MIDDLETON BOARD OF SELECTMEN
MEETING AGENDA
TUESDAY, OCTOBER 6, 2020
7:00 PM

This meeting is being recorded

Due to the state of emergency in Massachusetts due to the COVID-19 outbreak, this meeting will be held via ZOOM, an internet based meeting space. It is the intent that the virtual meeting space will be made accessible to the public; however, if this is not possible despite best efforts, the full and complete transcript of the meeting will be posted on the Town's website as soon as practicable upon the conclusion of the proceedings. To join the meeting, go to

Join Zoom Meeting
https://us02web.zoom.us/j/82941759196?pwd=M1I2RHZJZmpYLzQ2SnB2WUU4MkRtZz09

Meeting ID: 829 4175 9196
Passcode: 125774
929 205 6099 US (New York)

1. 7:00 PM Warrant: #2108

   Minutes: Open Session: September 22, 2020

   Town Administrator updates and reports

2. 7:15 PM Public Comment Period

3. 7:20 PM Review and vote on application of Serenitee Catering Corp., d/b/a Maggie's Farm, 189 South Main Street (under construction) for a Change of Manager from Anthony Colangelo to Christopher Parmerlee

4. 7:30 PM Review letter to Governor and State House delegation regarding COVID reporting

5. 7:35 PM Continue discussion of composition of the Bylaw Review Committee

6. 7:45 PM Vote to close the November 17, 2020 Special Town Meeting warrant

7. 7:50 PM FY20 audit exit interview with Tony Roselli of Roselli, Clark & Associates

8. 8:10 PM Vote to accept the following donations and grants:
   - $5,000 from the Center for Tech and Civic Life to the Middleton Town Clerk for planning and operationalizing safe and secure election administration in 2020

9. 8:15 PM Update on regional information technology initiative

10. 8:25 PM New Business: Reserved for topics that the Chair did not reasonably anticipate would be discussed

Upcoming Meetings: October 20: Regular BOS meetings
November 10 & 24: Regular BOS meetings

The Board reserves the right to consider items on the agenda out of order. Not all items listed may in fact be discussed and other items not listed may also be brought up for discussion to the extent permitted by law.

1.

MEETING MINUTES
BOARD OF SELECTMEN
Tuesday, September 22, 2020 7:00 PM
This meeting is being recorded

NOTE: Due to the state of emergency in Massachusetts due to the COVID-19 outbreak, this meeting will be held via ZOOM, an internet-based meeting space. It is the intent that the virtual meeting space will be made accessible to the public; however, if this is not possible despite best efforts, the full and complete transcript of the meeting will be posted on the Town's website as soon as practicable upon the conclusion of the proceedings.

Present: Chair Rick Kassiotis, Todd Moreschi, Tim Houten, Brian Cresta, Kosta Prentakis

Absent: None

Others Attending: Town Administrator Andy Sheehan, Assistant Town Administrator Tanya Shallop, Minutes Secretary Judi Stickney, Paul Pellicelli, Judy Schneider, Town Accountant/CFO Sarah Wood, Town Clerk Ilene Harris Twiss, George Dow, Town Moderator Barbara Piselli, and others

7:04 PM With a quorum present, Chair Rick Kassiotis called the meeting to order.

ROUTINES

- **Warrant Approval:** Town Administrator Andy Sheehan provided a brief review of Warrant #2107: Payroll: $681,640, Bills Payable: $1,381,448, noting that the Town Accountant had reviewed the warrants and requested the Board's approval. The Board took the following action:
  On a **MOTION** made by **Houten,** second by **Cresta,** the Board of Selectmen **VOTED** unanimously by roll call vote to approve the warrant as presented.
- **Minutes:** After a brief review of available minutes, the Board took the following action:
  On a **MOTION** made by **Cresta,** second by **Prentakis,** the Board of Selectmen **VOTED** unanimously by roll call vote to approve the minutes of September 8, 2020.
- **Town Administrator's Report:** Town Administrator Andy Sheehan provided information and updates on the following:
  - **Reminder: Transfer Station Stickers:** Sheehan reminded residents that transfer station stickers are available online at MiddletonMA.gov, or by mail. October 1st is the deadline to purchase stickers.
  - **Senior Work Program:** Sheehan advised there was a disruption in the 2020 senior work program due to COVID. They are now taking applications, which are available online and due back by October 16th.
  - **Candlelite Motel Area Permit Requests:** Sheehan reported that 329 North Main Street had applied for a special permit for various changes of use, which was approved by the Zoning Board of Appeals. The Board of Appeals denied the special permit request for the 11 Rockaway Road property. The application was an effort to legitimize a longstanding illegal use. Sheehan also advised that 6 & 8 Rockaway are before the Board of Appeals this week. He added that the Candlelite Motel is not officially before the Board, but is expected to be coming. He reached out to the applicants and extended the offer to meet with them to come

up with a plan that would be more suitable to them and the town going forward. He will keep the board apprised of any progress.

- **Bond Rating Upgrade:** Sheehan advised that the Town was rated at AA+ by Standard & Poor's. The only thing better is AAA. It demonstrates strong credit worthiness and is a good reflection on the finance team and the leadership from the Board and Finance Committee.

7:13 PM **Public Comment Period:** There were no public comments.

7:14 PM **Review and Vote to Approve Bond Results:** Town Administrator Andy Sheehan provided the Board with a brief explanation of the bond results related to refunding 2008 Library bonds and borrowing for public works vehicles noting that the interest rate was 0.307%. We're saving $160,000 on the library bonds over the remaining six years of the issuance. Sheehan added that Selectman Moreschi will be in tomorrow to sign the certificate of vote. After discussion, the Board took the following action:

On a **MOTION** made by **Houten,** second by **Prentakis,** the Board of Selectmen **VOTED** unanimously by roll call vote that I, the Clerk of the Board of Selectmen of the Town of Middleton, Massachusetts (the "Town"), certify that at a meeting of the board held September 22, 2020, of which meeting all members of the board were duly notified and at which a quorum was present, the following votes were unanimously passed, all of which appear upon the official record of the board in my custody:

Voted: that the sale of the $1,500,000 General Obligation Municipal Purpose Loan of 2020 Bonds of the Town dated October 1, 2020 (the "Bonds"), to Fidelity Capital Markets, a Division of National Financial Services LLC at the price of $1,739,395.49 and accrued interest is hereby approved and confirmed. The Bonds shall be payable on October 1 of the years and in the principal amounts and bear interest at the respective rates, as follows:

Year	Amount	Interest Rate	Year	Amount	Interest Rate
2021	$245,000	5.00%	2024	$260,000	5.00%
2022	265,000	5.00	2025	260,000	5.00
2023	265,000	5.00	2026	205,000	5.00

Further Voted: that in connection with the marketing and sale of the Bonds, the preparation and distribution of a Notice of Sale and Preliminary Official Statement dated September 4, 2020, and a final Official Statement dated September 15, 2020, each in such form as may be approved by the Town Treasurer, be and hereby are ratified, confirmed, approved and adopted.

Further Voted: to authorize the execution and delivery of a Refunding Escrow Agreement to be dated October 1, 2020, between the Town and U.S. Bank National Association, as Refunding Escrow Agent.

Further Voted: that the Town Treasurer and the Board of Selectmen be, and hereby are, authorized to execute and deliver a continuing disclosure undertaking in compliance with SEC Rule 15c2-12 in such form as may be approved by bond counsel to the Town, which undertaking shall be incorporated by reference in the Bonds for the benefit of the holders of the Bonds from time to time.

Further Voted: that we authorize and direct the Town Treasurer to establish post issuance federal tax compliance procedures and continuing disclosure procedures in such forms as the Town

Treasurer and bond counsel deem sufficient, or if such procedures are currently in place, to review and update said procedures, in order to monitor and maintain the tax-exempt status of the Bonds and to comply with relevant securities laws.

Further Voted: that any certificates or documents relating to the Bonds (collectively, the "Documents"), may be executed in several counterparts, each of 83639432V.2 which shall be regarded as an original and all of which shall constitute one and the same document; delivery of an executed counterpart of a signature page to a Document by electronic mail in a ".pdf file or by other electronic transmission shall be as effective as delivery of a manually executed counterpart signature page to such Document; and electronic signatures on any of the Documents shall be deemed original signatures for the purposes of the Documents and all matters relating thereto, having the same legal effect as original signatures.

Further Voted: that each member of the Board of Selectmen, the Town Clerk and the Town Treasurer be and hereby are, authorized to take any and all such actions, and execute and deliver such certificates, receipts or other documents as may be determined by them, or any of them, to be necessary or convenient to carry into effect the provisions of the foregoing votes.

I further certify that the votes were taken at a meeting open to the public, that no vote was taken by secret ballot, that a notice stating the place, date, time and agenda for the meeting (which agenda included the adoption of the above votes) was filed with the Town Clerk and a copy thereof posted in a manner conspicuously visible to the public at all hours in or on the municipal building that the office of the Town Clerk is located or, if applicable, in accordance with an alternative method of notice prescribed or approved by the Attorney General as set forth in 940 CMR 29.03(2)(b), at least 48 hours, not including Saturdays, Sundays and legal holidays, prior to the time of the meeting and remained so posted at the time of the meeting, that no deliberations or decision in connection with the sale of the Bonds were taken in executive session, all in accordance with G.L. C.30A, §§18-25, as amended, further suspended, supplemented or modified by the Executive Order of the Governor of The Commonwealth of Massachusetts Suspending Certain Provisions of the Open Meeting Law, Chapter 30A, §20 dated March 12, 2020.

7:21 PM Presentation of FY2020 4th Quarter Report by Sarah Wood, Chief Financial Officer: The Town Accountant/CFO Sarah Wood presented the FY2020 4th quarter report. She provided detailed reports on General Fund Expenditures, General Fund Revenues, CPA Fund Expenditures and Revenues, Water Fund Expenditures and Revenues, Free Cash and Retained Earnings. After her presentation, the Board thanked Wood for the detailed and timely report. Finance Committee member George Dow was also in attendance and thanked Wood for the most complete and detailed report he had ever seen.

7:51 PM Review and Vote on Policy Regarding Meetings During the COVID State of Emergency: Town Administrator Sheehan provided the Board with a revised draft of the policy, incorporating suggestions from the Board made at the last meeting. She added that cleaning and disinfecting the space where meetings are held is a logistical challenge, at least until schools are back full time in-person. Prentakis suggested adding a bullet that leaves it up to the Town Administrator to approve in advance the meeting space. A brief discussion ensued.
After discussion, the Board took the following action:

On a **MOTION** made by **Prentakis,** second by **Houten,** the Board of Selectmen **VOTED** unanimously by roll call vote to approve the policy as revised tonight.

7:57 PM Review and Vote to Extend the Temporary Outdoor Dining Approvals: After a very brief discussion, the Board took the following action:

On a **MOTION** made by **Houten,** second by **Prentakis,** the Board of Selectmen **VOTED** unanimously by roll call vote to extend the Temporary Outdoor Dining Approvals beyond November 1, 2020 to a date not later than 60 days past the end of the state of emergency.

7:58 PM Review Correspondence from the Zoning Bylaw Review Committee: The Town Administrator provided the Board with some history and information on the request from the Zoning Bylaw Review Committee asking that its members be concurrently appointed as the Bylaw Review Committee. Selectman Cresta reminded the Board that the Zoning Bylaw Review Committee makes recommendations to the Bylaw Review Committee, so, they'd be making recommendations to themselves. A lengthy discussion ensued, with Town Moderator Barbara Piselli contributing to the discussion, recommending that the Board consider appointing someone from the Zoning Bylaw Review Committee to the Bylaw Review Committee. Town Clerk Ilene Twiss also contributed to the discussion. After discussion, the Town Administrator will contact the Bylaw Review Committee members to see if they want to be reappointed and if there are vacancies, they will advertise for volunteers. He will also contact the Zoning Bylaw Review Committee and let them know the Board's decision to keep the boards separate.

8:21 PM Update on Police Chief Search Process (Selectmen Chair Rick Kassiotis removed himself from the meeting during this discussion): The Town Administrator advised the Board that he contracted with Municipal Resources, Inc. and they've already started working on the process. They will do research on the department, update the job description, take care of the advertising, etc. Their process runs approximately 120 days, which would be the end of January. There will likely be a need to hire an interim police chief. A lengthy discussion ensued. After discussion, the Board advised the Town Administrator they would like to interview the finalists.

8:33 PM Update on the Water Management Act Withdrawal Permit Renewal: Town Administrator Sheehan provided the Board with details on the Water Management Act Withdrawal Permit they have with the Town of Danvers, with respect to revising the Inter-Municipal Agreement (IMA) governing the sharing of water resources. Sheehan noted that they are at the maximum withdrawal that they are allowed, suggesting that they need to work on reducing the water usage in town. A lengthy discussion ensued. The Town Administrator will continue to work with Danvers and DEP and will keep the Board updated.

8:49 PM Discuss a Date for a Special Town Meeting and Vote to Open the Warrant: Town Administrator Sheehan provided the Board with information on warrant articles that would be on the Special Town Meeting warrant and suggested the date of Tuesday, November 17th. After a brief discussion, the Board took the following action:

On a **MOTION** made by **Prentakis,** second by **Moreschi,** the Board of Selectmen **VOTED** unanimously by roll call vote to open the Warrant for the Special Town Meeting of November 17th.

9:03 PM Vote to Accept Grants: Town Administrator Sheehan provided the Board with information on the Shared Streets & Spaces Grant that Town Planner Katrina O'Leary received, in the amount of

$164,936.43 for Middleton Rail Trail and Traffic Calming. After a brief discussion, the Board took the following action:

On a **MOTION** made by **Prentakis,** second by **Houten,** the Board of Selectmen **VOTED** unanimously by roll call vote to accept the grant as presented.

After the vote, Chair Kassiotis thanked Katrina O'Leary for getting the grant.

9:04 PM Executive Session: Pursuant to GL c. 30A, s. 21(a)(6) to consider an offer to purchase real property where discussing the matter in open session may have a detrimental effect on the Town.

On a **MOTION** made by **Kassiotis,** second by **Houten,** the Board of Selectmen **VOTED** unanimously by roll call vote to go into Executive Session, Pursuant to GL c. 30A, s. 21(a)(6) to consider an offer to purchase real property, where discussing the matter in open session may have a detrimental effect on the Town, and not return to open session.

9:14 PM Adjourn

With no further business, on a **MOTION** made by **Houten,** the Board of Selectmen's meeting of September 22nd, 2020 adjourned at 9:14PM.

Upcoming Meetings:
October 6 & 20: Regular BOS meetings
November 10 & 24: Regular BOS meetings

Respectfully submitted,

Judith A. Stickney, Minutes Secretary

_____

Todd Moreschi, BOS Clerk

Documents either distributed to the Board of Selectmen before the meeting in a packet or at the meeting:

- Agenda: September 8, 2020
- Warrant:
  - Warrant #2107: Payroll: $681,640, Bills Payable: $1,381,448
- Minutes:
  - September 8, 2020
- Vote of the Board of Selectmen
- Town of Middleton, Massachusetts: General Obligation Municipal Purpose Loan of 2020 Bonds: Final Bond Structure - Reflects Application of Net Premium to New Money Projects

- Memo and related material to Board of Selectmen/Finance Committee from Town Accountant/CFO, Re: FY 2020 4th Quarter Highlights, September 15, 2020
- POLICY FOR IN-PERSON MEETINGS DURING COVID-19 PANDEMIC ADOPTED SEPTEMEBER 8, 2020
- Town of Middleton COVID-19 TEMPORARY OUTDOOR DINING AREA (TODA) INTERDEPARTMENTAL PROCESS
- Letter from The Town of Middleton Zoning Bylaw Review Committee to the Board of Selectmen, Re: ZBRC/BRC, 9/16/20
- TIMELINE NOVEMBER 17, 2020 -- TENTATIVE FOR PLANNING PURPOSES ONLY -- SPECIAL TOWN MEETING -- ALL DATES ARE TENTATIVE
- Town of Middleton Special Town Meeting Warrant (Draft)
- Letter from MassDOT to Town Planner, Re: $164,936.43 under Chapter 90, 9/3/20

MANN & MANN, P.C.
COUNSELLORS AT LAW

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MEL
†Admitted t
*Admitt

3.

September 29, 2020

VIA HAND DELIVERY

Board of Selectmen Town of Middleton
Attention: Andrew Sheehan, Town Administrator
48 South Main Street
Middleton, Massachusetts 01949

RE: SERENITEE CATERING CORP. d/b/a MAGGIE'S FARM
189 South Main Street, Middleton, MA 01949 – Change of Manager
License No. 05072-RS-0704

Dear Mr. Sheehan:

With reference to the above, please find enclosed a request for a Change of Manager for Serenitee Catering Corp. d/b/a Maggie's Farm which includes three packages of the following documents:

1. Monetary Transmittal Form;
2. Receipt $200 fee paid to Commonwealth of Massachusetts;
3. Amendment Application for a Change of Manager;
4. Resume – Christopher Parmerlee;
5. Applicant's Statement;
6. CORI Request Form for Christopher Parmerlee;
7. Proof of Citizenship – License and Passport of Christopher Parmerlee;
8. Corporate Vote of Serenitee Catering Corp.; and
9. Local Licensing Review Record.

Please place this on the agenda for the next public hearing of the Board of Selectmen. Please do not hesitate to contact me if you have any questions.

Thank you for your assistance in this matter.

Very truly yours,
MANN & MANN, P.C.

By: _____
Jill E. Mann

Enclosures
cc: Mr. Mark McDonough

S:\Serenitee 2012-20\Restaurants\Maggie's\189 Maggies\2020 Change of Mgr - Christopher Parmerlee\Ltr to Board of Selectmen.docx

191 South Main Street, Suite 104
Middleton, Massachusetts 01949
Telephone: 978-762-6238
Facsimile: 978-762-6434

Direct Email: jill@mannpc.com
kurt@mannpc.com
melissa@mannpc.com

The Commonwealth of Massachusetts
Alcoholic Beverages Control Commission
239 Causeway Street
Boston, MA 02114
www.mass.gov/abcc

AMENDMENT APPLICATION FOR A CHANGE OF MANAGER

The following documentation is required as a part of your retail license application.

ABCC investigators reserve the right to request additional documents as a part of their investigation.

- [x] Monetary Transmittal Form with $200 fee
  You can PAY ONLINE or include a $200 check made out to the ABCC

- [x] Change of Manager Amendment Application (this packet)

- [x] CORI Authorization Form
  For the manager of record AND any individual with direct or indirect interest in the proposed licensee. This form must be notarized with a stamp*

- [x] Proof of Citizenship for proposed manager of record
  Passport, US Birth Certificate, Naturalization Papers, Voter Registration

- [x] Vote of the Corporate Board
  A corporate vote appointing the manager of record, signed by an authorized signatory for the proposed licensed entity

- [x] Additional Documents Required by the Local Licensing Authority

1

The Commonwealth of Massachusetts
Alcoholic Beverages Control Commission
95 Fourth Street, Suite 3, Chelsea, MA 02150-2358
www.mass.gov/abcc

RETAIL ALCOHOLIC BEVERAGES LICENSE APPLICATION
MONETARY TRANSMITTAL FORM

AMENDMENT-Change of Manager

APPLICATION SHOULD BE COMPLETED ON-LINE, PRINTED, SIGNED, AND SUBMITTED TO THE LOCAL LICENSING AUTHORITY.

ECRT CODE: RETA

Please make $200.00 payment here: ABCC PAYMENT WEBSITE

PAYMENT MUST DENOTE THE NAME OF THE LICENSEE CORPORATION, LLC, PARTNERSHIP, OR INDIVIDUAL AND INCLUDE THE PAYMENT RECEIPT

ABCC LICENSE NUMBER (IF AN EXISTING LICENSEE, CAN BE OBTAINED FROM THE CITY) 05072-RS-0704

ENTITY/ LICENSEE NAME Serenitee Catering Corp.

ADDRESS 189 South Main Street

CITY/TOWN Middleton **STATE** MA **ZIP CODE** 01949

For the following transactions (Check all that apply):

- [ ] New License
- [ ] Transfer of License
- [x] Change of Manager
- [ ] Change of Officers/ Directors/LLC Manag
- [ ] Change of Location
- [ ] Alteration of Licensed Premises
- [ ] Change Corporate Name
- [ ] Change of Ownership Interest (LLC Members/ LLP Partners, Trustees)
- [ ] Change of Class (i.e. Annual / Seasonal)
- [ ] Change of License Type (i.e. club / restaurant)
- [ ] Change of Category (i.e. All Alcohol/Wine, Malt)
- [ ] Issuance/Transfer of Stock/New Stockholder
- [ ] Other
- [ ] Change Corporate Structure (i.e. Corp / LLC)
- [ ] Pledge of Collateral (i.e. License/Stock)
- [ ] Management/Operating Agreement
- [ ] Change of Hours
- [ ] Change of DBA

THE LOCAL LICENSING AUTHORITY MUST MAIL THIS TRANSMITTAL FORM ALONG WITH COMPLETED APPLICATION, AND SUPPORTING DOCUMENTS TO:

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

2

Payment Confirmation

YOUR PAYMENT HAS PROCESSED AND THIS IS YOUR RECEIPT

Your account has been billed for the following transaction. You will receive a receipt via email.

Transaction Processed Successfully
INVOICE #: d1c7caab-89c7-45df-9f03-fc9ea076db11

[illegible]	[illegible]	[illegible]
FILING FEES-RETAIL	05072-RS-0704	$200.00
		$200.00

Total Convenience Fee: $4.70

Date Paid: 9/29/2020 9:32:02 AM EDT

Total Amount Paid: $204.70

Payment On Behalf Of

License Number or Business Name:
05072-RS-0704

Fee Type:
FILING FEES-RETAIL

Billing Information

First Name:
Jill

Last Name:
Mann

Address:
Mann & Mann PC

City:
Middleton

State:
MA

Zip Code:
01949

Email Address:
pamv@mannpc.com

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The Commonwealth of Massachusetts
Alcoholic Beverages Control Commission
95 Fourth Street, Suite 3, Chelsea, MA 02150-2358
www.mass.gov/abcc

AMENDMENT-Change of Manager

☐ **Change of License Manager**

1. BUSINESS ENTITY INFORMATION

Entity Name	Municipality	ABCC License Number
Serenitee Catering Corp.	Middleton	05072-RS-0704

2. APPLICATION CONTACT

The application contact is the person who should be contacted with any questions regarding this application.

Name	Title	Email	Phone
Jill Elmstrom Mann	Attorney	jill@mannpc.com	978-762-6238

3A. MANAGER INFORMATION

The individual that has been appointed to manage and control of the licensed business and premises.

Proposed Manager Name: Christopher William Parmerlee Date of Birth: 09/04/1981 SSN:

Residential Address: 37 Collins Way, Pelham, NH 03076

Email: chrisparmerlee@yahoo.com Phone: 515-202-0840

Please indicate how many hours per week you intend to be on the licensed premises: 50+ Last-Approved License Manager: Anthony Vincent Colangelo

3B. CITIZENSHIP/BACKGROUND INFORMATION

Are you a U.S. Citizen?* ◉ Yes ○ No *Manager must be U.S. citizen

If yes, attach one of the following as proof of citizenship US Passport, Voter's Certificate, Birth Certificate or Naturalization Papers.

Have you ever been convicted of a state, federal, or military crime? ○ Yes ◉ No

If yes, fill out the table below and attach an affidavit providing the details of any and all convictions. Attach additional pages, if necessary, utilizing the format below.

Date	Municipality	Charge	Disposition

3C. EMPLOYMENT INFORMATION

Please provide your employment history. Attach additional pages, if necessary, utilizing the format below.

Start Date	End Date	Position	Employer	Supervisor Name
		See attached resume		

3D. PRIOR DISCIPLINARY ACTION

Have you held a beneficial or financial interest in, or been the manager of, a license to sell alcoholic beverages that was subject to disciplinary action? ○ Yes ◉ No If yes, please fill out the table. Attach additional pages, if necessary,utilizing the format below.

Date of Action	Name of License	State	City	Reason for suspension, revocation or cancellation

I hereby swear under the pains and penalties of perjury that the information I have provided in this application is true and accurate:

Manager's Signature: [signature] Date: 9/29/20

4

Christopher W. Parmerlee

515-202-0840 *Mobile*
Chrisparmerlee@yahoo.com

37 Collins Way
Pelham, NH 03076

PROFILE

Self motivated problem solver seeks experienced restaurant company with a vision for the future and a commitment to excellence. My passions include training, employee development and building strong teams to accomplish great things. I am in search of a profession where I can utilize my commitment to hospitality while continuing to develop my culinary skills.

COMPETENCIES

- Sales Building & Marketing
- Employee Coaching & Development
- High Volume Experience 9m+
- Banquet & Event Manager
- Daily Restaurant Repair & Maintenance
- Inventory & COGS control
- Guest Relations & Satisfaction
- P&L adherence and Budget Writing
- 3rd Party Operations & Development
- Community & Social Networking
- Bar Management
- Commitment to Standards

EXPERIENCE

Joes American Bar & Grill

General Manager November 2015-March 2020 Boston, MA 02116 781-536-4200p
Areas of responsibility include: Management of all departments and finances. Preparation of all weekly data, budgeting and numbers. Development and training of all new hires including new management and sous chefs.

Bravo Brio Restaurant Group

Manager December 2007-November 2015 Chestnut Hill, MA 02467 617-795-7150p
Areas of responsibility include: Banquet Manager, Service Manager, and Bar Manager. Daily activities include schedule writing, staff training and development, corporate initiatives, sales and guest building, market research, facility R&M, event coordinating, guest recovery and assisting the General Manager with budgets and the P&L.

National Car Rental

Branch Manager April 2003-Aug 2007 Clive, IA 50325 515-402-1622p
Areas of responsibility include: Client relations, account creation and sales building, maintaining a multimillion dollar rental fleet and staffing.

Chili's Bar and Grill

Shift Leader February 2001-April 2003 Traverse City, MI 49684 231-929-0200
Areas of responsibility include: Hosting, Serving, Bartending and Shift Leading.

Red Lobster

Host December 1997-May 2000 Traverse City, MI 49684 231-933-8741
Areas of responsibility: Silverware Roller, Busser, and Host.

EDUCATION Traverse City West Senior High School 2000 Graduate.

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APPLICANT'S STATEMENT

I, Mark McDonough the: ☐ sole proprietor; ☐ partner; ☒ corporate principal; ☐ LLC/LLP manager

Authorized Signatory

of Serenitee Catering Corp.

Name of the Entity/Corporation

hereby submit this application (hereinafter the "Application"), to the local licensing authority (the "LLA") and the Alcoholic Beverages Control Commission (the "ABCC" and together with the LLA collectively the "Licensing Authorities") for approval.

I do hereby declare under the pains and penalties of perjury that I have personal knowledge of the information submitted in the Application, and as such affirm that all statements and representations therein are true to the best of my knowledge and belief. I further submit the following to be true and accurate:

(1) I understand that each representation in this Application is material to the Licensing Authorities' decision on the Application and that the Licensing Authorities will rely on each and every answer in the Application and accompanying documents in reaching its decision;

(2) I state that the location and description of the proposed licensed premises are in compliance with state and local laws and regulations;

(3) I understand that while the Application is pending, I must notify the Licensing Authorities of any change in the information submitted therein. I understand that failure to give such notice to the Licensing Authorities may result in disapproval of the Application;

(4) I understand that upon approval of the Application, I must notify the Licensing Authorities of any change in the ownership as approved by the Licensing Authorities. I understand that failure to give such notice to the Licensing Authorities may result in sanctions including revocation of any license for which this Application is submitted;

(5) I understand that the licensee will be bound by the statements and representations made in the Application, including, but not limited to the identity of persons with an ownership or financial interest in the license;

(6) I understand that all statements and representations made become conditions of the license;

(7) I understand that any physical alterations to or changes to the size of the area used for the sale, delivery, storage, or consumption of alcoholic beverages, must be reported to the Licensing Authorities and may require the prior approval of the Licensing Authorities;

(8) I understand that the licensee's failure to operate the licensed premises in accordance with the statements and representations made in the Application may result in sanctions, including the revocation of any license for which the Application was submitted; and

(9) I understand that any false statement or misrepresentation will constitute cause for disapproval of the Application or sanctions including revocation of any license for which this Application is submitted.

(10) I confirm that the applicant corporation and each individual listed in the ownership section of the application is in good standing with the Massachusetts Department of Revenue and has complied with all laws of the Commonwealth relating to taxes, reporting of employees and contractors, and withholding and remitting of child support.

Signature: Mark McDonough Date: 9/29/20

Title: President

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Commonwealth of Massachusetts
Alcoholic Beverages Control Commission
95 Fourth Street, Suite 3
Chelsea, MA 02150

JEAN M. LORIZIO, ESQ.
CHAIRMAN

CORI REQUEST FORM

The Alcoholic Beverages Control Commission ("ABCC") has been certified by the Criminal History Systems Board to access conviction and pending Criminal Offender Record Information ("CORI"). For the purpose of approving each shareholder, owner, licensee or applicant for an alcoholic beverages license, I understand that a criminal record check will be conducted on me, pursuant to the above. The information below is correct to the best of my knowledge.

ABCC LICENSE INFORMATION

ABCC NUMBER: (IF EXISTING LICENSEE) 05072-RS-0704 **LICENSEE NAME:** Serenitee Catering Corp. **CITY/TOWN:** Middleton

APPLICANT INFORMATION

LAST NAME: Parmerlee FIRST NAME: Christopher MIDDLE NAME: William

MAIDEN NAME OR ALIAS (IF APPLICABLE): PLACE OF BIRTH: Kansas City, MO

DATE OF BIRTH: 09/04/1981 SSN: ID THEFT INDEX PIN (IF APPLICABLE):

MOTHER'S MAIDEN NAME: DRIVER'S LICENSE #: STATE LIC. ISSUED: New Hampshire

GENDER: MALE HEIGHT: 5 9 WEIGHT: 185 EYE COLOR: brown

CURRENT ADDRESS: 37 Collins Way

CITY/TOWN: Pelham STATE: NH ZIP: 03076

FORMER ADDRESS: 55 Crescent Avenue

CITY/TOWN: Malden STATE: MA ZIP: 02148

PRINT AND SIGN

PRINTED NAME: Christopher William Parmerlee APPLICANT/EMPLOYEE SIGNATURE:

NOTARY INFORMATION

On this September 29, 2020 before me, the undersigned notary public, personally appeared Christopher Parmerlee (name of document signer), proved to me through satisfactory evidence of identification, which were his driver's license to be the person whose name is signed on the preceding or attached document, and acknowledged to me that (he) (she) signed it voluntarily for its stated purpose.

Pamela Veerman
NOTARY

PAMELA J. VEERMAN
NOTARY PUBLIC
COMMONWEALTH OF MASSACHUSETTS
My Comm. Expires August 31, 2023

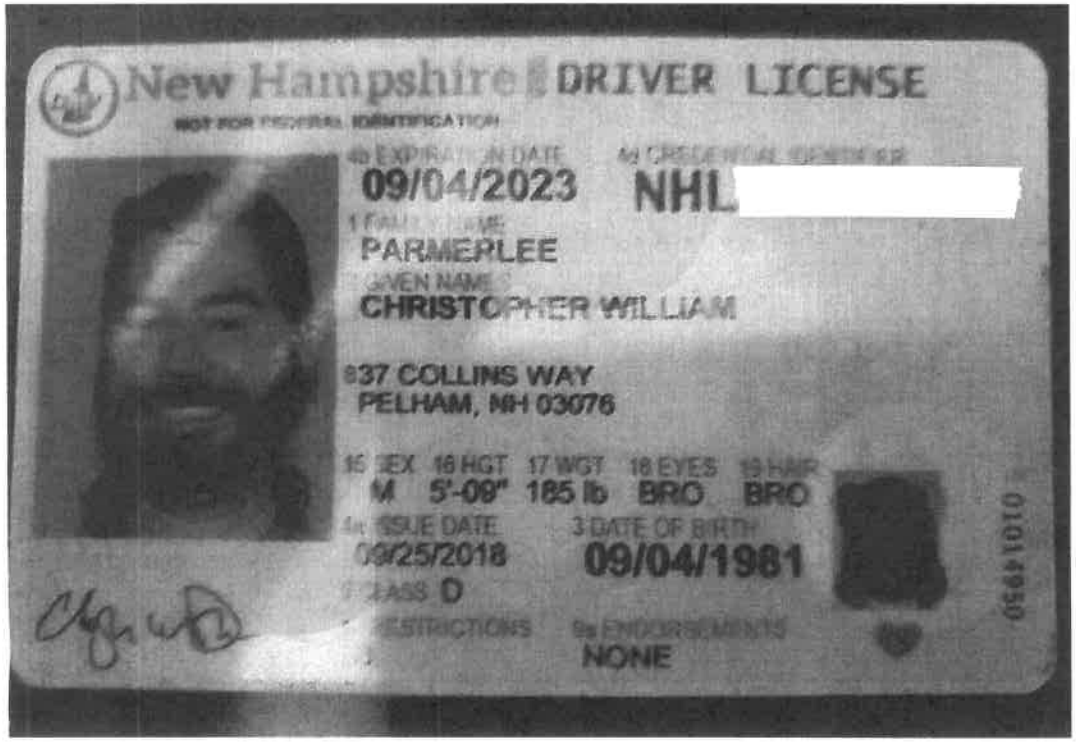
DIVISION USE ONLY

REQUESTED BY:

SIGNATURE OF CORI AUTHORIZED EMPLOYEE

The DCJI Identify Theft Index PIN Number is to be completed by those applicants that have been issued an Identity Theft PIN Number by the DCJI. Certified agencies are required to provide all applicants the opportunity to include this information to ensure the accuracy of the CORI request process. **ALL CORI request forms that include this field are required to be submitted to the DCJI via mail or by fax to (617) 660-4614.**

7



New Hampshire DRIVER LICENSE

NOT FOR FEDERAL IDENTIFICATION

4b EXPIRATION DATE 09/04/2023

NHL [redacted]

1 FAMILY NAME PARMERLEE

GIVEN NAME CHRISTOPHER WILLIAM

837 COLLINS WAY
PELHAM, NH 03076

15 SEX M 16 HGT 5'-08" 17 WGT 185 lb 18 EYES BRO 19 HAIR BRO

4a ISSUE DATE 09/25/2018

3 DATE OF BIRTH 09/04/1981

9 CLASS D

12 RESTRICTIONS

9a ENDORSEMENTS NONE

05041010

We the People

Of the United States

SIGNATURE OF BEARER / SIGNATURE DU TITULAIRE / FIRMA DEL TITULAR

PASSPORT
PASSEPORT
PASAPORTE

USA

UNITED STATES OF AMERICA

Type / Type / Tipo: P

Code / Code / Código: USA

Passport No. / Numéro de passeport / Número de pasaporte: [redacted]

Surname / Nom / Apellidos
PARMERLEE

Given Names / Prénoms / Nombres
CHRISTOPHER WILLIAM

Nationality / Nationalité / Nacionalidad
UNITED STATES OF AMERICA

Date of birth / Date de naissance / Fecha de nacimiento
04 Sep 1981

Place of birth / Lieu de naissance / Lugar de nacimiento
MISSOURI, U.S.A.

Sex / Sexe / Sexo
M

Date of issue / Date de délivrance / Fecha de expedición
09 Oct 2019

Authority / Autorité / Autoridad
United States
Department of St

Date of expiration / Date d'expiration / Fecha de caducidad
08 Oct 2029

USA

Endorsements / Mentions spéciales / Anotaciones
SEE PAGE 27

USAPARMERLEE<<CHRISTOPHER<WILLIAM<<<<<<<<<

<9983373USA8109046M2910080681533472<9470

8

CORPORATE VOTE

The Board of Directors or LLC Managers of Serenitee Catering Corp.
Entity Name

duly voted to apply to the Licensing Authority of Middleton and the
City/Town

Commonwealth of Massachusetts Alcoholic Beverages Control Commission on September 29, 2020
Date of Meeting

For the following transactions (Check all that apply):

- [x] Change of Manager
- [ ] Other

"VOTED: To authorize Mark McDonough
Name of Person

to sign the application submitted and to execute on the Entity's behalf, any necessary papers and do all things required to have the application granted."

"VOTED: To appoint Christopher William Parmerlee
Name of Liquor License Manager

as its manager of record, and hereby grant him or her with full authority and control of the premises described in the license and authority and control of the conduct of all business therein as the licensee itself could in any way have and exercise if it were a natural person residing in the Commonwealth of Massachusetts."

A true copy attest,

Mark McDonough

Corporate Officer /LLC Manager Signature

Mark McDonough
(Print Name)

For Corporations ONLY
A true copy attest,

Mark McDonough

Corporation Clerk's Signature

Mark McDonough
(Print Name)

9

The Commonwealth of Massachusetts
Alcoholic Beverages Control Commission

☐ For Reconsideration

LOCAL LICENSING AUTHORITY REVIEW RECORD

ABCC License Number	City/Town	Date Filed with LLA
05072-RS-0704	Middleton	September 29, 2020

TRANSACTION TYPE (Please check all relevant transactions):

☐ New License	☐ Change Corporate Name	☐ Pledge of Collateral (i.e. License/Stock)	☐ Change Corporate Structure (i.e. Corp / LLC)
☐ Transfer of License	☐ Change of DBA	☐ Change of Class (i.e. Annual / Seasonal)	☐ Change of Hours
☒ Change of Manager	☐ Alteration of Licensed Premises	☐ Change of License Type (i.e. club / restaurant)	☐ Issuance/Transfer of Stock/New Stockholder
☐ Change of Beneficial Interest	☐ Change of Location	☐ Change of Category (i.e. All Alcohol/Wine, Malt)	☐ Management/Operating Agreement

APPLICANT INFORMATION

Name of Licensee: Serenitee Catering Corp. D/B/A: Maggie's Farm

ADDRESS: 189 South Main Street CITY/TOWN: Middleton STATE: MA ZIP CODE: 01949

Manager: Christopher William Parmerlee

Granted under Special Legislation? Yes ☐ No ☒

If Yes, Chapter ____ of the Acts of (year) ____

Type (i.e. restaurant, package store)	Class (Annual or Seasonal)	Category (i.e. Wines and Malts / All Alcohol)
§12 Restaurant	Annual	All Alcoholic Beverages

LOCAL LICENSING AUTHORITY DECISION

Please indicate the decision of the Local Licensing Authority: ____

Please indicate what days and hours the licensee will sell alcohol:
Sunday-Tues 10am -12pm
Wed-Saturday 10am-1 am
New Years Eve 10am -

If **Approving With Modifications**, please indicate below what changes the LLA is making:

Please indicate if the LLA is downgrading the License Category (approving only Wines and Malts if applicant applied for All Alcohol): ____

Changes to the Premises Description

Patio/Deck/Outdoor Area Total Square Footage ____

Seating Capacity ____

Indoor Area Total Square Footage ____

Number of Entrances ____

Number of Exits ____

Floor Number	Square Footage	Number of Rooms

Abutters Notified: Yes ☐ No ☒ Date of Abutter Notification ____ Date of Advertisement ____

Please add any additional remarks or conditions here: ____

☐ Check here if you are attaching additional documentation

The Local Licensing Authorities By:

Alcoholic Beverages Control Commission
Ralph Sacramone
Executive Director

Date APPROVED by LLA ____

BOARD OF SELECTMEN
Town of Middleton
48 South Main Street
Middleton, Massachusetts
01949-2253
978-777-3617
www.middletonma.gov

4.

October 6, 2020

Hon. Charles D. Baker, Governor
State House, 24 Beacon Street
Office of the Governor, Room 280
Boston, MA 02133

Ms. Marylou Sudders, Secretary
Executive Office of Health & Human Services
1 Ashburton Place
Boston, MA 02108

RE: COVID-19 Average Daily Incidence Rate Map
Middleton

Dear Governor Baker and Secretary Sudders:

The September 30, 2020 COVID-19 Average Daily Incidence Rate Map moves Middleton from yellow (4.2 cases/100,000) to red (12.5 cases/100,000). The reason for this change in status is solely attributable to an outbreak at the Essex County Jail in Middleton. There has been no change in positive cases among the at-large Middleton population. The change in status misrepresents the true status of the virus in Middleton.

While we appreciate the volume and granularity of data the State has been providing the data can mislead. Absent proper context and nuance the data can be cause for alarm. That is the current case in Middleton. The release of the newest map has residents concerned for the safety of their families and friends.

Moreover, it is our understanding that Middleton's status as a red community will prevent us from moving on to Step II of Phase III. This is directly contrary to the Governor's stated desire to reopen Massachusetts where it can be safely done. Middleton is well positioned to move forward; the inclusion of the isolated population at the jail now prevents this move. It is unlikely we will be able to progress on the path to reopening until November, further stressing small businesses. It also calls into question the ability of our schools – Middleton Elementary and Masconomet Regional – to make further progress toward in-person learning.

We understand it is a significant and difficult request for you to parse the data to exclude an isolated institution such as the jail. However, we believe doing so furthers the Governor's desire to reopen Massachusetts quickly and safely.

Thank you in advance for your consideration and attention. Please contact Town Administrator Andrew J. Sheehan at 978-777-3617 or andrew.sheehan@middletonma.gov if you have any questions in this regard.

Sincerely,

MIDDLETON BOARD OF SELECTMEN

Richard Kassiotis, Chair

CC: Senator Bruce E. Tarr, Senate Minority Leader
Representative Bradley H. Jones, House Minority Leader
Representative Theodore C. Speliotis

OFFICE OF THE TOWN ADMINISTRATOR
Town of Middleton
Memorial Hall
48 South Main Street
Middleton, MA 01949-2253
978-777-3617
www.middletonma.gov

5.

MEMORANDUM

TO: Board of Selectmen

FROM: Andrew J. Sheehan, Town Administrator
Ilene B. Twiss, Town Clerk

SUBJ.: Bylaw Review Committee

DATE: October 6, 2020

We have reviewed the Charter and Bylaws for the origin and charge of the Bylaw Review Committee (BRC). The only solid reference we found is in section 10-4-1 of the Charter which reads:

> It shall be the responsibility of the Board of Selectmen to insure, through an appointed By-law Committee, that the By-laws of the Town shall be reviewed, codified, and republished at least every five years, and that copies shall be made available to all registered voters requesting them.

There is sound reason to have a committee to periodically review the bylaws. This is further reinforced by the citizen's petition that was adopted by Article 25 of the Town Meeting on May 8, 2018. This article called for creation of a Zoning Bylaw Review Committee that would report to the Bylaw Review Committee. There is also a historic presence of a BRC in Middleton.

Historically, the number and make-up of the BRC has been quite variable. It often included members of standing boards and committees (Selectmen, Assessors, Planning, etc.). It generally included at-large citizen members. Certain staff positions were also members – voting or non-voting - at various times. The only consistent representative was the Town Clerk.

The process of codifying and republishing the bylaws is done regularly by the Town Clerk with our partner, General Code. At this point in time, the most pressing need for the BRC is to receive the report of the Zoning Bylaw Review Committee. The Board of Selectmen recently expressed its desire that the committees not have overlapping membership. To that end, we recommend a committee of either five or seven citizens with the Town Clerk serving as a non-voting ex officio member.

The Committee's charge shall be to receive the report and recommendations of the Zoning Bylaw Review Committee and provide to Town Meeting a recommendation on such proposed changes.

10/1/2020

6.

TOWN OF MIDDLETON
SPECIAL TOWN MEETING
THE COMMONWEALTH OF MASSACHUSETTS
NOVEMBER 17, 2020

ESSEX s.s.
To the Constable of the Town of Middleton in the County of Essex:

GREETINGS:
In the name of the Commonwealth of Massachusetts, you are hereby directed to notify and warn the inhabitants of said Town qualified to vote in Elections and Town Affairs, to meet at the Howe Manning School, 26 Central Street in said Middleton on Tuesday, November 17, 2020 next, at 7:00 p.m., then and there to act on the following articles:

To transact any other business that may lawfully come before this meeting.

FY2021 FINANCIAL ARTICLES

ARTICLE 1. On petition of the Board of Selectmen and Finance Committee, to see if the Town will vote to raise and appropriate, transfer between and among various accounts, or transfer from available funds to supplement the Fiscal Year 2021 operating budget; or take any other action relative thereto.

Purpose: This article is to transfer funds and supplement monies, if necessary, to meet departmental expenses in the current fiscal year.

ARTICLE 2. On petition of the Finance Committee and Board of Selectmen, to see if the Town will vote to amend Article 10 of the Annual Town Meeting held on June 24, 2020 with respect to the Capital Budget for Fiscal Year 2021; or take any other action relative thereto.

Purpose: This article corrects a scrivener's error that misstated the amounts approved under Article 10. The Free Cash amount and the total appropriation amount were higher than they should have been.

ARTICLE 3. On petition of the Finance Committee and Board of Selectmen, to see if the Town will vote to raise and appropriate, transfer between and among various accounts, or transfer from available funds the sum of $_____ to fund handicap access improvements at Memorial Hall located at 48 South Main Street.

Purpose: This article provides funds to make handicap accessibility improvements to Memorial Hall. The existing handicap ramp is failing and can no longer be counted on to provide reliable and safe access to the building.

ARTICLE 3. On petition of the Finance Committee and Board of Selectmen, to see if the Town will vote to raise and appropriate, transfer between and among various accounts, or transfer from available funds the sum of $15,000 to fund improvements to the garage bay door to accommodate the ambulance at the Fire Department at 4 Lake Street.

Purpose: This article provides funds to make improvements to the garage bay door at the Fire Station at 4 Lake Street. The new ambulance that will be delivered in 2021 is longer than the garage bay; this article will provide funds to extend the length of the garage bay for the ambulance.

ARTICLE 5. On petition of the Board of Selectmen and Finance Committee, to see if the Town will vote to transfer from available funds certain sums to the following reserve accounts:

- Stabilization
- Capital Stabilization
- Pension Stabilization
- Special Education Stabilization
- Other Post-Employment Benefits (OPEB) Trust Fund

Or take any other action relative thereto.

Purpose: This article authorizes the transfer of funds to the Town's reserve accounts.

CITIZEN PETITIONS, BYLAW ADOPTIONS, AND REAL PROPERTY

ARTICLE 6. On petition of the Board of Selectmen, to see if the Town will vote to amend Chapter 79 Revolving Funds, of the By-Laws of the Town by inserting a new Revolving Fund, Sidewalks and Pedestrian Improvements, and to further authorize the expenditure of not more than $30,000 in Fiscal Year 2021:

Revolving Fund	Department, Board, Committee, Agency or Officer Authorized to Spend from Fund	Fees, Charges or Other Receipts Credited to Fund	Program or Activity Expenses Payable from Fund	Restrictions or Conditions on Expenses Payable from Fund	Other Requirements/ Reports	Fiscal Years
Sidewalks and Pedestrian Improvements	DPW Superintendent, Town Administrator	Contributions and payments in lieu of construction for developments	Design, construction, and related costs associated with	----	---	Fiscal Year 2021 and subsequent years

		permitted by Planning Board, Zoning Board, and other permitting authorities	construction of sidewalks and pedestrian improvements			

Or take any other action relative thereto.

Purpose: This article would establish a new Revolving Fund to be used to hold and spend funds to make sidewalk and pedestrian improvements around Town. The Department of Revenue has recommended that a Revolving Fund is the most appropriate means of accounting for such funds.

ARTICLE 7. On petition of the Board of Selectmen and Finance Committee, to see if the Town will vote to transfer from available funds a certain sum to the Sidewalks & Pedestrian Improvements Revolving Fund; or take any other action relative thereto.

Purpose: This article would transfer funds from Free Cash to the Sidewalks & Pedestrian Improvements Revolving Fund created by Article 4, above. These monies were collected to fund sidewalk and pedestrian improvements. The Department of Revenue has recommended this as the appropriate method of dedicating these funds for the intended use. The current balance is approximately $128,800.

ARTICLE 8. On petition of the Board of Selectmen, to see if the Town will vote to amend Chapter 68 Personnel, of the By-Laws of the Town by deleting the entire chapter and substituting in its place:

Chapter 68 Personnel

§ 68-1 **Purpose and Intent.**

The purpose of the Personnel Bylaw is to establish fair and equitable personnel policies and to establish a system of personnel administration based on merit principles that ensure a uniform fair and efficient application of personnel policies. The intent of this bylaw is to provide a method of recruitment, selection, development, and retention of a work force that is skilled and effective in accomplishing the service delivery mission of the Town. Personnel actions are to be made without regard to any criteria established and proscribed by any state or federal law or regulations promulgated pursuant thereto, or political affiliation or other non-job related factors, and shall be based on merit and fitness.

§ 68-2 **Applicability**

All Town departments and positions shall be subject to the provisions of this bylaw, except elected officers, members of boards and commissions, and employees of the School Department and Light Department. To the extent that the provisions of any collective bargaining agreement conflicts with any provisions of this bylaw or personnel policies adopted pursuant to § 68-5, the provisions of the collective bargaining agreement shall prevail. This bylaw is adopted pursuant to the authority granted by Article LXXXIX of the Constitution of the Commonwealth and General Law.

§ 68-3 **Responsibility of the Town Administrator.**

The Town Administrator shall be responsible for the establishment and maintenance of a personnel system based on merit principles. The Town Administrator shall have all the personnel management powers and duties as provided by the Middleton Town Charter and shall formulate personnel policies pursuant to § 68-5 of this bylaw, subject to the approval of the Board of Selectmen.

§ 68-4 **Contents of Personnel Policies.**

The personnel policies shall establish a personnel system which shall include, but need not be limited to, the following elements:

A. A method of administration. A system of administration which assigns specific responsibility for all elements of the personnel system, including: maintaining personnel records; implementing effective recruitment and selection processes; maintaining the classification and compensation plans; monitoring the application of policies and periodic reviews and evaluation of the personnel system.

B. A classification and compensation plan.

C. A recruitment and selection policy.

D. A centralized personnel record keeping system, and

E. Other elements of a personnel system as deemed appropriate or necessary.

§ 68-5 **Adoption of Policies.**

The Town Administrator is empowered and authorized by this bylaw to prepare personnel policies for adoption by the Board of Selectmen defining the rights, benefits, and obligations of employees subject to this bylaw, provided however. The Town Administrator shall be responsible for the development of personnel policies. Any Board or Committee, department head, or any single employee or group of employees may recommend personnel policies to the Town Administrator for consideration. Such policies shall become effective in accordance with the following procedure:

A. The Town Administrator shall prepare proposed personnel policies.

B. The Town Administrator shall consult with employees that may be affected by proposed changes in personnel policies.

C. The Town Administrator shall finalize personnel policies and transmit in writing any proposed policies to the Board of Selectmen.

D. The Board of Selectmen shall review said policies and vote to approve, disapprove, or approve with modifications.

E. Copies of new or amended policies shall be posted and distributed to department heads and employees.

§ 68-6 **Severability.**

The provisions of this bylaw and any policies adopted pursuant to this bylaw are severable. If any bylaw provision or policy is held invalid, the remaining provisions of the bylaw or policy shall not be affected thereby.

§ 68-7 **Effective Date.**

This bylaw shall take effect upon passage.

Or take any other action relative thereto.

Purpose: This article proposes changes to the personnel bylaw to make the bylaw consistent with the historic and current practice of personnel management.

ARTICLE 9. On petition of the Board of Selectmen, to see if the Town will vote to authorize the Board of Selectmen to petition the General Court of the Commonwealth of Massachusetts for special legislation amending the Town Charter in the form set forth below, with respect to personnel matters, or take any action relative thereto.

Amending Chapter 6, Section 1, Subsection 6-1-1(b) by inserting "and" before "a Treasurer-Collector" and deleting ", all division and/or department heads";

Amending Chapter 6, Section 3, Subsection 6-3-1(d) by deleting "Personnel Board, a";

Amending Chapter 6, Section 4, Subsection 6-4-1 by deleting "such individual Town officers and";

Amending Chapter 6, Section 7, Subsection 6-7-10 by renumbering existing subsection 6-7-10 to "6-7-11" adding the following new subsection as 6-7-10 "He shall appoint, subject to the provisions of any collective bargaining agreements as may be applicable, all other department heads, officers, and employees for whom no other method of selection is provided by this Charter. Such appointments shall become effective on the fifteenth (15th) day following the day on which such notice of appointment is filed with the Board of Selectmen, unless the Board of

Selectmen shall, within that period by a majority of all of its members, vote to reject such appointment, or has sooner voted to affirm it."

Amending Chapter 9, Section 5, Subsection 9-5-2 by replacing "Personnel Board" with "Town Administrator", and further by replacing "Town Meeting" with "Board of Selectmen" and further by replacing "except those provided for by General Law" with "except as otherwise provided by law or as may be superseded by collective bargaining agreement(s)"

Provided however, that the General Court may make clerical or editorial changes of form only to the bill, unless the Board of Selectmen approves amendments to the bill before enactment by the General Court, and that the Board of Selectmen is authorized to approve amendments which shall be within the scope of the general public objectives of the petition; or take any action relative thereto.

Purpose: This article would amend the Charter with respect to personnel matters. The changes would make the Charter consistent with the current and historic practice of personnel management and with the changes proposed under Article 6, above. Charter changes require the affirmative vote of Town Meeting followed by approval of the Massachusetts legislature and the Governor.

ARTICLE 10. On petition of the Planning Board to see if the Town will vote to amend the Middleton Zoning Bylaw and Map by amending Section 2.2 "Overlay Districts" by adding the following new Section 8.7 "Groundwater Protection Overlay District" and that non-substantive changes to the numbering of this bylaw be permitted in order that it be in compliance with the numbering format of the Code of Middleton:

1) Add the following to Section 2.2 "Overlay Districts":

   Groundwater Protection Overlay District (GPOD)

2) Add the following Section 8.7 "Groundwater Protection Overlay District":

   8.7. Groundwater Protection Overlay District

   8.7.1. Purpose of District. The purpose of this Groundwater Protection District is to:

   1. promote the health, safety, and general welfare of the community by ensuring an adequate quality and quantity of drinking water for the residents, institutions, and business of the Town of Middleton and adjacent towns;
   2. preserve and protect existing and potential sources of drinking water;
   3. conserve natural resources in the Town of Middleton; and
   4. prevent temporary and permanent contamination of the environment.

   8.7.2. Scope of authority. The Groundwater Protection District is an overlay district superimposed on the other zoning districts. This overlay district shall apply to all new construction, reconstruction, or expansion of existing buildings and new or expanded

uses. Uses prohibited in the underlying zoning districts shall not be permitted in the Groundwater Protection District.

8.7.3. Definitions.

AQUIFER: A geologic formation composed of rock, sand or gravel that contains significant amounts of potentially recoverable water.

CMR: Code of Massachusetts Regulations.

COMMERCIAL FERTILIZER: Any substance containing one or more recognized plant nutrients which is used for its plant nutrient content and which is designed for use, or claimed to have value in promoting plant growth, except un-manipulated animal and vegetable manures, marl, lime, limestone, wood ashes, and gypsum, and other products exempted by state regulations.

DISCHARGE: The accidental or intentional disposal, deposit, injection, dumping, spilling, leaking, pouring, or placing of toxic or hazardous material or hazardous waste upon or into any land or water such that it may enter the surface or ground waters.

DRY WELL: A subsurface pit with open-jointed lining or holes through which storm-water drainage from roofs, basement floors, foundations or other areas seep into the surrounding soil.

GROUNDWATER PROTECTION DISTRICT: The land area consisting of aquifers and Zone II recharge areas as identified on a map and adopted pursuant to this bylaw.

HAZARDOUS MATERIAL: Any substance in any form which because of its quantity, concentration, or its chemical, corrosive, flammable, reactive, toxic, infectious or radioactive characteristics, either separately or in combination with one or more substances, constitutes a present or potential threat to human health, safety, welfare, or to the environment, when improperly stored, treated, transported, disposed of, used, or otherwise managed. Hazardous material includes, without limitation, synthetic organic chemicals, petroleum products, heavy metals, radioactive or infectious materials, and all substances defined as toxic or hazardous under MGL c. 21E. This term shall not include hazardous waste or oil.

HISTORICAL HIGH GROUNDWATER TABLE ELEVATION: A groundwater elevation determined from monitoring wells and historical water table fluctuation data compiled by the United States Geological Survey.

HAZARDOUS WASTE: A substance or combination of substances, which because of quantity, concentration, or physical, chemical or infectious characteristics may cause, or significantly contribute to an increase in mortality or an increase in serious irreversible, or incapacitating reversible illness or pose a substantial present or potential hazard to human health, safety, or welfare or to the environment when improperly treated, stored, transported,

used or disposed of, or otherwise managed. This term shall include all substances identified as hazardous pursuant to the Hazardous Waste Regulations, 310 CMR 30.000.

IMPERVIOUS SURFACE: Material or structure on, above, or below the ground that does not allow precipitation or surface water runoff to penetrate into the soil.

LANDFILL: A facility established in accordance with a valid site assignment for the purposes of disposing solid waste into or on the land, pursuant to the Solid Waste Regulations, 310 CMR 19.006.

MassDEP: Massachusetts Department of Environmental Protection.

MGL: Massachusetts General Law.

PETROLEUM PRODUCT: Includes, but not limited to, fuel oil; gasoline; diesel; kerosene; aviation jet fuel; aviation gasoline; lubricating oils; oily sludge; oil refuse; oil mixed with other wastes; crude oils; or other liquid hydrocarbons regardless of specific gravity. Petroleum product shall not include liquefied petroleum gas including, but not limited to, liquefied natural gas, propane or butane.

NON-SANITARY WASTEWATER: Wastewater discharges from industrial and commercial facilities containing wastes from any activity other than collection of sanitary sewage including, but not limited to, activities specified in 310 CMR 15.004(6).

OPEN DUMP: A facility operated or maintained in violation of the Resource Conservation and Recovery Act 42 U.S.C. 4004(a)(b), or state regulations and criteria for solid waste disposal.

RECHARGE AREAS: Land areas, such as a Zone II, where precipitation and surface water infiltrates into the ground to replenish groundwater and aquifers used for public drinking water supplies.

SEPTAGE: The liquid, solid, and semi-solid contents of privies, chemical toilets, cesspools, holding tanks, or other sewage waste receptacles. This term shall not include any material that is a hazardous waste, as defined by 310 CMR 30.000.

SLUDGE: The solid, semi-solid, and liquid residue that results from a process of wastewater treatment or drinking water treatment including wastewater residuals. This term shall not include grit, screening, or grease and oil which are removed at the head-works of a facility

TREATMENT WORKS: Any and all devices, processes and properties, real or personal, used in the collection, pumping, transmission, storage, treatment, disposal, recycling, reclamation, or reuse of waterborne pollutants, but not including any works receiving a hazardous waste from off the site of the works for the purpose of treatment, storage, or disposal.

UTILITY WORKS: Regulated activities providing for public services, including roads, water, sewer, electricity, gas, telephone, transportation and their associated maintenance activities. This term shall include the installation of detention and retention basins for the purpose of controlling storm water.

VERY SMALL QUANTITY GENERATOR: Any public or private entity, other than residential, which produces less than 27 gallons (100 kilograms) a month of hazardous waste or waste oil, but not including any acutely hazardous waste as defined in 310 CMR 30.136.

WASTE OIL RETENTION FACILITY: A waste oil collection facility for automobile service stations, retail outlets, and marinas which is sheltered and has adequate protection to contain a spill, seepage, or discharge of petroleum waste products in accordance with MGL c.21. s.52A. .6

ZONE II: The delineated recharge area to a public drinking water well as approved by MassDEP and defined under the Massachusetts Drinking Water Regulations 310 CMR 22.00.7

8.7.4. Establishment and delineation of Groundwater Protection Overlay District. For the purposes of this bylaw, there is hereby established within the Town of Middleton, a certain groundwater protection area consisting of aquifers or recharge areas. This area is delineated on the Middleton Zoning Map and is based on the MassDEP Wellhead Protection Areas (Zone II) layer which is maintained in a MassDEP Enterprise Geodatabase as a polygon feature class named [ZONE2_POLY] and is hereby made part of the Groundwater Protection District Bylaw and is on file in the office of the Town Clerk.

8.7.5. Permitted uses. This overlay district shall apply to all new construction, reconstruction, or expansion of existing buildings and new or expanded uses. All uses permitted in the underlying zoning district and not specifically prohibited hereby are permitted within the Groundwater Protection District, provided that all necessary permits, orders, or approvals required by local, state, or federal law are also obtained.

8.7.6. Prohibited uses. The following land uses and activities are prohibited unless designed in accordance with the specified performance standards:

1. landfills and open dumps;
2. landfills receiving only wastewater residuals and/or septage, including those approved by MassDEP pursuant to MGL c. 21 s.26 through s.53, MGL c.111 s.17, and MGL c.83 s.6 and s.7; 10
3. automobile graveyards and junkyards as defined in M.G.L. c. 140B, § 1;
4. stockpiling and disposal of snow or ice removed from highways and streets located outside of Zone II that contains sodium chloride, chemically treated abrasives or other chemicals used for snow and ice removal;

5. petroleum, fuel oil, and heating oil bulk stations and terminals including, but not limited to, those listed under North American Industry Classification System (NAICS) Codes 424710 and 454311, except for liquefied petroleum gas.
6. non-sanitary wastewater discharges from industrial and commercial facilities, except for:
    a. replacement or repair of an existing system that will not result in a design capacity greater than the existing system;
    b. treatment works approved by MassDEP designed for the treatment of contaminated ground or surface water and operating in compliance with 314 CMR 5.05(3) or 5.05(13); and
    c. publicly owned treatment works.
7. facilities that generate, treat, store, or dispose of hazardous waste that are subject to MGL c.21C and 310 CMR 30.000, except for:
    a. very small quantity generators as defined under 310 CMR 30.000;
    b. household hazardous waste centers and events under 310 CMR 30.390;
    c. waste oil retention facilities required by MGL c. 21, s.52A;
    d. treatment works approved by MassDEP for the treatment of contaminated waters.
8. storage of sludge and septage, unless such storage is in compliance with 310 CMR32.30 and 310 CMR 32.31;
9. storage of sodium chloride, chemically treated abrasives or other chemicals used for the removal of ice and snow on roads, unless such storage is within a structure designed to prevent the generation and escape of contaminated runoff or leachate;
10. storage of commercial fertilizers unless such storage is within a structure designed to prevent the generation and escape of contaminated runoff or leachate;
11. storage of animal manure per (310 CMR 22.21(2)(b)(4)), unless such storage is within a structure designed to prevent the generation and escape of contaminated runoff or leachate;
12. storage of liquid hazardous materials and/or liquid petroleum products unless such storage is above ground level and on an impervious surface and either:
    a. in container(s) or above ground tank(s) within a building; or
    b. outdoors in covered container(s) or above ground tank(s) in an area that has a containment system designed and operated to hold either; 10% of the total possible storage capacity of all containers or 110% of the largest container's storage capacity, whichever is greater;

    however, these storage requirements shall not apply to the replacement of existing tanks or systems for the keeping, dispensing or storing of gasoline provided the replacement is performed in a manner consistent with state and local requirements;
13. earth removal, consisting of the removal of soil, loam, sand, gravel, or any other mineral substances within 4 feet of historical high groundwater as determined from monitoring wells and historical water table fluctuation data compiled by the United States Geological Survey, unless the substances removed are redeposited within 45 days of removal on site to achieve a final grading greater than four feet above the historical high water mark and except for excavations for the construction of building foundations, roads, utility works or wetland restoration

work conducted in accordance with a valid Order of Condition issued pursuant to MGL c. 131, s.40;15, and

14. land uses that result in rendering impervious any portion of any lot or parcel located within the GWPOD more than 15% or 2,500 square feet of such area located within such GWPOD, whichever is greater; unless in full compliance with the requirements of the Middleton Stormwater Management Bylaw, Chapter 204 (1) of the Town of Middleton General Bylaws.

8.7.7. Nonconforming uses and structures. The Groundwater Protection Overlay District Bylaw shall not apply to structures or uses lawfully in existence or lawfully begun. Such prior, lawfully existing nonconforming uses and structures may continue, provided that no modification of the use or structure shall be permitted unless authorized in accordance with Section 3.3 "Nonconforming Uses & Structures" of the Bylaw. .

8.7.8. Enforcement. Written notice of any violations of this bylaw shall be given by the Building Commissioner to the responsible person as soon as possible after detection of a violation or a continuing violation. Notice to the assessed owner of the property shall be deemed notice to the responsible person. Such notice shall specify the requirement or restriction violated and the nature of the violation, and may also identify the actions necessary to remove or remedy the violations and preventive measures required for avoiding future violations and a schedule of compliance. A copy of such notice shall be submitted to the Board of Appeals, Conservation Commission, Department of Public Works, Fire Department, and Board of Health. The cost of containment, clean-up, or other action of compliance shall be borne by the owner/operator of the premises.

8.7.9. Severability. If any provision of this bylaw is held invalid by a court of competent jurisdiction, the remainder of the bylaw shall not be affected thereby. The invalidity of any section or sections or parts of any section or sections of this bylaw shall not affect the validity of the remainder of this bylaw.

3) Add a new Groundwater Protection Overlay District to the Middleton Zoning Bylaw Map: (See next page).

Or take any other action relative thereto.

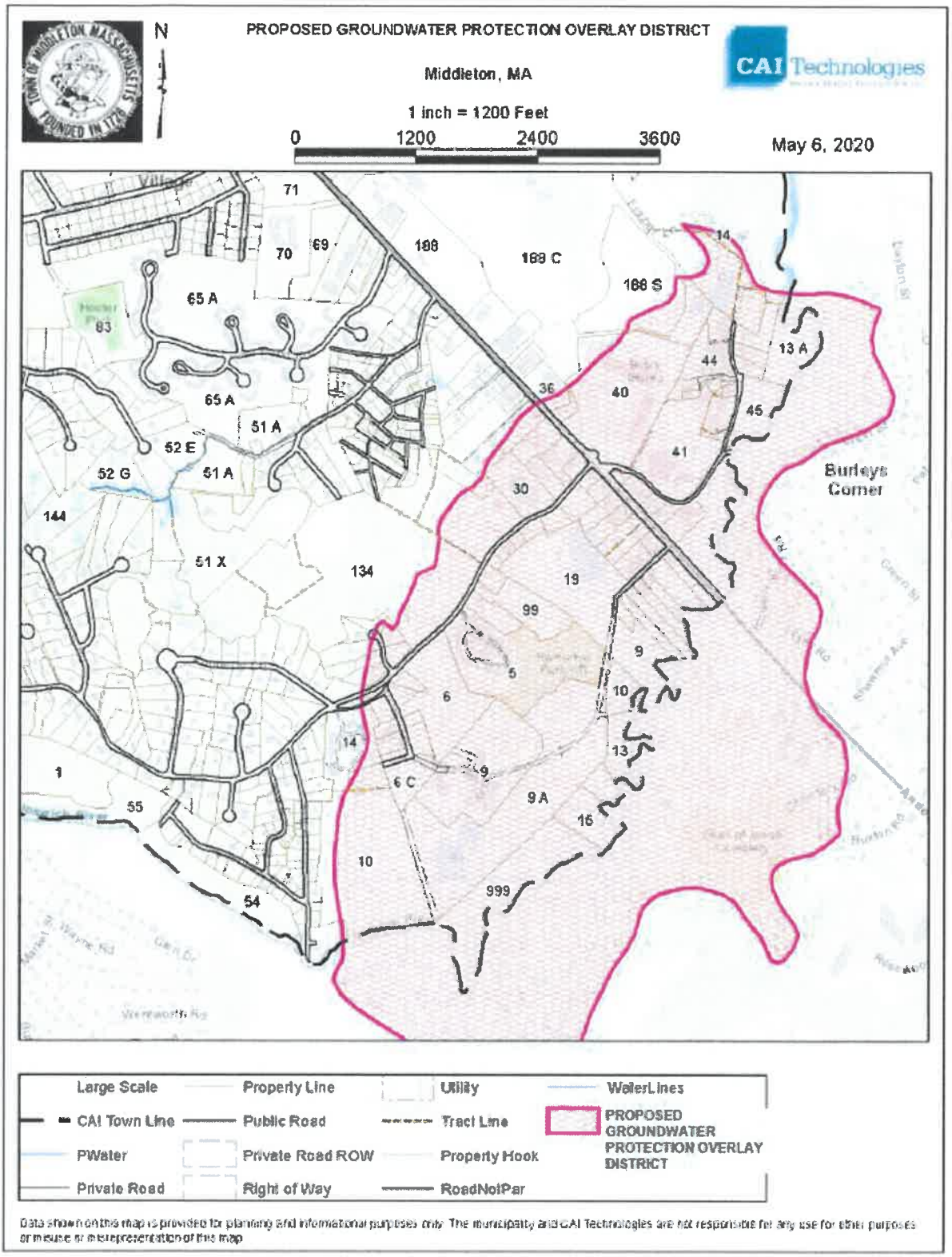
Purpose: Massachusetts Drinking Water Regulations, 310 CMR 22.00, require public water systems (PWS) to protect Zone II recharge areas with municipal controls (bylaws and/or health regulations). Local controls must meet MassDEP Wellhead Protection Regulations 310 CMR 22.21(2), which forbid certain land uses from being sited within the Zone II public water supply well area. The above proposed overlay district bylaw is based on the MassDEP Model Groundwater Protection Overlay District Bylaw. If the Town does not adopt a bylaw that

protects the Zone II Well area according to 310 CMR 22, it would make the town non-compliant, which could jeopardize the town's Water Management Act permit renewal for withdrawal from the Ipswich River Basin. Part of the Zone II Wellhead area falls within the Town of Danvers. Danvers adopted a Groundwater Protection Overlay District to protect the wellhead area in 2001.

Or take any other action relative thereto.

Planning Board Recommendation: The Planning Board voted unanimously to recommend in favor of adoption of the bylaw.

Master Plan Committee Recommendation: The Master Plan Committee voted unanimously to recommend in favor of adoption of the bylaw.


PROPOSED GROUNDWATER PROTECTION OVERLAY DISTRICT
Middleton, MA
1 inch = 1200 Feet
0
1200
2400
3600
May 6, 2020
N
CAI Technologies
Burleys Corner
Large Scale
Property Line
Utility
WaterLines
CAI Town Line
Public Road
Tract Line
PROPOSED GROUNDWATER PROTECTION OVERLAY DISTRICT
PWater
Private Road ROW
Property Hook
Private Road
Right of Way
RoadNotPar
Data shown on this map is provided for planning and informational purposes only. The municipality and CAI Technologies are not responsible for any use for other purposes or misuse or misrepresentation of this map

ARTICLE 11. On petition of Eric R. Cudmore and 10 or more registered voters, to see if the Town will vote to raise and appropriate, borrow or transfer from available funds $20,000 to pay for the costs associated with the acquisition or disposal of real property.

Purpose: The Town has acquired land for public facilities and to sell Town-owned land on Locust Street. The town needs to engage professionals to conduct assessments such as appraisals, environmental assessments, and surveys. Funds appropriated under this article would not be used for the acquisition of any real property.

Master Plan Committee Recommendation: The Master Plan Committee voted 5-1 to recommend against the article.

End of Annual Town Meeting Warrant

ROSELLI, CLARK & ASSOCIATES
Certified Public Accountants

RCA
CPA

7.

TOWN OF MIDDLETON, MASSACHUSETTS

Management Letter

Year Ended June 30, 2020

TOWN OF MIDDLETON, MASSACHUSETTS

MANAGEMENT LETTER
YEAR ENDED JUNE 30, 2020

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TRANSMITTAL LETTER

Board of Selectmen
Town of Middleton
Middleton, Massachusetts

In planning and performing our audit of the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Middleton, Massachusetts, (the "Town") as of and for the year ended June 30, 2020, in accordance with auditing standards generally accepted in the United States of America, we considered the Town's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal controls.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control was for the limited purpose described in the first paragraph would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control that we consider to be material weaknesses, as defined above.

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

Roselli, Clark & Associates
Certified Public Accountants
Woburn, Massachusetts
September 16, 2020

EVALUATION OF TOWN OPERATIONS

Fiscal 2020 will always be remembered for what is arguably, one of, if not, the beginning of one of the Nation's most daunting historical challenges. In January 2020, a virus known as Covid-19, made its appearance in the United States. Within two months, its devastating effects were being experienced on a large-scale basis and became a pandemic. In order to mitigate the wide-spread impacts, the entire Nation came to a virtual stand-still as schools, colleges, and non-essential businesses and activities were all shut down and citizens were required to stay in their homes.

Because the resultant unemployment skyrocketed to levels never seen before, it had, and continues to have a dramatic impact on the world economy; This impact has been felt at the Global, National and Local level.

While the Town could never prepare itself to face such an unprecedented challenge, years of strong fiscal management set up the Town to withstand this tragedy, better than most. Despite the economy being locked down for basically the entire fourth quarter, the Town was still able to ride the back of a strong first half of the year and end the year with positive operations and balance a budget for fiscal 2021.

The following are some key financial highlights:

1. Unassigned fund balance increased from $5.6 million to $6.2 million.
2. The OPEB fund increased to almost $1.4 million.
3. Aggregate General, SPED, Capital and Pension Stabilization funds were increased to over $3.0 million.
4. Levy capacity was over $0.7 million.

This along with the completion of the policies and procedures manual, maintaining strong controls and creating a cogent financial and administrative team that works very well and seamlessly together helped leverage an increase in the Town's bond rating to a AA+. This is the highest bond rating the Town has achieved and is one notch below the highest bond rating possible.

The Town has worked the last three years to choreograph the process to a higher bond rating and it has been successful. This will save the Town in financing costs as it embarks on its future capital improvements, some of which will be significant.

In addition, the strong financial position will leverage the Town's efforts to mitigate the economic impacts of Covid-19 in fiscal 2021 and beyond.

OBSERVATIONS

Bond Rating

As we previously mentioned, the Town recently underwent a credit evaluation. After many years of using Moodys to complete this endeavor, the Town decided to use the services of Standard and Poor. In prior years, we had made the recommendation for the Town to consider bringing a different set of eyes to the table with respect to its bond rating, and felt that Standard and Poor metrics lined up more favorably with the Town's strengths than Moodys' metrics.

The Town was rewarded for this effort by receiving a AA+ credit score, the second highest rating possible. This will provide much savings to the Town as it moves forward on its significant capital improvement strategy.

In the report issued by Standard and Poor on September 10, they highlight the following strengths:

1. The Middleton economy is very strong due to its location in the Boston Metropolitan Statistical Area which is a very strong and diverse area. In addition, this metric was driven by the Town's equalized valuation as a factor of population at over $200,000 and its per capita buying income at 146% of the National average.
2. The Town's management is considered strong with strong financial targets for stabilization funds in place. In addition, the Town monitors budget to actual reports regularly, develops forecasts and capital improvement plans and has a strong investment policy which it monitors. Other financial policies are all considered strong.
3. Budgetary flexibility is very strong as reserves sit at 18% of expenditures which exceed the tier 1 threshold of 15%.
4. Liquidity is very strong as it maintains cash reserves well above required metrics to pay back debt principal.

Areas of concern were highlighted as exposure to long-term obligations such as unfunded pension and OPEB liabilities and planned significant future debt.

Because the Town belongs to a county pension system, management of this lability is somewhat out of the Town's control, so a pension stabilization fund was set up to mitigate this. The Town has also established an OPEB trust fund, to which it makes annual contributions. However, these hurdles are difficult to clear as the unfunded liabilities are significant.

Overall, the report was excellent and receiving an upgrade during these very uncertain economic times is a very strong accomplishment.

Update of Prior Year Findings

Planning Board Deposits and Agency Accounts

In the prior year we advised the Town Financial Offices to work with the Planning Board to determine if any of the deposits that have been held for numerous years have been abandoned. If so, the Town could advertise these under the abandoned property statutes and claim them as income.

In addressing this comment, the Town has reached out to DOR for guidance as it plans on setting up a sidewalk revolving fund and needs guidance on which funds may be used in the sidewalk fund versus which will be claimed as abandoned. At this point, DOR Legal is only addressing Covid related issues so this has been tabled for a future date.

Payroll Files

In the prior year we highlighted two concerns with respect to payroll testing. The first was highlighting the filing of I9 forms and the second dealt with compensation changes not being formally documented.

With the expansion of the Town's payroll to include a Human Resource Director, these comments were satisfied.

Municipal Light Department Checking Account

The Town agreed with our finding to bring the bank account under Treasurer's control and has been trying to secure the account for a number of years, however the Municipal Light Department is reluctant to give up control of the account. At this point the Treasurer has been included as a signer but the overall comment has not been satisfied.

Fire Detail Account

The deficit in the Fire Detail account was raised on the prior year tax recapitulation sheet. The current year balances reconcile without any variances thus this comment has been satisfied.

Stagnant Capital Project Balances

We reminded the Town that they can repurpose stagnant capital project balances, to other similar projects. This requires Town Meeting action. The Town intends to use these stagnant balances for the large facilities project, and this has been delayed due to Covid.

ROSELLI, CLARK & ASSOCIATES
Certified Public Accountants

RCA
CPA

TOWN OF MIDDLETON, MASSACHUSETTS

Report on Examination of the Basic Financial Statements and Additional Information

Year Ended June 30, 2020

TOWN OF MIDDLETON, MASSACHUSETTS

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YEAR ENDED JUNE 30, 2020

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INDEPENDENT AUDITORS' REPORT

The Honorable Members of the Board of Selectmen
Town of Middleton, 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 Middleton, Massachusetts, (the "Town") as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents, except for the Middleton Electric Light Department "the Light Department" "the Electric Light Department" or "MELD", which is as of December 31, 2019 and is a Town Department reported as an enterprise fund and part of the Town's business-type funds. We did not audit the financial statements of the Light Department. The Light Department represents 100% of the assets, net position, and operating revenues of the Town's business-type activities. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for this discretely presented component unit, is based solely on the report of the other auditors.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the

appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town as of June 30, 2020, except for the Light Department, which is as of December 31, 2019, and the respective changes in financial position and where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Restatement of Prior Year Ending Balances

As discussed in Note IV certain balances in the Government-Wide Statement of Net Position were restated which caused the previously reported total net position in the governmental activities to be restated. Our opinion was not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and the schedules listed under the required supplementary information section in the accompanying table of contents be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated September 16, 2020 on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.

Roselli, Clark & Associates
Certified Public Accountants
Woburn, Massachusetts
September 16, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS

As the management of the Town of Middleton, Massachusetts (the "Town"), we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2020 (December 31, 2019 for the Light Department). We encourage readers to consider the information presented here in conjunction with their review of the basic financial statements, notes to the basic financial statements and required supplementary information found in this report.

Financial Highlights

- The assets and deferred outflows of financial resources exceeded its liabilities and deferred inflows of financial resources at the close of the most recent fiscal year by over $43.9 million (*total net position*).

- The Town's total net position increased by approximately $1.4 million year-over-year, not including a restatement which caused an approximate $4.9 million increase in governmental activities net position. The increase from operations was the result of a decrease in governmental activities of approximately $0.9 million offset by about a $2.3 million increase in Light Department operations.

- The Town's total long-term debt in its governmental activities decreased by over $1 million due to regular scheduled maturities.

- As of the close of the current fiscal year, the Town's governmental funds balance sheet reported a combined ending fund balance of over $9.9 million, which was approximately $3.3 million lower than the prior year. Of the ending fund balance, approximately $2.6 million is *available for spending* at the government's discretion as *unassigned fund balance*. The remainder is earmarked for specific expenditures or nonspendable.

Overview of the Financial Statements

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

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

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

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

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenue (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the Town include general government, public safety, highways and streets, sanitation, education, health and human services, culture and recreation, fringe benefits and debt service. The business-type activities of the Town consist completely of Light Department activities.

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

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

- Nonspendable —amounts that cannot be spent because they are either (a) not in spendable form (i.e., inventory or prepaid items) or (b) legally or contractually required to be maintained intact.
- Restricted—amounts constrained by external parties, constitutional provision, or enabling legislation.
- Committed—amounts constrained by a government using its highest level of decision-making authority.
- Assigned—amounts a government intends to use for a particular purpose.
- Unassigned—amounts that are not constrained at all will be reported in the general fund or in other major funds if negative.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions.
The Town maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund. Data from the other governmental funds are combined into a single, aggregated presentation.

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

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

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

Notes to the 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.

Government-Wide Financial Analysis

The following table represents the condensed statement of net position:

	Governmental Activities		Business-Type Activities		Total	
	June 30, 2020	June 30, 2019 (restated)	June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019 (restated)
Assets						
Currrent and other assets	$ 17,832,222	$ 20,498,007	$ 17,490,300	$ 15,401,015	$ 35,322,522	$ 35,899,022
Capital assets, net	57,502,983	54,518,082	12,508,342	11,959,527	70,011,325	66,477,609
Total assets	75,335,205	75,016,089	29,998,642	27,360,542	105,333,847	102,376,631
Deferred outflows of resources	3,559,901	3,702,208	830,280	918,611	4,390,181	4,620,819
Liabilities						
Long-term liabilities	47,913,398	56,070,226	4,782,277	4,621,358	52,695,675	60,691,584
Other liabilities	7,546,925	6,904,226	1,490,502	1,224,054	9,037,427	8,128,280
Total liabilities	55,460,323	62,974,452	6,272,779	5,845,412	61,733,102	68,819,864
Deferred inflows of resources	3,993,040	337,260	72,280	239,000	4,065,320	576,260
Net Position						
Net investment in capital assets	41,125,835	40,795,178	12,508,342	11,959,527	53,634,177	52,754,705
Restricted	6,036,959	6,165,527	-	-	6,036,959	6,165,527
Unrestricted	(27,721,051)	(31,554,120)	11,975,521	10,235,214	(15,745,530)	(21,318,906)
Total Net Position	$ 19,441,743	$ 15,406,585	$ 24,483,863	$ 22,194,741	$ 43,925,606	$ 37,601,326

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by over $43.9 million (*total net position*), which represents an approximate $1.4 million increase from the prior year's balance, as restated.

The largest portion ($53.6 million) of the Town's overall net position reflects its investment in capital assets (e.g. land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. An additional significant portion of the Town's total net position ($6.0 million) represents resources that are subject to external restrictions on how they may be used.

The remaining category represents *unrestricted net position* which is currently in a deficit position of over $15.7 million. Surpluses of nearly $12.0 million in the business-type activities are offset by a deficit of over $27.7 million in the governmental activities. The business-type surplus may be used to meet the ongoing obligations of the business-type activities. The governmental activities deficit is primarily the result of approximately $35.1 million in obligations related to OPEB and pensions. The Town expects that its deficit in unrestricted net position will continue to increase for the foreseeable future until a mechanism to more adequately fund its annual OPEB obligation is in place.

The following table represents the condensed statement of changes in net position:

	Governmental Activities		Business-Type Activities		Total	
	June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019
Revenues						
Program revenues:						
Charges for services	$ 3,151,970	$ 3,424,586	$ 13,507,684	$ 13,903,397	$ 16,659,654	$ 17,327,983
Operating grants and contributions	5,297,743	4,493,221	265,173	576,456	5,562,916	5,069,677
Capital grants and contributions	814,305	553,573	-	-	814,305	553,573
General revenues:						
Property taxes	30,516,284	29,020,330	-	-	30,516,284	29,020,330
Excise taxes	2,456,789	2,494,660	-	-	2,456,789	2,494,660
Unrestricted investment earnings	156,673	265,505	1,176,429	(656,279)	1,333,102	(390,774)
Other	861,369	861,847	-	-	861,369	861,847
Total Revenues	43,255,133	41,113,722	14,949,286	13,823,574	58,204,419	54,937,296
Expenses						
General government	2,395,200	2,654,464	-	-	2,395,200	2,654,464
Public safety	5,854,508	5,842,299	-	-	5,854,508	5,842,299
Education	30,001,303	28,900,150	-	-	30,001,303	28,900,150
Public works	3,021,094	2,943,480	-	-	3,021,094	2,943,480
Health and human services	826,756	796,684	-	-	826,756	796,684
Culture and recreation	1,682,730	1,168,463	-	-	1,682,730	1,168,463
Debt service	499,235	449,333	-	-	499,235	449,333
Electric light	-	-	12,484,064	13,459,723	12,484,064	13,459,723
Total Expenses	44,280,826	42,754,873	12,484,064	13,459,723	56,764,890	56,214,596
Change in net position before transfers	(1,025,693)	(1,641,151)	2,465,222	363,851	1,439,529	(1,277,300)
Transfers	176,100	223,000	(176,100)	(223,000)	-	-
Change in net position	(849,593)	(1,418,151)	2,289,122	140,851	1,439,529	(1,277,300)
Net position, beginning of year	15,406,585	17,277,687	22,194,741	22,068,534	37,601,326	39,346,221
Restatement for net OPEB liability	4,884,751	(452,951)	-	(14,644)	4,884,751	(467,595)
Net position, beginning of year, as restated	20,291,336	16,824,736	22,194,741	22,053,890	42,486,077	38,878,626
Net position, end of year	$ 19,441,743	$ 15,406,585	$ 24,483,863	$ 22,194,741	$ 43,925,606	$ 37,601,326

Governmental Activities – Total revenues in fiscal year 2020 in the Town's governmental activities increased over $2.1 million from fiscal year 2019. This increase was due primarily to an increase in property taxes which were nearly $1.5 million greater than the prior year. Operating grants and contributions were approximately $0.6 million higher than the prior year due to higher on-behalf payments made to the state teachers retirement system by the Commonwealth of Massachusetts. All other revenue categories experienced minor increases and decreases that aggregated to the remaining net increase. The greatest revenue areas were property taxes which represented 70.5% of revenues. The increase was in line with the statutorily allowed increase from year to year and was expected. Operating grants which represented 12.2% of revenues increased as noted above. No other revenue sources were greater than 10% of total revenues in fiscal years 2020 or 2019.

Total expenses for the current fiscal year were nearly $44.3 million which was $1.5 million higher than the prior year, primarily the result of education spending. Education represents by far the largest expense category for the Town. In fiscal year 2020, education expenses represented approximately 67.8% of total expenses, consistent with 67.6% in the prior year. The Town continues to fund education expenses above the minimum state requirements. Public safety expenses represented 13.2% of total fiscal year 2020 expense; consistent with 13.7% in the prior year. No other expense types were greater than 10% of total expenses in fiscal years 2020 and 2019.

Business-Type Activities – Operating revenues of the light department decreased as actual customer kilowatt hour sales decreased approximately 3.0% and overall revenue from customer charges decreased 3.2%. There were no rate changes during the year. Investment income increased approximately $1.8 million due to favorable market factors. Operating expenses decreased approximately $1.0 million, or 7.2%, primarily due to lower power costs and a decrease in demand.

Government Funds Financial Analysis

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

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

As of the close of the current fiscal year, the Town's governmental funds balance sheet reported a combined ending fund balance of over $9.9 million, which is nearly $3.3 million lower than the prior year. The decrease was primarily due to over $3.6 million of capital spending. Of the ending fund balance approximately $2.6 million is *available for spending* at the government's discretion as *unassigned fund balance.* The remainder is earmarked for specific expenditures.

The general fund is the chief operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the general fund was nearly $6.3 million, while total general fund balance was over $8.1 million. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents approximately 15.7% of total general fund expenditures, while total fund balance represents approximately 20.4% of that same amount. The change from the prior year was negligible.

The Town also maintains a major fund to account for its various capital projects. The Town reported $0.2 million as restricted and a $3.7 million deficit as unassigned. The Town expended approximately $3.6 million on land acquisition and related costs during the year.

The Town's aggregate nonmajor funds include the Town's special revenue funds and trust funds. The fund balances in the nonmajors funds were unchanged from the prior year and the majority of the total, $5.1 million, was restricted.

Proprietary Funds – The Town's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. At the end of the year, net position of the Light Department was nearly $24.5 million.

Fiduciary Fund – The Town's fiduciary fund is comprised of the Town and Light Department's OPEB trusts and private purpose trust funds. The OPEB trusts increased nearly $0.1 million and $0.2 million

respectively for the Town and Light Department trusts due to continued funding beyond the pay go amount; and the private purpose trust funds were relatively unchanged.

General Fund Budgetary Highlights

A budget to actual schedule for the general fund has been provided as required supplementary information. During the fiscal year, Town Meeting increased appropriations approximately $1.2 million as more fully described in the notes to required supplementary information.

Capital Asset and Debt Administration

Capital Assets – The Town's investment in capital assets for its governmental and business-type activities as of June 30, 2020, amounts to approximately $70.0 million, net of accumulated depreciation. This investment in capital assets includes land and land improvements, buildings and improvements, machinery and equipment and infrastructure. The balance increased over $3.5 million as additions were higher than depreciation. Additions were primarily related to land acquisitions totaling $3.8 million and infrastructure improvements of over $0.8 million.

Additional information on the Town capital assets can be found in Note II, Section C of this report.

Long-term Debt – At June 30, 2020, the Town had total debt outstanding of approximately $12.9 million, all reported in the governmental activities. Debt decreased approximately $1.0 million due to regular scheduled maturities.

Standard and Poor's has assigned a bond rating of AA+ for its general obligation debt.

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

Economic Factors and Next Year's Budgets and Rates

- The Town's real estate tax base is made up predominantly of residential taxes, which when setting the 2021 tax rate will be approximately 82% of the entire real estate tax levy. In addition, Chapter 580 of the Acts of 1980, more commonly referred to as Proposition 2 ½, limits the Town's ability to increase taxes in any one year by more than 2 ½% of the previous year tax levy without a ballot override by the voters.

- Unemployment rates across the Commonwealth continue to be among the highest in the country as the effects of the COVID-19 pandemic has hit states with higher pre-pandemic employment rates the hardest.

- The Town's housing market has remained relatively stable as median house prices statewide have increased steadily for the past five years. This has been fueled by an attractive mortgage market with relatively low rates and housing inventory that has been declining for many years. The pandemic has also seen many people leaving larger cities to purchase homes in the suburbs. This increases demand at a time when fewer sellers are listing their homes for sale.

- The Town anticipates receiving the same amount of state aid for 2021 as in the previous fiscal year based on state budget estimates. This is a significant budget source for the Town as a substantial portion of this aid, more commonly referred to as Chapter 70 is used to subsidize the education budget. Other local revenues like motor vehicle, hotel/motel and meals excise taxes that the Town relies on to balance the budget have fallen due to the pandemic and as such the Town has factored a local revenue decrease into its tax rate setting process.

The above items were considered when the Town accepted its budget for fiscal year 2021 at the June 2020 Town Meeting.

Requests for Information

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to the Office of the CFO/Town Accountant, 48 South Main Street, Middleton, Massachusetts 01949.

TOWN OF MIDDLETON, MASSACHUSETTS

STATEMENT OF NET POSITION
JUNE 30, 2020

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and cash equivalents	$ 12,630,844	$ 4,322,007	$ 16,952,851
Investments	3,179,721	8,688,703	11,868,424
Receivables, net:			
Property taxes	876,692	-	876,692
User charges	9,946	1,295,621	1,305,567
Departmental and other	594,499	240,737	835,236
Intergovernmental	72,059	-	72,059
Unbilled revenue	-	231,618	231,618
Inventory	-	561,073	561,073
Prepaid items	-	2,148,660	2,148,660
Other assets	-	1,881	1,881
Tax foreclosures	468,461	-	468,461
Capital assets not being depreciated	10,808,545	2,219,869	13,028,414
Capital assets, net of accumulated depreciation	46,694,438	10,288,473	56,982,911
Total Assets	75,335,205	29,998,642	105,333,847
Deferred Outflows of Resources			
Related to Pensions	1,990,752	545,623	2,536,375
Related to OPEB	1,569,149	284,657	1,853,806
Total Deferred Outflows of Resources	3,559,901	830,280	4,390,181
Liabilities			
Warrants and accounts payable	1,057,187	1,036,577	2,093,764
Accrued payroll and withholdings	1,441,861	-	1,441,861
Accrued interest	154,317	-	154,317
Customer deposits	-	180,637	180,637
Other liabilities	38,501	273,288	311,789
Bond anticipation notes payable	3,745,000	-	3,745,000
Noncurrent liabilities:			
Due within one year	1,110,059	-	1,110,059
Due in more than one year	47,913,398	4,782,277	52,695,675
Total Liabilities	55,460,323	6,272,779	61,733,102
Deferred Inflows of Resources			
Related to Pensions	1,136,451	53,173	1,189,624
Related to OPEB	2,856,589	19,107	2,875,696
Total Deferred Inflows of Resources	3,993,040	72,280	4,065,320
Net Position			
Net investment in capital assets	41,125,835	12,508,342	53,634,177
Restricted for:			
Nonexpendable permanent funds	183,296	-	183,296
Expendable permanent funds	135,814	-	135,814
Grants and gifts	548,020	-	548,020
Other specific purposes	5,169,829	-	5,169,829
Unrestricted	(27,721,051)	11,975,521	(15,745,530)
Total Net Position	**$ 19,441,743**	**$ 24,483,863**	**$ 43,925,606**

See accompanying notes to basic financial statements.

TOWN OF MIDDLETON, MASSACHUSETTS

STATEMENT OF ACTIVITIES
FISCAL YEAR ENDED JUNE 30, 2020

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position: Governmental Activities	Net (Expenses) Revenues and Changes in Net Position: Business-Type Activities	Net (Expenses) Revenues and Changes in Net Position: Total
Primary government:							
Governmental activities:							
General government	$ 2,395,200	$ 513,030	$ 61,025	$ -	$ (1,821,145)		$ (1,821,145)
Public safety	5,854,508	1,163,658	1,300	63,251	(4,626,299)		(4,626,299)
Education	30,001,303	556,652	4,937,655	-	(24,506,996)		(24,506,996)
Public works	3,021,094	819,805	9,893	694,805	(1,496,591)		(1,496,591)
Health and human services	826,756	92,832	269,088	-	(464,836)		(464,836)
Culture and recreation	1,682,730	3,795	18,782	56,249	(1,603,904)		(1,603,904)
Interest expense	499,235	2,198	-	-	(497,037)		(497,037)
Total governmental activities	44,280,826	3,151,970	5,297,743	814,305	(35,016,808)		(35,016,808)
Business-type activities:							
Electric Light	12,484,064	13,507,684	265,173	-		$ 1,288,793	1,288,793
Total business-type activities	12,484,064	13,507,684	265,173	-		1,288,793	1,288,793
Total Primary Government	$ 56,764,890	$ 16,659,654	$ 5,562,916	$ 814,305	(35,016,808)	1,288,793	(33,728,015)
		General Revenues:					
		Property taxes			30,516,284	-	30,516,284
		Motor vehicle and other excise			2,456,789	-	2,456,789
		Payments in lieu of taxes			139,096	-	139,096
		Grants and contributions not restricted to specific programs			601,261	-	601,261
		Penalties and interest on taxes			121,012	-	121,012
		Unrestricted investment income			156,673	1,176,429	1,333,102
		Transfers (net)			176,100	(176,100)	-
		Total general revenues			34,167,215	1,000,329	35,167,544
		Change in Net Position			(849,593)	2,289,122	1,439,529
		Net Position:					
		Beginning of year, as restated (see Note IV)			20,291,336	22,194,741	42,486,077
		End of year			$ 19,441,743	$ 24,483,863	$ 43,925,606

See accompanying notes to basic financial statements.

TOWN OF MIDDLETON, MASSACHUSETTS

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2020

	General Fund	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
Assets				
Cash and cash equivalents	$ 7,312,645	$ 247,652	$ 4,774,890	$ 12,335,187
Investments	3,043,049	-	432,329	3,475,378
Receivables, net of allowance for uncollectibles:				
Property taxes	870,446	-	6,246	876,692
Intergovernmental	-	-	72,059	72,059
User charges	-	-	9,946	9,946
Departmental and other	235,572	-	358,927	594,499
Tax foreclosures	468,461	-	-	468,461
Total Assets	11,930,173	247,652	5,654,397	17,832,222
Deferred Outflows of Resources	-	-	-	-
Total Assets and Deferred Outflows of Resources	$ 11,930,173	$ 247,652	$ 5,654,397	$ 17,832,222
Liabilities				
Warrants and accounts payable	$ 1,057,187	$ -	$ -	$ 1,057,187
Accrued payroll and withholdings	1,441,861	-	-	1,441,861
Other liabilities	32,980	-	5,521	38,501
Bond anticipation notes payable	-	3,745,000	-	3,745,000
Total Liabilities	2,532,028	3,745,000	5,521	6,282,549
Deferred Inflows of Resources				
Unavailable revenues - property taxes	550,327	-	6,246	556,573
Unavailable revenues - other	704,033	-	368,873	1,072,906
Total Deferred Inflows of Resources	1,254,360	-	375,119	1,629,479
Fund Balances				
Nonspendable	-	-	183,296	183,296
Restricted	335,972	157,946	5,142,572	5,636,490
Committed	498,385	-	-	498,385
Assigned	1,043,672	-	-	1,043,672
Unassigned	6,265,756	(3,655,294)	(52,111)	2,558,351
Total Fund Balances	8,143,785	(3,497,348)	5,273,757	9,920,194
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 11,930,173	$ 247,652	$ 5,654,397	$ 17,832,222

See accompanying notes to basic financial statements.

TOWN OF MIDDLETON, MASSACHUSETTS

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TOTAL FUND BALANCES TO THE STATEMENT OF NET POSITION
JUNE 30, 2020

Total Governmental Fund Balances		$	**9,920,194**
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.			57,502,983
Other long-term assets are unavailable to pay current-period expenditures			1,629,479
Deferred outflows and inflows of resources to be recognized in future fiscal years are not available resources and, therefore, are not reported in the funds:			
Deferred outflows related to pensions	1,990,752		
Deferred outflows related to other postemployment benefits	1,569,149		
Deferred inflows related to pensions	(1,136,451)		
Deferred inflows related to other postemployment benefits	(2,856,589)		
Net effect of reporting deferred outflows and inflows of resources			(433,139)
In the Statement of Activities, interest is accrued on outstanding long-term debt whereas in the governmental funds interest is not reported until due.			(154,317)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the government funds:			
Bonds and notes payable	(12,903,835)		
Unamortized premiums on bonds	(247,571)		
Landfill closure	(787,500)		
Net pension liability	(17,147,338)		
Net other postemployment benefits liability	(17,937,213)		
Net effect of reporting long-term liabilities			(49,023,457)
Net Position of Governmental Activities		$	**19,441,743**

See accompanying notes to basic financial statements.

TOWN OF MIDDLETON, MASSACHUSETTS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FISCAL YEAR ENDED JUNE 30, 2020

	General Fund	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:				
Property taxes	$ 30,351,662	$ -	$ 248,183	$ 30,599,845
Intergovernmental	5,069,822	-	1,506,959	6,576,781
Motor vehicle and other excises	2,388,365	-	-	2,388,365
Licenses and permits	595,093	-	-	595,093
Penalties and interest on taxes	121,012	-	-	121,012
Payments in lieu of taxes	139,096	-	-	139,096
Fines and forfeitures	13,269	-	-	13,269
Charges for services	-	-	1,114,874	1,114,874
Departmental and other revenue	588,098	-	849,481	1,437,579
Investment income	149,036	-	7,637	156,673
Contributions and donations	-	-	136,528	136,528
Total Revenues	39,415,453	-	3,863,662	43,279,115
Expenditures:				
Current:				
General government	1,891,774	3,649,044	139,391	5,680,209
Public safety	4,505,395	-	60,930	4,566,325
Education	23,812,604	-	954,154	24,766,758
Public works	1,876,183	-	989,504	2,865,687
Health and human services	465,872	-	177,116	642,988
Culture and recreation	588,008	-	687,024	1,275,032
Pension and employee benefits	5,055,853	-	-	5,055,853
State and county assessments	330,070	-	-	330,070
Debt service:				
Principal	887,250	-	113,813	1,001,063
Interest	552,321	-	6,810	559,131
Total Expenditures	39,965,330	3,649,044	3,128,742	46,743,116
Excess (Deficiency) of Revenues Over (Under) Expenditures	(549,877)	(3,649,044)	734,920	(3,464,001)
Other Financing Sources (Uses):				
Transfers in	909,411	-	-	909,411
Transfers out	-	-	(733,311)	(733,311)
Total Other Financing Sources (Uses)	909,411	-	(733,311)	176,100
Net Change in Fund Balances	359,534	(3,649,044)	1,609	(3,287,901)
FUND BALANCES - Beginning of year	7,784,251	151,696	5,272,148	13,208,095
FUND BALANCES - End of year	$ 8,143,785	$ (3,497,348)	$ 5,273,757	$ 9,920,194

See acompanying notes to basic financial statements.

TOWN OF MIDDLETON, MASSACHUSETTS

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FISCAL YEAR ENDED JUNE 30, 2020

Net Change in Fund Balances - Total Governmental Fund Balances		**$ (3,287,901)**
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The net amounts are reflected here as reconciling items:		
Capital outlays	5,385,986	
Depreciation expense	(2,401,085)	
Net effect of reporting capital assets		2,984,901
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the financial resources of governmental funds. Neither has any effect on net position. Also governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are amortized in the Statement of Activities. The net amounts are reflected here as reconciling items:		
Amortization of premiums on bonds and notes payable	39,195	
Repayments of debt	1,001,063	
Net effect of reporting long-term debt		1,040,258
Revenues in the Statement of Activities that do not provide current financial resources are unavailable in the Statement of Revenues, Expenditures and Changes in Fund Balances. Therefore, the recognition of revenue for various types of accounts receivable differ between the two statements. The amount presented represents the difference in unavailable revenue.		(23,982)
In the Statement of Activities, interest is accrued on outstanding long-term debt; whereas in governmental funds interest is not reported until due. The net amount presented here as a reconciling item represents the difference in accruals between this year and the prior year.		20,701
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds:		
Landfill closure	52,500	
Pension benefits	(662,923)	
Other postemployment benefits	(973,147)	
Net effect of reporting long-term liabilities		(1,583,570)
Change in Net Position of Governmental Activities		**$ (849,593)**

See accompanying notes to basic financial statements.

TOWN OF MIDDLETON, MASSACHUSETTS

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2020

	Business-Type Activities
	Electric Light Enterprise (December 31, 2019)
Assets	
Current assets:	
Cash and cash equivalents	$ 4,322,007
Investments	8,688,703
Receivables (net):	
User charges	1,295,621
Departmental and other	240,737
Unbilled revenue	231,618
Inventory	561,073
Prepaid items	2,148,660
Other current assets	1,881
Total current assets	17,490,300
Noncurrent assets:	
Nondepreciable capital assets	2,219,869
Capital assets (net of depreciation)	10,288,473
Total noncurrent assets	12,508,342
Total Assets	29,998,642
Deferred Outflows of Resources	
Related to Pensions	545,623
Related to OPEB	284,657
Total Deferred Ouflows of Resources	830,280
Liabilities	
Current liabilities:	
Warrants and accounts payable	1,036,577
Customer deposits	180,637
Other liabilities	273,288
Total current liabilities	1,490,502
Noncurrent liabilities:	
Compensated absences	80,968
Net other postemployment benefits liability	481,379
Net pension liability	4,219,930
Total noncurrent liabilities	4,782,277
Total Liabilities	6,272,779
Deferred Inflows of Resources	
Related to Pensions	53,173
Related to OPEB	19,107
Total Deferred Inflows of Resources	72,280
Net Position	
Net investment in capital assets	12,508,342
Restricted	-
Unrestricted	11,975,521
Total Net Position	$ 24,483,863

See accompanying notes to basic financial statements.

TOWN OF MIDDLETON, MASSACHUSETTS

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FISCAL YEAR ENDED JUNE 30, 2020

	Business-Type Activities Electric Light Enterprise (December 31, 2019)
Operating Revenues:	
Charges for services	$ 13,507,684
Other operating revenues	265,173
Total Operating Revenues	13,772,857
Operating Expenses:	
Purchased power and production	8,919,188
Other operating expenses	2,864,749
Depreciation and bad debts	700,127
Total Operating Expenses	12,484,064
Operating Income (Loss)	1,288,793
Nonoperating Revenues (Expenses):	
Investment income (loss)	1,176,429
Total Nonoperating Revenues (Expenses)	1,176,429
Income (Loss) Before Transfers	2,465,222
Transfers out	(176,100)
Change in Net Position	2,289,122
Total Net Position - Beginning of the Year	22,194,741
Total Net Position - End of the Year	$ 24,483,863

See accompanying notes to basic financial statements.

TOWN OF MIDDLETON, MASSACHUSETTS

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FISCAL YEAR ENDED JUNE 30, 2020

	Business-Type Activities Electric Light Enterprise (December 31, 2019)
Cash Flows from Operating Activities:	
Receipts from customers	$ 13,705,716
Payments to suppliers	(10,297,627)
Payments to employees	(1,795,213)
Operating transfers out	(176,100)
Net Cash Provided by (Used in) Operating Activites	1,436,776
Cash Flows from Capital and Related Financing Activities:	
Acquisition and construction of capital assets	(1,248,942)
Net Cash Used in Capital and Related Financing Activities	(1,248,942)
Cash Flows from Investing Activities:	
Investment income	1,176,429
Investment of operating cash, net	(279,810)
Net Cash Provided by (Used in) Investing Activities	896,619
Net Change in Cash and Cash Equivalents	1,084,453
Cash and Cash Equivalents:	
Beginning of the year	3,237,554
End of the year	$ 4,322,007
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:	
Operating Income (Loss)	$ 1,288,793
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:	
Operating transfers out	(176,100)
Depreciation, bad debts and reserve	700,127
Changes in assets and liabilities:	
Receivables	13,520
Unbilled revenue	(46,454)
Inventory	46,825
Prepaid items	(738,913)
Accounts payable	314,888
Customer deposits	(34,207)
Other liabilities	(2,962)
Net other postemployment benefits liability	70,683
Net pension liability	576
Net Cash Provided by (Used in) Operating Activities	$ 1,436,776

See accompanying notes to basic financial statements.

TOWN OF MIDDLETON, MASSACHUSETTS

STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2020

	Other Postemployment Benefits Trust Fund	(Light Department) December 31, 2019 Other Postemployment Benefits Trust Fund	Private Purpose Trust Funds	Agency Funds
Assets				
Cash and cash equivalents	$ -	$ 1,572	$ 94,999	$ 166,275
Investments:				
Negotiable certificates of deposit	-	-	6,983	30,115
Common stock	-	-	9,679	41,745
Corporate fixed income securities	-	-	19,154	82,611
U.S. government obligations	-	-	14,788	63,780
Equity mutual funds	-	982,021	368,732	-
Other mutual funds	-	-	90,335	-
PRIT	1,369,464	-	-	-
Total Assets	1,369,464	983,593	604,670	384,526
Liabilities				
Agency liabilities	-	-	-	384,526
Total Liabilities	-	-	-	384,526
Net Position				
Restricted for other postemployment benefits	1,369,464	983,593	-	-
Held in trust for private purposes	-	-	640,670	-
Total Net Position	$ 1,369,464	$ 983,593	$ 640,670	$ -

See accompanying notes to basic financial statements.

TOWN OF MIDDLETON, MASSACHUSETTS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
YEAR ENDED JUNE 30, 2020

	Other Postemployment Benefits Trust Fund	(Light Department) December 31, 2019 Other Postemployment Benefits Trust Fund	Private Purpose Trust Funds
Additions			
Contributions:			
Employer	$ 534,676	$ 59,143	$ -
Other	-	-	2,305
Total contributions	534,676	59,143	2,305
Investment income:			
Interest and dividends	26,543	164,033	16,137
Total Additions	561,219	223,176	18,442
Deductions			
Education - scholarships	-	-	2,500
Health and human services	-	-	15,154
Retiree benefits	484,676	59,143	-
Total Deductions	484,676	59,143	17,654
CHANGE IN NET POSITION	76,543	164,033	788
NET POSITION AT BEGINNING OF YEAR	1,292,921	819,560	603,882
NET POSITION AT END OF YEAR	$ 1,369,464	$ 983,593	$ 604,670

See accompanying notes to basic financial statements.

I. Summary of Significant Accounting Policies

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

A. Reporting Entity

The Town is located approximately twenty miles north of Boston. It is bordered by the Towns of North Reading, North Andover, Boxford, Topsfield, Danvers, Peabody and Lynnfield. The Town was settled in 1659 and incorporated as a Town in 1728; and uses the open town meeting form of government. It is governed by a five-member elected Board of Selectmen with an appointed Town Administrator. Members of the Town's Board of Selectmen serve three-year terms.

The Town provides governmental services for the territory within its boundaries, including police and fire protection, public education in grades K-12, utility services, street maintenance, parks and recreational facilities.

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

The Town is a member community of the Masconomet Regional School District that provides educational services in grades 7 to 12 to the Towns of Middleton, Topsfield and Boxford. This joint venture assesses each community its share of operational and debt service costs based on student population and other factors. In fiscal year 2020, the Town's share of the operating and debt service expenses was $10,510,263. Complete audited financial statements can be obtained directly from the District's administrative office located at 20 Endicott Road, Topsfield, Massachusetts 01983.

The Town is a member community of the Essex North Shore Agricultural and Technical School District that provides educational services in grades 9 to 12 to many area communities. This joint venture assesses each community its share of operational and debt service costs based on student population and other factors. In fiscal year 2020, the Town's share of the operating and debt service expenses was $795,918. Complete audited financial statements can be obtained directly from the District's administrative office located at 565 Maple Street, Hathorne, Massachusetts 01937.

The Town does not have an equity interest in either of the joint ventures.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. *Governmental activities,* which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities,* which rely to a significant extent on fees and charges for support.

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

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

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

2) The total assets and deferred outflows of financial resources, liabilities and deferred inflows of financial resources, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least five percent of the corresponding element for all governmental and enterprise funds combined.

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

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting.* Under this method, revenues are recorded when earned and expenses are recorded when a liability is incurred. Property taxes are recognized as revenues in the fiscal year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met.

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

The governmental fund financial statements are reported using *the current financial resources measurement focus* and the *modified accrual basis of accounting.* Revenues are recognized when susceptible to accrual (i.e. measurable and available). Revenues are considered to be *available*

when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, except for interest on general long-term debt which is recognized when payment is due, certain compensated absences, claims and judgments which are recognized when the obligations are expected to be liquidated with current expendable available resources.

The Town applies the susceptible to accrual criteria to intergovernmental revenues. In applying the susceptible to accrual concept, there are two types of revenues. In one, moneys must be expended for a specific purpose or project before any amounts will be paid to the; therefore, revenues are recognized as expenditures are incurred. In the other, moneys are virtually unrestricted and are usually revocable only for failure to comply with prescribed requirements. These resources are reflected as revenues when cash is received, or earlier if the susceptible to accrual criteria are met. State aid is accrued as revenue in the year that the funds are appropriated by the Commonwealth.

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

The government reports the following major governmental funds:

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

Town Capital Projects Fund – are used to account for financial resources that are restricted, committed or assigned to expenditures for capital outlays.

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

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

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

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

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues are user charges and fees, while operating expenses consist of

salaries, ordinary maintenance, indirect costs and depreciation. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The government reports the following major proprietary funds:

Light Department – accounts for user charges collected to finance costs associated with providing electric power to the Town's residents and businesses.

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

Other Postemployment Benefits Trust Fund – is used to account for funds accumulated by the Town to assist it in its future OPEB obligations.

Private-Purpose Trust Fund – is used to account for trust arrangements under which principal and income benefit individuals, private organizations or other governments. This fund is used primarily for public assistance and scholarships.

Agency Fund – is used to account for assets held in a purely custodial capacity. This fund is primarily used for private public safety details and developer deposits. Agency funds apply the accrual basis of accounting but do not have a measurement focus.

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

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

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

Receivables – Real estate and personal property taxes are assessed on January 1 every year. Bills are sent quarterly and are due on August 1, November 1, February 1, and May 1, or thirty days subsequent to the mailing date. Interest accrues on delinquent taxes to the statutory rate per annum. The Town is allowed to take delinquent tax accounts into tax title fourteen days subsequent to the mailing of demand of delinquent taxes. Property taxes levied are recorded as receivables in the fiscal year of the levy.

Real estate taxes that are secured through a lien process and are considered 100% collectible. Accordingly, an allowance for uncollectible balances for these receivables is not reported. All personal property tax and excise tax receivables are shown net of an allowance for uncollectible balances comprised of those outstanding amounts greater than five years old. Departmental receivables are shown net of an allowance for uncollectible balances based on historical trends and specific account analysis.

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

both government-wide and fund financial statements. The Light Department's prepaid items represent a deposit used to facilitate timely payments of certain monthly power invoices.

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

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

All purchases and construction costs in excess of $10,000 are capitalized at the date of acquisition or construction, respectively, with expected lives of greater than two years. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

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

Buildings and improvements	7 to 40 years
Land improvements	20 to 30 years
Machinery and equipment	3 to 10 years
Infrastructure	30 to 100 years

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

Interfund Transfers – During the course of its operations, resources are permanently reallocated between and within funds. These transactions are reported as transfers in and transfers out in the individual fund statements. Transfers between and within governmental and fiduciary funds are eliminated from the governmental activities in the statement of activities. Any residual balances outstanding between the governmental activities and the business –type activities are reported in the statement of activities as *transfers, net.*

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

Compensated Absences – It is the Town's policy to permit employees to accumulate earned but unused vacation and sick-pay benefits. Compensated absence liabilities related to both governmental and business-type activities are normally paid from the funds reporting payroll and related expenditures. Amounts related to these benefits are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in Governmental Funds only if they have matured. For governmental activities, the liability for compensated absences is not material and is therefore not reported in these financial statements.

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

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

Deferred Outflows/Inflows of Resources – In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town has two types of items that are reported on the government-wide statement of net position which relate to outflows from changes in the net pension liability and the other postemployment benefit liability. The deferred pensions will be recognized in pension expense in future years as more fully described in Note III, subsection A. The deferred other postemployment benefits will be recognized in employee benefits expense in future years as more fully described in Note III, subsection C.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Town has three items that are reported as deferred inflows of resources. The first arises only under a modified accrual basis of accounting and, accordingly, the item *unavailable revenue* is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and other. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The other items are reported on the government-wide statement of net position and relate to outflows from changes in the net pension liability and the other postemployment benefit liability. The deferred pensions will be recognized in pension expense in future years as more fully described in Note III, subsection A. The deferred other postemployment benefits will be recognized in employee benefits expense in future years as more fully described in Note III, subsection C.

Net Position – In the government-wide financial statements, net position reported as "net investment in capital assets," includes capital assets, net of accumulated depreciation, less the principal balance of outstanding debt used to acquire capital assets. Unspent proceeds of capital related debt are not considered to be capital related debt.

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

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

Grants and gifts represent assets that have restrictions placed on them from federal and state granting agencies, donors and other outside parties for specific governmental programs and uses.
Other specific purposes represent assets that are restricted by third parties for specific governmental programs and uses.

Fund Equity – The Town presents its fund balances in its governmental funds using classifications that comprise a hierarchy based primarily on the extent in which the Town is required to honor constraints on the specific purpose for which amounts in the funds can be spent.

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

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

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

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

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

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

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources (committed, assigned and unassigned) as they are needed. When unrestricted resources (committed, assigned and unassigned) are available for use it is the Town's policy to use committed resources first, then assigned, and then unassigned as they are needed. The Town has not established financial policies with respect to maintaining minimum fund balance amounts.

Encumbrances – The Town's encumbrance policy regarding the general fund is to (1) classify encumbrances that arise from the issuance of purchase orders resulting from normal purchasing

activity approved by the Town Accountant as assigned, and (2) classify encumbrances that result from an action of the Town Meeting as committed. Encumbrances of funds already restricted, or committed are included within the classification of those fund balances and not reported separately. The Town reports $161,405 of encumbrances from normal purchasing activity in the general fund as assigned and $498,385 of encumbrances from Town Meeting Articles in the general fund as committed. There are no encumbrances reported in any other fund.

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

	General	Capital Projects	Nonmajor Governmental	Total
Nonspendable:				
Nonexpendable trust funds	$ -	$ -	$ 183,296	$ 183,296
Restricted:				
School revolving	-	-	651,480	651,480
Federal and state grants	-	-	326,420	326,420
Ambulance services	-	-	1,161,637	1,161,637
Gift funds	-	-	221,600	221,600
Septic betterments	-	-	61,463	61,463
Cable access programming	-	-	508,848	508,848
Water services	-	-	1,156,510	1,156,510
Community preservation	-	-	454,316	454,316
Other capital outlay	-	157,946	-	157,946
Cemetery trust funds	-	-	51,884	51,884
Other trust funds	-	-	83,930	83,930
Debt service	335,972	-	-	335,972
Other purposes	-	-	464,484	464,484
Committed:				
General government	308,313	-	-	308,313
Public works	104,670	-	-	104,670
Public safety	31,256	-	-	31,256
Education	49,027	-	-	49,027
Other purposes	5,119	-	-	5,119
Assigned:				
Purchase orders	161,405	-	-	161,405
Subsequent years' budget	882,267	-	-	882,267
Unassigned	6,265,756	(3,655,294)	(52,111)	2,558,351
	$ 8,143,785	$ (3,497,348)	$ 5,273,757	$ 9,920,194

Stabilization Funds – The Town maintains a general stabilization fund, which may be used for any municipal purpose upon a two-thirds vote of the Town Meeting. At June 30, 2020, the Town reported a balance in its stabilization fund of $1,859,535, which is reported as unassigned in the general fund.

The Town maintains a special education stabilization fund, which may be used for any special education purpose upon a two-thirds vote of the Town Meeting. At June 30, 2020, the Town reported a balance in its special education stabilization fund of $213,716, which is reported as unassigned in the general fund.

The Town maintains a capital stabilization fund, which may be used for any capital purpose upon a two-thirds vote of the Town Meeting. At June 30, 2020, the Town reported a balance in its capital stabilization fund of $681,430, which is reported as unassigned in the general fund.

The Town maintains a retirement stabilization fund, which may be used for retirement costs upon a two-thirds vote of the Town Meeting. At June 30, 2020, the Town reported a balance in its retirement stabilization fund of $284,146, which is reported as unassigned in the general fund.

E. Excess of Expenditures Over Appropriations and Fund Deficits

The Town incurred individual fund deficits totaling $3,655,294 and $52,111 in its capital projects major fund and the nonmajor governmental funds, respectively. These deficits will be funded in future fiscal years with bond proceeds, grant revenues or other available funds.

F. Use of Estimates

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

II. Detailed Notes to All Funds

A. Deposits and Investments

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

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

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

Custodial Credit Risk: Deposits - In the case of deposits, this is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Town does not have a deposit policy for custodial credit risk relative to cash holdings. At June 30, 2020, the Town, excluding the Light Department, had bank deposits totaling $4,044,640 with a carrying value of $3,896,049. Of the bank balance, $1,989,375 was not insured by the Federal Deposit Insurance Corporation ("FDIC"), the depositors' insurance fund or collateralization agreements and therefore exposed to custodial credit risk.

At year-end, the Light Department's carrying amount of *segregated* bank deposits was $876,633. The bank balance of these Department segregated funds maintained by the Town Treasurer was $887,897. In addition to the segregated funds, there was $3,294,023 of operating cash pooled within various accounts maintained by the Town Treasurer. Bank deposits are pooled with, or in the same financial institution as, Town operated funds and therefore specific collateralization information on these deposits is not available.

Custodial Credit Risk: Investments – In the case of investments, this is the risk that in the event of the invested party not being able to provide required payments to investors, ceasing to exist, or filing of bankruptcy, the Town or Light Department may not be able to recover the full amount of its principal investment and/or investment earnings. The Town's investment in the MMDT and PRIT are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form. The Town's investments in United States governmental obligations, bond and equity mutual funds and other investment funds are exposed to custodial credit risk because the related securities are uninsured, unregistered and are held by the counterparty. The Town's investments in negotiable certificates of deposit are fully insured by the FDIC. The Town's investment in a repurchase agreement is held by a counterparty, but not in the Town's name. The repurchase agreement is fully collateralized with U.S. government securities.

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

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

- *Level 1* – Inputs are quoted prices in active markets for identical investments at the measurement date.

- *Level 2* – Inputs (other than quoted prices included in Level 1) are either directly or indirectly observable for the investment through correlation with market data at the measurement date and for the duration of the instrument's anticipated life.

- *Level 3* – Inputs reflect the Town's best estimate of what market participants would use in pricing the investment at the measurement date.

U.S government obligations, fixed income securities and equity mutual funds classified in Level 1 are valued using prices quoted in active markets for those securities. The remaining investments are classified in Level 2. Negotiable certificates of deposit and repurchase agreements are valued using matrix pricing based on the securities' relationship to benchmark quoted prices. Other investment mutual funds are valued based on the published fair value per share (unit) for each fund. The State Treasurer's PRIT fund is valued based on the composition and fair value of the underlying investments contained within this pool, which can be determined using inputs other than quoted prices that are observable either directly or indirectly. The State Treasurer's investment pool (MMDT) is valued at amortized cost. The MMDT's investment advisor may value the pool using an alternative valuation method that more accurately reflects the fair value in accordance with the pools fair value pricing policies should amortized cost not approximate the fair value of the pool.

The following table presents the Town's investments carried at fair value on a recurring basis in the statement of net position at June 30, 2020:

		Fair Value Measurements Using		
	Fair Value	Level 1	Level 2	Level 3
Investments by fair value level				
Debt securities:				
Corporate fixed income securities	$ 1,417,240	$ 1,417,240	$ -	$ -
U.S. government obligations	1,094,188	636,176	458,012	-
Negotiable certificates of deposit	516,652	-	516,652	-
Repurchase agreements	6,501,674	-	6,501,674	-
State treasurer's PRIT fund	1,369,463	-	1,369,463	-
Total debt securities	10,899,217	2,053,416	8,845,801	-
Equity securities:				
Common stock	716,155	716,155	-	-
Equity mutual funds	368,731	368,731	-	-
Other investment funds	90,335	-	90,335	-
Total equity securities	1,175,221	1,084,886	90,335	-
Total investments by fair value level	$ 12,074,438	$ 3,138,302	$ 8,936,136	$ -
Investments measured at amortized costs				
Massachusetts Municipal Depository Trust	2,198,737			
Total investments	14,273,175			

At December 31, 2019, the Light Department's investments are categorized as follows: Level 1 - $210,953 US government securities, $1,604,702 equities and $5,077,680 mutual and money market funds; Level 2 - $695,400 municipal bonds and $1,053,227 corporate bonds; $1,179,270 certificates of deposit are not classified.

Interest Rate Risk: Deposits – This is the risk that fair value losses may arise due to increasing interest rates. The Town does not have formal investment policies that limit investment maturities as a way of managing its exposure to fair value losses arising from rising interest rates.

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

At June 30, 2020, the Town had the following investments with maturities:

		Maturities in Years		
Investments	Fair Value	Less than 1	1 - 5	6 - 10
Corporate fixed income securities	$ 1,417,240	$ 132,301	$ 1,284,939	$ -
U.S. government obligations	1,094,188	330,654	763,534	-
Negotiable certificates of deposit	516,652	152,331	364,321	-
Total investments with maturities	$ 3,028,080	$ 615,286	$ 2,412,794	$ -

The Light Department had investments as follows: 1) US Government Securities, $210,953 beyond five years; 2) for certificates of deposit, $250,367 less than one year, $227,758 between one and two years, $73,015 between two and five years and $628,130 beyond five years; 3) for municipal bonds, $695,400 beyond five years; and 4) for corporate bonds, $121,897 less than one year and $931,330 beyond five years.

Concentration of Credit Risk – The Town does not place a limit on the amount that may be invested in any one issuer. At June 30, 2020, Town has 15% of its investments in MMDT, 10% in the PRIT fund and 46% in repurchase agreements collateralized with U. S. government backed securities.

Credit Risk – The Town has not adopted a formal policy related to credit risk. The Town's investments in U.S. government obligations are rated Aaa by Moody's. Corporate bonds are rated $249,504 as Aaa, $499,405 as A1, $178,370 as A2, $339,664 as Baa1 and $150,297 as Baa2. The Town's remaining investments are unrated.

The Light Department's U.S. government securities are rated Aaa by Moody's and AA+ by Standard and Poor's. Municipal bonds are rated $234,743 as AAA, $460,657 as AA to A and corporate bonds are rated $101,605 as AAA, $724,132 as AA to A and $227,490 are rated BBB by Standards and Poor's. Mutual funds, money market funds and certificates of deposit are not rated.

B. Receivables

Receivables as of June 30, 2020 for the Town's individual major and nonmajor governmental funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	Gross Amount	Allowance for Uncollectibles	Net Amount
Receivables:			
Real estate and personal property taxes	$ 610,187	$ -	$ 610,187
Tax liens and deferrals	260,259	-	260,259
Community preservation surcharges	6,246	-	6,246
Motor vehicle and other excise taxes	234,012	-	234,012
User charges	9,946	-	9,946
Ambulance fees	586,491	(234,597)	351,894
Other	8,593	-	8,593
Intergovernmental	72,059	-	72,059
Total	$ 1,787,793	$ (234,597)	$ 1,553,196

Receivables at year-end for the Town's Electric Light Department Enterprise Fund are as follows:

	Gross Amount	Allowance for Uncollectibles	Net Amount
Receivables:			
Customer accounts receivable	$ 1,365,945	$ (70,324)	$ 1,295,621
Other accounts receivable	237,529	-	237,529
Unbilled revenue	231,618	-	231,618
Purchased power credits receivable	3,208	-	3,208
Total	$ 1,838,300	$ (70,324)	$ 1,767,976

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. The following identifies the components of deferred inflows of resources in the governmental funds:

	General Fund	Other Governmental	Total
Receivable and other asset types:			
Real estate and personal property taxes	$ 290,068	$ -	$ 290,068
Tax liens and deferrals	260,259	-	260,259
Motor vehicle and other excise taxes	234,012	-	234,012
Community preservation surcharges	-	6,246	6,246
User charges	-	9,946	9,946
Ambulance fees	-	351,894	351,894
Other	1,560	7,033	8,593
Tax foreclosures	468,461	-	468,461
Total	$ 1,254,360	$ 375,119	$ 1,629,479

C. Capital Assets

Capital asset activity for the fiscal year ended June 30, 2020 (December 31, 2019 for Electric Light Department) was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets not being depreciated:				
Land	$ 6,583,884	$ 3,800,000	$ -	$ 10,383,884
Construction in process	307,447	287,439	(170,225)	424,661
Total capital assets not being depreciated	6,891,331	4,087,439	(170,225)	10,808,545
Capital assets being depreciated:				
Land improvements	1,957,468	9,525	-	1,966,993
Buildings and improvements	44,683,136	98,451	-	44,781,587
Machinery and equipment	7,389,766	511,107	(128,305)	7,772,568
Infrastructure	30,894,840	849,689	-	31,744,529
Total capital assets being depreciated	84,925,210	1,468,772	(128,305)	86,265,677
Less accumulated depreciation for:				
Land improvements	(1,055,467)	(62,251)	-	(1,117,718)
Buildings and improvements	(15,971,071)	(1,170,596)	-	(17,141,667)
Machinery and equipment	(4,816,940)	(535,961)	128,305	(5,224,596)
Infrastructure	(15,454,981)	(632,277)	-	(16,087,258)
Total accumulated depreciation	(37,298,459)	(2,401,085)	128,305	(39,571,239)
Total capital assets being depreciated, net	47,626,751	(932,313)	-	46,694,438
Total governmental activities capital assets, net	$ 54,518,082	$ 3,155,126	$ (170,225)	$ 57,502,983
Business-Type Activities:				
Capital assets not being depreciated:				
Land	$ 2,219,869	$ -	$ -	$ 2,219,869
Capital assets being depreciated:				
Buildings and improvements	1,285,958	-	-	1,285,958
Machinery and equipment	2,652,527	595,149	(131,000)	3,116,676
Infrastructure	18,182,061	668,206	(83,413)	18,766,854
Total capital assets being depreciated	22,120,546	1,263,355	(214,413)	23,169,488
Less accumulated depreciation for:				
Buildings and improvements	(631,397)	(25,719)	-	(657,116)
Machinery and equipment	(1,816,215)	(144,091)	131,000	(1,829,306)
Infrastructure	(9,933,276)	(544,730)	83,413	(10,394,593)
Total accumulated depreciation	(12,380,888)	(714,540)	214,413	(12,881,015)
Total capital assets being depreciated, net	9,739,658	548,815	-	10,288,473
Total business-type activities capital assets, net	$ 11,959,527	$ 548,815	$ -	$ 12,508,342

Depreciation expense was charged to functions/programs as follows:

Governmental Activities:		**Business-Type Activities:**	
General government	$ 99,541	Light Department	$ 714,540
Public safety	307,370		$ 714,540
Education	964,589		
Public works	819,109		
Health and human services	13,293		
Culture and recreation	197,183		
	$ 2,401,085		

D. Interfund Receivables, Payables and Transfers

Interfund transfers for the fiscal year ended June 30, 2020 are summarized as follows:

Transfers Out	Transfers In General Fund	
Nonmajor Governmental Funds	$ 733,311	(1)
Electric Light Enterprise Fund	176,100	(1)
Total	$ 909,411	

(1) Transfers to general fund to supplement operating budgets.

E. Temporary Debt

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

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

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

Temporary notes are general obligations of the Town and generally carry maturity dates of less than one year and are interest bearing and will be paid through future issuance of general obligation bonds.

During the fiscal year, the Town renewed a $3,745,000 BAN issued in the prior year at 3.0% for the South Main land acquisition and master plan project. The new $3,745,000 BAN was issued at 1.46% and is due and payable on April 23, 2021.

F. Long–Term Obligations

The following table reflects the activity in the Town's long-term liability accounts during the fiscal year ended June 30, 2020:

	Beginning Balance	Additions	Deletions	Ending Balance	Due within one year
Governmental Activities:					
Bond and note indebtedness	$ 13,840,000	$ -	$ (985,000)	$ 12,855,000	$ 1,005,000
Unamortized bond premium	286,766	-	(39,195)	247,571	36,496
Direct borrowings and placements	64,898	-	(16,063)	48,835	16,063
Landfill closure	840,000	-	(52,500)	787,500	52,500
Net pension liability	17,695,058	4,116,575	(4,664,295)	17,147,338	-
Net other postemployment benefits liability (a)	19,551,510	3,076,972	(4,691,269)	17,937,213	-
Total Governmental Activities	$ 52,278,232	$ 7,193,547	$ (10,448,322)	$ 49,023,457	$ 1,110,059
Business-Type Activities - MELD:					
Compensated absences	$ 69,697	$ 11,271	$ -	$ 80,968	$ -
Net pension liability	3,965,220	254,710	-	4,219,930	-
Net other postemployment benefits liability	586,441	-	(105,062)	481,379	-
Total Business-Type Activities	$ 4,621,358	$ 265,981	$ (105,062)	$ 4,782,277	$ -

(a) As restated. See note IV.

The governmental activities liabilities will be liquidated by the General Fund. The business-type liabilities will be liquidated by the Electric Light Department Enterprise Fund.

G. Long–Term Debt

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

State law permits the Town, under the provisions of Chapter 44, Section 10, to authorize indebtedness up to a limit of five percent of its equalized valuation. Debt issued in accordance with this section of the law is designated as being "inside the debt limit." In addition, the Town may authorize debt in excess of that limit for specific purposes. Such debt, when issued, is designated as being "outside the debt limit."

The following is a summary of outstanding long-term debt obligations as of June 30, 2020:

Description of Issue	Interest Rate	Beginning Balance	Additions	Maturities	Ending Balance
Governmental Activities:					
General Obligation Bonds	2.30 - 5.00%	$ 12,735,000	$ -	$ (880,000)	$ 11,855,000
General Obligation Bonds	2.50 - 3.00%	1,105,000	-	(105,000)	1,000,000
Federal Home Loan Bonds	5.00%	34,600	-	(9,800)	24,800
Massachusetts Clean Water Trust Notes	3.00 - 5.25%	30,298	-	(6,263)	24,035
Total Governmental Activities		13,904,898	-	(1,001,063)	12,903,835
Add: Unamortized bond premium		286,766	-	(39,195)	247,571
Total Governmental Activities, net		$ 14,191,664	$ -	$ (1,040,258)	$ 13,151,406

Payments on long-term debt due in future years consist of the following:

Year Ending June 30,	*Governmental Activities* General Obligation Bonds Principal	General Obligation Bonds Interest	Direct Borrowings and Placements Principal	Direct Borrowings and Placements Interest
2021	$ 1,005,000	$ 403,142	$ 16,063	$ 1,665
2022	1,030,000	364,647	16,186	909
2023	1,060,000	324,700	11,586	265
2024	1,045,000	284,453	1,000	-
2025	1,070,000	250,253	1,000	-
2026 - 2030	4,950,000	780,753	3,000	-
2031 - 2033	2,695,000	122,925	-	-
Total	$ 12,855,000	$ 2,530,873	$ 48,835	$ 2,839

The following table summarizes authorized but unissued debt at June 30, 2020:

Project	Amount
Governmental:	
Septic loans	$ 84,969
South Main Street	3,745,000
Equipment	308,000
Total Authorized and Unissued	$ 4,137,969

III. Other Information

A. Retirement System

Plan Description – The Town contributes to the Essex Regional Retirement System (the System), a cost-sharing multiple-employer defined benefit pension plan established under Chapter 32 of the Commonwealth of Massachusetts General Laws (MGL) and administered by the Essex Regional Retirement Board. Stand-alone audited financial statements for the year ended December 31, 2019 were issued and may be obtained by writing to the Essex Regional Retirement System, 491 Maple Street, Suite 202, Danvers MA 01923.

Membership – Membership in the System as of December 31, 2019, was as follows:

Retired participants and beneficiaries receiving benefits	1,930
Inactive participants with a vested right to retirement benefits or entitled to a return of their employee	1,210
Active participants	2,892
Total	6,032

Benefit Terms – The System provides retirement, disability and death benefits to plan members and beneficiaries. Chapter 32 of the MGL assigns authority to establish and amend benefit provisions of the plan. Cost-of-living adjustments granted between 1981 and 1997 and any increase in other benefits imposed by the Commonwealth's state law during those years are borne by the Commonwealth and are deposited into the pension fund directly. Cost-of-living adjustments granted after 1997 must be approved by the Board and are borne by the System.

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

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

Contributions Requirements – The System has elected provisions of Chapter 32, Section 22D (as amended) of Massachusetts General Laws, which require that a funding schedule be established to fully fund the pension plan by June 30, 2040 (the System's current funding schedule allows for full funding by June 30, 2035). Under provisions of this law, participating employers are assessed their share of the total retirement cost based on the entry age, normal actuarial cost method.

The Town (including the Light Department) contributed $1,821,792 to the System in fiscal year 2020, which equaled the actuarially-determined contribution requirement for the year.

Net Pension Liability – At June 30, 2020, the Town reported a liability of $21,367,268 for its proportionate share of the net pension liability. The net pension liability reported by the System at December 31, 2019 (used for fiscal year end June 30, 2020) is $21,354,095. The difference between these two figures is attributable to the difference in fiscal year ends between the Town and Light Department, which results in a one-year lag.

The Town's (excluding the Light Department) net pension liability was measured as of December 31, 2019 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2020. These figures were updated by the independent actuary as of December 31, 2019. The Light Department's net pension liability was measured as of December 31, 2018 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2018. These figures were updated by the independent actuary as of December 31, 2018. There were no material changes made in this update to the actuarial assumptions (see below) nor were there any material changes to the System's benefit terms since the actuarial valuation.

The Town's proportion of the net pension liability is based on a projection of the Town's long-term share of contributions to the System relative to the projected contributions of all employers. The Town's and Light Department's proportionate share were approximately 5.068% at December 31, 2019.

Pension Expense – The Town (excluding the Light Department) recognized $2,125,823 in pension expense in the statement of activities in fiscal year 2020; and the HMLP recognized $519,623.

Deferred Outflows of Resources and Deferred Inflows of Resources – At June 30, 2020, the Town (excluding the Light Department) reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual earnings	$ -	$ 639,334
Changes in assumptions	1,713,833	-
Changes in proportion differences	274,565	-
Differences between expected and actual experience	2,354	81,491
Changes in proportion differences	-	415,626
	$ 1,990,752	$ 1,136,451

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

Year Ended June 30,	Amount
2021	$ 428,541
2022	278,477
2023	253,725
2024	(106,442)
Total	$ 854,301

At December 31, 2019, the Light Department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual earnings	$ 217,047	$ -
Changes in assumptions	223,723	-
Changes in proportion differences	-	-
Differences between expected and actual experience	-	36,601
Changes in proportion differences	104,853	16,572
	$ 545,623	$ 53,173

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

Year Ended December 31,	Amount
2020	$ 179,874
2021	130,275
2022	93,821
2023	88,480
Total	$ 492,450

Actuarial Valuation – The measurement of the System's total pension liability is developed by an independent actuary. The latest actuarial valuation was performed as of January 1, 2019. The significant actuarial assumptions used in the January 1, 2019 actuarial valuation included:

Investment rate of return	Full prefunding: 7.3% per year, net of investment expenses
Discount Rate	7.30%
Inflation	2.75%
Salary Increases	7.5% decreasing to 3.75% after 5 years of service
Cost of Living Adjustment	2% of first $14,000 in 2021 and 3% of first $14,000 thereafter
Pre-Retirement Mortality	RP-2014 Employee Mortality Table projected generationally with Scale MP 2019
Post-Retirement Mortality	RP-2014 Healthy Annuitant Mortaility Table projected generationally with Scale MP 2019
Disabled Mortality	RP-2014 Healthy Annuitant Mortaility Table set forward two years projected generationally with Scale MP 2019

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 weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocations and projected arithmetic real rates of return for each major asset class after deducting inflation, but before investment expenses, are summarized in the following table:

Asset Class	Target Allocation	Expected Investment Rate of Return
Domestic Equity	21.00%	6.15%
International Equity	13.00%	6.78%
International Emerging Markets	5.00%	8.65%
Core fixed income	15.00%	1.11%
High Yield Fixed Income	8.00%	3.51%
Real Estate	10.00%	4.33%
Commodities	4.00%	4.13%
Hedge Fund, GTAA, Risk Parity	11.00%	3.19%
Private Equity	13.00%	9.99%
	100.00%	

Discount Rate – The discount rate used to measure the Town's and Light Department's pension liability was 7.30% and 7.50%, respectively. The projection of cash flows used to determine the discount rate assumed plan member contributions were made at the current contribution rate and that employer contributions will be made at rates equal to the actuarially determined contribution rates and the member rate. Based on those assumptions, the Retirement System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity Analysis – The following presents the Town's and Light Department's proportionate shares of the net pension liability calculated using the current discount rate as well as using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	Discount Rate			
	Current Rate	1% lower	Current	1% greater
Town	7.30%	$ 21,563,832	$ 17,147,338	$ 13,434,999
Light Department	7.50%	$ 5,217,152	$ 4,219,930	$ 3,380,946

B. Massachusetts Teachers' Retirement System

Teachers and certain administrative employees of the Town's school department participate in the Massachusetts Teachers' Retirement System ("MTRS"), a cost-sharing multiple employer defined benefit pension plan. MTRS is managed by the Commonwealth on behalf of municipal teachers and municipal teacher retirees. Like the Retirement System, MTRS was established under Chapter 32 of Massachusetts General Laws. The Commonwealth's legislature has the authority to amend or modify the MTRS's funding policies.

The Commonwealth is a nonemployer contributor to the MTRS and is legally responsible by statute for all actuarially determined employer contributions and future benefit requirements of 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*.

For the year ended June 30, 2020, (measured as of June 30, 2019) the Commonwealth contributed $1,274,394 to the MTRS on behalf of the Town. The Town's proportionate share of the collective MTRS net pension liability at this reporting date was 0.088272%, which was based on the actual, actuarially determined contribution made by the Commonwealth on behalf of the Town as a percentage of the total annual contribution made by the Commonwealth on behalf of all employers.

The table below presents the Town's proportionate share of the following (dollar amounts are in thousands):

	Commonwealth Portion	Paid (or assumed) On Behalf of the Town	Town Portion
Net pension liability	$ 22,256,968	$ (22,256,968)	$ —
Pension expense	2,699,044	(2,699,044)	—

The Town recognized $2,699,044 in intergovernmental revenue and pension expense relative to this arrangement.

C. Other Postemployment Benefits

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

Specific benefit provisions and contribution rates are established by collective bargaining agreements, state law and Town ordinance. All benefits are provided through the Town's premium-based insurance program. The OPEB Plan does not issue an audited stand-alone financial report and is presented as a fiduciary fund in the Town's financial statements.

Employees Covered by Benefit Terms – The following employees were covered by the benefit terms as of June 30, 2020:

Active employees	225
Inactive employees	84
Total	309

Contributions – The contribution requirements of OPEB Plan members and the Town are established and may be amended by the Town. Retirees contribute 40% of the set premium for medical; 25% for dental, and 50% for life insurance. The remainder of the cost is funded by general revenues of the Town. The Town currently contributes enough money to the Plan to satisfy current obligations on a pay-as-you-go basis and also pays 60% of a retiree's Medicare Part B premium. The costs of administering the OPEB Plan are paid by the Town. For the year ended June 30, 2020, the Town's average contribution rate was approximately 3.75% of covered payroll.

Net OPEB Liability – The Town's net OPEB liability was measured as of June 30, 2020 using an actuarial valuation as of July 1, 2019. The components of the net OPEB liability of the Town as of June 30, 2020 were as follows:

Total OPEB Liability	$	19,306,677
Plan fiduciary net position		(1,369,464)
Net OPEB liability	$	17,937,213
Plan fiduciary net position as a percentage of the total OPEB liability		7.1%

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

Investment rate of return	7.01%, net of OPEB plan investment expense, including inflation.
Muncipal bond rate	2.66% as of June 30, 2019
Discount Rate	4.75%, net of OPEB plan investment expense including inflation. Using a blend of the Municipal Bond Index Rate for unfunded periods and the Investment Rate of Return.
Inflation	2.50% annually as of June 30, 2020 and for future periods
Health Care Trend Rate	4.5%
Salary Increases	3.00% annually as of July 1, 2019 and for future periods
Cost of Living Adjustment	Not applicable.
Pre-Retirement Mortality	General: RP-2014 Mortality Table for Blue Collar Employees projected generationally with scale MP-2016 for males and females Teachers: RP-2014 Mortality Table for White Collar Employees projected generationally with scale MP-2016 for males and females
Post-Retirement Mortality	General: RP-2014 Mortality Table for Blue Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females Teachers: RP-2014 Mortality Table for White Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females
Disabled Mortality	General: RP-2014 Mortality Table for Blue Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females, set forward 1 year Teachers: RP-2014 Mortality Table for White Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females
Actuarial Cost Method	Individual Entry Age Normal

Discount Rate – The discount rate used to measure the total OPEB liability was 4.75%. The only two key changes in assumptions from the prior year was the increase of this discount rate from 4.50% to 4.75% and the decrease in health care trend rate from 5.0% to 4.5%.

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

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

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

Asset Class	Target Allocation	Expected Investment Rate of Return
Domestic Equity - Large Cap	14.50%	4.80%
Domestic Equity - Small/Mid Cap	3.50%	5.29%
Interntional Equity - Developed Market	16.00%	5.45%
Interntional Equity - Emerging Market	6.00%	6.42%
Domestic Fixed Income	20.00%	2.05%
International Fixed Income	3.00%	3.00%
Alternatives	23.00%	6.50%
Real Estate	14.00%	6.25%
Cash	0.00%	0.00%
	100.00%	
Real rate of return		5.01%
Inflation assumption		2.50%
Total nominal rate of return		7.51%
Investment expense		-0.50%
Net investment return		7.01%

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

		Discount Rate		
	Current Rate	1% Decrease	At Current Rate	1% Increase
Net OPEB liability	4.75%	$ 20,850,617	$ 17,937,213	$ 15,574,364
		Health Care Trend Rate		
Net OPEB liability	4.50%	$ 15,615,528	$ 17,937,213	$ 20,849,302

Changes in the Net OPEB Liability – The following table summarizes the changes in the net OPEB liability for the year ended June 30, 2020:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at June 30, 2019	$ 25,729,182	$ 1,292,921	$ 24,436,261
Prior period adjustment	(4,884,751)		(4,884,751)
Changes for the year:			
Service cost	785,898	-	785,898
Interest	962,580	-	962,580
Change in assumptions	424,641	-	424,641
Difference between expected and actual experience	(3,226,197)	-	(3,226,197)
Net investment income	-	26,543	(26,543)
Employer contributions	-	534,676	(534,676)
Benefit payments withdrawn from trust	-	(484,676)	484,676
Benefit payments	(484,676)	-	(484,676)
Net changes	(1,537,754)	76,543	(1,614,297)
Balances at June 30, 2020	$ 19,306,677	$ 1,369,464	$ 17,937,213

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB – For the year ended June 30, 2020, the Town recognized OPEB expense of $1,507,823. Deferred outflows of resources and deferred inflows of resources related to OPEB at June 30, 2020 were reported as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual earnings	$ 59,242	$ 20,022
Changes of Assumptions	1,509,907	-
Differences between actual and expected experience	-	2,836,567
	$ 1,569,149	$ 2,856,589

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

June 30,	
2021	$ (148,298)
2022	(148,296)
2023	(138,286)
2024	(124,575)
2025	(327,761)
thereafter	(400,224)
	$ (1,287,440)

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

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

Investment Rate of Return – For the year ended June 30, 2020 the annual money-weighted rate of return on investments, net of investment expense, was 1.99%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Electric Light Department OPEB – Electric Light Department OPEB, which is not material to the overall financial statements, may be reviewed in detail in the Electric Light Department financial statements.

D. Risk Financing

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

E. Commitments and Contingencies

General – The Town is party to certain legal claims, which are subject to many uncertainties, and the outcome of individual litigation matters is not always predictable with assurance. Although the amount of liability, if any, at June 30, 2020, cannot be determined, management believes that any resulting liability, if any, should not materially affect the basic financial statements of the Town at June 30, 2020.

Grant Compliance – Amounts received from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal and state governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The Town expects such amounts, if any, to be immaterial.

Arbitrage – The Town is subject to certain Federal arbitrage laws in accordance with long-term borrowing agreements. Failure to comply with the rules could result in the payment of penalties. The Town expects the amount if any, in these situations, to be immaterial.

Electric Light Department - MELD is a Town owned utility responsible for the purchase and distribution of electric power throughout the Town of Middleton. MELD has its own Board of Commissioners elected at large by citizenry of the Town of Middleton.

MELD is a participant in certain projects of the Massachusetts Municipal Wholesale Electric Company (MMWEC), a public corporation and a political subdivision of the Commonwealth of Massachusetts, created as a means to develop bulk power supply for its Members and other utilities.

MMWEC is authorized to construct, own or purchase ownership interest in, and to issue revenue bonds to finance electric facilities (Projects). MMWEC has acquired ownership interests in electric facilities operated by other entities and also owns and operates its own electric facilities. MMWEC operates the Stony Brook Intermediate Project and Stony Brook Peaking Project, both fossil-fueled power plants. MMWEC has the Nuclear Mix One project, Nuclear Project Three, Nuclear Project Four, Nuclear Project Five and Project Six, which comprise an 11.6% ownership interest in the Seabrook Station nuclear generating unit operated by NextEra Energy Seabrook, LLC and a 4.8% ownership interest in the Millstone Unit 3 nuclear unit operated by Dominion Nuclear Connecticut, Inc. The operating license for Seabrook Station extends to March 15, 2050. The operating license for Millstone Unit 3 extends to November 25, 2045.

On July 19, 2019, MMWEC sold its 3.7% interest in W.F. Wyman Unit No. 4 plant, which is owned and operated by its majority owner, FPL Energy Wyman IV, LLC.

MMWEC sells all of the capability (Project Capability) of each of its Projects to its Members and other utilities (Project Participants) under Power Sales Agreements (PSAs). The Department has entered into PSAs with MMWEC. Under the PSAs, the Department is required to make certain payments to MMWEC solely from Department revenues. Among other things, PSAs require each Project Participant to pay its pro rata share of MMWEC's costs related to the Project. In addition, should a Project Participant fail to make any payment when due, other Project Participants may be required to increase (step-up) their payments and correspondingly their Participant's share of Project Capability. Project Participants have covenanted to fix, revise, and collect rates at least sufficient to meet their obligations under the PSAs. Under the PSAs each Participant is unconditionally obligated to make all payments due to MMWEC, whether or not the Project(s) is completed or operating, and notwithstanding the suspension or interruption of the output of the Project(s).

Pursuant to the PSAs, the MMWEC Project Participants are liable for their proportionate share of the costs associated with decommissioning the plants, which costs are being funded through monthly Project billings. The Seabrook and Millstone Project Participants are also liable for their proportionate share of the uninsured costs of a nuclear incident that might be imposed under the Price-Anderson Act. Originally enacted in 1957, the Act has been renewed several times. In July, 2005, Congress extended the Act until the end of 2025.

At December 31, 2019, MMWEC has no debt service obligations outstanding relating to the Projects. MMWEC is involved in various legal actions, the outcome of which, in the opinion of MMWEC management, will not have a material effect on the financial position of MMWEC.

The total capital expenditures and annual capacity, fuel and transmission costs (which include debt service and decommissioning expenses discussed above) associated with the Department's Project Capability of the Projects in which it participates was $34,784,996 for the year ended December 31, 2019.

The MELD purchases its power through contracts with various power suppliers, including MMWEC. These contracts are subject to certain market factors. Based on current market conditions, the MELD anticipates some stability to its power cost expenses over the next few years.

F. Landfill Closure and Post-Closure Care Costs

The Town's landfill is closed and a final cover has been installed in accordance with Federal and State laws and regulations. Those laws and regulations also require the Town to perform certain maintenance and monitoring functions ("post-closure care") at the site for 30 years after the landfill cover is installed. In addition, the Town acquired a parcel of land in fiscal year 2009 that was formerly used as a landfill and is responsible for post-closure testing and monitoring. Finally, the Town acquired another parcel of land that was formerly used as the Town landfill and is also responsible for the post-closure testing and monitoring of the site.

In accordance with generally accepted accounting principles, the estimated remaining cost of monitoring and other post-closure liabilities for these three parcels, $787,500, has been recorded as a governmental activities' liability; actual costs may be higher due to inflation, changes in technology, or changes in regulations.

G. Implementation of New GASB Pronouncements

Current Year Implementations –

None

Future Implementations –

In January 2017, the GASB issued GASB Statement No. 84, *Fiduciary Activities*. The objective of the Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how these activities should be reported. As amended, the provisions of this Statement are effective for financial reporting periods beginning after December 15, 2019 (fiscal year 2021). The Town is currently evaluating whether adoption will have a material impact on the financial statements.

In June 2017, the GASB issued GASB Statement No. 87, *Leases*. This Statement redefines the manner in which long-term leases are accounted and reported. As amended, the provisions of this Statement are effective for financial reporting periods beginning after June 15, 2021 (fiscal year 2022). The Town is currently evaluating whether adoption will have a material impact on the financial statements.

In June 2018, the GASB issued GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period.* This statement establishes accounting requirements for interest costs incurred before the end of a construction period. As amended, the provisions of this Statement are effective for financial reporting periods beginning after December 15, 2020 (fiscal year 2022). The Town is currently evaluating whether adoption will have a material impact on the financial statements.

In August 2018, the GASB issued GASB Statement No. 90, *Majority Equity Interest – An Amendment of GASB Statements No. 14 and No. 61*. The objective of this Statement is to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. As amended, the provisions of this Statement are effective for financial reporting periods beginning after December 15, 2019 (fiscal year 2021). The Town is currently evaluating whether adoption will have a material impact on the financial statements.

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

In March 2020, the GASB issued GASB Statement No. 93, *Replacement of Interbank Offered Rates*. The objective of this Statement is to address accounting and financial reporting implications that result from the replacement of an interbank offered rate. As amended, the provisions of this Statement are effective for financial reporting periods beginning after June 15, 2021 (fiscal year 2023). The Town is currently evaluating whether adoption will have a material impact on the financial statements.

In March 2020, the GASB issued GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The objective of this Statement is to improve financial reporting by addressing issued related to public-private and public-public partnership arrangements. The provisions of this Statement are effective for financial reporting periods beginning after June 15, 2022 (fiscal year 2024). The Town is currently evaluating whether adoption will have a material impact on the financial statements.

In May 2020, the GASB issued GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. The objective of this Statement is to address accounting for subscription-based information technology arrangements to government end users based on the standards established in Statement No. 87, as amended. The provisions of this Statement are effective for financial reporting periods beginning after June 15, 2022 (fiscal year 2024). The Town is currently evaluating whether adoption will have a material impact on the financial statements.

In June 2020, the GASB issued GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – An Amendment of GASB Statements No. 14 and No. 84, and a Supersession of GASB Statement No. 32*. The objective of this Statement is to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution OPEB plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code Section 457 deferred compensation plans that meet the definition of a pension plan and for benefits provided through those plans. The provisions of this Statement are effective for financial reporting periods beginning after June 15, 2021 (fiscal year 2023). The Town is currently evaluating whether adoption will have a material impact on the financial statements.

IV. Restatement

A prior period restatement was required to increase the governmental activities net position due to a change in the method of treatment for Medicare Part B payments that were reported incorrectly in prior years.

The impact is illustrated in the table below:

	Governmental
Net position at June 30, 2019, as reported	$ 15,406,585
Error in applying assumptions	4,884,751
Net position at June 30, 2019, as restated	$ 20,291,336

SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

(dollar amounts are in thousands)

		Year Ended June 30,				
		2020	2019	2018	2017	2016
Town's proportion of the net pension liability (asset)		5.07%	5.22%	5.23%	5.06%	4.93%
Town's proportionate share of the net pension liability (asset)	*	$ 21,354	$ 22,036	$ 19,679	$ 19,507	$ 17,900
Town's covered payroll		$ 7,652	$ 7,695	$ 7,388	$ 7,060	$ 6,129
Town's proportionate share of the net pension liability (asset) as a percentage of its covered payroll		279.1%	286.4%	266.4%	276.3%	292.1%
Plan fiduciary net position as a percentage of the total pension liability		55.5%	51.9%	55.4%	51.1%	51.0%

SCHEDULE OF THE TOWN'S CONTRIBUTIONS TO PENSION PLAN

(dollar amounts are in thousands)

	Year Ended June 30,				
	2020	2019	2018	2017	2016
Actuarially determined contribution	$ 1,820	$ 1,743	$ 1,628	$ 1,467	$ 1,258
Contributions in relation to the actuarially determined contribution	1,822	1,745	1,630	1,468	1,258
Contribution deficiency (excess)	$ (2)	$ (2)	$ (2)	$ (1)	$ -
Town's covered payroll	$ 7,652	$ 7,695	$ 7,388	$ 7,060	$ 6,129
Contributions as a percentage of covered payroll	23.8%	22.7%	22.1%	20.8%	20.5%

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

* The net pension liability as reported in the basic financial statements differs from this schedule due to the Light Department implementing GASB #68 one year later than the Town.

See accompanying independent auditor's report.

SCHEDULE OF THE COMMONWEALTH'S COLLECTIVE SHARE OF THE NET PENSION LIABILITY
MASSACHUSETTS TEACHER'S RETIREMENT SYSTEM

(dollar amounts are in thousands)

	Year Ended June 30,				
	2019	2018	2017	2016	2015
Commonwealth's proportion of the collective net pension liability (asset)	100.0%	100.0%	100.0%	100.0%	100.0%
Town's proportion of the collective net pension liability (asset)	0.0%	0.0%	0.0%	0.0%	0.0%
Commonwealth's proportionate share of the net pension liability (asset)	$ 25,214,020	$ 23,711,289	$ 22,885,391	$ 22,357,928	$ 20,489,643
Commonwealth's actuarially determined contribution	$ 1,443,710	$ 1,314,783	$ 1,235,515	$ 1,124,583	$ 1,021,930

Contributions to MTRS are the responsibility of the Commonwealth of Massachusetts.

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

See accompanying independent auditor's report.

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

	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
Total OPEB liability:				
Service cost	$ 785,898	$ 1,055,101	$ 883,961	$ 845,336
Interest	962,580	1,048,772	1,087,561	1,012,331
Difference between expected and actual plan experience	(3,226,197)	-	302,431	-
Changes of assumptions	424,641	1,682,663	-	-
Benefit payments	(484,676)	(609,902)	(565,578)	(510,717)
Net change in total OPEB liability	(1,537,754)	3,176,634	1,708,375	1,346,950
Total OPEB liability - beginning of year	20,844,431	17,667,797	15,959,422	14,612,472
Total OPEB liability - end of year (a)	$ 19,306,677	$ 20,844,431	$ 17,667,797	$ 15,959,422
Plan fiduciary net position:				
Contributions - employer	$ 534,676	$ 684,902	$ 615,578	$ 610,717
Net investment income	26,543	72,264	96,789	109,117
Benefit payments	(484,676)	(609,902)	(565,578)	(510,717)
Net change in Plan fiduciary net position	76,543	147,264	146,789	209,117
Plan fiduciary net position - beginning of year	1,292,921	1,145,657	998,868	789,751
Plan fiduciary net position - end of year (b)	$ 1,369,464	$ 1,292,921	$ 1,145,657	$ 998,868
Net OPEB liability - end of year (a) - (b)	$ 17,937,213	$ 19,551,510	$ 16,522,140	$ 14,960,554
Plan fiduciary net position as a percentage of the total OPEB liability	7.09%	6.20%	6.48%	6.26%
Covered payroll	$ 14,252,396	$ 11,055,578	$ 10,733,570	$ 10,700,000
Net OPEB liability as a percentage of covered payroll	125.85%	176.85%	153.93%	139.82%

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

Note: An error in assumptions was discovered during fiscal year 2020. The error, totalling $4,884,751, was applied to all periods presented and reduced the net OPEB liability.

See independent auditors' report.

SCHEDULE OF CONTRIBUTIONS
LAST 10 FISCAL YEARS

	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
Actuarially-determined contribution	$ 1,868,286	$ 2,490,680	$ 2,189,164	$ 2,033,068
Contributions in relation to the actuarially-determined contribution	(534,676)	(684,902)	(615,578)	(610,717)
Contribution deficiency (excess)	$ 1,333,610	$ 1,805,778	$ 1,573,586	$ 1,422,351
Covered payroll	$14,252,396	$11,055,578	$10,733,570	$ 10,700,000
Contribution as a percentage of covered payroll	3.75%	6.20%	5.74%	5.71%
Valuation Date	July 1, 2019	July 1, 2017	July 1, 2017	July 1, 2017
Amortization Period	30 years	30 years	30 years	30 years
Investment rate of return	7.01%	7.04%	7.04%	7.04%
Municipal Bond Rate	2.66%	2.79%	3.45%	3.16%
Single Equivalent Discount Rate	4.75%	4.50%	5.00%	4.75%
Inflation	2.50%	2.75%	2.75%	2.75%
Healthcare cost trend rates	4.50%	5.00%	5.00%	5.00%
Salary increases	3.00%	3.00%	3.00%	3.00%
Actuarial Cost Method	Individual Entry Age Normal (for all years presented)			
Asset Valuation Method	Market Value of Assets as of Reporting Date (for all years presented)			

SCHEDULE OF INVESTMENT RETURNS
LAST 10 FISCAL YEARS

	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
Annual money-weighted rate of return, net of investment expense	1.99%	6.14%	9.46%	10.92%

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

See independent auditors' report.

TOWN OF MIDDLETON, MASSACHUSETTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2020

	Budgeted Amounts		Actual	Encumbrances	Actual	Variance
	Original Budget	Final Budget	Budgetary Amounts	and continuing appropriations	Budgetary Adjusted	Positive (Negative)
REVENUES						
Real estate and personal property taxes, net	$29,997,858	$30,134,858	$ 30,031,543		$30,031,543	$ (103,315)
Intergovernmental	2,410,059	2,410,059	2,370,778		2,370,778	(39,281)
Motor vehicle and other excises	2,395,000	2,395,000	2,388,365		2,388,365	(6,635)
Payments in lieu of taxes	130,000	130,000	139,096		139,096	9,096
License and permits	500,000	500,000	595,093		595,093	95,093
Departmental and other revenue	539,044	539,044	588,098		588,098	49,054
Penalties and interest on taxes	90,000	90,000	121,012		121,012	31,012
Fines and forfeitures	12,000	12,000	13,269		13,269	1,269
Investment income	80,000	80,000	100,811		100,811	20,811
Total Revenues	36,153,961	36,290,961	36,348,065	$ -	36,348,065	57,104
EXPENDITURES						
General government	2,454,987	2,503,861	1,891,774	319,076	2,210,850	293,011
Public safety	4,528,952	4,847,953	4,505,395	35,280	4,540,675	307,278
Education	24,577,466	24,577,466	23,797,757	557,872	24,355,629	221,837
Public works	2,103,808	2,130,433	1,876,183	121,716	1,997,899	132,534
Health and human services	549,683	549,683	465,872	5,250	471,122	78,561
Culture and recreation	626,314	626,314	588,008	-	588,008	38,306
Pension and employee benefits	2,506,142	2,543,642	2,356,809	9,670	2,366,479	177,163
State and county tax assessments	338,391	338,391	330,070	-	330,070	8,321
Debt service	1,481,095	1,481,095	1,439,571	-	1,439,571	41,524
Total Expenditures	39,166,838	39,598,838	37,251,439	1,048,864	38,300,303	1,298,535
OTHER FINANCING SOURCES (USES)						
Transfers in	971,408	971,408	971,411	-	971,411	3
Transfers out	(150,000)	(915,000)	(915,000)	-	(915,000)	-
Total Other Financing Sources (Uses)	821,408	56,408	56,411	$ -	$ 56,411	3
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES/USE OF PRIOR YEAR BUDGETARY FUND BALANCE	(2,191,469)	(3,251,469)	$ (846,963)			$1,355,642
Other Budgetary Items:						
Undesignated surplus (free cash)	1,053,762	2,113,762				
Overlay surplus	199,027	199,027				
Prior year encumbrances	938,680	938,680				
Net Budget	$ -	$ -				

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

I. Budgetary Basis of Accounting

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

The Town adopts an annual budget for the general fund in conformity with the guidelines described above. During the fiscal year, Town Meeting increased appropriations approximately $1.2 million. The increases were primarily for public safety purposes ($319k) and stabilization transfers ($765k).

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

Budgetary-to-GAAP Reconciliation – The Town's general fund is prepared on a basis other than GAAP. A reconciliation of the budgetary-basis to GAAP-basis results for the general fund for the fiscal year ended June 30, 2020, is as follows:

	Basis of Accounting Differences	Fund Perspective Differences	Total
Revenues on a budgetary basis			$ 36,348,065
Stabilization revenue	$ -	$ 48,225	48,225
Change in revenue recognition	320,119	-	320,119
On behalf payments	2,699,044	-	2,699,044
Revenues on a GAAP basis	$ 3,019,163	$ 48,225	$ 39,415,453
Expenditures on a budgetary basis			$ 37,251,439
Change in expenditure recognition	$ 14,847	$ -	14,847
On behalf payments	2,699,044	-	2,699,044
Expenditures on a GAAP basis	$ 2,713,891	$ -	$ 39,965,330
Other financing sources (uses) on a budgetary basis			$ 56,411
Stabilization transfers, net	$ -	$ 853,000	853,000
Other financing sources (uses) on a GAAP basis	$ -	$ 853,000	$ 909,411

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

The Honorable Members of the Board of Selectmen
Town of Middleton, Massachusetts

We have audited, 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Middleton, Massachusetts (the "Town"), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements (except for the Middleton Electric Light Department "the Light Department", which is as of December 31, 2019) and have issued our report thereon September 16, 2020.

We did not audit the financial statements of the Light Department, a Town Department reported as an enterprise fund and part of the Town's business-type funds. The Light Department represents 100%, of each of the assets, net position, and operating revenues of the Town's business-type activities. The accompanying financial statements do not include all disclosures for the Light Department, as required by generally accepted accounting principles. Such information can be found in separately issued financial statements for the year-ended December 31, 2019, which was audited by the other auditors.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Roselli, Clark & Associates
Certified Public Accountants
Woburn, Massachusetts
September 16, 2020

CENTER FOR
TECH AND
CIVIC LIFE

8.

September 23, 2020

Middleton Town, Massachusetts

Town Clerk

48 South Main Street

Middleton, MA 01949

Dear Ilene Twiss,

I am pleased to inform you that based on and in reliance upon the information and materials provided by Middleton Town, the Center for Tech and Civic Life ("CTCL"), a nonprofit organization tax-exempt under Internal Revenue Code ("IRC") section 501(c)(3), has decided to award a grant to support the work of the Middleton Town Clerk ("Grantee").

The following is a description of the grant:

AMOUNT OF GRANT: $5,000.00 USD

PURPOSE: The grant funds must be used exclusively for the public purpose of planning and operationalizing safe and secure election administration in Middleton Town in 2020 ("Purpose").

Before CTCL transmits these funds to Grantee, CTCL requires that Grantee review and sign this agreement ("Grant Agreement") and agree to use the grant funds in compliance with the Grant Agreement and with United States tax laws and the laws and regulations of your state and jurisdiction ("Applicable Laws"). Specifically, by signing this letter Grantee certifies and agrees to the following:

1. Grantee is a local government unit or political subdivision within the meaning of IRC section 170(c)(1).
2. This grant shall be used only for the Purpose described above, and for no other purposes.

3. Grantee has indicated that the amount of the grant shall be expended on the following specific election administration needs: Poll worker recruitment funds, hazard pay, and/or training expenses, Temporary staffing, and Election administration equipment. Grantee may allocate grant funds among those needs, or to other public purposes listed in the grant application, without further notice to or permission of CTCL.
4. Grantee shall not use any part of this grant to make a grant to another organization, except in the case where the organization is a local government unit or political subdivision within the meaning of IRC section 170(c)(1) or a nonprofit organization tax-exempt under IRC section 501(c)(3), and the subgrant is intended to accomplish the Purpose of this grant. Grantee shall take reasonable steps to ensure that any such subgrant is used in a manner consistent with the terms and conditions of this Grant Agreement, including requiring that subgrantee agrees in writing to comply with the terms and conditions of this Grant Agreement.
5. The grant project period of June 15, 2020 through December 31, 2020 represents the dates between which covered costs may be applied to the grant. The Grantee shall expend the amount of this grant for the Purpose by December 31, 2020.
6. Grantee is authorized to receive this grant from CTCL and certifies that (a) the receipt of these grant funds does not violate any Applicable Laws, and (b) Grantee has taken all required, reasonable and necessary steps to receive, accept and expend the grant in accordance with the Purpose and Applicable Law.
7. The Grantee shall produce a brief report explaining and documenting how grant funds have been expended in support of the activities described in paragraph 3. This report shall be sent to CTCL no later than January 31, 2021 in a format approved by CTCL and shall include with the report a signed certification by Grantee that it has complied with all terms and conditions of this Grant Agreement.
8. This grant may not supplant previously appropriated funds. The Grantee shall not reduce the budget of the Town Clerk ("the Election Department") or fail to appropriate or provide previously budgeted funds to the Election Department for the term of this grant. Any amount supplanted, reduced or not provided in contravention of this paragraph shall be repaid to CTCL up to the total amount of this grant.
9. CTCL may discontinue, modify, withhold part of, or ask for the return all or part of the grant funds if it determines, in its sole judgment, that (a) any of the above terms and conditions of this grant have not been met, or (b) CTCL is required to do so to comply with applicable laws or regulations.
10. The grant project period of June 15, 2020 through December 31, 2020 represents the dates between which covered costs for the Purpose may be applied to the grant.

Your acceptance of and agreement to these terms and conditions and this Grant Agreement is indicated by your signature below on behalf of Grantee. Please have an authorized

representative of Grantee sign below, and return a scanned copy of this letter to us by email at grants@techandciviclife.org.

On behalf of CTCL, I extend my best wishes in your work.

Sincerely,

Tiana M. Johnson

Tiana Epps Johnson

Executive Director

Center for Tech and Civic Life

GRANTEE

By: Lene B. Preuss

Title: Middleton Town Clerk

Date: September 28, 2020

Correspondence and informational materials

Town of Middleton

Gary Bent - Director of Veterans Services
48 South Main Street
Middleton, Massachusetts
01949-2253
978-762-0611
gary.bent@middletonma.gov

September 25, 2020

Board of Selectmen
Town Administrator
Assistant Town Administrator

Middleton Leadership,

The American Legion Post 227 and I would like to extend an invitation to you to join us in this year's observance of Veterans Day. The service will be held at the Flint Public Library Veteran's Memorials on Wednesday November 11th at 11:00 AM.

Additionally, due to the ongoing national emergency I ask that all participants wear a mask and maintain social distancing throughout this brief ceremony. Disposable masks and hand sanitizer will be available.

Thank you for your continued support and helping us honor our Veterans!

Sincerely,

Gary Bent

Gary Bent
US Army Infantry/USAF SF Veteran
Veterans Service Officer – Middleton, MA
978-762-0611 – office