595 (2%).
- Decrease in Education expenditures of \$567,712 (2%).
- Increase in Employee benefits and insurance expenditures of \$1,824,715 (10%).
- Decrease in Debt service expenditures (principal and interest) of \$191,823 (7%).

Proprietary Funds. The proprietary funds statements share the same focus as the government-wide statements, reporting both short-term and long-term information about financial status.

Major Proprietary Funds

The *Sewer Fund* is the financing and operations of the Town's sewer system. The sewer fund has accumulated a balance of \$6,424,482 and shows an increase of \$447,291 (7%) in total operations. This change was mainly attributed to operating revenue exceeding operating costs by \$495,053, investment income of \$2,470 and interest expense of \$50,232. Operating revenues increased by \$281,802 (13%) and operating expenses also increased by \$147,280 (9%) from the prior year.

The *Stormwater Fund* is used to account for the construction of road drainage improvements. The stormwater fund has accumulated a balance of \$20,388 and shows an increase of \$12,538 (160%) in total operations. This amount is attributed to operating revenues exceeding operating expenditures of \$10,836 and investment income of \$1,702. Operating revenues increased by \$10,552 (4%) and operating expenses also increased by \$134,308 (94%) from the prior year.

The *Water Fund* is the financing and operations of the Town's water system. The water fund has accumulated a balance of \$9,066,964 and shows an increase of \$930,689 (11%) in total operations. This change resulted from operating revenues exceeding operating expenditures of \$812,889, investment income of \$6,832, other income of \$195,500 and interest expense of \$84,532. Operating revenues increased by \$722,567 (25%) and operating expenses also increased by \$574,218 (26%) from the prior year.

General Fund Budgetary Highlights

The final general fund budget for fiscal year 2021 was \$62,987,515. This was an increase of \$1,349,433 (2%) over the previous year's budget.

There were increases between the original budget and the final amended budget. The changes are attributed to council votes during the year for various budget operating line items.

General fund expenditures were less than budgeted by \$3,767,383. Of the \$3,767,383 in under budget expenditures, \$926,172 has been carried over to fiscal year 2022.

There are negative variances in intergovernmental receipts of \$119,379, in interest on taxes of \$64,721 and in investment income of \$7,750 as expectations (budget) were higher than the receipts.

There was a negative variance in state assessments of \$1,064 due to lower assessments in the school choice sending tuitions of \$44,684 and higher assessments in charter school sending tuitions of \$43,620 than the actual payments.

Overall, the variance with the final budget was a positive \$2,820,833 consisting of a revenue deficit of \$20,378 and an appropriation surplus of \$2,841,211.

Capital Asset and Debt Administration

Capital Assets. The Town's investment in capital assets for its governmental and business-type activities as of June 30, 2021 amounts to \$39,545,992 and \$18,466,316, respectively.

The investment in capital assets includes land, construction in progress, buildings and renovations, machinery, equipment and other and infrastructure.

Major capital events during the current fiscal year in the governmental type funds included the following:

- Police vehicle purchase for \$53,365.
- Fire Department vehicle purchase for \$393,000.
- Road infrastructure improvements for \$785,571.
- Various schools' improvements for \$508,415.

The capital events during the current fiscal year in the business-type funds included the following:

Sewer fund:

- Sewer vehicle purchase for \$56,358.

Water fund:

- Water infrastructure improvements for \$1,806,943.

Debt Administration. The Town’s outstanding governmental long-term debt, as of June 30, 2021, totaled \$8,675,040, of which \$4,591,600 is for school projects, \$100,000 for Town buildings’ improvements, \$250,000 for pool renovations, \$220,000 for the new library, \$91,098 for the GIS projects, \$1,152,342 for road improvement projects and \$2,270,000 for various municipal purpose loans.

The governmental activities currently have outstanding bond anticipation notes for \$2,743,536 for various vehicle, equipment and building projects.

The Town also has capital leases in the governmental type fund for the financing of fire department vehicles. The last lease is due in 2023. The Town currently owes \$565,348 on the leases consisting of \$542,707 in principal and \$22,641 in interest.

The Town’s outstanding business-type long-term debt totals \$5,631,843 consisting of \$1,248,995 in sewer debt and \$4,382,848 in water debt that is fully supported by the rates.

The business-type activities currently have outstanding bond anticipation notes for \$1,377,408. Of this, \$972,500 is for sewer projects and \$404,908 for water projects.

Please refer to notes 3D, 3F, 3G, and 3H for further discussion of the major capital and debt activity.

Next Year’s Budget – Fiscal Year 2022

The financial statements of the Town of East Longmeadow as of June 30, 2021 do not reflect the fiscal year 2022 budget approved by the Town Council on May 25, 2021 and completed June 15, 2021. The Town Council has authorized a fiscal year 2022 operating and capital budget as follows:

From raise and appropriate		\$	63,240,228
From sewer revenues	\$	2,440,500	
From sewer capital projects		<u>32,475</u>	2,472,975
From water revenues			3,367,958
From Cable Access TV (ELCAT) revenues *			319,850
From Stormwater revenues			311,513
From Other Available Funds:			
General Fund:			
Reserve for Debt			340,200
Non-major Governmental Funds:			
Ambulance		554,047	
Capital Projects		40,450	
Community preservation funds		349,080	
Various grants		<u>211,939</u>	1,155,516
			<u>\$ 71,208,240</u>

* = The Town budgets/operates ELCAT as an Enterprise Fund in accordance with M.G.L. For GAAP purposes, ELCAT is classified as a special revenue fund.

Requests for Information

This financial report is designed to provide a general overview of the Town of East Longmeadow’s finances for all those with an interest in the government’s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Town Accountant, 60 Center Square, East Longmeadow, Massachusetts 01028.

BASIC FINANCIAL STATEMENTS

TOWN OF EAST LONGMEADOW, MASSACHUSETTS
STATEMENT OF NET POSITION
JUNE 30, 2021

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
CURRENT:			
Cash and Cash Equivalents	\$ 23,072,665	\$ 5,371,286	\$ 28,443,951
Investments	5,156,481	-	5,156,481
Receivables, net of allowance for uncollectibles:			
Property Taxes	635,134	-	635,134
Tax Liens	738,634	-	738,634
Excise and Other Taxes	216,349	-	216,349
User Charges	-	1,038,960	1,038,960
Departmental	440,650	-	440,650
Special Assessments	-	4,989	4,989
Due from Other Governments	994,610	-	994,610
Total current assets	<u>31,254,523</u>	<u>6,415,235</u>	<u>37,669,758</u>
NONCURRENT:			
Receivables, net of allowance for uncollectibles:			
Special Assessments	-	33,378	33,378
Capital Assets, net of accumulated Depreciation:			
Nondepreciable	5,212,309	24,013	5,236,322
Depreciable	34,333,683	18,442,303	52,775,986
Total noncurrent assets	<u>39,545,992</u>	<u>18,499,694</u>	<u>58,045,686</u>
Total Assets	<u>70,800,515</u>	<u>24,914,929</u>	<u>95,715,444</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows Related to Pensions	6,951,136	288,123	7,239,259
Deferred Outflows Related to OPEB	16,748,054	124,391	16,872,445
Total Deferred Outflows of Resources	<u>23,699,190</u>	<u>412,514</u>	<u>24,111,704</u>
LIABILITIES			
CURRENT:			
Warrants and Accounts Payable	1,088,334	37,668	1,126,002
Accrued Payroll	523,687	25,179	548,866
Employee Withholdings	467,289	-	467,289
Tax Refund Payable	91,000	-	91,000
Other	812,260	-	812,260
Unearned Revenue	847,466	-	847,466
Accrued Interest	96,932	50,886	147,818
Compensated Absences	556,272	38,957	595,229
Bond Anticipation Notes Payable	2,743,536	1,377,408	4,120,944
Bonds and Leases Payable	1,706,557	1,088,304	2,794,861
Total current liabilities	<u>8,933,333</u>	<u>2,618,402</u>	<u>11,551,735</u>
NONCURRENT:			
Compensated Absences	146,410	17,784	164,194
Net OPEB Liability	56,439,636	419,186	56,858,822
Net Pension Liability	45,795,673	1,898,216	47,693,889
Bonds and Leases Payable	7,511,190	4,543,539	12,054,729
Total noncurrent liabilities	<u>109,892,909</u>	<u>6,878,725</u>	<u>116,771,634</u>
Total Liabilities	<u>118,826,242</u>	<u>9,497,127</u>	<u>128,323,369</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows Related to Pensions	3,374,924	139,890	3,514,814
Deferred Inflows Related to OPEB	24,045,614	178,591	24,224,205
Total Deferred Inflows of Resources	<u>27,420,538</u>	<u>318,481</u>	<u>27,739,019</u>
NET POSITION			
Net Investment in Capital Assets	27,584,709	11,457,065	39,041,774
Restricted for:			
Capital Projects	3,231,069	2,192,627	5,423,696
Federal & State Grants	2,439,577	-	2,439,577
Community Preservation	1,923,484	-	1,923,484
Permanent Funds	10,928	-	10,928
Other Purposes	3,613,970	-	3,613,970
Unrestricted	(90,550,812)	1,862,143	(88,688,669)
Total Net Position	<u>\$ (51,747,075)</u>	<u>\$ 15,511,835</u>	<u>\$ (36,235,240)</u>

The Notes to the Financial Statements are an integral part of this Statement.

**TOWN OF EAST LONGMEADOW, MASSACHUSETTS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>Program Revenues</u>				<u>Net (Expenses) Revenues and Changes in Net Position</u>		
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Governmental Activities:							
General Government	\$ 4,130,989	\$ 560,111	\$ 1,035,311	\$ -	\$ (2,535,567)	\$ -	\$ (2,535,567)
Public Safety	6,347,511	2,161,478	221,365	-	(3,964,668)	-	(3,964,668)
Public Works	5,335,522	268,998	517	748,787	(4,317,220)	-	(4,317,220)
Education	36,597,322	361,076	17,154,735	67,371	(19,014,140)	-	(19,014,140)
Health and Human Services	948,584	97,840	303,215	-	(547,529)	-	(547,529)
Culture and Recreation	1,667,929	582,240	60,902	-	(1,024,787)	-	(1,024,787)
Employee Benefits and Insurance	19,301,740	-	9,672,328	-	(9,629,412)	-	(9,629,412)
State Assessments	461,725	-	-	-	(461,725)	-	(461,725)
Interest	188,412	-	14,869	-	(173,543)	-	(173,543)
Total Governmental Activities	74,979,734	4,031,743	28,463,242	816,158	(41,668,591)	-	(41,668,591)
Business-Type Activities:							
Water	2,839,636	3,567,993	6,832	195,500	-	930,689	930,689
Sewer	1,925,816	2,370,637	2,470	-	-	447,291	447,291
Stormwater	276,874	287,710	1,702	-	-	12,538	12,538
Total Primary Government	\$ 80,022,060	\$ 10,258,083	\$ 28,474,246	\$ 1,011,658	(41,668,591)	1,390,518	(40,278,073)
General Revenues:							
Property Taxes					44,881,307	-	44,881,307
Motor vehicle and other taxes					2,680,594	-	2,680,594
Penalties & Interest on taxes					206,286	-	206,286
Grants & Contributions not restricted to specific programs					1,768,829	-	1,768,829
Unrestricted Investment Income					469,415	-	469,415
Miscellaneous					1,667	-	1,667
Total General Revenues and Transfers					50,008,098	-	50,008,098
Change in Net Position					8,339,507	1,390,518	9,730,025
Net Position:							
Beginning of year (as restated)					(60,086,582)	14,121,317	(45,965,265)
End of year					\$ (51,747,075)	\$ 15,511,835	\$ (36,235,240)

The Notes to the Financial Statements are an integral part of this Statement.

TOWN OF EAST LONGMEADOW, MASSACHUSETTS
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2021

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets:			
Cash and Cash Equivalents	\$ 9,198,425	\$ 13,874,240	\$ 23,072,665
Investments	4,528,302	628,179	5,156,481
Receivables, net of allowance for uncollectibles:			
Property Taxes	630,684	4,450	635,134
Tax Liens	735,752	2,882	738,634
Excise Taxes	216,349	-	216,349
Departmental	356	440,294	440,650
Due from Other Governments	49,285	945,325	994,610
Total Assets	\$ 15,359,153	\$ 15,895,370	\$ 31,254,523
Liabilities:			
Warrants and Accounts Payable	\$ 966,781	\$ 121,553	\$ 1,088,334
Accrued Payroll	438,293	85,394	523,687
Employee withholdings	478,197	-	478,197
Tax Refund Payable	91,000	-	91,000
Other	117,479	694,781	812,260
Unearned Revenue		847,466	847,466
Bond Anticipation Notes Payable	-	2,743,536	2,743,536
Total Liabilities	2,091,750	4,492,730	6,584,480
Deferred Inflows of Resources:			
Unavailable Revenue	1,520,526	1,236,262	2,756,788
Fund Balance:			
Restricted	372,260	8,168,450	8,540,710
Committed	-	3,038,780	3,038,780
Assigned	926,172	-	926,172
Unassigned	10,448,445	(1,040,852)	9,407,593
Total Fund Balance	11,746,877	10,166,378	21,913,255
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 15,359,153	\$ 15,895,370	\$ 31,254,523

The Notes to the Financial Statements are an integral part of this Statement.

**TOWN OF EAST LONGMEADOW, MASSACHUSETTS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:			
Property Taxes	\$ 44,602,272	\$ 311,313	\$ 44,913,585
Intergovernmental	14,660,921	6,332,621	20,993,542
Excise and Other Taxes	2,666,415	-	2,666,415
Charges for Services	-	3,065,805	3,065,805
Licenses, Permits, Fees	974,234	-	974,234
Interest on Taxes	205,279	1,007	206,286
Investment Income	469,415	57,026	526,441
Other	-	153,821	153,821
Intergovernmental - "On-behalf" Payments	9,672,328	-	9,672,328
Total Revenues	73,250,864	9,921,593	83,172,457
Expenditures:			
Current:			
General Government	2,675,821	1,202,519	3,878,340
Public Safety	5,011,623	1,888,973	6,900,596
Public Works	4,723,051	901,860	5,624,911
Education	30,859,025	4,781,604	35,640,629
Health and Human Services	637,240	231,651	868,891
Culture and Recreation	906,024	513,871	1,419,895
Employee Benefits and Insurance	21,021,236	-	21,021,236
State Assessments	461,725	-	461,725
Debt Service:			
Principal	2,260,526	-	2,260,526
Interest	336,189	-	336,189
Total Expenditures	68,892,460	9,520,478	78,412,938
Excess of Revenues Over (Under) Expenditures	4,358,404	401,115	4,759,519
Other Financing Sources (Uses):			
Operating Transfers In	184,412	962,940	1,147,352
Operating Transfers Out	(962,940)	(184,412)	(1,147,352)
Capital Lease	-	393,000	393,000
Bond Premium	-	368,856	368,856
Payment of Refunded Bond	-	(1,914,382)	(1,914,382)
Proceeds from Issuance of Refunding Bonds	-	1,751,800	1,751,800
Proceeds from Issuance of Bonds	-	1,152,342	1,152,342
Total Other Financing Sources (Uses)	(778,528)	2,530,144	1,751,616
Net Change in Fund Balances	3,579,876	2,931,259	6,511,135
Fund Balances, Beginning of Year (as restated)	8,167,001	7,235,119	15,402,120
Fund Balances, End of Year	\$ 11,746,877	\$ 10,166,378	\$ 21,913,255

TOWN OF EAST LONGMEADOW, MASSACHUSETTS
Reconciliation of the Governmental Funds Balance Sheet
Total Fund Balances to the Statement of Net Position
For the Year Ended June 30, 2021

Total Governmental Fund Balances		\$ 21,913,255
Capital Assets (net) used in governmental activities are not financial resources and, therefore, are not reported in the funds.		39,545,992
Revenues are recognized on an accrual basis of accounting instead of a modified accrual basis.		2,767,696
The statement of net position includes certain deferred inflows of resources and deferred outflows of resources that will be amortized over future periods. In governmental funds, these amounts are not deferred.		(3,721,348)
Long Term liabilities are not due and payable in the current period and, therefore, are not reported in governmental funds:		
Bonds and Leases Payable	\$ (9,217,747)	
Net Other Post Employment Benefits Liability	(56,439,636)	
Net Pension Liability	(45,795,673)	
Compensated Absences	<u>(702,682)</u>	(112,155,738)
In the statement of activities, interest is accrued on outstanding long term debt, whereas in governmental funds interest is not reported until due.		<u>(96,932)</u>
Net Position of Governmental Activities		<u><u>\$ (51,747,075)</u></u>

The Notes to the Financial Statements are an integral part of this Statement.

TOWN OF EAST LONGMEADOW, MASSACHUSETTS
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2021

Net Change in Fund Balances - Total Governmental Funds	\$	6,511,135
<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 are reported as depreciation expense:</p>		
Capital Outlay Purchases	\$	1,740,351
Depreciation		<u>(3,038,358)</u>
		(1,298,007)
<p>Revenue in the Statement of Activities that do not provide current financial resources are fully deferred in the Statement of Revenues, Expenditures and Changes in Fund Balances. 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>		
		(59,490)
<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 effect on net position:</p>		
Repayment of Debt and Lease Principal		2,737,794
Proceeds from Issuance of Bonds and Notes		(1,152,342)
Net Amortization of Premium from Issuance of Bonds		368,856
Premium from the Issuance of Bonds		(368,856)
Payment of Refunded Bond Principal		1,751,800
Proceeds from Issuance of Refunding Bonds		(1,751,800)
Amortization of Net Gain/Loss on Refunding		118,400
Proceeds from Capital Lease		<u>(393,000)</u>
		1,310,852
<p>Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:</p>		
Net Change in Compensated Absences		126,144
Net Change in Net Other Post Employment Benefits Liability		(17,148,873)
Net Change in Deferred Outflow/(Inflow) of Resources Related to OPEB		20,524,645
Net Change in Net Pension Liability		(1,493,526)
Net Change in Deferred Outflow/(Inflow) of Resources Related to Pensions		(162,750)
Net Change in Accrued Interest on Long-Term Debt		<u>29,377</u>
		1,875,017
Change in Net Position of Governmental Activities	\$	<u>8,339,507</u>

The Notes to the Financial Statements are an integral part of this Statement.

**TOWN OF EAST LONGMEADOW, MASSACHUSETTS
STATEMENT OF REVENUES AND EXPENDITURES - BUDGETARY BASIS -
(NON-GAAP) - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>Budgeted Amounts</u>			<u>Actual</u> <u>Budgetary</u> <u>Basis</u>	<u>Amounts</u> <u>Carried</u> <u>Forward to</u> <u>Next Year</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Amounts</u> <u>Carried</u>		<u>Final</u> <u>Budget</u>			
	<u>Forward from</u> <u>Prior Year</u>	<u>Original</u> <u>Budget</u>				
Revenues:						
Property Taxes	\$ -	\$ 44,582,447	\$ 44,582,447	\$ 44,668,572	\$ -	\$ 86,125
Intergovernmental	-	14,780,300	14,780,300	14,660,921	-	(119,379)
Excise and Other Taxes	-	2,611,578	2,611,578	2,666,415	-	54,837
Licenses, Permits, Fees	-	943,724	943,724	974,234	-	30,510
Interest on Taxes	-	270,000	270,000	205,279	-	(64,721)
Investment Income	-	105,000	105,000	97,250	-	(7,750)
Total Revenues	-	63,293,049	63,293,049	63,272,671	-	(20,378)
Expenditures:						
Current:						
General Government	156,374	3,125,801	3,144,854	2,675,821	198,560	270,473
Public Safety	29,358	5,053,170	5,085,379	5,011,623	5,791	67,965
Public Works	229,823	5,052,664	5,419,841	4,723,051	321,808	374,982
Education	116,417	31,602,589	31,719,006	30,859,025	394,715	465,266
Health and Human Services	7,566	787,187	794,753	637,240	3,974	153,539
Culture and Recreation	1,216	1,069,280	1,070,495	906,024	882	163,589
Employee Benefits and Insurance	1,429	12,242,207	12,249,086	11,348,908	442	899,736
State Assessments	-	460,661	460,661	461,725	-	(1,064)
Debt Service:						
Principal	-	2,536,884	2,536,884	2,260,526	-	276,358
Interest	-	506,556	506,556	336,189	-	170,367
Total Expenditures	542,183	62,436,999	62,987,515	59,220,132	926,172	2,841,211
Excess of Revenues Over (Under) Expenditures	(542,183)	856,050	305,534	4,052,539	(926,172)	2,820,833
Other Financing Sources (Uses):						
Operating Transfers In	-	184,412	184,412	184,412	-	-
Operating Transfers Out	-	(1,084,940)	(1,084,940)	(962,940)	-	122,000
Total Other Financing Sources (Uses)	-	(900,528)	(900,528)	(778,528)	-	122,000
Net Change in Budgetary Fund Balance	(542,183)	(44,478)	(594,994)	\$ 3,274,011	\$ (926,172)	\$ 2,942,833
Other Budgetary Items:						
Free Cash and Other Reserves	-	44,478	52,811			
Prior Year Encumbrances	542,183	-	542,183			
Total Other Budgetary Items	542,183	44,478	594,994			
NET BUDGET	\$ -	\$ -	\$ -			

The Notes to the Financial Statements are an integral part of this Statement.

TOWN OF EAST LONGMEADOW, MASSACHUSETTS
Reconciliation of Revenues and Expenditures
from Budgetary Basis to GAAP Basis
For the Year Ended June 30, 2021

	Revenues	Expenditures
Reported on a Budgetary Basis	\$ 63,272,671	\$ 59,220,132
<i>Adjustments:</i>		
Activity for Stabilization Funds Recorded in the General Fund for GAAP Purposes	372,165	-
Net Decrease in Revenue from recording Refund Taxes Payable	(19,500)	-
Recognition of intergovernmental Revenue - "on behalf payments"	9,672,328	-
Recognition of Expenditures - 'on behalf payments"	-	9,672,328
Net Decrease in Revenue from Recording 60-Day Receipts	(46,800)	-
Reported on a GAAP Basis	\$ 73,250,864	\$ 68,892,460

The Notes to the Financial Statements are an integral part of this Statement.

TOWN OF EAST LONGMEADOW, MASSACHUSETTS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2021

Business-Type Activities
Enterprise Funds

	Water Fund	Sewer Fund	Stormwater Fund	Total
ASSETS				
CURRENT:				
Cash and Cash Equivalents	\$ 2,932,470	\$ 2,268,504	\$ 170,312	\$ 5,371,286
Receivables, net of allowance for uncollectibles				
User Charges	586,295	397,804	54,861	1,038,960
Special Assessments	-	4,989	-	4,989
Total current assets	<u>3,518,765</u>	<u>2,671,297</u>	<u>225,173</u>	<u>6,415,235</u>
NONCURRENT:				
Receivables, net of allowance for uncollectibles:				
Special Assessments	-	33,378	-	33,378
Capital Assets, net of accumulated depreciation:				
Nondepreciable	24,013	-	-	24,013
Depreciable	11,445,821	6,965,426	31,056	18,442,303
Total noncurrent assets	<u>11,469,834</u>	<u>6,998,804</u>	<u>31,056</u>	<u>18,499,694</u>
Total Assets	<u>14,988,599</u>	<u>9,670,101</u>	<u>256,229</u>	<u>24,914,929</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflows Related to Pensions	123,068	133,202	31,853	288,123
Deferred Outflows Related to OPEB	75,142	42,254	6,995	124,391
Total Deferred Outflows of Resources	<u>198,210</u>	<u>175,456</u>	<u>38,848</u>	<u>412,514</u>
LIABILITIES				
CURRENT:				
Warrants and Accounts Payable	17,088	12,902	7,678	37,668
Accrued Payroll	12,290	10,334	2,555	25,179
Accrued Interest	41,840	9,046	-	50,886
Compensated Absences	19,482	15,299	4,176	38,957
Bond Anticipation Notes Payable	404,908	972,500		1,377,408
Bonds Payable	672,305	415,999	-	1,088,304
Total current liabilities	<u>1,167,913</u>	<u>1,436,080</u>	<u>14,409</u>	<u>2,618,402</u>
NONCURRENT:				
Compensated Absences	9,736	6,701	1,347	17,784
Net OPEB Liability	253,222	142,392	23,572	419,186
Net Pension Liability	810,796	877,567	209,853	1,898,216
Bonds Payable	3,710,543	832,996	-	4,543,539
Total noncurrent liabilities	<u>4,784,297</u>	<u>1,859,656</u>	<u>234,772</u>	<u>6,878,725</u>
Total Liabilities	<u>5,952,210</u>	<u>3,295,736</u>	<u>249,181</u>	<u>9,497,127</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows Related to Pensions	59,752	64,673	15,465	139,890
Deferred Inflows Related to OPEB	107,883	60,665	10,043	178,591
Total Deferred Inflows of Resources	<u>167,635</u>	<u>125,338</u>	<u>25,508</u>	<u>318,481</u>
NET POSITION				
Net Investment in Capital Assets	6,682,078	4,743,931	31,056	11,457,065
Restricted for Capital	795,699	1,396,294	634	2,192,627
Unrestricted	1,589,187	284,258	(11,302)	1,862,143
Total Net Position	<u>\$ 9,066,964</u>	<u>\$ 6,424,483</u>	<u>\$ 20,388</u>	<u>\$ 15,511,835</u>

The Notes to the Financial Statements are an integral part of this Statement.

TOWN OF EAST LONGMEADOW, MASSACHUSETTS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

Business-Type Activities
Enterprise Funds

	Water Fund	Sewer Fund	Stormwater Fund	Total
Operating Revenues:				
Charges for Services	\$ 3,472,106	\$ 2,332,157	\$ 287,710	\$ 6,091,973
Other	95,887	38,480	-	134,367
Total Operating Revenues	3,567,993	2,370,637	287,710	6,226,340
Operating Expenses:				
Salaries & Wages	414,869	375,267	95,707	885,843
Operating Expenses	1,906,002	1,166,430	172,294	3,244,726
Depreciation	434,233	333,887	8,873	776,993
Total Operating Expenses	2,755,104	1,875,584	276,874	4,907,562
Operating Income (Loss)	812,889	495,053	10,836	1,318,778
Non-Operating Revenues (Expenses):				
Investment Income	6,832	2,470	1,702	11,004
Other	195,500	-	-	195,500
Interest Expense	(84,532)	(50,232)	-	(134,764)
Total Non-Operating Revenues (Expenses)	117,800	(47,762)	1,702	71,740
Income (Loss) Before Operating Transfers	930,689	447,291	12,538	1,390,518
Operating Transfers:				
Transfers In/(Out)	-	-	-	-
Total Operating Transfers	-	-	-	-
Change in Net Position	930,689	447,291	12,538	1,390,518
Net Position at Beginning of Year	8,136,275	5,977,192	7,850	14,121,317
Net Position at End of Year	\$ 9,066,964	\$ 6,424,483	\$ 20,388	\$ 15,511,835

The Notes to the Financial Statements are an integral part of this Statement.

**TOWN OF EAST LONGMEADOW, MASSACHUSETTS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

**Business-Type Activities
Enterprise Funds**

	Water Fund	Sewer Fund	Stormwater Fund	Total
Cash Flows From Operating Activities:				
Receipts from Customers and Users	\$ 3,361,081	\$ 2,316,355	\$ 280,735	\$ 5,958,171
Receipts from Other Revenues	95,887	38,480	-	134,367
Payments to Vendors	(1,872,015)	(1,347,423)	(86,401)	(3,305,839)
Payments to Employees	(413,669)	(376,046)	(92,420)	(882,135)
Net Cash Provided by (Used for) Operating Activities	1,171,284	631,366	101,914	1,904,564
Cash Flows from Noncapital Financing Activities:				
Transfers from (to) Other Funds	-	-	-	-
Net Cash Provided by (Used for) Noncapital Financing Activities	-	-	-	-
Cash Flows from Capital and Related Financing Activities:				
Other	195,500	-	-	195,500
Proceeds from the Issuance of Bonds and Notes	2,345,766	972,500	-	3,318,266
Acquisition and Construction of Capital Assets	(1,806,943)	(56,358)	-	(1,863,301)
Principal Payments on Bonds and Notes	(520,559)	(434,529)	-	(955,088)
Interest Expense	(119,544)	(57,711)	-	(177,255)
Net Cash Provided by (Used for) Capital and Related Financing Activities	94,220	423,902	-	518,122
Cash Flows from Investing Activities:				
Investment Income	6,832	2,470	1,702	11,004
Net Cash Provided by (Used for) Investing Activities	6,832	2,470	1,702	11,004
Net Increase (Decrease) in Cash and Cash Equivalents	1,272,336	1,057,738	103,616	2,433,690
Cash and Cash Equivalents at Beginning of Year	1,660,134	1,210,766	66,696	2,937,596
Cash and Cash Equivalents at End of Year	\$ 2,932,470	\$ 2,268,504	\$ 170,312	\$ 5,371,286

Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used For) Operating Activities:

Operating Income (Loss)	\$ 812,889	\$ 495,053	\$ 10,836	\$ 1,318,778
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation	434,233	333,887	8,873	776,993
Deferred (Outflows)/Inflows of Resources Related to Pensions	8,329	3,116	(4,901)	6,544
Deferred (Outflows)/Inflows of Resources Related to OPEB	(56,793)	(132,791)	(1,256)	(190,840)
Change in Assets and Liabilities:				
Increase (Decrease) in Warrants Payable	(6,224)	(8,845)	805	(14,264)
Increase (Decrease) in Accrued Payroll	2,559	466	968	3,993
Increase (Decrease) in Compensated Absences	(1,359)	(1,245)	2,319	(285)
Increase (Decrease) in Net OPEB Liability	126,782	(71,137)	17,494	73,139
Increase (Decrease) in Net Pension Liability	(38,107)	28,664	73,751	64,308
Decrease (Increase) in User Charges Receivable	(111,025)	(15,802)	(6,975)	(133,802)
Total Adjustments	358,395	136,313	91,078	585,786
Net Cash Provided by (Used for) Operating Activities	\$ 1,171,284	\$ 631,366	\$ 101,914	\$ 1,904,564

The Notes to the Financial Statements are an integral part of this Statement.

**TOWN OF EAST LONGMEADOW, MASSACHUSETTS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2021**

	Other Post Employment Benefits Trust Fund	Private Purpose Trust Funds
ASSETS:		
Cash and Cash Equivalents	\$ 175	\$ 69,566
Investments	10,028,367	46,163
Total Assets	10,028,542	115,729
NET POSITION:		
Restricted for Other Postemployment Benefits	10,028,542	-
Held in Trust for Other Purposes	-	115,729
Total Net Position	\$ 10,028,542	\$ 115,729

The Notes to the Financial Statements are an integral part of this Statement.

**TOWN OF EAST LONGMEADOW, MASSACHUSETTS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	Other Post Employment Benefits Trust Fund	Private Purpose Trust Funds
Additions:		
Employer Contributions	\$ 2,405,829	\$ -
Private Donations	-	7,410
Investment Income	2,106,792	5,207
Total Additions	4,512,621	12,617
Deductions:		
Educational Scholarships	-	14,750
General Expenses	-	510
Employee Benefits and Insurance	2,405,829	-
Total Deductions	2,405,829	15,260
Change in Net Position	2,106,792	(2,643)
Net Position at Beginning of Year	7,921,750	118,372
Net Position at End of Year	\$ 10,028,542	\$ 115,729

The Notes to the Financial Statements are an integral part of this Statement.

TOWN OF EAST LONGMEADOW, MASSACHUSETTS
Notes to the Basic Financial Statements
Year Ended June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The Town was incorporated in 1894 under the laws of the Commonwealth of Massachusetts. The Town is governed by a seven-member Town Council elected by the voters of the Town. The Town Council shall exercise all legislative powers of the Town. The executive branch, headed by the Town Manager, shall administer all town fiscal, business and municipal affairs.

For financial reporting purposes, the Town has included all funds, organizations, account groups, agencies, boards, commissions and institutions. The Town has also considered all potential component units for which it is financially accountable as well as other organizations for which the nature and significance of their relationship with the Town are such that exclusion would cause the basic financial statements to be misleading or incomplete. In fiscal year 2021, it was determined that no entities met the required GASB-39 and GASB-61 criteria for component units.

The Town is responsible for electing the governing board and/or committee members of the East Longmeadow Housing Authority. This related organization is excluded from the financial reporting entity because the Town's accountability does not extend beyond the Town electing the board members. Audited financial statements are available from the respective organization. A description of the related organization is as follows:

East Longmeadow Housing Authority - A public housing agency that provides housing assistance to eligible and qualified low and moderate income families, the elderly and the handicapped. The housing authority is an autonomous and self-sufficient agency under the State Executive Office of Communities and Development. The Town has no significant influence over management, budget or policies of the authority.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The government-wide financial statements (e.g., statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. Governmental activities, which are primarily supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which are supported primarily by user fees and charges.

The statement of activities demonstrates the degree to which the direct expenses of a given 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 (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

TOWN OF EAST LONGMEADOW, MASSACHUSETTS
Notes to the Basic Financial Statements
Year Ended June 30, 2021

Fund Financial Statements

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter 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. Non-major funds are aggregated and displayed in a single column.

Because governmental fund statements are presented using a measurement focus and basis of accounting different from that used in the government-wide statements' governmental column, a reconciliation is presented that briefly explains the adjustment necessary to reconcile ending net position and the change in net position.

Major Fund Criteria

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

- If the total assets, liabilities, revenues or expenditures/expenses of an individual governmental fund are at least 10 percent of the corresponding element (assets, liabilities, etc.) for all funds of that category or type (total governmental funds),

and
- If the total assets, liabilities, revenues or expenditures/expenses of the individual governmental funds are at least 5 percent of the corresponding element for all governmental funds combined.

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

Proprietary and fiduciary funds are reported by fund type.

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

Government-Wide Financial Statements

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis* of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recognized when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the 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.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the Town's enterprise funds and various other functions of the Town. Elimination of these charges would distort the direct costs and program revenues of the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, 3) capital grants and contributions, including special assessments, internally dedicated resources are reported.

TOWN OF EAST LONGMEADOW, MASSACHUSETTS
Notes to the Basic Financial Statements
Year Ended June 30, 2021

Fund Financial Statements

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis* of accounting. Under the modified accrual basis concept, revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon thereafter to be used to pay current liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, excises and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

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 Town reports the following major governmental funds:

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

The government reports the following major proprietary funds:

The *sewer fund* is used to account for the sewer activities.

The *stormwater fund* is used to account for the construction of road drainage improvements.

The *water fund* is used to account for the water activities.

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

The *special revenue fund* is used to account for the proceeds of specific revenue sources (other than permanent or capital projects funds) that are restricted by law or administrative action to expenditures for specified purposes.

The *capital projects fund* is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Enterprise and Trust Funds).

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

TOWN OF EAST LONGMEADOW, MASSACHUSETTS
Notes to the Basic Financial Statements
Year Ended June 30, 2021

Additionally, the government reports the following fund types:

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

The *Other Post Employment Benefit (OPEB) Trust Fund* is used to account for the assets held by the Town in trust for the payment of future retiree health insurance benefits. The assets of the OPEB Trust Fund cannot be used to support the Town's operations.

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

D. Cash and Cash Equivalents

Cash balances from all funds, except those required to be segregated by law, are combined to form a consolidation of cash. 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. The Town maintains a cash and investment pool that is available for use by all funds. Each fund's portion of this pool is reflected on the combined financial statements under the caption, "cash and cash equivalents".

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

Investment income from proprietary funds is maintained in those funds.

E. Investments

The Town maintains investments according to Massachusetts General Laws and adopted policies. Investments are reported according to the fair value hierarchy established by generally accepted accounting principles. Investments are defined as securities or other assets that (a) a government holds primarily for the purpose of income or profit and (b) has a present service capacity based solely on its ability to generate cash or to be sold to generate cash. Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The hierarchy is based upon valuation inputs, which are assumptions that market participants would use when pricing an asset or a liability, including assumptions about risk.

Level 1 inputs are quoted prices in active markets for identical assets or liabilities at the measurement date.

Level 2 inputs are directly observable for an asset or a liability (including quoted prices for similar assets or liabilities), as well as inputs that are indirectly observable for the asset or liability.

TOWN OF EAST LONGMEADOW, MASSACHUSETTS
Notes to the Basic Financial Statements
Year Ended June 30, 2021

Level 3 inputs are unobservable for the asset or liability.

Certain investments, such as money market investments and 2a7-like external investment pools, are reported at amortized cost. 2a7-like pools are external investment pools that operate in conformity with the Securities and Exchange Commission's (SEC) Rule 2a7 as promulgated under the Investment Company Act of 1940, as amended and should be measured at the net asset value per share provided by the pool.

Additional investment disclosures are presented in these Notes.

F. Receivables

The recognition of revenues 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.

Property Taxes and Tax Liens

Property taxes are based on assessments as of January 1, 2020 and include betterments, special assessments and liens. Taxes are used to finance the operations of the Town for the fiscal year July 1st to June 30th. By law, all taxable property in the Commonwealth of Massachusetts must be assessed at 100% of fair cash value. Taxes are due and payable on July 1st. The Town has accepted the quarterly tax payment system. Under the quarterly tax payment system, the assessors make a preliminary tax commitment based on the prior year's net tax and may not exceed, with limited exceptions, fifty percent of that amount. The collector must mail preliminary tax bills each year by July 1st. The preliminary tax is payable in two equal installments. The first installment is due on August 1st and the second installment is due on November 1st. After the Town sets the tax rate, the assessors make the actual tax commitment. If actual bills are mailed on or before December 31st, the balance remaining is payable in two equal installments. The first installment is due on February 1st and the second installment is due on May 1st. If bills are mailed after December 31st, the entire balance is not due until May 1st or thirty days after the bills were mailed, whichever is later. Any betterments, special assessments and other charges are added to the actual bills. Interest at the rate of 14% is charged on the amount of any preliminary tax or actual tax installment payment that is unpaid and delinquent and is charged only for the number of days the payment is actually delinquent. If actual tax bills are mailed after December 31st, interest will be computed from May 1st, or the payment due date, whichever is later. The Town has an ultimate right to foreclose on property for which taxes have not been paid. Property taxes levied are recorded as receivables. Revenues from property taxes are recognized in the fiscal year for which they have been levied.

The Town mailed preliminary tax bills for the fiscal year 2021 on June 25, 2020 and September 24, 2020 that were due on August 3, 2020 and November 2, 2020 and actual bills on December 30, 2020 and March 26, 2021 that were due on February 1, 2021 and May 3, 2021, respectively.

The Commonwealth of Massachusetts electorate in November, 1980, passed legislation known as Proposition 2 1/2, in order to limit the amount of revenue to be raised by taxation. The purpose of the legislation was to control the levy of taxes that are assessed to property owners of a Town.

The legal levy limit under Proposition 2 1/2 for fiscal year 2021 is as follows:

Legal Levy Limit Under Proposition	
2 1/2 for fiscal year 2021	\$ 46,127,811
Add: Debt Exclusion	554,948
Maximum Allowable Levy	\$ 46,682,759

TOWN OF EAST LONGMEADOW, MASSACHUSETTS
Notes to the Basic Financial Statements
Year Ended June 30, 2021

The total amount to be raised by taxation was \$44,736,486.

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

Excise Taxes

Excise taxes consist of motor vehicle excise and vessel excise. Motor vehicle and vessel excise taxes are assessed annually for each vehicle and vessel 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 value of those vehicles. The Board of Assessors of the Town is responsible for determining the value of each vessel.

The tax calculation is the fair market value of the vehicle or vessel multiplied by the \$25 per \$1,000 of value and \$10 per \$1,000 of valuation, respectively.

The allowance for uncollectible accounts is based on historical trends and specific account analysis.

User Charges

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

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

Departmental

Departmental receivables consist primarily of highway fees, payments in lieu of taxes, police off duty, and income and expense penalties added to taxes.

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

Special Assessments

Special assessments consist of the water and sewer betterments.

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

Due from Other Governments

Various federal and state grants for operating and capital purposes are applied for and received annually. For non-expenditure 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.

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

TOWN OF EAST LONGMEADOW, MASSACHUSETTS
Notes to the Basic Financial Statements
Year Ended June 30, 2021

G. Capital Assets

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

All purchase and construction costs in excess of \$15,000 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 fixed assets are as follows:

Capital Asset Type	Years
Buildings and renovations	10-40
Machinery, equipment and other	3-15
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.

H. Interfund Transfers

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

In the government-wide financial statements, operating transfers between and within governmental funds are eliminated from the governmental activities in the statement of activities. Any residual balances outstanding between the governmental activities and business-type activities are reported in the statement of activities as "Transfers net".

In the fund financial statements, operating transfers between and within funds are not eliminated from the individual fund statements and are reported as operating transfers in and operating transfers out.

I. Deferred Outflows/Inflows of Resources

Government-wide financial statements

The government-wide financial statements *Statement of Net Position* includes a separate section, listed below total assets, for *deferred outflows of resources*. This represents the usage of net position applicable for future period(s) and will not be recognized as expenditures until the future period to which it applies. Currently, the only items in this category are *deferred outflows related to pensions and deferred outflows related to OPEB*.

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

TOWN OF EAST LONGMEADOW, MASSACHUSETTS
Notes to the Basic Financial Statements
Year Ended June 30, 2021

Fund financial statements

In addition to liabilities, the governmental funds balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Town has only one type of item, which arises only under a modified accrual basis of accounting that qualifies in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues for the Town's property taxes, excise taxes, departmental receipts and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

J. Net Position and Fund Balances

In the Governmental-Wide financial statements, the difference between the Town's total assets, deferred outflows of resources, total liabilities and deferred inflows of resources represents net position. Net position displays three components – net investment in capital assets, restricted (distinguished between major categories of restrictions); and unrestricted. Unrestricted net position represents the net position available for future operations.

Net position classified as net investment in capital assets, consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Net position has been "restricted for" the following:

"Capital projects" represents amounts restricted for capital purposes.

"Federal and state grants" represents amounts restricted by the federal and state government for various programs.

"Community Preservation" represents amounts restricted for the purposes under the community preservation act adopted by the Town.

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

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

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of those resources.

The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned and unassigned.

Restricted fund balance. This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

TOWN OF EAST LONGMEADOW, MASSACHUSETTS
Notes to the Basic Financial Statements
Year Ended June 30, 2021

Committed fund balance. These amounts can only be used for specific purposes pursuant to constraints imposed by formal action of the Town's highest level of decision-making authority, which is the Town meeting action and can be modified or rescinded only through these actions. Committed amounts cannot be used for any other purpose unless the Town removes or changes the specified use by taking the same type of action it employed to previously commit.

Assigned fund balance. This classification reflects the amounts constrained by the Town's "intent" to be used for specific purposes, but are neither restricted nor committed. Department heads and Town board/committees have the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.

Unassigned fund balance. This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

When the restricted and other fund balance resources are available for use, it is the Town's policy to use restricted resources first, followed by committed, assigned, and unassigned amounts respectively.

K. Long-term Debt

Long-term debt is reported as liabilities in the government-wide and proprietary fund statement of net position.

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

L. Compensated Absences

The Town grants to employees sick and vacation leave in varying amounts based upon length of service in accordance with State laws, collective bargaining agreements, union contracts and executive policies. Upon retirement, termination, or death, certain employees are compensated for unused vacation and sick leave (subject to certain limitations) at their current rates of pay.

M. Pension Benefits

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 Hampden County Retirement System (the System) and the Massachusetts Teachers Retirement System (MTRS) are provided. Additions to and deductions from the fiduciary net position have been determined on the same basis as they are reported by the Systems. For this purpose, benefit payments, including refunds of employee contributions, are recognized when due and payable according with the benefit terms. Investments are reported at their fair value.

N. Post Retirement Benefits

In addition to providing pension benefits, health insurance coverage is provided for retired employees and their survivors in accordance with MGL, Chapter 32, on a pay-as-you-go basis. The cost of providing health insurance is recognized by recording the employer's share of insurance premiums for retirees and spouses for Medicare and PPO and HMO in the general fund in the fiscal year paid.

TOWN OF EAST LONGMEADOW, MASSACHUSETTS
Notes to the Basic Financial Statements
Year Ended June 30, 2021

O. Use of Estimates

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

P. Total Column

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

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

An annual budget is adopted for the Town's General Fund. Although legislative approval is required for the acceptance of grants, capital projects, and borrowing authorizations, annual budgets are not prepared for any other fund; therefore, comparison of budget to actual is only presented for the General Fund.

The Town must establish its property tax rate each year so that the property tax rate levy will comply with the limits established by Proposition 2 1/2, as amended, and also equal the sum of (a) the aggregate of all annual appropriations for expenditures, plus (b) provision for prior year deficits, if any, less (c) the aggregate of all non-property tax revenues estimated to be received, including available funds.

The Town follows these procedures in establishing the General Fund budgetary data as reflected in the financial statements:

- The Town Manager shall set policy and procedures for the preparation of the Town's budget.
- The Town Manager shall prepare and submit the budget to the Town Council.
- The Town Council shall have one or more public hearings on the proposed budget.
- Copies shall be made available for public review prior to the public hearing.
- The Town Council shall adopt the budget with or without amendments by June 1.

Massachusetts law requires cities and towns to provide a balanced budget. Section 23 of Chapter 59 of the Massachusetts General Laws states, in part,

"The assessors shall annually assess taxes to an amount not less than the aggregate of all amounts appropriated, granted or lawfully expended by their respective towns (cities) since the preceding annual assessment and not provided for therein . . . "

For fiscal year 2021, the Town incurred a final budget deficit of \$594,994 for the General Fund.

TOWN OF EAST LONGMEADOW, MASSACHUSETTS
Notes to the Basic Financial Statements
Year Ended June 30, 2021

The Town voted from the following sources to fund the deficit budget during the fiscal year:

Unassigned fund balance:			
Free cash votes	\$	8,333	
Reserved for debt		44,478	
Prior year's encumbrances		542,183	
		594,994	
	\$	594,994	

B. Deficit Fund Balances

The following funds have deficits at June 30, 2021 as measured by the balance of unreserved fund balance.

- The *Maple Brook Elementary School roof* capital project fund has a deficit of \$901,954. The Town has an authorization to borrow for \$1,034,106. The deficit will be eliminated upon receipt of additional Massachusetts School Building Administration (MSBA) funds and/or the issuance of permanent debt.
- The *highway* special revenue fund has a deficit of \$28,459. This deficit will be eliminated upon additional receipts or appropriation.
- The *Police bullet proof vests* special revenue fund has a deficit of \$7,275. This deficit will be eliminated upon additional receipts or appropriation.
- The *Hazardous materials emergency planning* special revenue fund has a deficit of \$438. This deficit will be eliminated upon additional receipts or appropriation.
- The *Federal Emergency Management Agency* special revenue funds used for Covid-19 have a deficit totaling \$91,678. This deficit will be eliminated upon additional receipts or appropriation.
- The *Off-duty details* special revenue fund used for Police, Fire, and Department of Public Works details has a deficit of \$11,048 (mainly the DPW of \$5,167). This deficit will be eliminated upon appropriation.

3. DETAILED NOTES

A. Deposits and Investments

Custodial Credit Risks – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned. The Town has a deposit policy for custodial credit risk. Deposits at June 30, 2021 were \$29,748,559. Of these, none are exposed to custodial credit risk as uninsured and uncollateralized.

TOWN OF EAST LONGMEADOW, MASSACHUSETTS
Notes to the Basic Financial Statements
Year Ended June 30, 2021

Investment Policies

Investments of funds, except for trust funds, are generally restricted by Massachusetts General Laws, Chapter 44, Section 55. That statute permits investments of available revenue funds and bond and note proceeds in term deposits and certificates of deposit of banks and trust companies, in obligations issued or unconditionally guaranteed by the federal government or an agency thereof with a maturity of not more than one year, in repurchase agreements with a maturity of not more than 90 days secured by federal or federal agency securities, in participation units in the Massachusetts Municipal Depository Trust ("MMDT"), or in shares in SEC-registered money market funds with the highest possible rating from at least one nationally recognized rating organization.

The MMDT is an investment pool created by the Commonwealth under the supervision of the State Treasurer's office. According to the State Treasurer, the Trust's investment policy is designed to maintain an average weighted maturity of 90 days or less and is limited to high-quality, readily marketable fixed income instruments, including U. S. Government obligations and highly-rated corporate securities with maturities of one year or less. The MMDT is an external investment pool that meets the criteria established under GASB Statement No. 79 to report its investments at amortized cost. MMDT's fair value is measured at amortized cost.

As of June 30, 2021, the Town had the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 to 5	6 to 10	More than 10
Debt Securities:					
U. S. government agencies	\$ 562,120	\$ -	\$ 178,547	\$ 383,573	\$ -
Corporate bonds	830,757	55,704	385,941	389,112	-
Municipal bonds	851,239	-	535,036	74,708	241,495
	<u>2,244,116</u>	<u>\$ 55,704</u>	<u>\$ 1,099,524</u>	<u>\$ 847,393</u>	<u>\$ 241,495</u>
Other Investments:					
Certificates of deposits	1,008,012				
Equity mutual funds	10,326,299				
Equity securities - domestic	1,599,871				
MMDT	52,713				
	<u>\$ 15,231,011</u>				

Custodial Credit Risks - Investments

For an investment, custodial risk 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. Of the Town's \$15,231,011 in investments, \$4,891,557 are uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department but not in the Town's name. The Town has no policy on custodial credit risk.

Interest Rate Risk

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

TOWN OF EAST LONGMEADOW, MASSACHUSETTS
Notes to the Basic Financial Statements
Year Ended June 30, 2021

Credit Risk

The Town's exposure to credit risk as of June 30, 2021 is follows:

Related Debt Instruments	Fair Value
Moody's Quality Ratings	
<i>U. S. Government Agencies:</i>	
Aaa	\$ 562,120
<i>Corporate Bonds:</i>	
Aaa	47,933
A1	69,490
A2	305,241
A3	63,449
AA3	55,704
Baa1	119,806
Baa2	169,134
<i>Municipal Bonds:</i>	
Aaa	99,127
AA1	366,024
AA2	375,179
AA3	10,909
	\$ 2,244,116

Concentration of Credit Risk

The Town places no limit on the amount the Town may invest in one issuer. The Town does not have more than 5 percent of the Town's investments in one issuer.

Fair Value of Investments

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

TOWN OF EAST LONGMEADOW, MASSACHUSETTS
Notes to the Basic Financial Statements
Year Ended June 30, 2021

The Town has the following recurring fair value measurements as of June 30, 2021:

Investment Type	Fair Value	Fair Value Measurements		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value Level:				
U. S. government agencies	\$ 562,120	\$ 562,120	\$ -	\$ -
Certificates of deposit	1,008,012	1,008,012	-	-
Equity mutual funds	10,326,299	10,326,299	-	-
Equity securities - domestic	1,599,871	1,599,871	-	-
Corporate bonds	830,757	-	830,757	-
Municipal bonds	851,239	-	851,239	-
	<u>15,178,298</u>	<u>\$ 13,496,302</u>	<u>\$ 1,681,996</u>	<u>\$ -</u>
Investments Measured at Amortized Cost:				
External Investment Pools (MMDT)	<u>52,713</u>			
Total Investments	<u>\$ 15,231,011</u>			

Investments classified in Level 1 of the fair value hierarchy are valued using quoted prices in active markets for those securities.

Investments classified in Level 2 are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

B. Receivables

At June 30, 2021, receivables for the individual major governmental funds, non-major governmental funds and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	Gross Amount	Allowance for Uncollectibles	Net Amount
Major and nonmajor governmental funds:			
Property taxes	\$ 678,756	\$ (43,622)	\$ 635,134
Tax liens	738,634	-	738,634
Excise taxes	273,298	(56,949)	216,349
Departmental	819,597	(378,947)	440,650
Due from other governments	994,610	-	994,610
	<u>\$ 3,504,895</u>	<u>\$ (479,518)</u>	<u>\$ 3,025,377</u>

TOWN OF EAST LONGMEADOW, MASSACHUSETTS
Notes to the Basic Financial Statements
Year Ended June 30, 2021

At June 30, 2021, receivables for the business-type activities consist of the following:

	Gross Amount	Allowance for Uncollectibles	Net Amount
Sewer Fund:			
User charges	\$ 388,525	\$ (1,000)	\$ 387,525
Tax liens	10,279	-	10,279
Special assessments	38,367	-	38,367
Stormwater Fund:			
User charges	54,720	-	54,720
Tax liens	141	-	141
Water Fund:			
User charges	571,000	(1,000)	570,000
Tax liens	16,295	-	16,295
	\$ 1,079,327	\$ (2,000)	\$ 1,077,327

The composition of amounts due from other governments as of June 30, 2021 for the governmental funds are as follows:

General Fund:			
Commonwealth of Massachusetts:			
Department of Veterans Services:			
Veterans benefits		\$	49,285
Nonmajor Governmental Funds:			
U. S. Department of Agriculture:			
School lunch	\$	54,938	
U. S. Department of Education:			
School title grants		13,766	
Commonwealth of Massachusetts:			
Department of Elementary & Secondary Education:			
School lunch		740	
School title grants		30,832	
Department of Fire Services		15,000	
Executive Office of Public Safety and Homeland Security			
Public Safety Grants		1,239	
Massachusetts Department of Transportation:			
Highway Department - Chapter 90 funded projects		828,810	945,325
		\$	994,610

TOWN OF EAST LONGMEADOW, MASSACHUSETTS
Notes to the Basic Financial Statements
Year Ended June 30, 2021

C. Deferred Inflows of Resources – Unavailable Revenue

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

General Fund:			
Property taxes	\$	518,784	
Tax liens		735,752	
Excise taxes		216,349	
Departmental		356	
Due from other governments		49,285	\$ 1,520,526
Nonmajor governmental funds:			
Property taxes		4,450	
Tax liens		2,882	
Departmental		400,120	
Due from other governments		828,810	1,236,262
			\$ 2,756,788

D. Capital Assets

Capital asset activity for the governmental and business-type activities for the year ended June 30, 2021, are as follows:

Governmental Activities	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	\$ 5,182,465	\$ -	\$ -	\$ 5,182,465
Construction in progress	3,019,181	474,492	(3,463,829)	29,844
Total capital assets not being depreciated	8,201,646	474,492	(3,463,829)	5,212,309
Capital assets being depreciated:				
Buildings and Renovations	62,830,404	3,497,752	-	66,328,156
Machinery, equipment and other	8,067,795	446,365	(39,358)	8,474,802
Infrastructure	9,265,480	785,571	-	10,051,051
Total capital assets being depreciated	80,163,679	4,729,688	(39,358)	84,854,009
Less accumulated depreciation for:				
Buildings and Renovations	38,095,175	2,200,206	-	40,295,381
Machinery, equipment and other	6,493,540	362,249	(39,358)	6,816,431
Infrastructure	2,932,611	475,903	-	3,408,514
Total accumulated depreciation	47,521,326	3,038,358	(39,358)	50,520,326
Total capital assets being depreciated, net	32,642,353	1,691,330	-	34,333,683
Total governmental activities capital assets, net	\$ 40,843,999	\$ 2,165,822	\$ (3,463,829)	\$ 39,545,992

TOWN OF EAST LONGMEADOW, MASSACHUSETTS
Notes to the Basic Financial Statements
Year Ended June 30, 2021

Business-type Activities	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Construction in progress	\$ 579,356	\$ 592,710	\$ (1,148,053)	\$ 24,013
Total capital assets not being depreciated	579,356	592,710	(1,148,053)	24,013
Capital assets being depreciated:				
Buildings and renovations	29,597	-	-	29,597
Machinery, equipment and other	1,182,071	56,358	-	1,238,429
Infrastructure	41,728,241	2,362,286	-	44,090,527
Total capital assets being depreciated	42,939,909	2,418,644	-	45,358,553
Less accumulated depreciation for:				
Buildings and renovations	29,597	-	-	29,597
Machinery, equipment and other	529,665	133,739	-	663,404
Infrastructure	25,579,995	643,254	-	26,223,249
Total accumulated depreciation	26,139,257	776,993	-	26,916,250
Total capital assets being depreciated, net	16,800,652	1,641,651	-	18,442,303
Total business-type activities capital assets, net	\$ 17,380,008	\$ 2,234,361	\$ (1,148,053)	\$ 18,466,316

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

Governmental Activities:

General government	\$ 242,401
Public safety	440,593
Public works	545,718
Education	1,483,192
Health and human services	79,758
Culture and recreation	246,696
Total depreciation expense - governmental activities	<u>\$ 3,038,358</u>

Business-Type Activities:

Sewer fund	\$ 333,887
Stormwater fund	8,873
Water fund	434,233
Total depreciation expense - business-type activities	<u>\$ 776,993</u>

E. Interfund Receivables, Payables and Transfers

Interfund transfers for the fiscal year ended June 30, 2021, are summarized below:

Transfers Out:	Transfers In:		
	General fund	Nonmajor Governmental fund	Total
General fund	\$ -	\$ 962,940	\$ 962,940
Nonmajor governmental funds	184,412	-	184,412
Total transfers out	<u>\$ 184,412</u>	<u>\$ 962,940</u>	<u>\$ 1,147,352</u>

TOWN OF EAST LONGMEADOW, MASSACHUSETTS
Notes to the Basic Financial Statements
Year Ended June 30, 2021

F. Leases

The Town has entered into capital leases in the governmental type fund for the financing of fire department vehicles. The lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date.

The assets acquired through the financing agreement are as follows:

	Governmental Activities
Asset:	
Machinery, Equipment and Other	\$ 1,380,323
Less: Accumulated Depreciation	(269,675)
Total	\$ 1,110,648

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2021, are as follows:

Year Ending June 30,	Governmental Activities
2022	\$ 350,561
2023	214,787
Total minimum lease payments	565,348
Less: amount representing interest	(22,641)
Present value of minimum lease payments	\$ 542,707

G. Short-Term Financing

Under the general laws of the Commonwealth and with the appropriate local authorization the Town is authorized to borrow funds on a temporary basis to (1) fund current operations prior to the collection of revenues, by issuing revenue anticipation notes, (2) fund grants prior to reimbursements, by issuing grant anticipation notes, and (3) fund capital projects costs incurred prior to selling permanent debt by issuing bond anticipation notes.

Details related to the short-term debt activity of the governmental type fund are as follows:

Purpose	Interest Rate	Final Maturity Date	Balance July 1, 2020	Renewed/ Issued	Retired/ Redeemed	Outstanding June 30, 2021
Governmental Activities						
Bond Anticipation Notes:						
High School Feasibility Study	1.50%	2/3/2022	\$ -	\$ 1,260,000	\$ -	\$ 1,260,000
Meadow Brook Elementary School roof replacement	1.50%	2/3/2022	-	1,034,106	-	1,034,106
Middle School Steam pipe replacement	1.50%	2/3/2022	-	449,430	-	449,430
Total Governmental Activities			\$ -	\$ 2,743,536	\$ -	\$ 2,743,536

TOWN OF EAST LONGMEADOW, MASSACHUSETTS
Notes to the Basic Financial Statements
Year Ended June 30, 2021

Details related to the short-term debt activity of the business-type fund are as follows:

Purpose	Interest Rate	Final Maturity Date	Balance July 1, 2020	Renewed/ Issued	Retired/ Redeemed	Outstanding June 30, 2021
Business-Type Activities:						
Sewer Fund:						
Bond Anticipation Notes:						
Various projects	1.50%	2/3/2022	\$ -	\$ 972,500	\$ -	\$ 972,500
Water Fund:						
Bond Anticipation Notes:						
Various projects	1.50%	2/3/2022	-	404,908	-	404,908
Total Business-Type Activities			<u>\$ -</u>	<u>\$ 1,377,408</u>	<u>\$ -</u>	<u>\$ 1,377,408</u>

H. Long Term Debt

General Obligation Bonds

The Town issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities.

TOWN OF EAST LONGMEADOW, MASSACHUSETTS
Notes to the Basic Financial Statements
Year Ended June 30, 2021

General obligation bonds currently outstanding of the governmental type fund are as follows:

	Interest Rate	Date Issued	Final Maturity Date	Original Amount Issued	Outstanding June 30, 2021
Inside Debt:					
Municipal purpose loan of 2003:					
Library	2.0-5.0%	6/1/2003	6/1/2023	\$ 2,200,000	\$ 220,000
Municipal purpose loan of 2005:					
Remodeling projects	3.85%	4/1/2005	4/1/2022	1,336,200	100,000
Municipal purpose loan of 2009	2.91%	1/15/2009	1/15/2024	4,852,000	550,000
Municipal purpose loan of 2010	2.09%	9/15/2010	9/15/2025	2,730,000	600,000
Municipal purpose loan of 2011	2.0-5.0%	10/13/2011	8/1/2029	4,405,000	1,120,000
Municipal purpose loan of 2016:					
Pine Knoll Pool Renovations	1.46%	6/29/2016	6/15/2028	450,000	250,000
Municipal purpose loan of 2019:					
School projects	2.63-2.81%	9/27/2018	9/15/2033	2,677,840	2,300,000
Municipal purpose loan of 2020:					
School projects	0.50-0.55%	11/12/2020	11/1/2026	1,136,600	1,136,600
Roadway Improvements	1.25%	11/12/2020	11/1/2026	1,152,342	1,152,342
Massachusetts Clean Water Trust:					
GIS project	N/A	10/26/2006	8/1/2024	194,098	54,112
GIS project	2.00%	10/26/2006	7/15/2024	138,448	36,986
Total Inside Debt					<u>7,520,040</u>
Outside Debt:					
Municipal purpose loan of 2018:					
Meadow Brook Elementary School	2.81%	9/27/2018	9/15/2033	1,336,160	1,155,000
Total Outside Debt					<u>1,155,000</u>
Total governmental type debt					<u>\$ 8,675,040</u>

Future Debt Service

The annual principal and interest payments to retire all general obligation long-term debt outstanding as of June 30, 2021, are as follows:

Year	Principal	Interest	Total
2022	\$ 1,372,645	\$ 325,345	\$ 1,697,990
2023	1,145,384	232,894	1,378,278
2024	1,032,661	189,809	1,222,470
2025	838,350	152,887	991,237
2026	801,000	124,886	925,886
2027-2031	2,345,000	319,731	2,664,731
2032-2034	1,140,000	55,247	1,195,247
	<u>\$ 8,675,040</u>	<u>\$ 1,400,799</u>	<u>\$ 10,075,839</u>

TOWN OF EAST LONGMEADOW, MASSACHUSETTS
Notes to the Basic Financial Statements
Year Ended June 30, 2021

General obligation bonds currently outstanding of the business-type fund are as follows:

	Interest Rate	Date Issued	Final Maturity Date	Original Amount Issued	Outstanding June 30, 2021
Inside Debt:					
Sewer Fund:					
Municipal purpose loan of 2003:					
Sewer projects	2.0-5.0%	6/1/2003	6/1/2023	\$ 4,775,000	\$ 480,000
Municipal purpose loan of 2010:					
Pump Station Upgrades	2.09%	9/15/2010	9/15/2025	1,104,000	355,000
Municipal purpose loan of 2011:					
Sewer projects	2.0-5.0%	10/13/2011	8/1/2021	612,780	43,000
Municipal purpose loan of 2018:					
Sewer vehicle and equipment	2.49%	9/27/2018	9/15/2028	270,500	205,000
Sewer inflow and infiltration	2.49%	9/27/2018	9/15/2028	100,000	80,000
Municipal purpose loan of 2020:					
Mill Road Sanitary Sewer Construction	0.50%	11/12/2020	11/1/2025	49,900	49,900
Massachusetts Clean Water Trust:					
GIS Project	N/A	10/26/2006	8/1/2024	76,907	21,441
GIS Project	2.00%	10/26/2006	7/15/2024	54,857	14,654
Water Fund:					
Massachusetts Clean Water Trust:					
GIS Project	N/A	10/26/2006	8/1/2024	95,218	26,546
GIS Project	2.00%	10/26/2006	7/15/2024	67,918	18,144
Total Inside Debt					<u>1,293,685</u>
Outside Debt:					
Water Fund:					
Municipal purpose loan of 2003:					
Water tank painting	2.0-5.0%	6/1/2003	6/1/2023	100,000	10,000
Water main projects	2.0-5.0%	6/1/2003	6/1/2023	4,140,000	410,000
Municipal purpose loan of 2011:					
Water main projects	2.0-5.0%	10/13/2011	8/1/2021	398,170	32,000
Municipal purpose loan of 2016:					
Harkness Pump Station improvements	1.46%	6/29/2016	6/15/2028	731,000	430,000
Municipal purpose loan of 2018:					
Water main projects	2.75-2.81%	9/27/2018	9/15/2028	1,110,500	950,000
Municipal purpose loan of 2020:					
Water tower	0.50%	11/12/2020	11/1/2025	565,300	565,300
Water main projects	1.26%	11/12/2020	11/1/2025	835,358	835,358
Water tank painting	0.84%	11/12/2020	11/1/2025	1,105,500	1,105,500
Total Outside Debt					<u>4,338,158</u>
Total business-type debt					<u>\$ 5,631,843</u>

TOWN OF EAST LONGMEADOW, MASSACHUSETTS
Notes to the Basic Financial Statements
Year Ended June 30, 2021

Future Debt Service

The annual principal and interest payments to retire all business-type long-term debt outstanding as of June 30, 2021, are as follows:

Year	Principal	Interest	Total
2022	\$ 1,088,304	\$ 231,764	\$ 1,320,068
2023	1,015,907	144,449	1,160,356
2024	556,982	104,033	661,015
2025	551,650	83,413	635,063
2026	529,000	65,650	594,650
2027-2031	1,410,000	153,150	1,563,150
2032-2034	480,000	23,363	503,363
	<u>\$ 5,631,843</u>	<u>\$ 805,822</u>	<u>\$ 6,437,665</u>

A summary of the changes in governmental activities and business-type long-term liabilities during the year is as follows:

	Balance July 1, 2020	Additions	Reductions	Balance June 30, 2021	Amounts Due within One Year
Governmental activities:					
Bonds Payable:					
General obligation bonds Massachusetts Clean	\$ 9,789,000	\$ 2,288,942	\$ 3,494,000	\$ 8,583,942	\$ 1,350,942
Water Trust bonds	112,624	-	21,526	91,098	21,703
Capital lease	626,975	393,000	477,268	542,707	333,912
Compensated absences	828,826	29,649	155,793	702,682	556,272
Net OPEB liability	39,290,763	17,148,873	-	56,439,636	-
Net Pension liability	44,302,147	1,493,526	-	45,795,673	-
Governmental activity					
Long-term liabilities	<u>\$ 94,950,335</u>	<u>\$ 21,353,990</u>	<u>\$ 4,148,587</u>	<u>\$ 112,155,738</u>	<u>\$ 2,262,829</u>
Business type activities:					
Bonds Payable:					
General obligation bonds Massachusetts Clean	\$ 4,611,000	\$ 2,556,058	\$ 1,616,000	\$ 5,551,058	\$ 1,069,058
Water Trust bonds	99,873	-	19,088	80,785	19,246
Compensated absences	57,026	2,319	2,604	56,741	38,957
Net OPEB liability	346,047	73,139	-	419,186	-
Net Pension liability	1,833,908	64,308	-	1,898,216	-
Business-type activity					
Long-term liabilities	<u>\$ 6,947,854</u>	<u>\$ 2,695,824</u>	<u>\$ 1,637,692</u>	<u>\$ 8,005,986</u>	<u>\$ 1,127,261</u>

TOWN OF EAST LONGMEADOW, MASSACHUSETTS
Notes to the Basic Financial Statements
Year Ended June 30, 2021

Massachusetts Clean Water Trust (MCWT)

The Town is scheduled to be subsidized by the Massachusetts Clean Water Trust (MCWT) on a periodic basis for principal in the amount of \$674,988 and interest costs of \$281,699 for two loans which the Town has borrowed from MCWT. The gross amount outstanding at June 30, 2021 for principal and interest combined for the loan is \$182,106. The net repayments, including interest, are scheduled to be \$170,876. Since the Town is legally obligated for the total amount of the debt, such amounts for the gross principal have been recorded on the financial statements. The fiscal year 2021 interest subsidies totaled \$3,546.

Legal Debt Limit

Under Section 10 of Chapter 44 of the Massachusetts General Laws a Town may authorize indebtedness up to a limit of five percent of its equalized valuation of the Town. Debt issued in accordance with this section of the law is designated as being "inside the debt limit." The Town's inside debt at June 30, 2021 totaled \$8,813,725.

In addition, the Town is authorized to incur debt outside of that limit for specific purposes. Such debt, when issued, is designated as being "outside the debt limit." The following is a computation of the legal debt limit as of June 30, 2021:

Equalized Valuation-Real Estate and Personal Property (2020)		<u>\$ 2,143,969,100</u>	
Debt Limit: 5 % of Equalized value		107,198,455	
Total Debt Outstanding	\$ 14,306,883		
Less: Debt Outside Debt Limit	<u>(5,493,158)</u>		<u>8,813,725</u>
Inside Debt Excess Borrowing Capacity at June 30, 2021		<u>\$ 98,384,730</u>	

Loans Authorized and Unissued - Memorandum Only

Under the general laws of the Commonwealth of Massachusetts a Town must authorize debt at a Town meeting. This authorized debt does not have to be actually issued at that time and remains authorized until the debt is actually issued or Town meeting votes to rescind the authorized debt. Loan authorizations that have not been issued as of June 30, 2021 and are not reflected in the Town's financial statements are as follows:

Date Town Meeting Authorized	Purpose	Amount
5/19/2008	Health department - landfill Somers & Allen Street	\$ 138,000
5/21/2012	Harkness Pump Station improvements (Water)	500
5/23/2017	Water Main Replacement - Maple Street	58,250
7/21/2020	Stormwater - Street Sweeper	<u>235,000</u>
		<u>\$ 431,750</u>

TOWN OF EAST LONGMEADOW, MASSACHUSETTS
Notes to the Basic Financial Statements
Year Ended June 30, 2021

I. Fund Balances

The following is a summary of the Town's Governmental fund balances at the year ended June 30, 2021:

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
Restricted:			
Federal, state and local grants	\$ -	\$ 1,610,173	\$ 1,610,173
School revolving funds	-	867,874	867,874
Town revolving funds	-	1,356,866	1,356,866
Community preservation funds	-	1,916,152	1,916,152
Donations and gifts	-	174,706	174,706
Payment of Debt	372,260	490,392	862,652
Capital projects	-	1,389,488	1,389,488
Permanent funds	-	10,928	10,928
Other	-	351,871	351,871
	<u>372,260</u>	<u>8,168,450</u>	<u>8,540,710</u>
Committed:			
Capital projects	-	1,143,932	1,143,932
Ambulance reserve	-	1,518,379	1,518,379
Compensated absence reserve	-	376,469	376,469
	<u>-</u>	<u>3,038,780</u>	<u>3,038,780</u>
Assigned:			
Reserve for encumbrances	<u>926,172</u>	<u>-</u>	<u>926,172</u>
Unassigned:			
General Fund	10,448,445	-	10,448,445
Special revenue deficit:	-	(138,898)	(138,898)
Capital project deficit:	-	(901,954)	(901,954)
	<u>10,448,445</u>	<u>(1,040,852)</u>	<u>9,407,593</u>
Total Governmental fund balances	<u>\$ 11,746,877</u>	<u>\$ 10,166,378</u>	<u>\$ 21,913,255</u>

TOWN OF EAST LONGMEADOW, MASSACHUSETTS
Notes to the Basic Financial Statements
Year Ended June 30, 2021

J. Special Trust Funds

Stabilization Fund

Massachusetts General Laws, Chapter 40, Section 5B, allows for the establishment of stabilization funds for one or more different purposes. The creation of a fund requires a two-thirds vote of the legislative body and must clearly define the purpose of the fund. Any change to the purpose of the fund along with any additions to or appropriations from the fund requires a two-thirds vote of the legislative body. Any interest shall be added to and become a part of the fund.

At June 30, 2021, the balance in the stabilization fund is \$3,410,928 and is reported in the General Fund as unassigned fund balance.

4. OTHER INFORMATION

A. Risk Management

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. The Town has obtained a variety of commercial liability insurance policies that passes the risk of loss listed above to independent third parties.

Settlement claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

B. Contingent Liabilities

Litigation

Litigation is subject to many uncertainties, and the outcome of individual matters is not always predictable. Although the amount of the liability, if any, at June 30, 2021, cannot be ascertained, management believes any resulting liability should not materially affect the financial position at June 30, 2021.

The Town has received state and federal grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for any expenditure disallowed under the terms of the grant. The amount, if any, of expenditures which may be disallowed cannot be determined at this time, although, based on prior experience, Town management believes such disallowances, if any, will not be material.

C. Coronavirus (COVID-19)

The Covid-19 pandemic in the United States and across the globe has resulted in economic uncertainties. The disruption was expected to be temporary, but there remains considerable uncertainty around the duration and scope. The United States Federal Government and State of Massachusetts established funding through various sources; the Coronavirus Aid Relief and Economic Security (CARES) Act and the American Rescue Plan Act (ARPA) in addition to several other federal and state grants. The extent of the impact of Covid-19 on our operational and financial performance will depend on certain developments, including the duration and spread of outbreak, impact on our customers, employees, and vendors all of which are uncertain and cannot be predicted. At this point, the full extent to which Covid-19 may impact our financial condition or results of operations remains uncertain.

D. Subsequent Events

Management has evaluated subsequent events through the date the financial statements were available to be issued.

TOWN OF EAST LONGMEADOW, MASSACHUSETTS
Notes to the Basic Financial Statements
Year Ended June 30, 2021

E. Pension Plan

Plan Description

The Town is a member of the Hampden County Regional Retirement System (the System). The System is a cost-sharing multiple-employer public employee retirement system administered by the Hampden County Retirement Board (the Board). Massachusetts General Laws (MGL), Chapter 32, assigns authority to establish the System and amend benefit provisions of the plan; which is regulated by the Public Employees Retirement Administration Commission (PERAC). The System is a defined benefit pension plan that covers substantially all employees of its member employers except for current and retired teachers. The System issues a publicly available financial report in accordance with guidelines established by the Commonwealth's PERAC. That report may be obtained by contacting the System at 67 Hunt Street, Suite 106, Agawam, Massachusetts 01001.

The Town is a member of the Massachusetts Teachers' Retirement System (MTRS), a cost-sharing multi-employer defined benefit plan, to which the Town does not contribute. MTRS is managed by the Commonwealth of Massachusetts (Commonwealth) on behalf of municipal teachers and municipal teacher retirees. The Commonwealth is a nonemployer contributor and is responsible for the contributions and future benefit requirements of the MTRS.

Special Funding Situation

The Commonwealth is a nonemployer contributor and is responsible by statute to make all actuarially determined contributions and future benefit requirements on behalf of the Town to the MTRS. Therefore, the Town is considered to be in a special funding situation as defined by GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and the Commonwealth is a nonemployer contributor in the MTRS. Since the Town does not contribute directly to MTRS, there is no pension liability to recognize. The total of the Commonwealth provided contributions have been allocated based upon each employer's covered payroll to the total covered payroll of employers in MTRS as of the measurement date of June 30, 2020. The Town's portion of the collective pension expense contributed by the Commonwealth of \$9,672,328 on-behalf payments for the fiscal year ending June 30, 2021 is reported as intergovernmental revenues and employee benefits and insurance expenditures in the General Fund.

Benefits Provided

Both the System and MTRS provide retirement, disability, and death benefits to plan members and beneficiaries. Members become vested after 10 years of creditable service and are eligible for retirement allowance benefits up to a maximum of 80% of a member's highest three-year average annual rate of regular compensation. Retirement benefits are determined as a percentage of the member's final three-year (five-year for members hired on or after April 2, 2012) final average compensation times the member's years of creditable service prior to retirement. The percentage is based on the age of the member at retirement and his or her Group classification. The authority for amending these provisions rests with the Massachusetts Legislature.

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

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

TOWN OF EAST LONGMEADOW, MASSACHUSETTS
Notes to the Basic Financial Statements
Year Ended June 30, 2021

Contributions

MGL Chapter 32 governs the contributions of plan members and the Town. Plan members are required to contribute to the System at rates ranging from 5% to 9% based upon their membership date of gross regular compensation with an additional 2% contribution after exceeding \$30,000 in annual covered compensation.

The Town is required to pay into the System its share of the system-wide actuarial determined contribution that is apportioned among the employers based on active current payroll. Administrative expenses are funded through investment earnings. The Town's proportionate share of the required contribution to the System for the year ended December 31, 2020 was \$4,074,945, representing 26.76% of the covered payroll, an actuarially determined amount that, when combined with plan member contributions, is expected to finance the costs of benefits earned by plan members during the year and an additional amount to finance any unfunded accrued liability.

The pension portion of any retirement benefit is paid from the Pension Fund of the System. The governmental unit employing the member must annually appropriate and contribute the amount of current-year pension assessment. In the past years, retirement systems were paying only the actual retirement benefits that were due each year. Systems had no statutory authorization to put aside money for the future benefits or employees who are currently employed. Large unfunded liabilities resulted from operating under this pay-as-you-go basis. In 1983, additional legislation was passed requiring the transfer of investment earnings (in excess of the amount credited to member accounts) into the Pension Reserve Fund. Additionally, Chapter 32 of the M.G.L. requires Massachusetts retirement systems to adopt funding schedules designed to reduce the unfunded actuarial liability of the system to zero by no later than June 30, 2040. The System's current funding schedule is designed to reduce the unfunded actuarial liability to zero by 2035.

Pension Liability

As of June 30, 2021, the Town reported a liability of \$47,693,889 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2020. Accordingly, update procedures were used to roll forward the total pension liability to the measurement date. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At December 31, 2020, the Town's proportional percentage totaled 12.16%, which was a slight increase from the last measurement.

Pension Expense

For the year ended June 30, 2021, the Town recognized a pension expense of \$5,802,073; reported deferred outflows of resources related to pensions of \$7,239,259 from the differences between expected and actual experience, changes in assumptions and the changes in proportion and differences between employer contributions and proportionate share of contributions; and deferred inflows of resources related to pensions of \$3,514,814, from the differences between expected and actual experience, the net difference between projected and actual investment earnings on pension plan investments, and the changes in proportion and differences between employer contributions and proportionate share of contributions.

TOWN OF EAST LONGMEADOW, MASSACHUSETTS
Notes to the Basic Financial Statements
Year Ended June 30, 2021

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

For years ended June 30,	
2022	\$ 1,241,940
2023	1,062,250
2024	102,420
2025	813,275
2026	504,560
	<u>\$ 3,724,445</u>

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of January 1, 2020, using the following actuarial assumptions, applied to all periods included in the measurement that was rolled forward to December 31, 2020:

Valuation date	January 1, 2020
Actuarial cost method	Entry Age Normal Cost Method
Amortization method	Level dollar for 2002 ERI, 2003 ERI and funding holiday liabilities and increasing 4.0% per year for the remaining unfunded liability. Increase in total appropriation is limited to 8.0%. 3.75% per year thereafter.
Inflation rate	3.25%
Investment rate of return	7.50%
Single equivalent discount rate	7.15%
Projected salary increase	Varies by length of service with ultimate rates 4.00% for Group 1 employees with 11 or more years of service, 4.25% for Group 2 employees with 9 or more years of service and 4.50% for Group 4 employees with 8 or more years of service.
Cost of living adjustments	3.00% of the first \$18,000 of retirement income.
Mortality rates	
Pre-retirement	RP-2014 Blue Collar Employee Mortality Table set forward one year for females and projected generationally with Scale MP-2017.
Healthy retiree	RP-2014 Blue Collar Healthy Annuitant Mortality Table set forward one year for females and projected generationally with Scale MP-2017.
Disabled retiree	RP-2014 Blue Collar Healthy Annuitant Mortality Table set forward one year for females and projected generationally with Scale MP-2017.

TOWN OF EAST LONGMEADOW, MASSACHUSETTS
Notes to the Basic Financial Statements
Year Ended June 30, 2021

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. These returns are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and adding expected inflation. The target allocation (approved by the Board) and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before investment expenses, used in the derivation of the long-term expected investment rate of return assumption are summarized in the following table:

Asset Class	Long-Term Expected Asset Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	22.00%	6.28%
International Developed Markets Equity	12.00%	7.00%
International Emerging Market Equity	5.00%	8.82%
Core Fixed Income	15.00%	0.38%
High Yield Fixed Income	8.00%	2.97%
Real Estate (Core)	10.00%	3.50%
Hedge Funds, GTAA, Risk Parity	10.00%	2.35%
Timber/Natural Resources	4.00%	3.45%
Private Equity	14.00%	10.11%
Total	<u>100.00%</u>	

Rate of Return

For the year ended December 31, 2020, the annual money-weighted rate of return (which expresses investment performance), net of investment expense was 12.13%. The money weighted rate of return is calculated as the internal rate of return on pension plan investments, net of pension plan investment expense. A money weighted rate of return expresses investment performance, net of pension plan investment expense, adjusted for the changing amounts actually invested.

Discount Rate

The discount rate used to measure the total pension liability was 7.15%. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the actuarially determined contribution rates. For this purpose, only employer contributions that are intended to fund benefits for current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the Plan Fiduciary Net Position was projected to be available to make all projected future benefit payments for 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.

TOWN OF EAST LONGMEADOW, MASSACHUSETTS
Notes to the Basic Financial Statements
Year Ended June 30, 2021

Sensitivity 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 7.15%. 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 (6.15%) or 1-percentage-point higher (8.15%) than the current rate (amounts expressed in thousands):

	1% Decrease	Current	Discount Rate	1% Increase
	6.15%	7.15%	8.15%	
Town's net pension liability	\$ 59,434,014	\$ 47,693,889	\$	37,811,244

F. Other Post Employment Benefits Payable

GASB Statement No. 74 and GASB Statement No. 75

The cost of post employment benefits generally should be associated with the periods in which costs occur rather than in the future year when it will be paid. The Town recognizes the cost of post employment benefits in the year when the employee services are received, reports the accumulated liability from prior years and provides information useful in assessing potential demands on the Town's future cash flows.

Plan Description

In addition to providing pension benefits as described on the following footnote, the Town provided post-employment health care and life insurance benefits for retired employees, their dependents and beneficiaries. The benefits, benefit levels, employee and employer contributions are governed by Massachusetts General Law chapter 32. As of the actuarial valuation date there are approximately 1,017 active and retired employees that meet the eligibility requirements. The plan does not issue a separate financial report.

Investments

The OPEB Trust fund does not have a formal investment policy. The OPEB plan's assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the OPEB plan. As of June 30, 2021, investments, concentration and rate of return information consisted of pooled funds in the Town's Commonwealth Financial investments described earlier under Deposits and Investments (refer to note 3A).

Funding Policy

The contribution requirements of plan members and the Town are established and may be amended through Town policy and member contracts. For the period ending June 30, 2021 Measurement Date, total Town premiums plus implicit costs for the retiree medical program are \$2,405,829. The Town has also made a contribution to an OPEB Trust of \$0 for a total contribution during the measurement period of \$2,405,829 to be reported on the financial statement for the fiscal year. The Town did establish a trust fund in order to contribute funds to reduce the future OPEB liability. As of June 30, 2021, the trust balance is \$10,028,542.

TOWN OF EAST LONGMEADOW, MASSACHUSETTS
Notes to the Basic Financial Statements
Year Ended June 30, 2021

Measurement Date

GASB Statement No. 74 and GASB Statement No. 75 require the net OPEB liability to be measured as of the OPEB Plan's most recent fiscal year-end. Accordingly, the net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of July 1, 2020.

Plan Membership:

Current active members	558
Current retirees, beneficiaries and dependents	459
Total	1,017

Net OPEB Liability

The components of the net OPEB liability are as follows:

	6/30/2021
Total OPEB liability	\$ 66,887,364
Less: Plan fiduciary net position	(10,028,542)
Town's Net OPEB liability	\$ 56,858,822
 Plan fiduciary net position as a percentage of the total OPEB liability	14.99%

Actuarial Methods and Assumptions

The total OPEB liability was determined by an actuarial valuation as of July 1, 2020, using the following actuarial assumptions, applied to all periods included in the measurement for the reporting date of June 30, 2021:

Valuation date	July 1, 2020
Actuarial cost method	Individual Entry Age Normal
Single Equivalent Discount rate	5.25%, net of OPEN plan investment expense, including inflation
Inflation	2.50% as of June 30, 2021 and for future periods
Salary increases	3.00% annually as of June 30, 2021 and for future periods
Healthcare cost trend rates	4.50% annually in 2021
Mortality rates	
Pre-retirement mortality (General)	RP-2014 Mortality Table for Blue Collar Employees projected generationally with scale MP-2016 for males and females, set forward one year for females.
Post-retirement mortality (General)	RP-2014 Mortality Table for Blue Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females, set forward one year for females.
Disabled retirees (General)	RP-2014 Mortality Table for Blue Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females, set forward one year.

TOWN OF EAST LONGMEADOW, MASSACHUSETTS
Notes to the Basic Financial Statements
Year Ended June 30, 2021

Pre-retirement mortality (Teachers)	RP-2014 Mortality Table for White Collar Employees projected generational with Scale MP-2016 for males and females.
Post-retirement mortality (Teachers)	RP-2014 Mortality Table for White Collar Healthy Annuitants projected generational with Scale MP-2016 for males and females.
Disabled retirees (Teachers)	RP-2014 Mortality Table for White Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females.

The actuarial assumptions used the July 1, 2020 actuarial valuation and market value of assets as of the measurement date of June 30, 2021 were reflective of published municipal bond indices; the S&P Municipal Bond 20-year High Grade Index as of June 30, 2021 is 2.18%.

Long-term Expected Rate of Return

The long-term expected rate of return on OPEB plan investments is developed based on the Town's investment policy is summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity - Large Capital	38.00%	4.90%
Domestic Equity - Small/Mid Capital	17.00%	5.40%
International Equity - Developed Market	6.25%	5.32%
International Equity - Emerging Market	3.25%	6.26%
Domestic Fixed Income	25.25%	1.40%
International Fixed Income	2.75%	1.30%
Alternatives	7.50%	6.32%
Real Estate	0.00%	6.25%
Cash & Cash Equivalents	0.00%	0.00%
Total	100.00%	
I. Real Rate of Return		4.18%
II. Add: Inflation Assumption		2.50%
III. Total Nominal Return (I. + II.)		6.68%
IV. Less: Investment Expense		0.25%
V. Net investment Return (III.-IV.)		6.43%

Rate of Return

For the year ended June 30, 2021, the annual money-weighted rate of return (which expresses investment performance), net of investment expense was 26.60%.

TOWN OF EAST LONGMEADOW, MASSACHUSETTS
Notes to the Basic Financial Statements
Year Ended June 30, 2021

Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Total OPEB Liability
Balances at June 30, 2020	\$ 47,558,560	\$ 7,921,750	\$ 39,636,810
Service cost	1,230,492	-	1,230,492
Interest	3,213,390	-	3,213,390
Changes in benefit terms *	-	-	-
Changes in assumptions **	18,369,592	-	18,369,592
Difference between actual and expected experience **	(1,078,841)	-	(1,078,841)
Net investment income	-	2,106,792	(2,106,792)
Employer contributions to Trust	-	2,405,829	(2,405,829)
Total benefit payments including implicit cost	(2,405,829)	(2,405,829)	-
Net change in total OPEB liability	19,328,804	2,106,792	17,222,012
Balances at June 30, 2021	\$ 66,887,364	\$ 10,028,542	\$ 56,858,822

* = Recognized immediately

** = Amortized over 5.67 years

Discount Rate

The discount rate used to measure the total OPEB liability was 5.25%. The projection of cash flows used to determine the discount rate assumed that contributions will be made in accordance with the Town's funding policy. Based on those assumptions, the OPEB Plan's Fiduciary Net Position is projected to be insufficient to make all projected benefit payments to current plan members. Therefore, the long-term expected rate of return on the OPEB Plan assets is applied to the projected benefits payments which the Fiduciary Net Position is expected to be sufficient to cover and until Fiscal Year 2069 and the Municipal Bond Rate is applied thereafter.

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

The following presents the Town's net OPEB liability as well as what the Town's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.25%) or 1-percentage-point higher (6.25%) than the current rate:

	1% Decrease (4.25%)	Current Discount Rate (5.25%)	1% Increase (6.25%)
Town's net OPEB liability	\$ 67,684,921	\$ 56,858,822	\$ 48,246,726

TOWN OF EAST LONGMEADOW, MASSACHUSETTS
Notes to the Basic Financial Statements
Year Ended June 30, 2021

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

The following presents the Town's net OPEB liability as well as what the Town's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (3.50%) or 1-percentage-point higher (5.50%) than the current healthcare cost trend rates:

	1% Decrease (3.50%)	Healthcare Cost Trend Rates (4.50%)	1% Increase (5.50%)
Town's net OPEB liability	\$ 47,355,045	\$ 56,858,822	\$ 68,962,928

Summary of Significant Accounting Policies

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to the OPEB, and OPEB expense, information about the fiduciary net position of the Plan and additions to or deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest earning investment contracts (repurchase agreements) that have a maturity at the time of purchase of one year, which are reported at cost.

Expense, Deferred Outflows or Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2021, the GASB Statement No. 75 reporting period and fiscal year ending date, the Town recognized an OPEB expense of \$3,493,473 and reported deferred outflows of resources related to OPEB of \$16,872,445 from the difference between actual and expected experience, changes in assumptions and the net difference between projected and actual investment earnings on OPEB plan investments; and deferred inflows of resources related to OPEB of \$24,224,205 from the difference between actual and expected experience, changes in assumptions and the net difference between projected and actual investment earnings on OPEB plan investments.

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

For years ended June 30,	
2022	\$ (5,022,151)
2023	(5,022,114)
2024	(1,229,436)
2025	1,879,135
2026	2,043,176
Thereafter:	(370)
	\$ (7,351,760)

TOWN OF EAST LONGMEADOW, MASSACHUSETTS
Notes to the Basic Financial Statements
Year Ended June 30, 2021

G. Implementation of New GASB Pronouncements

The GASB issued Statement No. 84, *Fiduciary Activities*, for implementation in fiscal year 2021.

The GASB issued Statement No. 90, *Majority Equity Interests – an amendment of GASB Statements No. 14 and No. 61*, for implementation in fiscal year 2021.

H. Future GASB Pronouncements

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

The GASB issued Statement No. 87, *Leases*, for implementation in fiscal year 2022.

The GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, for implementation in fiscal year 2022.

The GASB issued Statement No. 91, *Conduit Debt Obligations*, for implementation in fiscal year 2023.

The GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*, for implementation in fiscal 2022.

The GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, for implementation in fiscal year 2023.

The GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*, for implementation in fiscal year 2023.

The GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*, for implementation in fiscal year 2021 and 2022.

5. RESTATEMENT

The net position as of June 30, 2020 has been restated. As required by GASB Statement No. 84, the beginning nonmajor governmental fund balance in governmental funds and net position increased \$82,719 for governmental activities to reflect the change in the fiduciary activities. Accordingly, the previously reported net position of (\$46,047,984) has been revised to (\$45,965,265) {(\$60,086,582) for governmental activities and \$14,121,317 for business-type activities}.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF EAST LONGMEADOW, MASSACHUSETTS
Required Supplementary Information
Pension Plan Schedules
Hampden County Regional Retirement System
For the Year Ended June 30, 2021

The Schedule of Proportionate Share of the Net Pension Liability represents multiyear trend information relating to the Town's proportion of the net pension liability and related ratios.

Schedule of the Town's Proportionate Share of the Net pension Liability:

Measurement Date	Town's proportion of the net pension liability (asset)	Town's proportionate share of the net pension liability (asset)	Town's covered employee payroll	Net pension liability percentage of covered employee payroll	Plan fiduciary net position as a percentage of the total pension liability
12/31/2020	12.16%	\$ 47,693,889	\$ 15,227,473	313.21%	53.80%
12/31/2019	11.35%	\$ 46,136,055	\$ 13,625,592	338.60%	50.23%
12/31/2018	11.19%	\$ 44,565,663	\$ 12,797,420	348.24%	47.33%
12/31/2017	11.21%	\$ 40,094,256	\$ 12,295,124	326.10%	50.82%
12/31/2016	11.60%	\$ 42,250,969	\$ 12,537,837	336.99%	46.82%
12/31/2015	11.68%	\$ 36,493,856	\$ 12,159,006	300.14%	49.22%
12/31/2014	12.22%	\$ 35,072,214	\$ 12,229,866	286.78%	51.38%

Note: These schedules are intended to present information for 10 years. Until a 10-year trend is compiled, the information is presented for those years the information is available.

TOWN OF EAST LONGMEADOW, MASSACHUSETTS
Required Supplementary Information
Pension Plan Schedules
Hampden County Regional Retirement System
For the Year Ended June 30, 2021

The Schedule of the Employer Contributions presents multiyear trend information on the Town's required and actual payments to the pension plan and related ratios.

Schedule of the Town's Contributions:

Measurement Date	Actuarially determined contribution	Less: Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	Town's covered employee payroll	Contributions percentage of covered employee payroll
12/31/2020	\$ 4,074,945	\$ (4,074,945)	\$ -	\$ 15,227,473	26.76%
12/31/2019	\$ 3,520,094	\$ (3,520,094)	\$ -	\$ 13,625,592	25.83%
12/31/2018	\$ 3,254,102	\$ (3,254,102)	\$ -	\$ 12,797,420	25.43%
12/31/2017	\$ 2,980,025	\$ (2,980,025)	\$ -	\$ 12,295,124	24.24%
12/31/2016	\$ 2,855,176	\$ (2,855,176)	\$ -	\$ 12,537,837	22.77%
12/31/2015	\$ 2,662,850	\$ (2,662,850)	\$ -	\$ 12,159,006	21.90%
12/31/2014	\$ 2,611,961	\$ (2,611,961)	\$ -	\$ 12,229,866	21.36%

Note: These schedules are intended to present information for 10 years. Until a 10-year trend is compiled, the information is presented for those years the information is available.

TOWN OF EAST LONGMEADOW, MASSACHUSETTS
Required Supplementary Information
Other Post Employment Benefit Plan Schedules
For the Year Ended June 30, 2021

Schedule of Changes in the Net OPEB Liability:

	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>
Total OPEB liability					
Service cost	\$ 1,230,492	\$ 1,192,093	\$ 1,447,357	\$ 3,945,669	\$ 3,187,149
Interest on net OPEB liability	3,213,390	2,957,347	3,429,119	2,893,255	2,616,590
Changes in Benefit terms	-	-	-	-	-
Changes in Assumptions	18,369,592	(5,685,517)	(11,770,344)	(32,132,505)	-
Difference between actual and expected experience	(1,078,841)	-	(2,152,226)	3,724,747	-
Benefit payments, including refunds of member contributions	<u>(2,405,829)</u>	<u>(2,259,217)</u>	<u>(2,116,543)</u>	<u>(1,350,566)</u>	<u>(1,555,622)</u>
Net change in total OPEB liability	19,328,804	(3,795,294)	(11,162,637)	(22,919,400)	4,248,117
Total OPEB liability-beginning	<u>47,558,560</u>	<u>51,353,854</u>	<u>62,516,491</u>	<u>85,435,891</u>	<u>81,187,774</u>
Total OPEB liability-ending (a)	<u>\$ 66,887,364</u>	<u>\$ 47,558,560</u>	<u>\$ 51,353,854</u>	<u>\$ 62,516,491</u>	<u>\$ 85,435,891</u>
Plan fiduciary net position					
Difference between actual and expected experience	\$ -	\$ -	\$ -	\$ 218	\$ -
Net investment income	2,106,792	(71,997)	261,703	122,745	121,949
Employer contributions to Trust	2,405,829	2,259,217	4,216,543	4,525,566	1,075,000
Benefit payments, including refunds of member contributions	<u>(2,405,829)</u>	<u>(2,259,217)</u>	<u>(2,116,543)</u>	<u>(1,350,566)</u>	<u>-</u>
Net change in plan fiduciary net position	2,106,792	(71,997)	2,361,703	3,297,963	1,196,949
Total fiduciary net position-beginning	<u>7,921,750</u>	<u>7,993,747</u>	<u>5,632,044</u>	<u>2,334,081</u>	<u>1,137,132</u>
Total fiduciary net position-ending (b)	<u>\$ 10,028,542</u>	<u>\$ 7,921,750</u>	<u>\$ 7,993,747</u>	<u>\$ 5,632,044</u>	<u>\$ 2,334,081</u>
Town's net OPEB liability (a-b)	<u>\$ 56,858,822</u>	<u>\$ 39,636,810</u>	<u>\$ 43,360,107</u>	<u>\$ 56,884,447</u>	<u>\$ 83,101,810</u>

Note: These schedules are intended to present information for 10 years. Until a 10-year trend is compiled, the information is presented for those years the information is available.

TOWN OF EAST LONGMEADOW, MASSACHUSETTS
Required Supplementary Information
Other Post Employment Benefit Plan Schedules
For the Year Ended June 30, 2021

Schedule of Net OPEB Liability:

	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>
Total OPEB liability	\$ 66,887,364	\$ 47,558,560	\$ 51,353,854	\$ 62,516,491	\$ 85,435,891
Less: Plan fiduciary net position	<u>(10,028,542)</u>	<u>(7,921,750)</u>	<u>(7,993,747)</u>	<u>(5,632,044)</u>	<u>(2,334,081)</u>
Town's Net OPEB liability	<u>\$ 56,858,822</u>	<u>\$ 39,636,810</u>	<u>\$ 43,360,107</u>	<u>\$ 56,884,447</u>	<u>\$ 83,101,810</u>
Plan fiduciary net position as a percentage of the total OPEB liability	14.99%	16.66%	15.57%	9.01%	2.73%
Town's share of covered employee payroll	\$ 32,920,908	\$ 33,864,749	\$ 32,878,397	N/A	N/A
Participating employer net OPEB liability (asset) as a percentage of covered-employee payroll	172.71%	117.04%	131.88%	N/A	N/A

Schedule of Contributions:

	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>
Actuarially determined contribution	\$ 3,778,420	\$ 4,109,516	\$ 4,346,897	\$ 3,495,762	\$ 1,555,622
Less: Contributions in relation to the actuarially determined contribution	<u>(2,405,829)</u>	<u>(2,259,217)</u>	<u>(4,216,543)</u>	<u>(4,525,566)</u>	<u>(1,555,622)</u>
Contribution deficiency (excess)	<u>\$ 1,372,591</u>	<u>\$ 1,850,299</u>	<u>\$ 130,354</u>	<u>\$ (1,029,804)</u>	<u>\$ -</u>
Town's share of covered employee payroll	\$ 32,920,908	\$ 33,864,749	\$ 32,878,397	N/A	N/A
Contributions percentage of covered-employee payroll	7.31%	6.67%	12.82%	N/A	N/A
Annual money-weighted rate of return net of investment expense	26.60%	(0.90%)	4.78%	4.10%	7.91%

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TOWN OF EAST LONGMEADOW, MASSACHUSETTS
Required Supplementary Information
Other Post Employment Benefit Plan Schedules
For the Year Ended June 30, 2021

Schedule of Funding Progress:

Measurement Date	Other Post Employment Benefits						Actuarial Percentage of Covered Payroll ((B-A)/C)
	Actuarial Fiduciary Net Position (A)	Actuarial Total OPEB Liability (B)	Actuarial Net OPEB Liability (B-A)	Actuarial Funded Ratio (A/B)	Actuarial Covered Payroll (C)		
6/30/2021	\$ 10,028,542	\$ 66,887,364	\$ 56,858,822	14.99%	\$ 32,920,908	172.7%	
6/30/2020	\$ 7,921,750	\$ 47,558,560	\$ 39,636,810	16.66%	\$ 33,864,749	117.0%	
6/30/2019	\$ 7,993,747	\$ 51,353,854	\$ 43,360,107	15.57%	\$ 32,878,397	131.9%	
6/30/2018	\$ 5,632,044	\$ 62,516,491	\$ 56,884,447	9.01%	N/A	N/A	
6/30/2017	\$ 2,334,081	\$ 85,435,891	\$ 83,101,810	2.73%	N/A	N/A	

Note: These schedules are intended to present information for 10 years. Until a 10-year trend is compiled, the information is presented for those years the information is available.

SUPPLEMENTARY SCHEDULES

TOWN OF EAST LONGMEADOW, MASSACHUSETTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Fund Balances July 1, 2020	Revenues	Expenditures	Other Financing Sources (Uses)	Fund Balances June 30, 2021
Special Revenue:					
Federal and State Grants:					
School Grants	\$ 27,258	\$ 2,863,677	\$ 2,830,771	\$ -	\$ 60,164
Arts Lottery Council Grants	9,470	25	3,330	-	6,165
Board of Health Grants	104,407	93,175	54,568	-	143,014
Community Compact Grants	34,523	-	-	(18,750)	15,773
Community Development Block Grant	(2,978)	233,452	230,474	-	-
Council on Aging Grants	89,662	184,249	169,463	-	104,448
Emergency Management Grants (COVID-19)	(7,536)	494,349	578,491	-	(91,678)
Highway Grants	(19,063)	162,916	120,254	-	23,599
Library Grants	58,748	39,323	28,722	-	69,349
Municipal Vulnerability Preparedness	5,097	-	4,394	-	703
Public Safety Grants	(18,274)	194,586	66,919	18,750	128,143
Schools:					
School Lunch Program	209,000	740,138	768,799	-	180,339
School Lunch Commodities	-	55,422	55,422	-	-
School Choice	-	85,345	-	-	85,345
School Gifts and Donations	55,489	67,175	41,648	-	81,016
School Revolving Accounts	265,312	210,724	98,389	-	377,647
School Student Activity Funds	82,719	64,650	76,078	-	71,291
School Transportation	270	71,965	-	-	72,235
State Special Education Reimbursement Fund	345,782	1,110,869	434,007	-	1,022,644
Other:					
Affordable Housing Funds	23,901	19,235	-	-	43,136
Ambulance Fund	945,854	1,314,437	606,138	(135,774)	1,518,379
Deputy Collector Fees	-	27,423	26,649	-	774
Cable Access Revolving	462,296	217,767	162,314	-	517,749
Community Preservation Fund	1,638,867	394,675	14,710	(102,680)	1,916,152
Council on Aging Revolving	54,265	2,657	5,961	-	50,961
Special Revenue Page 70	\$ 4,365,069	\$ 8,648,234	\$ 6,377,501	\$ (238,454)	\$ 6,397,348

TOWN OF EAST LONGMEADOW, MASSACHUSETTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Fund Balances July 1, 2020	Revenues	Expenditures	Other Financing Sources (Uses)	Fund Balances June 30, 2021
Continued from Page 70	\$ 4,365,069	\$ 8,648,234	\$ 6,377,501	\$ (238,454)	\$ 6,397,348
Special Revenue (continued):					
Other (continued):					
Gifts and Donations	179,422	47,832	52,548	-	174,706
Health Department Revolving	996	-	-	-	996
Insurance Reimbursements	28,024	38,814	27,919	-	38,919
Library Revolving Funds	37,209	285	3,705	-	33,789
Off-Duty Details	(6,274)	402,911	407,685	-	(11,048)
Recreation Revolving	238,026	581,655	436,534	-	383,147
Reserve for Payment of Debt - MSBA	572,124	-	-	(81,732)	490,392
Traffic Signal Funds	31,254	-	-	-	31,254
Transportation Infrastructure	7,715	-	-	-	7,715
Trash Revolving	278,994	125,138	97,964	(41,175)	264,993
Wetlands Protection Act	63,711	2,600	-	-	66,311
Ambulance Fund	4	1	-	-	5
Compensated Absence Reserve	274,878	26,592	-	75,000	376,470
Conservation Funds	54,710	6,700	-	-	61,410
Friends of Heritage Park	3,905	478	-	-	4,383
Historical Commission	11,808	1,479	100	-	13,187
Pension Reserve Fund	165,142	20,225	-	-	185,367
Police Gymnasium Fund	87	11	-	-	98
Shaker Road Relief Fund	3,863	-	-	-	3,863
Town Beautification Fund	499	61	-	-	560
Unemployment Compensation Fund	106	13	-	-	119
Total Special Revenue Funds	\$ 6,311,272	\$ 9,903,029	\$ 7,403,956	\$ (286,361)	\$ 8,523,984

TOWN OF EAST LONGMEADOW, MASSACHUSETTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Fund Balances July 1, 2020	Revenues	Expenditures	Other Financing Sources (Uses)	Fund Balances June 30, 2021
Capital Projects:					
Department of Public Works projects	\$ 93,800	\$ -	\$ 683,641	\$ 1,573,840	\$ 983,999
Fire Department vehicles and equipment	214,892	-	743,915	743,561	214,538
General Government projects	113,111	-	-	-	113,111
Information Technology projects	42,243	-	79,114	174,373	137,502
Police vehicles and equipment	117,419	-	61,111	47,000	103,308
Premium on bonds	894	-	72,250	108,616	37,260
School improvement projects	331,753	17,371	476,491	169,115	41,748
Total Capital Projects	914,112	17,371	2,116,522	2,816,505	1,631,466
Permanent Funds:					
Cemetery Funds	4,223	517	-	-	4,740
Library Funds	5,512	676	-	-	6,188
Total Permanent Funds	9,735	1,193	-	-	10,928
Total - Non-Major Governmental Funds	\$ 7,235,119	\$ 9,921,593	\$ 9,520,478	\$ 2,530,144	\$ 10,166,378

**TOWN OF EAST LONGMEADOW, MASSACHUSETTS
SCHEDULE OF REAL ESTATE AND PERSONAL PROPERTY TAXES
JULY 1, 2020 TO JUNE 30, 2021**

	Uncollected Taxes July 1, 2020	Commitments	Abatements and Adjustments	Collections Net of Refunds and Overpayments	Uncollected Taxes June 30, 2021	Uncollected Taxes Per Detail June 30, 2021
Real Estate Taxes:						
Levy of 2021	\$ -	\$ 43,126,757	\$ 301,277	\$ 42,432,455	\$ 393,025	\$ 393,025
Levy of 2020	529,686	6,492	61,993	349,048	125,137	125,137
Levy of 2019	137,113	6,543	40,153	88,175	15,328	15,328
Levy of 2018	15,528	6,740	4,165	16,535	1,568	1,568
Levy of 2017	3,092	6,515	-	9,607	-	-
Prior Years	5,962	5,797	-	5,797	5,962	5,962
	<u>691,381</u>	<u>43,158,844</u>	<u>407,588</u>	<u>42,901,617</u>	<u>541,020</u>	<u>541,020</u>
Personal Property Taxes:						
Levy of 2021	-	1,631,876	4,896	1,618,005	8,975	8,985
Levy of 2020	59,693	-	3	5,556	54,134	54,134
Levy of 2019	49,846	-	(2)	2,320	47,528	47,528
Levy of 2018	3,842	-	-	47	3,795	3,795
Levy of 2017	2,238	-	-	43	2,195	2,195
Prior Years	20,059	2,294	5,313	381	16,659	16,659
	<u>135,678</u>	<u>1,634,170</u>	<u>10,210</u>	<u>1,626,352</u>	<u>133,286</u>	<u>133,296</u>
Total Real Estate and Personal Property Taxes	<u>\$ 827,059</u>	<u>\$ 44,793,014</u>	<u>\$ 417,798</u>	<u>\$ 44,527,969</u>	<u>\$ 674,306</u>	<u>\$ 674,316</u>

**TOWN OF EAST LONGMEADOW, MASSACHUSETTS
SCHEDULE OF COMMUNITY PRESERVATION SURCHARGE
JULY 1, 2020 TO JUNE 30, 2021**

	Uncollected Taxes July 1, 2020	Commitments	Abatements and Adjustments	Collections Net of Refunds and Overpayments	Uncollected Taxes June 30, 2021	Uncollected Taxes Per Detail June 30, 2021
Non-Major Governmental Funds:						
Community Preservation Surcharge:						
Levy of 2021	\$ -	\$ 305,371	\$ 2,451	\$ 299,517	\$ 3,403	\$ 3,859
Levy of 2020	4,334	-	482	2,902	950	950
Levy of 2019	938	-	251	579	108	108
Levy of 2018	90	-	(26)	106	10	5
Levy of 2017	(4)	-	(44)	55	(15)	-
Prior Years	2	-	(29)	37	(6)	-
Total Community Preservation Surcharge	\$ 5,360	\$ 305,371	\$ 3,085	\$ 303,196	\$ 4,450	\$ 4,922

**TOWN OF EAST LONGMEADOW, MASSACHUSETTS
SCHEDULE OF MOTOR VEHICLE AND BOAT EXCISE TAXES
JULY 1, 2020 TO JUNE 30, 2021**

	Uncollected Taxes July 1, 2020	Commitments	Abatements and Adjustments	Collections Net of Refunds and Overpayments	Uncollected Taxes June 30, 2021	Uncollected Taxes Per Detail June 30, 2021
Motor Vehicle Excise Taxes:						
Levy of 2021	\$ -	\$ 2,277,251	\$ 40,410	\$ 2,084,857	\$ 151,984	\$ 152,189
Levy of 2020	148,323	224,767	23,889	298,550	50,651	50,651
Levy of 2019	44,902	-	294	24,746	19,862	19,862
Levy of 2018	14,804	-	255	3,785	10,764	10,764
Levy of 2017	9,769	-	(9)	1,476	8,302	8,302
Prior Years	35,598	6,851	10,107	1,255	31,087	31,100
	<u>253,396</u>	<u>2,508,869</u>	<u>74,946</u>	<u>2,414,669</u>	<u>272,650</u>	<u>272,868</u>
Boat Excise Taxes:						
Levy of 2021	-	2,746	258	2,355	133	133
Levy of 2020	129	-	25	(25)	129	129
Levy of 2018	25	-	-	-	25	25
Levy of 2017	120	-	-	-	120	120
Prior Years	332	-	91	-	241	241
	<u>606</u>	<u>2,746</u>	<u>374</u>	<u>2,330</u>	<u>648</u>	<u>648</u>
Total Motor Vehicle and Boat Excise Taxes	<u>\$ 254,002</u>	<u>\$ 2,511,615</u>	<u>\$ 75,320</u>	<u>\$ 2,416,999</u>	<u>\$ 273,298</u>	<u>\$ 273,516</u>

**TOWN OF EAST LONGMEADOW, MASSACHUSETTS
SCHEDULE OF TAX LIENS
JULY 1, 2020 TO JUNE 30, 2021**

	Uncollected Accounts July 1, 2020	Commitments	Abatements and Adjustments	Collections Net of Refunds and Overpayments	Uncollected Accounts June 30, 2021	Uncollected Accounts Per Detail June 30, 2021
Tax Liens	\$ 652,110	\$ 223,781	\$ 37,524	\$ 102,615	\$ 735,752	\$ 735,520
Non-Major Governmental Funds:						
Community Preservation Surcharge:						
Tax Liens	\$ 2,435	\$ 1,141	\$ 216	\$ 478	\$ 2,882	\$ 2,882