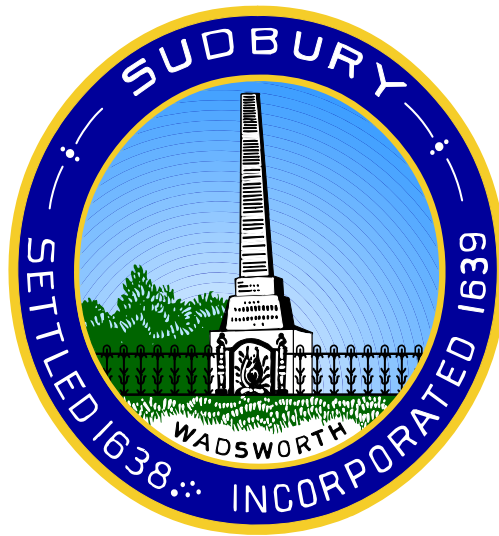


Town of Sudbury, Massachusetts  
Annual Comprehensive Financial Report



For the Fiscal Year Ended June 30, 2024

**TOWN OF SUDBURY, MASSACHUSETTS**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**



For the Year Ended  
June 30, 2024

**Prepared by:**

**The Finance Division**



**TOWN OF SUDBURY, MASSACHUSETTS**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**JUNE 30, 2024**

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# Introductory Section



Revolutionary War Monument located at Mount Pleasant Cemetery



# *Introductory Section*

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# Town of Sudbury

## Finance Director's Office

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278 Old Sudbury Road  
Sudbury, MA 01776

### Letter of Transmittal

December 29, 2024

To the Honorable Select Board and Citizens of the Town of Sudbury:

I am pleased to transmit to you the Town of Sudbury's Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2024. This report has been prepared by Sudbury's Finance Division in conformity with accounting principles generally accepted in the United States of America (GAAP) as prescribed by the Government Accounting Standards Board (GASB).

The report consists of management's representations concerning the finances of the Town. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect the assets of the Town from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Town's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Town's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Town's financial statements have been audited by Marcum, LLP, a firm of licensed certified public accountants, who have been hired by and report to the Town's Select Board. The independent auditors' unmodified ("clean") opinion on the Town's financial statements for the fiscal year ended June 30, 2024, is presented as the first component of the financial section of this report on pages 15 - 17.

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

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

## **History and Profile of the Town**

The Town of Sudbury was settled in 1638 and incorporated as a Town in 1639. At that time, Sudbury boundaries included (by 1653) all what is now Wayland (which split off in 1780), and parts of Framingham, Marlborough, Stow and Maynard. Sudbury is a charming community, rooted deeply in New England's history; the Sudbury Center Historic District has changed little since 1800. The Town is located in Middlesex County along the major highways of Route 20 in the south and Route 117 in the north, and bisected by Route 27, and lies approximately twenty miles from Boston and twenty-six miles from Worcester. Sudbury is bordered by Wayland on the east; Framingham on the south; Hudson, Maynard, Marlborough, and Stow on the west; Concord on the northeast; and Acton on the north. Sudbury also borders Lincoln, with which it shares a regional high school. It is situated near the junctions of Route 128, the Mass Pike and Route 495, providing an excellent location for residents, businesses and commuters.

The Town has a current population of 18,416 and occupies a land area of 24.7 square miles. Sudbury is categorized by the Metropolitan Area Planning Council (MAPC) as an Established Suburb. These residential suburbs are characterized by single-family homes on moderately sized lots, with a relatively affluent population. Multi-unit housing and commercial developments are limited in their extent, although Sudbury does have some major employment and retail centers primarily located along the Town's Route 20 Corridor.

Sudbury is a desirable community to live and work in due to its location, excellent public school system, attractive neighborhoods, high property values, and well managed local government.

## **Organizational Structure**

The Town is governed by an open Town Meeting, an elected Select Board, and an appointed Town Manager. Local legislative decisions for the town are made by an open town meeting. The Town implemented its current charter on July 1, 1996. This charter provided for appointment of a Town Manager by the Select Board. The Town Manager has broad responsibility for day-to-day management of Town affairs, as well as preparation of annual operating and capital budgets. For budgeting purposes, the Town services are divided into six program areas, and the Town Manager has authority to move funds as needed within a program area, but not to transfer funds between these areas.

The Town provides education in grades K-8 through the Sudbury Public Schools; the Lincoln-Sudbury Regional High School District (LSRHSD) provides education in grades 9 through 12. Through June 30, 2017, the Minuteman Regional Vocational Technical High School located in Lexington provided vocational technical education in grades 9 through 12. As of July 1, 2017, Sudbury withdrew from the Minutemen Regional District and the Assabet Valley Regional Technical High School in Marlborough was chosen to provide vocation technical education for new student enrollment. Each District's School Committee is elected and responsible for appointing the Superintendent of Schools, who has responsibility for the daily administration of the school system.

## **Reporting Entity**

The basic financial statements along with the combining statements and schedules included in this report relate to the activities under the direction and control of the Town Manager, Select Board and School Committees, which include the activities of the Town's Community Preservation Fund and Affordable Housing Trust Fund. The Sudbury Housing Authority (local branch for Massachusetts Public Housing

Programs) and Sudbury Water District are excluded from this report because these activities fall outside the direction and control of the Town Manager and Select Board.

### **Financial Management, Policies and Initiatives**

The Town Manager is responsible for the development of the Town's capital improvement plan, and annual capital and operating budgets. The School Committee is responsible for annually recommending capital and operating budgets for Sudbury's public school district. An appointed Finance Committee, consisting of nine members, makes recommendations to the Town Meeting on operating budgets and other Town Meeting articles that have a financial impact to the Town.

The Town is engaged in developing a multi-year framework for three critical areas of long-term financial planning: (1) establishing and maintaining reserves, (2) addressing significant unfunded liabilities and (3) developing a funding strategy for the acquisition, replacement and enhancements of capital assets. As part of this ongoing effort, the Select Board formed The Strategic Financial Planning Committee for Capital Funding and The Strategic Financial Planning Committee for OPEB Liabilities.

The Strategic Financial Planning Committee for OPEB Liabilities was created to generate, evaluate and report on strategies and options, both short and long term, for dealing with the unfunded OPEB liabilities facing the Town of Sudbury (including the Sudbury Public Schools) and LSRHSD. As a result, the Town transferred \$4,500,000 from the Health Claims Trust Fund to establish the OPEB Trust Fund in FY15. The Town annually appropriates money to continue funding its OPEB liability. As of June 30, 2024, the balance in the fund was \$15.9 million. While further policy development is expected to continue in the near future, long-term planning, execution and coordination particularly amongst the towns of Lincoln, Sudbury and LSRHSD will reside on a permanent basis through the development and continued use of OPEB Trusts.

### **Local Economic Condition**

Sudbury's economic base is limited but steady with approximately 6650 individuals employed in 749 establishments within the boundaries of the Town, with an annual payroll of approximately \$509 million. The majority of businesses in Sudbury are small and service oriented; retail, professional and technical services, educational services, and health care account for more than 60% of all jobs. Local unemployment remains below state and national rates, and the median household effective buying income is among the highest in Massachusetts.

The Town's tax base is diverse and market values remain extremely strong. Our tax base is primarily residential, at 93%, and the 10 largest taxpayers account for only 4.60% of the tax levy.

The Town's financial outlook remains strong. Property tax collections remain stable and Sudbury has become well adept at controlling budget growth commensurate with economic conditions. On January 5, 2021, S&P Global Ratings assigned its 'AAA' long-term rating to Sudbury. The rating highlighted the Town's very strong economy, strong management, strong budgetary performance, very strong budgetary flexibility, very strong debt and contingent liability position, and strong institutional framework score. This rating was affirmed, with a stable outlook, on January 17, 2024.

## **Accounting System and Budgetary Control**

The management of the Town is responsible for establishing and maintaining adequate internal controls to:

- Properly safeguard assets.
- Provide reasonable assurance on the accuracy and reliability of the accounting records used in the preparation of the basic financial statements.
- Provide reasonable assurance relative to compliance with legal and contractual constraints on the custody and use of assets.

The Town adopts an annual appropriated budget for its general and community preservation funds, which are accounted for on a line-item basis. Legally binding appropriations are voted annually for the major categories of Personnel Services, Expenditures, Benefits and Insurances and Debt Service. Transfers within an expenditure category may be made with the approval of the Department Head and Town Accountant. Transfers between expenditure categories may be approved by the Town Manager. The School Committee maintains bottom-line authority for all legally binding appropriations made for Education expenditures.

Encumbrance accounting, under which purchase orders, contracts and other commitments for expenditures are recorded to reserve that portion of the applicable appropriation, is employed in the Governmental Funds to maintain budgetary control.

An analysis of all legally adopted budgets is presented on pages 82 – 87 of this report.

## **Collective Bargaining Agreements**

Town employees (other than managerial and confidential employees) are entitled to join unions and to bargain collectively on questions of wages, hours and other terms and conditions of employment. The Town currently has approximately 580 full and part-time employees, of which approximately 80% belong to unions or other collective bargaining groups.

## **Awards and Acknowledgments**

The Town received the GFOA Distinguished Budget Presentation Award for its budget report for the fiscal year ended June 30, 2024. The award reflects the community's commitment to meeting the highest principles of governmental budgeting. We believe that the Town's budget document for the fiscal year ended June 30, 2025 continues to meet the requirements for this recognition and have submitted it to the GFOA to determine its eligibility for another award.

The GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Sudbury for its ACFR for the fiscal year ended June 30, 2023. This was the twelfth year that the Town has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized ACFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

The preparation of this report would not have been possible without the efficient and dedicated services of the Finance Department. Special thanks also go to the certified public accounting firm of Marcum, LLP for their advice and assistance in the preparation.

Respectfully,

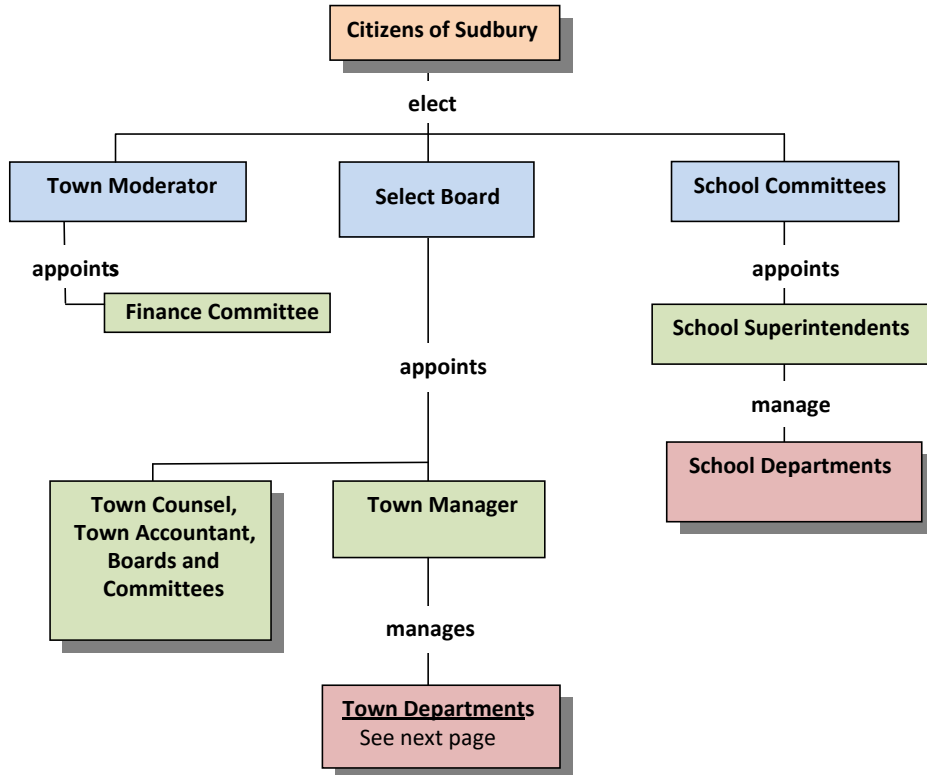
A handwritten signature in cursive script that reads "Victor Garofalo".

Victor Garofalo  
Finance Director/Treasurer-Collector

Town of Sudbury, Massachusetts

Organizational Chart

June 30, 2024

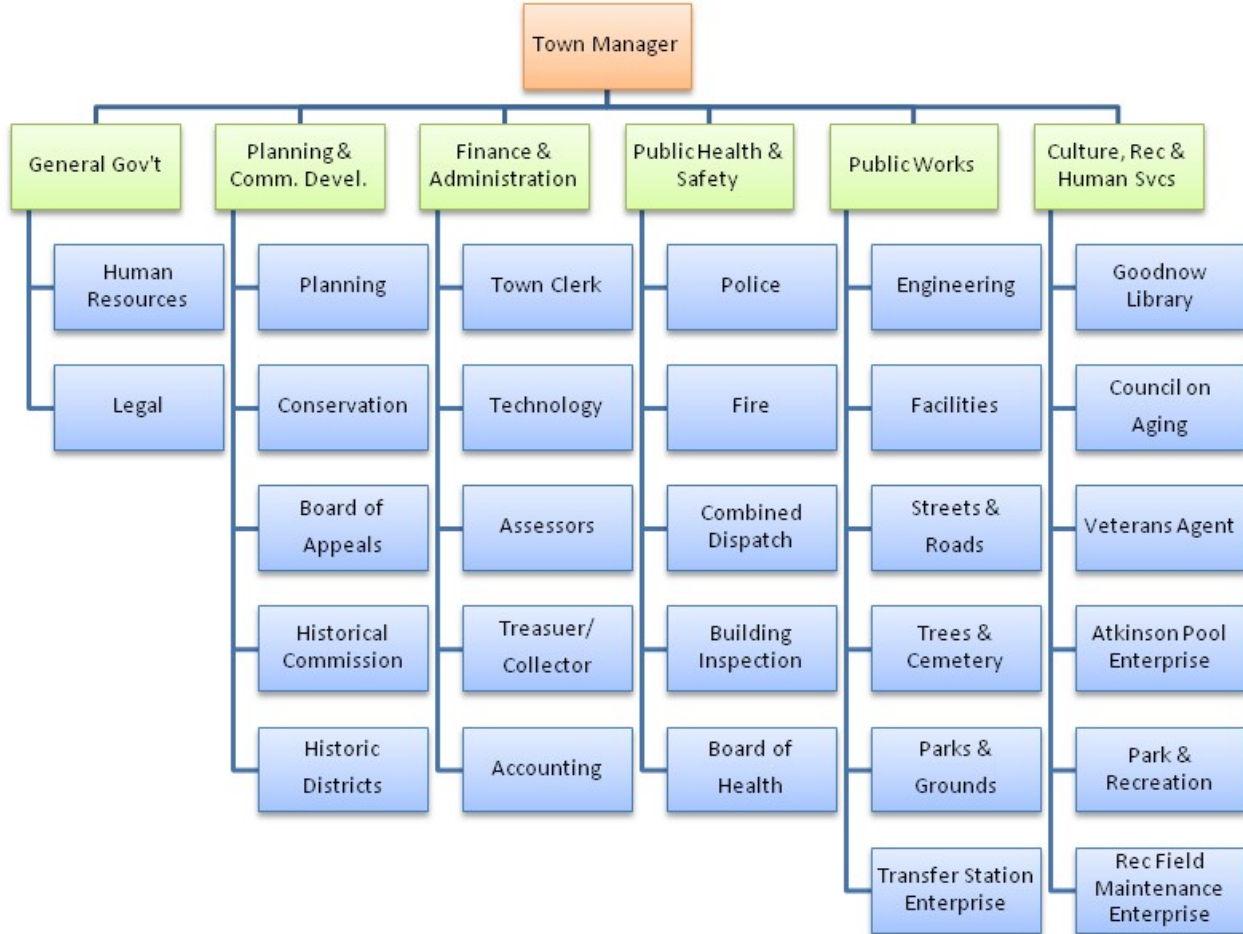




Town of Sudbury, Massachusetts

Organizational Chart

June 30, 2024



**Town of Sudbury, Massachusetts**

**Principal Town Officials**

**As of June 30, 2024**

**Elected Officials**

Select Board

Jennifer S. Roberts, Chair  
Daniel E. Carty, Vice Chair  
Janie W. Dretler, Member  
Lisa V. Kouchakdjian, Member  
Charles G. Russo, Member

School Committee

Nicole Burnard, Chair  
Meredith Gerson, Vice Chair  
Karyn Jones, Member  
Mandy Sim, Member  
Mary Stephens, Member

**Appointed Officials**

<u>Department</u>	<u>Department Head</u>	<u>Title</u>
Town Manager	Andrew Sheehan	Town Manager
Human Resources	Maryanne Bilodeau	Asst. Town Manager/HR Director
Finance & Treasurer/Collector	Victor Garofalo	Finance Director/Treasurer-Collector
Accounting	Laurie Dell'Olio	Town Accountant
Assessors	Cynthia Gerry	Director of Assessing
Clerk	Beth Klein	Town Clerk
Conservation	Lori Capone	Conservation Coordinator
Planning & Community Development	Adam Burney	Director of Planning & Comm. Dev.
Information Systems	Mark Thompson	Technology Administrator
Police	Scott Nix	Police Chief
Fire	John Whalen	Fire Chief
Building Inspection	Andrew Lewis	Inspector of Buildings
School Department	Brad J. Crozier	Superintendent
Public Works	Tina Rivard	Director of Public Works
Facilities	Sandra Duran	Combined Facilities Director
Health	Vivian Zeng	Director of Public Health
Senior Center	Debra Galloway	Council on Aging Director
Veterans Affairs	Michael Hennessy	Veteran's Agent
Park & Recreation	Dennis Mannone	Park, Recreation, and Aquatic Dir.
Library	Esmé Green	Library Director



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Town of Sudbury  
Massachusetts**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2023

*Christopher P. Morill*

Executive Director/CEO



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**Town of Sudbury  
Massachusetts**

For the Fiscal Year Beginning

**July 01, 2023**

*Christopher P. Morill*

Executive Director

# Financial Section



View from Tippling Rock, located in the Nobscot Reservation

## *Financial Section*

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## INDEPENDENT AUDITORS' REPORT

To the Honorable Select Board  
**Town of Sudbury, Massachusetts**

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

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Sudbury, Massachusetts, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Town of Sudbury, Massachusetts' basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Sudbury, Massachusetts, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

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

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

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Sudbury,



Massachusetts' ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

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

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

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

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

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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for

consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

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

### ***Other Information***

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 29, 2024, on our consideration of the Town of Sudbury, Massachusetts’ internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Sudbury, Massachusetts’ internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Sudbury, Massachusetts’ internal control over financial reporting and compliance.

*Marcum LLP*

Boston, MA  
December 29, 2024

## *Management's Discussion and Analysis*

## Town of Sudbury, Massachusetts

### Management's Discussion and Analysis

#### Year Ended June 30, 2024

As management of the Town of Sudbury, we offer readers of these financial statements this narrative overview and analysis of the financial activities for the year ended June 30, 2024. We encourage readers to consider the information presented in this report. All amounts, unless otherwise indicated, are expressed in whole dollars.

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

#### Financial Overview

- The assets and deferred outflows of resources of the Town of Sudbury exceeded the liabilities and deferred inflows of resources at the close of the most recent year by \$37.5 million (net position).
- The Town has reported a \$37.3 million Net Other Postemployment Benefits (OPEB) liability, as well as \$5.7 million of deferred outflows of resources and \$34.4 million of deferred inflows of resources related to OPEB on the statement of net position.
- The Town made a contribution to the OPEB trust fund in 2024 totaling \$725,000. The OPEB trust fund reported net position of \$15.9 million at year-end.
- The Town has reported a \$65.7 million Net Pension liability, as well as \$5.8 million of deferred outflows of resources and \$2.1 million of deferred inflows of resources related to pensions on the statement of net position.
- At the close of the current year, the Town's general fund reported a fund balance of \$25.7 million, an increase of \$3.2 million in comparison with the prior year. Total fund balance represents 20.6% of general fund expenditures.
- The American Rescue Plan Act (ARPA) fund, previously reported as a nonmajor governmental fund, is presented as a major governmental fund in fiscal 2024. Please refer to Note 13 of the basic financial statements for further information regarding this change within the reporting entity.

#### *Overview of the Financial Statements*

This discussion and analysis are intended to serve as an introduction to the Town of Sudbury's basic financial statements. These basic financial statements comprise of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

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

The *statement of net position* presents information on all assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Over time,

## Town of Sudbury, Massachusetts

### Management's Discussion and Analysis

Year Ended June 30, 2024

increases or decreases in net position may serve as a useful indicator of whether the financial position is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities include general government, public safety, education, public works, health and human services, culture and recreation, community preservation, and interest. The business-type activities include the Town's swimming pool, transfer station and recreation field maintenance operations.

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

**Governmental funds.** *Governmental funds* are used to account for essentially the same functions reported as governmental activities in the governmental-wide financial statements. However, unlike the government-wide financial statements, governmental fund 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 year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The Town of Sudbury adopts an annual appropriated budget for its general and community preservation funds. Budget to actual schedules have been provided to demonstrate compliance with these budgets.

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

*Proprietary funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Town uses enterprise funds to account for its swimming

**Town of Sudbury, Massachusetts**  
**Management's Discussion and Analysis**  
**Year Ended June 30, 2024**

pool, transfer station and recreation field maintenance operations, all of which are considered to be major funds.

***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 propriety funds.

The Town maintains two different fiduciary funds. The other postemployment benefits trust fund is used to accumulate funds for future payments of other postemployment benefits for retirees such as health and life insurance. The private purpose trust fund is used to account for resources held in trust, for which principal and investment income exclusively benefit individuals, private organizations, or other governments.

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

***Government-wide Financial Analysis***

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. Sudbury's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$37.5 million at the close of 2024, an increase of \$10.7 million from the prior year.

Net position includes \$107.3 million as the net investment in capital assets (e.g., land, buildings and building improvements, machinery and equipment and infrastructure); less any related debt used to acquire those assets that are still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the investment in its capital assets is reported net of its related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the net position, \$15.9 million, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position has a year-end deficit balance of \$85.8 million. The primary reason for this deficit balance is the recognition of the \$37.3 million net OPEB liability and the \$65.7 million net pension liability. These are long-term unfunded liabilities that will not require significant short-term resources.

At the end of the current year, the Town is able to report positive balances in two of the three categories of net position, for the Town as a whole and for its governmental activities. Its business-type activities report positive balances in each of the two categories. Details related to the Town's governmental and business-type activities follow.

**Town of Sudbury, Massachusetts**

**Management's Discussion and Analysis**

**Year Ended June 30, 2024**

**Governmental Activities.** The Town of Sudbury's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources for governmental activities by \$36.7 million at the close of 2024.

	2024	2023
<b>Assets:</b>		
Current assets.....	\$ 71,976,638	\$ 84,987,763
Capital assets, non depreciable.....	107,626,975	92,747,853
Capital assets, net of accumulated depreciation.....	57,114,263	57,380,422
<b>Total assets.....</b>	<b>236,717,876</b>	<b>235,116,038</b>
<b>Deferred outflows of resources.....</b>	<b>11,469,930</b>	<b>18,540,096</b>
<b>Liabilities:</b>		
Current liabilities (excluding debt).....	11,306,334	16,300,935
Noncurrent liabilities (excluding debt).....	102,743,649	116,818,058
Current debt.....	3,818,842	39,379,081
Noncurrent debt.....	56,994,441	23,987,740
<b>Total liabilities.....</b>	<b>174,863,266</b>	<b>196,485,814</b>
<b>Deferred inflows of resources.....</b>	<b>36,595,420</b>	<b>30,921,288</b>
<b>Net position:</b>		
Net investment in capital assets.....	106,706,327	100,098,226
Restricted.....	15,916,659	15,333,129
Unrestricted.....	(85,893,866)	(89,182,323)
<b>Total net position.....</b>	<b>\$ 36,729,120</b>	<b>\$ 26,249,032</b>

**Town of Sudbury, Massachusetts**  
**Management's Discussion and Analysis**  
**Year Ended June 30, 2024**

	2024	2023
<b>Program Revenues:</b>		
Charges for services.....	\$ 7,242,042	\$ 6,651,834
Operating grants and contributions.....	15,163,671	13,497,699
Capital grants and contributions.....	2,310,330	1,607,104
<b>General Revenues:</b>		
Real estate and personal property taxes, net of tax refunds payable.....	104,976,065	98,762,980
Tax and other liens.....	207,570	160,167
Motor vehicle and other excise taxes.....	4,843,734	4,588,534
Community preservation tax.....	2,557,909	2,377,855
Penalties and interest on taxes.....	387,737	400,916
Payments in lieu of taxes.....	12,116	51,296
Grants and contributions not restricted to specific programs.....	7,354,435	7,055,572
Unrestricted investment income.....	1,550,111	592,106
<b>Total revenues.....</b>	<b>146,605,720</b>	<b>135,746,063</b>
<b>Expenses:</b>		
General government.....	7,079,143	6,492,684
Public safety.....	15,028,771	14,151,127
Education.....	97,426,681	94,636,623
Public works.....	9,417,212	9,435,495
Health and human services.....	2,038,416	1,715,162
Culture and recreation.....	2,682,663	2,633,722
Community preservation.....	491,123	456,533
Interest.....	1,972,123	441,185
<b>Total expenses.....</b>	<b>136,136,132</b>	<b>129,962,531</b>
<b>Excess (Deficiency) before transfers.....</b>	<b>10,469,588</b>	<b>5,783,532</b>
<b>Transfers.....</b>	<b>10,500</b>	<b>10,500</b>
<b>Change in net position.....</b>	<b>10,480,088</b>	<b>5,794,032</b>
<b>Net position, beginning of year.....</b>	<b>26,249,032</b>	<b>20,455,000</b>
<b>Net position, end of year.....</b>	<b>\$ 36,729,120</b>	<b>\$ 26,249,032</b>

Overall, the governmental activities net position increased by \$10.5 million during the current year. Governmental activities were increased due to positive budgetary results in the general fund and community preservation fund, the recognition of capital grants totaling \$2.3 million, and a combined decrease of \$1.3 million in the net OPEB liability, net pension liability, and related deferred outflows and inflows of resources.

The decrease in the pension and OPEB liabilities has had the impact of increasing the unrestricted net position, while the receipt of grant funds has increased the restricted net position. The net investment in capital assets has increased through the payment of capital related debt and by acquiring capital assets with Town resources.



**Town of Sudbury, Massachusetts**

**Management’s Discussion and Analysis**

**Year Ended June 30, 2024**

The governmental expenses totaled \$136.1 million of which \$24.7 million (18.2%) was directly supported by program revenues consisting of charges for services, operating and capital grants and contributions. General revenues totaled \$121.9 million, primarily coming from property taxes, grants and contributions not restricted to specific programs, and motor vehicle excise taxes.

Governmental activities recognized a \$1.7 million increase in operating grants and contributions and a \$703,000 increase in capital grants and contributions compared to the prior year. The increase in operating grants and contributions is primarily due to an increase of \$960,000 in on-behalf payments received from the Massachusetts Teachers’ Retirement System and as well as additional receipts for various state and federal school department grant programs. The increase in capital grants and contributions is the result of recognition of grant receipts in connection with the federal American Rescue Plan Act (ARPA).

Governmental activities expenses increased \$6.2 million from the prior year, of which \$2.8 million relates to education, \$878,000 relates to public safety, and \$1.5 million relates to interest. The increase in education expense is primarily due to increased spending from the operating budget and a \$960,000 increase in nonemployer contributions made to the Massachusetts Teachers’ Retirement System on behalf of the Town by the Commonwealth of Massachusetts. These increases were offset by a \$1.2 million decrease from the change in the net OPEB liability and related deferred inflows and outflows of resources. The increase in public safety expense is due to budgeted increases as well as the use of grant funds for the purchase of various non-capital police and fire equipment. Interest expense increased as a result of budgeted scheduled payments on bond anticipation notes (BANs) which matured in fiscal 2024.

**Business-type Activities.** The Town’s assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources for business-type activities by \$730,000 at the close of 2024.

	2024	2023
<b>Assets:</b>		
Current assets.....	\$ 1,163,084	\$ 1,030,456
Capital assets, non depreciable.....	192,500	192,500
Capital assets, net of accumulated depreciation.....	423,008	466,750
<b>Total assets.....</b>	<b>1,778,592</b>	<b>1,689,706</b>
<b>Deferred outflows of resources.....</b>	<b>91,136</b>	<b>151,545</b>
<b>Liabilities:</b>		
Current liabilities (excluding debt).....	45,545	34,019
Noncurrent liabilities (excluding debt).....	969,317	1,182,623
<b>Total liabilities.....</b>	<b>1,014,862</b>	<b>1,216,642</b>
<b>Deferred inflows of resources.....</b>	<b>124,893</b>	<b>151,034</b>
<b>Net position:</b>		
Net investment in capital assets.....	615,508	659,250
Unrestricted.....	114,465	(185,675)
<b>Total net position.....</b>	<b>\$ 729,973</b>	<b>\$ 473,575</b>

**Town of Sudbury, Massachusetts**  
**Management's Discussion and Analysis**  
**Year Ended June 30, 2024**

	2024	2023
<b>Program Revenues:</b>		
Charges for services.....	\$ 944,061	\$ 904,622
<b>Expenses:</b>		
Swimming pool.....	233,432	352,841
Transfer station.....	234,592	267,278
Recreation field maintenance.....	209,139	232,454
<b>Total expenses.....</b>	<b>677,163</b>	<b>852,573</b>
<b>Excess (Deficiency) before transfers.....</b>	<b>266,898</b>	<b>52,049</b>
<b>Transfers.....</b>	<b>(10,500)</b>	<b>(10,500)</b>
<b>Change in net position.....</b>	<b>256,398</b>	<b>41,549</b>
<b>Net position, beginning of year.....</b>	<b>473,575</b>	<b>432,026</b>
<b>Net position, end of year.....</b>	<b>\$ 729,973</b>	<b>\$ 473,575</b>

Business-type net position of \$616,000 represents the net investment in capital assets and \$114,000 is unrestricted. The Town's business-type activities net position increased by \$256,000 in the current year. The increase resulted primarily from a combined decrease of \$180,000 in the net OPEB liability, net pension liability, and related deferred outflows and inflows of resources.

The swimming pool enterprise fund net position increased by \$181,000. This increase was the result of operating revenues exceeding expenses by \$101,000 and a change in long-term accruals.

The transfer station enterprise fund net position increased by \$90,000. This increase was the result of operating revenues exceeding expenses by \$24,000 and a change in long-term accruals.

The recreation field maintenance enterprise fund net position decreased by \$14,000. This decrease was the result of a transfer to the turf field stabilization fund and a change in long-term accruals, offset by operating revenues exceeding expenses by \$6,000.

Each enterprise fund is structured to recover the cost of operations through operating revenues and significant changes in operations are not anticipated. The results of operations remained consistent in fiscal year 2024 and the changes in long-term accruals has the largest impact on changes in net position.

***Financial Analysis of the Governmental Funds***

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

## Town of Sudbury, Massachusetts

### Management's Discussion and Analysis

#### Year Ended June 30, 2024

**Governmental funds.** The focus of the Town of Sudbury'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 year.

As of the end of the current year, governmental funds reported combined ending fund balances of \$55.7 million, of which \$25.7 million is for the general fund, \$11.9 million is for the community preservation fund, \$2.8 million is for the general capital projects fund, and \$15.3 million is for nonmajor governmental funds. Cumulatively there was an increase of \$31.1 million in fund balances from the prior year.

The general fund is the chief operating fund. At the end of the current year, unassigned fund balance of the general fund totaled \$16.9 million, while total fund balance was \$25.7 million. Of the fund balance, \$154,000 was restricted for employee benefits, \$7.9 million was committed for specific special purpose stabilization funds and Town articles, and \$685,000 was assigned for encumbrances. Total fund balance represents 20.6% of general fund expenditures while unassigned fund balance represents 13.6% of general fund expenditures.

The general fund experienced an increase of \$3.2 million during 2024, which is primarily due to a \$2.5 million increase from budgetary operating results. General fund revenues increased by \$8.9 million over the prior year. Property tax revenue, which is the most significant revenue source for the Town's general fund, accounts for \$6.9 million of this increase. The increase is the result of a 6.2% increase to the tax levy, improved first year current tax collections compared to the prior year, and a \$408,000 decrease in the liability for appellate tax board cases. The levy increase was supported by the Proposition 2 ½ allowed levy increase, plus an increase for new growth. Additionally, an override of \$745,000 was approved at Town Meeting to support the education budget due to the increase in transportation costs. General fund expenditures increased by \$5.5 million over the prior year. This increase is primarily due to a \$960,000 increase in nonemployer contributions made to the Massachusetts Teachers' Retirement System on behalf of the Town by the Commonwealth of Massachusetts, a \$897,000 increase in interest expense as a result of scheduled payments on bond anticipation notes (BANs) which matured in fiscal 2024, and departmental increases in accordance with the budget adopted by open Town Meeting.

The community preservation fund is used to account for the acquisition, creation, preservation, or rehabilitation of areas of open space, historic preservation, community housing and recreation. Fund balance increased by \$1.5 million in 2024, which is due to expected timing differences between the receipt and expenditure of surcharge and state grant revenues. The Town collected \$2.6 million from property tax surcharges in 2024 while expenditures totaled \$2.0 million. Of the expenditures, \$968,000 related to various projects and \$991,000 related to debt service costs. Total expenditures increased by \$583,000 compared to the prior year, primarily due to the new Curtis Middle School outdoor recreation area project.

The general capital projects fund is used to account for the acquisition and construction of capital assets. Fund balance increased by \$26.3 million in 2024, which is due to expected timing differences between the receipt and expenditure of bond proceeds and other financing sources. In 2024 the fund recognized \$34.8 million of bond proceeds, \$2.0 million of associated bond premiums, and \$3.9 million of interfund

## Town of Sudbury, Massachusetts

### Management's Discussion and Analysis

#### Year Ended June 30, 2024

transfers. Expenditures for various Town projects totaled \$14.5 million in 2024 and related primarily to the Fairbank Community Center and Fire Station #2 projects.

The American Rescue Plan Act (ARPA) fund is used to account for federal grant funds received under the American Rescue Plan Act in response to the COVID-19 pandemic. The fund began the year with no fund balance and recognized revenues and expenditures and transfers out totaling \$3.2 million in 2024. Accordingly, the fund did not report a change in fund balance during the year or an ending fund balance.

The nonmajor governmental funds represent the activity of nonmajor special revenue funds and permanent trust funds. Fund balance increased by \$110,000 in 2024, which is due to timing differences between the receipt and expenditure of state and federal grant funds, other contributions and donations, and police and fire details.

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

The Town adopts an annual appropriated budget for its general fund. The original 2024 approved budget for the general fund authorized \$117.9 million in appropriations and other amounts to be raised, as well as \$7.4 million of encumbrances and capital articles carried forward from the prior year.

During the year, the Town approved supplemental appropriations totaling \$2.8 million of which \$2.5 million was from the use of free cash. These supplemental appropriations included increases of \$1.5 million for public safety, \$600,000 for public works and \$508,000 for education. Total revenues came in over budget by \$3.0 million, which primarily related to motor vehicle excise taxes and investment income. Total expenditures came in under budget by \$2.9 million.

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

**Capital Assets.** In conjunction with the annual operating budget, the Town annually prepares a capital budget for the upcoming year and a five-year Capital Improvement Plan (CIP) that is used as a guide for future capital expenditures.

The Town's investment in capital assets for its governmental and business-type activities as of June 30, 2024, amounts to \$165.4 million (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, intangible assets, land improvements, buildings and improvements, machinery and equipment, vehicles, and infrastructure. The Town invested approximately \$19.1 million for capital asset additions in 2024 which primarily related to the Fairbank Community Center, fire station addition, Town-wide infrastructure projects and various vehicle and equipment purchases.

There were no major business-type capital asset events during the current year.

**Debt Administration.** Outstanding long-term governmental debt, as of June 30, 2024, totaled \$60.8 million, an increase of \$34.3 million from the prior year. The increase is due to the issuance of \$34.8 million general obligation bonds and \$2.0 million associated premiums in 2024, offset by budgeted principal payments and the amortization of bond premiums.

**Town of Sudbury, Massachusetts**

**Management's Discussion and Analysis**

**Year Ended June 30, 2024**

Of the total outstanding long-term governmental debt, \$4.2 million is related to community preservation projects, \$975,000 is related to school projects, \$6.9 million is related to public safety projects, \$46.2 million is related to general government projects, and \$2.5 million is for unamortized bond premiums.

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

***Requests for Information***

This financial report is designed to provide a general overview of the Town of Sudbury's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, Flynn Building, 278 Old Sudbury Road, Sudbury, Massachusetts 01776.

# *Basic Financial Statements*

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# Town of Sudbury, Massachusetts

## Statement of Net Position

**June 30, 2024**

	<i>Primary Government</i>		
	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
<b>CURRENT:</b>			
Cash and cash equivalents.....	\$ 46,619,282	\$ 1,154,634	\$ 47,773,916
Investments.....	19,294,234	-	19,294,234
Receivables, net of allowance for uncollectibles:			
Real estate and personal property taxes.....	1,096,527	-	1,096,527
Tax liens.....	2,788,192	-	2,788,192
Community preservation.....	25,008	-	25,008
Motor vehicle and other excise taxes.....	473,720	-	473,720
Departmental and other.....	1,392,667	8,450	1,401,117
Tax foreclosures.....	287,008	-	287,008
	71,976,638	1,163,084	73,139,722
<b>NONCURRENT:</b>			
Capital assets, nondepreciable.....	107,626,975	192,500	107,819,475
Capital assets, net of accumulated depreciation.....	57,114,263	423,008	57,537,271
	164,741,238	615,508	165,356,746
<b>TOTAL ASSETS.....</b>	<b>236,717,876</b>	<b>1,778,592</b>	<b>238,496,468</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows related to pensions.....	5,743,150	74,719	5,817,869
Deferred outflows related to OPEB.....	5,726,780	16,417	5,743,197
	11,469,930	91,136	11,561,066
<b>LIABILITIES</b>			
<b>CURRENT:</b>			
Warrants payable.....	2,774,594	37,437	2,812,031
Accrued payroll.....	3,955,839	6,009	3,961,848
Tax refunds payable.....	192,350	-	192,350
Accrued interest.....	879,704	-	879,704
Other liabilities.....	1,428,320	-	1,428,320
Unearned revenue.....	2,000,826	-	2,000,826
Compensated absences.....	74,701	2,099	76,800
Bonds payable.....	3,818,842	-	3,818,842
	15,125,176	45,545	15,170,721
<b>NONCURRENT:</b>			
Compensated absences.....	672,307	18,888	691,195
Net pension liability.....	64,851,997	843,732	65,695,729
Net OPEB liability.....	37,219,345	106,697	37,326,042
Bonds payable.....	56,994,441	-	56,994,441
	159,738,090	969,317	160,707,407
<b>TOTAL LIABILITIES.....</b>	<b>174,863,266</b>	<b>1,014,862</b>	<b>175,878,128</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Taxes paid in advance.....	217,054	-	217,054
Deferred inflows related to pensions.....	2,031,606	26,431	2,058,037
Deferred inflows related to OPEB.....	34,346,760	98,462	34,445,222
	36,595,420	124,893	36,720,313
<b>NET POSITION</b>			
Net investment in capital assets.....	106,706,327	615,508	107,321,835
Restricted for:			
Employee benefits.....	153,510	-	153,510
Permanent funds:			
Expendable.....	630,143	-	630,143
Nonexpendable.....	1,278,542	-	1,278,542
Gifts and grants.....	1,906,074	-	1,906,074
Community preservation.....	11,948,390	-	11,948,390
Unrestricted.....	(85,893,866)	114,465	(85,779,401)
<b>TOTAL NET POSITION.....</b>	<b>\$ 36,729,120</b>	<b>\$ 729,973</b>	<b>\$ 37,459,093</b>

*See notes to basic financial statements.*



**Town of Sudbury, Massachusetts**

**Statement of Activities**

**Year Ended June 30, 2024**

<u>Functions/Programs</u>	<u>Program Revenues</u>				<u>Net (Expense) Revenue</u>
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
<b>Primary Government:</b>					
<i>Governmental Activities:</i>					
General government.....	\$ 7,079,143	\$ 1,414,975	\$ 766,761	\$ -	\$ (4,897,407)
Public safety.....	15,028,771	2,917,056	720,921	380,011	(11,010,783)
Education.....	97,426,681	1,558,124	12,890,879	-	(82,977,678)
Public works.....	9,417,212	597,028	106,060	1,096,511	(7,617,613)
Health and human services.....	2,038,416	186,733	598,349	-	(1,253,334)
Culture and recreation.....	2,682,663	490,859	80,701	275,500	(1,835,603)
Community preservation.....	491,123	77,267	-	558,308	144,452
Interest.....	1,972,123	-	-	-	(1,972,123)
<b>Total Governmental Activities.....</b>	<b>136,136,132</b>	<b>7,242,042</b>	<b>15,163,671</b>	<b>2,310,330</b>	<b>(111,420,089)</b>
<i>Business-Type Activities:</i>					
Swimming Pool.....	233,432	413,943	-	-	180,511
Transfer Station.....	234,592	324,276	-	-	89,684
Recreation Field Maintenance.....	209,139	205,842	-	-	(3,297)
<b>Total Business-Type Activities.....</b>	<b>677,163</b>	<b>944,061</b>	<b>-</b>	<b>-</b>	<b>266,898</b>
<b>Total Primary Government.....</b>	<b>\$ 136,813,295</b>	<b>\$ 8,186,103</b>	<b>\$ 15,163,671</b>	<b>\$ 2,310,330</b>	<b>\$ (111,153,191)</b>

(Continued)

*See notes to basic financial statements.*

**Town of Sudbury, Massachusetts**

**Statement of Activities**

**Year Ended June 30, 2024**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>Changes in net position:</b>			
Net (expense) revenue from previous page..... \$	<b>(111,420,089)</b>	<b>\$ 266,898</b>	<b>\$ (111,153,191)</b>
<i>General revenues:</i>			
Real estate and personal property taxes, net of tax refunds payable.....	104,976,065	-	104,976,065
Tax and other liens.....	207,570	-	207,570
Motor vehicle and other excise taxes.....	4,843,734	-	4,843,734
Community preservation tax.....	2,557,909	-	2,557,909
Penalties and interest on taxes.....	387,737	-	387,737
Payments in lieu of taxes.....	12,116	-	12,116
Grants and contributions not restricted to specific programs.....	7,354,435	-	7,354,435
Unrestricted investment income.....	1,550,111	-	1,550,111
<i>Transfers, net</i> .....	10,500	(10,500)	-
Total general revenues and transfers.....	121,900,177	(10,500)	121,889,677
Change in net position.....	10,480,088	256,398	10,736,486
<i>Net position:</i>			
Beginning of year.....	26,249,032	473,575	26,722,607
End of year..... \$	36,729,120	\$ 729,973	\$ 37,459,093

(Concluded)

*See notes to basic financial statements.*

**Town of Sudbury, Massachusetts**

**Governmental Funds  
Balance Sheet**

**June 30, 2024**

	<u>General</u>	<u>Community Preservation</u>	<u>General Capital Projects</u>	<u>American Rescue Plan Act (ARPA)</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>						
Cash and cash equivalents.....	\$ 22,188,215	\$ 3,655,684	\$ 3,710,945	\$ 1,675,166	\$ 15,389,272	\$ 46,619,282
Investments.....	9,234,477	8,306,719	-	-	1,753,038	19,294,234
Receivables, net of uncollectibles:						
Real estate and personal property taxes.....	1,096,527	-	-	-	-	1,096,527
Tax liens.....	2,788,192	-	-	-	-	2,788,192
Community preservation.....	-	25,008	-	-	-	25,008
Motor vehicle and other excise taxes.....	473,720	-	-	-	-	473,720
Departmental and other.....	-	-	-	-	1,392,667	1,392,667
Tax foreclosures.....	287,008	-	-	-	-	287,008
<b>TOTAL ASSETS.....</b>	<b>\$ <u>36,068,139</u></b>	<b>\$ <u>11,987,411</u></b>	<b>\$ <u>3,710,945</u></b>	<b>\$ <u>1,675,166</u></b>	<b>\$ <u>18,534,977</u></b>	<b>\$ <u>71,976,638</u></b>
<b>LIABILITIES</b>						
Warrants payable.....	\$ 661,725	\$ 39,021	\$ 932,573	\$ 86,883	\$ 1,054,392	\$ 2,774,594
Accrued payroll.....	3,926,365	-	-	-	29,474	3,955,839
Tax refunds payable.....	192,350	-	-	-	-	192,350
Other liabilities.....	1,113,359	-	-	-	314,961	1,428,320
Unearned revenue.....	-	-	-	1,588,283	412,543	2,000,826
<b>TOTAL LIABILITIES.....</b>	<b>\$ <u>5,893,799</u></b>	<b>\$ <u>39,021</u></b>	<b>\$ <u>932,573</u></b>	<b>\$ <u>1,675,166</u></b>	<b>\$ <u>1,811,370</u></b>	<b>\$ <u>10,351,929</u></b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Taxes paid in advance.....	217,054	-	-	-	-	217,054
Unavailable revenue.....	4,266,394	25,008	-	-	1,392,667	5,684,069
<b>TOTAL DEFERRED INFLOWS OF RESOURCES.....</b>	<b>\$ <u>4,483,448</u></b>	<b>\$ <u>25,008</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>1,392,667</u></b>	<b>\$ <u>5,901,123</u></b>
<b>FUND BALANCES</b>						
Nonspendable.....	-	-	-	-	1,278,542	1,278,542
Restricted.....	153,510	11,923,382	2,778,372	-	14,052,398	28,907,662
Committed.....	7,928,856	-	-	-	-	7,928,856
Assigned.....	685,298	-	-	-	-	685,298
Unassigned.....	16,923,228	-	-	-	-	16,923,228
<b>TOTAL FUND BALANCES.....</b>	<b>\$ <u>25,690,892</u></b>	<b>\$ <u>11,923,382</u></b>	<b>\$ <u>2,778,372</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>15,330,940</u></b>	<b>\$ <u>55,723,586</u></b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES.....</b>	<b>\$ <u>36,068,139</u></b>	<b>\$ <u>11,987,411</u></b>	<b>\$ <u>3,710,945</u></b>	<b>\$ <u>1,675,166</u></b>	<b>\$ <u>18,534,977</u></b>	<b>\$ <u>71,976,638</u></b>

*See notes to basic financial statements.*

**Town of Sudbury, Massachusetts**

**Reconciliation of the Governmental Funds Balance Sheet  
Total Fund Balances to the Statement of Net Position**

**June 30, 2024**

Total governmental fund balances.....	\$	55,723,586
Capital assets (net) used in governmental activities are not financial resources and, therefore, are not reported in the funds.....		164,741,238
Accounts receivable are not available to pay for current-period expenditures and, therefore, are unavailable in the funds.....		5,684,069
The statement of net position includes certain deferred inflows of resources and deferred outflows of resources that will be amortized over future periods. In governmental funds, these amounts are not deferred.....		(24,908,436)
In the statement of activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due.....		(879,704)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:		
Bonds payable.....	(60,813,283)	
Net pension liability.....	(64,851,997)	
Net OPEB liability.....	(37,219,345)	
Compensated absences.....	<u>(747,008)</u>	
Net effect of reporting long-term liabilities.....		<u>(163,631,633)</u>
Net position of governmental activities.....	\$	<u>36,729,120</u>

*See notes to basic financial statements.*

**Town of Sudbury, Massachusetts**

**Governmental Funds  
Statement of Revenues, Expenditures and Changes in Fund Balances**

**Year Ended June 30, 2024**

	General	Community Preservation	General Capital Projects	American Rescue Plan Act (ARPA)	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>						
Real estate and personal property taxes, net of tax refunds.....	\$ 105,538,743	\$ -	\$ -	\$ -	\$ -	\$ 105,538,743
Tax liens.....	207,570	-	-	-	-	207,570
Motor vehicle and other excise taxes.....	4,863,269	-	-	-	-	4,863,269
Penalties and interest on taxes.....	383,994	3,743	-	-	-	387,737
Payments in lieu of taxes.....	12,116	-	-	-	-	12,116
Licenses and permits.....	1,037,423	-	-	-	-	1,037,423
Fines and forfeitures.....	16,659	-	-	-	-	16,659
Intergovernmental - teachers retirement.....	8,303,990	-	-	-	-	8,303,990
Intergovernmental.....	7,336,718	558,308	-	3,241,067	6,446,876	17,582,969
Departmental and other.....	750,712	-	-	-	5,548,330	6,299,042
Community preservation taxes.....	-	2,553,632	-	-	-	2,553,632
Contributions and donations.....	-	-	50,000	-	73,055	123,055
Investment income.....	951,640	358,515	-	-	239,956	1,550,111
<b>TOTAL REVENUES.....</b>	<b>129,402,834</b>	<b>3,474,198</b>	<b>50,000</b>	<b>3,241,067</b>	<b>12,308,217</b>	<b>148,476,316</b>
<b>EXPENDITURES:</b>						
Current:						
General government.....	3,662,740	-	6,284	97,109	1,907,026	5,673,159
Public safety.....	10,042,722	-	1,921,065	533,278	1,297,052	13,794,117
Education.....	74,101,544	-	-	453,151	5,114,343	79,669,038
Public works.....	7,444,032	-	12,586,104	13,460	1,773,383	21,816,979
Health and human services.....	863,586	-	-	-	893,195	1,756,781
Culture and recreation.....	1,614,791	-	-	275,500	453,431	2,343,722
Community preservation.....	-	968,047	-	-	117,420	1,085,467
Pension benefits.....	6,370,873	-	-	-	-	6,370,873
Pension benefits - teachers retirement.....	8,303,990	-	-	-	-	8,303,990
Property and liability insurance.....	484,891	-	-	-	-	484,891
Employee benefits.....	8,554,761	-	-	-	-	8,554,761
State and county charges.....	260,525	-	-	-	-	260,525
Debt service:						
Principal.....	1,618,116	865,000	-	-	-	2,483,116
Interest.....	1,475,016	125,643	-	-	-	1,600,659
<b>TOTAL EXPENDITURES.....</b>	<b>124,797,587</b>	<b>1,958,690</b>	<b>14,513,453</b>	<b>1,372,498</b>	<b>11,555,850</b>	<b>154,198,078</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>4,605,247</b>	<b>1,515,508</b>	<b>(14,463,453)</b>	<b>1,868,569</b>	<b>752,367</b>	<b>(5,721,762)</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Issuance of bonds.....	-	-	34,780,000	-	-	34,780,000
Premium from issuance of bonds and notes.....	-	-	2,045,543	-	-	2,045,543
Transfers in.....	739,025	25,059	3,916,569	-	86,233	4,766,886
Transfers out.....	(2,134,233)	-	(25,059)	(1,868,569)	(728,525)	(4,756,386)
<b>TOTAL OTHER FINANCING SOURCES (USES).....</b>	<b>(1,395,208)</b>	<b>25,059</b>	<b>40,717,053</b>	<b>(1,868,569)</b>	<b>(642,292)</b>	<b>36,836,043</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>3,210,039</b>	<b>1,540,567</b>	<b>26,253,600</b>	<b>-</b>	<b>110,075</b>	<b>31,114,281</b>
<b>FUND BALANCES AT BEGINNING OF YEAR.....</b>	<b>22,480,853</b>	<b>10,382,815</b>	<b>(23,475,228)</b>	<b>-</b>	<b>15,220,865</b>	<b>24,609,305</b>
<b>FUND BALANCES AT END OF YEAR.....</b>	<b>\$ 25,690,892</b>	<b>\$ 11,923,382</b>	<b>\$ 2,778,372</b>	<b>\$ -</b>	<b>\$ 15,330,940</b>	<b>\$ 55,723,586</b>

*See notes to basic financial statements.*

**Town of Sudbury, Massachusetts**

**Reconciliation of the Statement of Revenues, Expenditures, and Changes in  
Fund Balances of Governmental Funds to the Statement of Activities**

**Year Ended June 30, 2024**

Net change in fund balances - total governmental funds.....	\$	31,114,281
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>		
Capital outlay.....	19,072,731	
Depreciation expense.....	<u>(4,459,768)</u>	
Net effect of reporting capital assets.....		14,612,963
<p>Revenues in the Statement of Activities that do not provide current financial resources are unavailable in the Statement of Revenues, Expenditures and Changes in Fund Balances. Therefore, the recognition of revenue for various types of accounts receivable differ between the two statements. This amount represents the net change in unavailable revenue.....</p>		
		(1,870,596)
<p>The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the financial resources of governmental funds. Neither transaction has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are unavailable and amortized in the Statement of Activities.</p>		
Issuance of bonds.....	(34,780,000)	
Premium from issuance of bonds and notes.....	(2,045,543)	
Net amortization of premium from issuance of bonds.....	83,965	
Debt service principal payments.....	<u>2,483,116</u>	
Net effect of reporting long-term debt.....		(34,258,462)
<p>Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.</p>		
Net change in compensated absences accrual.....	(11,573)	
Net change in accrued interest on long-term debt.....	(455,429)	
Net change in deferred outflow/(inflow) of resources related to pensions.....	(1,421,179)	
Net change in net pension liability.....	1,042,157	
Net change in deferred outflow/(inflow) of resources related to net OPEB liability.....	(11,314,741)	
Net change in net OPEB liability.....	<u>13,042,667</u>	
Net effect of recording long-term liabilities.....		<u>881,902</u>
Change in net position of governmental activities.....	\$	<u>10,480,088</u>

*See notes to basic financial statements.*

**Town of Sudbury, Massachusetts**

**Proprietary Funds  
Statement of Net Position**

**June 30, 2024**

	Business-type Activities - Enterprise Funds			
	Swimming Pool	Transfer Station	Recreation Field Maintenance	Total
<b>ASSETS</b>				
<b>CURRENT:</b>				
Cash and cash equivalents.....	\$ 665,130	\$ 377,967	\$ 111,537	\$ 1,154,634
Receivables, net of allowance for uncollectibles:				
Departmental and other.....	-	8,450	-	8,450
Total current assets.....	665,130	386,417	111,537	1,163,084
<b>NONCURRENT:</b>				
Capital assets, non depreciable.....	-	192,500	-	192,500
Capital assets, net of accumulated depreciation.....	423,008	-	-	423,008
Total noncurrent assets.....	423,008	192,500	-	615,508
<b>TOTAL ASSETS.....</b>	<b>1,088,138</b>	<b>578,917</b>	<b>111,537</b>	<b>1,778,592</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred outflows related to pensions.....	32,034	21,590	21,095	74,719
Deferred outflows related to OPEB.....	11,505	1,568	3,344	16,417
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES.....</b>	<b>43,539</b>	<b>23,158</b>	<b>24,439</b>	<b>91,136</b>
<b>LIABILITIES</b>				
<b>CURRENT:</b>				
Warrants payable.....	4,885	30,198	2,354	37,437
Accrued payroll.....	1,816	2,274	1,919	6,009
Compensated absences.....	1,700	399	-	2,099
Total current liabilities.....	8,401	32,871	4,273	45,545
<b>NONCURRENT:</b>				
Compensated absences.....	15,299	3,589	-	18,888
Net pension liability.....	361,728	243,800	238,204	843,732
Net OPEB liability.....	74,775	10,191	21,731	106,697
Total noncurrent liabilities.....	451,802	257,580	259,935	969,317
<b>TOTAL LIABILITIES.....</b>	<b>460,203</b>	<b>290,451</b>	<b>264,208</b>	<b>1,014,862</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred inflows related to pensions.....	11,332	7,637	7,462	26,431
Deferred inflows related to OPEB.....	69,004	9,404	20,054	98,462
<b>TOTAL DEFERRED INFLOWS OF RESOURCES.....</b>	<b>80,336</b>	<b>17,041</b>	<b>27,516</b>	<b>124,893</b>
<b>NET POSITION</b>				
Net investment in capital assets.....	423,008	192,500	-	615,508
Unrestricted.....	168,130	102,083	(155,748)	114,465
<b>TOTAL NET POSITION.....</b>	<b>\$ 591,138</b>	<b>\$ 294,583</b>	<b>\$ (155,748)</b>	<b>\$ 729,973</b>

*See notes to basic financial statements.*

**Town of Sudbury, Massachusetts**

**Proprietary Funds  
Statement of Revenues, Expenses and Changes in Net Position**

**Year Ended June 30, 2024**

	Business-type Activities - Enterprise Funds			
	Swimming Pool	Transfer Station	Recreation Field Maintenance	Total
<b><u>OPERATING REVENUES:</u></b>				
Charges for services.....	\$ 413,943	\$ 324,276	\$ 205,842	\$ 944,061
<b><u>OPERATING EXPENSES:</u></b>				
Cost of services and administration.....	198,564	225,718	209,139	633,421
Depreciation.....	34,868	8,874	-	43,742
<b>TOTAL OPERATING EXPENSES.....</b>	<b>233,432</b>	<b>234,592</b>	<b>209,139</b>	<b>677,163</b>
<b>OPERATING INCOME (LOSS).....</b>	<b>180,511</b>	<b>89,684</b>	<b>(3,297)</b>	<b>266,898</b>
<b><u>TRANSFERS:</u></b>				
Transfers out.....	-	-	(10,500)	(10,500)
<b>CHANGE IN NET POSITION.....</b>	<b>180,511</b>	<b>89,684</b>	<b>(13,797)</b>	<b>256,398</b>
<b>NET POSITION AT BEGINNING OF YEAR.....</b>	<b>410,627</b>	<b>204,899</b>	<b>(141,951)</b>	<b>473,575</b>
<b>NET POSITION AT END OF YEAR.....</b>	<b>\$ 591,138</b>	<b>\$ 294,583</b>	<b>\$ (155,748)</b>	<b>\$ 729,973</b>

*See notes to basic financial statements.*



**Town of Sudbury, Massachusetts**

**Proprietary Funds  
Statement of Cash Flows**

**Year Ended June 30, 2024**

	Business-type Activities - Enterprise Funds			
	Swimming Pool	Transfer Station	Recreation Field Maintenance	Total
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>				
Receipts from customers and users.....	\$ 413,943	\$ 315,826	\$ 205,842	\$ 935,611
Payments to vendors.....	(96,653)	(120,704)	(72,229)	(289,586)
Payments to employees.....	(218,637)	(151,395)	(141,315)	(511,347)
<b>NET CASH FROM OPERATING ACTIVITIES.....</b>	<b>98,653</b>	<b>43,727</b>	<b>(7,702)</b>	<b>134,678</b>
<u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</u>				
Transfers out.....	-	-	(10,500)	(10,500)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR.....</b>	<b>566,477</b>	<b>334,240</b>	<b>129,739</b>	<b>1,030,456</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR.....</b>	<b>\$ 665,130</b>	<b>\$ 377,967</b>	<b>\$ 111,537</b>	<b>\$ 1,154,634</b>
<u>RECONCILIATION OF OPERATING INCOME (LOSS) TO</u>				
<u>NET CASH FROM OPERATING ACTIVITIES:</u>				
Operating income (loss).....	\$ 180,511	\$ 89,684	\$ (3,297)	\$ 266,898
Adjustments to reconcile operating income to net cash from operating activities:				
Depreciation.....	34,868	8,874	-	43,742
Deferred (outflows)/inflows related to pensions.....	17,900	3,879	4,040	25,819
Deferred (outflows)/inflows related to OPEB.....	23,691	(20,588)	5,346	8,449
Changes in assets and liabilities:				
Departmental and other.....	-	(8,450)	-	(8,450)
Warrants payable.....	(4,330)	27,612	(13,886)	9,396
Accrued payroll.....	1,717	209	48	1,974
Compensated absences.....	1,561	-	-	1,561
Net pension liability.....	(133,846)	14,871	11,325	(107,650)
Net OPEB liability.....	(23,419)	(72,364)	(11,278)	(107,061)
<b>Total adjustments.....</b>	<b>(81,858)</b>	<b>(45,957)</b>	<b>(4,405)</b>	<b>(132,220)</b>
<b>NET CASH FROM OPERATING ACTIVITIES.....</b>	<b>\$ 98,653</b>	<b>\$ 43,727</b>	<b>\$ (7,702)</b>	<b>\$ 134,678</b>

*See notes to basic financial statements.*

**Town of Sudbury, Massachusetts**  
**Fiduciary funds**  
**Statement of Fiduciary Net Position**  
**June 30, 2024**

	<u>OPEB Trust Fund</u>	<u>Private Purpose Trust Fund</u>
<b>ASSETS</b>		
Cash and cash equivalents.....	\$ 57,867	\$ 21,383
Investments:		
Government sponsored enterprises.....	4,741,667	-
Equity securities.....	10,570,860	-
Equity mutual funds.....	-	218,644
International equity securities.....	<u>497,605</u>	<u>-</u>
<b>TOTAL ASSETS.....</b>	<u>15,867,999</u>	<u>240,027</u>
<b>NET POSITION</b>		
Restricted for OPEB benefits.....	15,867,999	-
Held in trust for other purposes.....	<u>-</u>	<u>240,027</u>
<b>TOTAL NET POSITION.....</b>	<u>\$ 15,867,999</u>	<u>\$ 240,027</u>

*See notes to basic financial statements.*

**Town of Sudbury, Massachusetts**

**Fiduciary funds  
Statement of Changes in Fiduciary Net Position**

**Year Ended June 30, 2024**

	<u>OPEB Trust Fund</u>	<u>Private Purpose Trust Fund</u>
<b><u>ADDITIONS:</u></b>		
Contributions:		
Employer contributions.....	\$ 725,435	\$ -
Employer contributions for other postemployment benefit payments.....	<u>2,086,655</u>	<u>-</u>
Total contributions.....	<u>2,812,090</u>	<u>-</u>
Net investment income:		
Investment income.....	1,370,071	28,865
Less: investment expense.....	<u>(44,129)</u>	<u>-</u>
Net investment income (loss).....	<u>1,325,942</u>	<u>28,865</u>
TOTAL ADDITIONS.....	<u>4,138,032</u>	<u>28,865</u>
<b><u>DEDUCTIONS:</u></b>		
Benefit payments.....	2,086,655	-
Culture and recreation.....	<u>-</u>	<u>1,400</u>
TOTAL DEDUCTIONS.....	<u>2,086,655</u>	<u>1,400</u>
NET INCREASE (DECREASE) IN NET POSITION.....	2,051,377	27,465
NET POSITION AT BEGINNING OF YEAR.....	<u>13,816,622</u>	<u>212,562</u>
NET POSITION AT END OF YEAR.....	<u>\$ 15,867,999</u>	<u>\$ 240,027</u>

*See notes to basic financial statements.*

**Town of Sudbury, Massachusetts**

**Notes to Basic Financial Statements**

**Year Ended June 30, 2024**

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

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

A. Reporting Entity

The Town is a municipal corporation that is governed by an elected Select Board (Board). For financial reporting purposes, the Town has included all funds, organizations, agencies, boards, commissions and institutions. The Town has also considered all potential component units for which it is financially accountable as well as other organizations for which the nature and significance of their relationship with the Town are such that exclusion would cause the basic financial statements to be misleading or incomplete. As required by GAAP, these basic financial statements present the Town (the primary government) and its component units. It has been determined that there are no component units that meet the requirements for inclusion in the Town's financial statements.

Joint Venture

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

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

*Lincoln Sudbury Regional High School District (LSRHSD)*

The Lincoln Sudbury Regional High School District (LSRHSD) is governed by a six-member school committee consisting of three elected representatives from the Town. The Town is indirectly liable for the LSRHSD's debt and other expenditures and is assessed annually for its share of operating and capital costs. The Town does not have an equity interest in the LSRHSD. For the year ended June 30, 2024, the Town's assessment totaled \$28,537,698, which is reported as an education expenditure/expense. Separate financial statements may be obtained by writing to the Finance Director of the LSRHSD at 390 Lincoln Road, Sudbury, MA 01776.

**Town of Sudbury, Massachusetts**  
**Notes to Basic Financial Statements**  
**Year Ended June 30, 2024**

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

*Government-Wide Financial Statements*

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

*Fund Financial Statements*

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

*Major Fund Criteria*

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

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

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

Fiduciary funds are reported by fund type.

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

*Government-Wide Financial Statements*

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

**Town of Sudbury, Massachusetts**

**Notes to Basic Financial Statements**

**Year Ended June 30, 2024**

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

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

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

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

*Fund Financial Statements*

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

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

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

The following major governmental funds are reported:

The *general fund* is the primary operating fund. It is used to account for all financial resources, except those that are required to be accounted for in another fund.

**Town of Sudbury, Massachusetts**

**Notes to Basic Financial Statements**

**Year Ended June 30, 2024**

The *community preservation fund* is a special revenue fund used to account for the 3% local real estate tax surcharge on nonexempt property (and matching state trust fund distribution) that can be used for open space, historic resource and affordable housing purposes. Property exempt from the surcharge consists of the first \$100,000 of all residential property and also property owned by low-income seniors with a low or moderate income as defined by Massachusetts Department of Revenue (DOR) guidelines. Disbursements from this fund must originate from the Community Preservation Committee and be approved by Town Meeting.

The *general capital projects fund* is used to account for the acquisition and construction of capital assets.

The *American Rescue Plan Act (ARPA) Fund* is used to account for federal grant funds received under the American Rescue Plan Act in response to the COVID-19 pandemic.

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

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

The *capital projects fund* is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets of the governmental funds.

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

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

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

The following major proprietary funds are reported:

The *swimming pool enterprise fund* is used to account for recreational swimming pool activities.

The *transfer station enterprise fund* is used to account for the transfer station activities.

**Town of Sudbury, Massachusetts**

**Notes to Basic Financial Statements**

**Year Ended June 30, 2024**

The *recreation field maintenance enterprise fund* is used to account for recreation field maintenance activities.

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

The following fiduciary fund types are reported:

The *OPEB trust fund* is used to account for the activities of the Other Postemployment Benefit trust fund, which accumulates resources to provide other postemployment benefits to eligible retirees and their beneficiaries.

The *private-purpose trust fund* is used to account for trust arrangements that exclusively benefit individuals, private organizations, or other governments. Some of these trusts have donor restrictions and trustee policies that do not allow the endowment portion and any unrealized appreciation to be spent. The donor restrictions and trustee policies only allow the trustees to authorize spending of the realized investment earnings. The Town's private purpose trust fund includes activities for scholarships, gifts to the financially needy and youth of Sudbury, cemetery improvements and maintenance of the walking trail at Haskell Field.

D. Cash and Investments

*Government-Wide and Fund Financial Statements*

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

E. Fair Value Measurements

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

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

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



**Town of Sudbury, Massachusetts**

**Notes to Basic Financial Statements**

**Year Ended June 30, 2024**

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

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

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

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

**F. Accounts Receivable**

*Government-Wide and Fund Financial Statements*

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

*Real Estate, Personal Property Taxes and Tax Liens*

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

Real estate tax liens are processed one year after the close of the valuation year on delinquent properties and are recorded as receivables in the year they are processed.

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

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

**Town of Sudbury, Massachusetts**

**Notes to Basic Financial Statements**

**Year Ended June 30, 2024**

*Motor Vehicle Excise*

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

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

*Community Preservation Surcharges*

Community preservation surcharges are levied annually at a rate of 3% of resident's real estate tax bills with exemptions for the first \$100,000 of residential property and property owned by qualified persons with low income and seniors (60+) with low or moderate income defined by DOR guidelines. The surcharge is due with the real estate tax on August 1st, November 1st, February 1st and May 1st and are subject to penalties and interest if they are not paid by the respective due date. Overdue surcharges are included on the tax liens processed on delinquent real estate taxes. Surcharges are recorded as receivables in the year of the levy.

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

*Departmental and Other*

Departmental and other receivables consist primarily of amounts due from ambulance charges, police details and facility services. These receivables are recorded when the applicable service has been performed.

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

*Intergovernmental*

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

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

**Town of Sudbury, Massachusetts**

**Notes to Basic Financial Statements**

**Year Ended June 30, 2024**

G. Inventories

*Government-Wide and Fund Financial Statements*

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

H. Capital Assets

*Government-Wide and Proprietary Fund Financial Statements*

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

Intangible assets consist of various conservation easements.

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

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

<u>Capital Asset Type</u>	<u>Estimated Useful Life (in years)</u>
Land improvements.....	30
Buildings and improvements.	10 - 40
Machinery and equipment....	5 - 20
Vehicles.....	4 - 20
Infrastructure.....	20

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

*Governmental Fund Financial Statements*

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

**Town of Sudbury, Massachusetts**

**Notes to Basic Financial Statements**

**Year Ended June 30, 2024**

I. Deferred Outflows/Inflows of Resources

*Government-Wide Financial Statements (Net Position)*

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town has reported deferred outflows of resources related to pensions and OPEB in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Town has reported deferred inflows of resources related to taxes paid in advance, pensions and OPEB in this category.

*Governmental Fund Financial Statements*

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

J. Interfund Receivables and Payables

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

*Government-Wide Financial Statements*

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

*Fund Financial Statements*

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

**Town of Sudbury, Massachusetts**  
**Notes to Basic Financial Statements**  
**Year Ended June 30, 2024**

**K. Interfund Transfers**

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

*Government-Wide Financial Statements*

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

*Fund Financial Statements*

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

**L. Net Position and Fund Equity**

*Government-Wide Financial Statements (Net Position)*

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

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

Net position has been “restricted for” the following:

“Employee benefits” represents amounts previously accumulated for self-insurance activities.

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

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

“Gifts and grants” represents amounts restricted for federal and state grant funds and gifts for specific purposes.

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

Sometimes the Town will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net

**Town of Sudbury, Massachusetts**

**Notes to Basic Financial Statements**

**Year Ended June 30, 2024**

position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Town's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

*Fund Financial Statements (Fund Balances)*

Governmental fund balances are classified as nonspendable, restricted, committed, assigned, or unassigned based on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

The governmental fund balance classifications are as follows:

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

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

“Committed” fund balance includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority. Town Meeting is the highest level of decision-making authority for the government that can, by adoption of an article prior to the end of the year, commit fund balance. Once adopted, the limitation imposed by the article remains in place until a similar action is taken to remove or revise the limitation.

“Assigned” fund balance includes amounts that are constrained by the Town's intent to be used for specific purposes but are neither restricted nor committed. The Finance Director is authorized to assign fund balance. Town Meeting may 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. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

“Unassigned” fund balance includes the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund is the only fund that reports a positive unassigned fund balance.

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

**Town of Sudbury, Massachusetts**

**Notes to Basic Financial Statements**

**Year Ended June 30, 2024**

M. Long-term Debt

*Government-Wide and Proprietary Fund Financial Statements*

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

*Governmental Fund Financial Statements*

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

N. Pensions

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

O. Investment Income

Investment income derived from major and nonmajor governmental funds is legally assigned to the general fund unless otherwise directed by Massachusetts General Law (MGL).

P. Compensated Absences

Employees are granted vacation and sick leave in varying amounts based on collective bargaining agreements, state laws and executive policies. Compensated absence liabilities related to both governmental and business-type activities are normally paid from the funds reporting payroll and related expenditures. Compensated absences are reported in governmental funds only if they have matured.

*Government-Wide and Proprietary Fund Financial Statements*

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

**Town of Sudbury, Massachusetts**

**Notes to Basic Financial Statements**

**Year Ended June 30, 2024**

*Governmental Fund Financial Statements*

Vested or accumulated vacation and sick leave, which will be liquidated with expendable available financial resources, are reported as expenditures and fund liabilities upon maturity of the liability.

Q. Use of Estimates

*Government-Wide and Fund Financial Statements*

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

R. Total Column

*Government-Wide Financial Statements*

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

*Fund Financial Statements*

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

**NOTE 2 – CASH AND INVESTMENTS**

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

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

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



**Town of Sudbury, Massachusetts**

**Notes to Basic Financial Statements**

**Year Ended June 30, 2024**

Custodial Credit Risk – Deposits

In the case of deposits, this is the risk that in the event of a bank failure, the Town’s deposits may not be returned to it. The Town’s policy for custodial credit risk is to rely on FDIC and DIF insurance coverage. At year-end, the carrying amount of deposits totaled \$46,947,431 and the bank balance totaled \$48,388,408. Of the bank balance, \$1,000,604 was covered by Federal Depository Insurance, \$32,041,005 was covered by the Depositor’s Insurance Fund and \$15,346,799 was exposed to custodial credit risk because it was uninsured and uncollateralized.

Interest Rate Risk

The Town’s investment policy limits investment maturities to one year or less for bonds and three years or less for government sponsored enterprises, as a means of managing its exposure to fair value losses arising from increasing interest rates. The Town participates in MMDT, which maintains a cash portfolio with combined average maturity of approximately 43 days.

As of June 30, 2024, the Town had the following investments and maturities:

<u>Investment Type</u>	<u>Fair value</u>	<u>Maturities Under 1 Year</u>
<u>Debt securities:</u>		
Government sponsored enterprises....	\$ 21,817,582	\$ 21,817,582
<u>Other investments:</u>		
Equity securities.....	10,570,860	
Equity mutual funds.....	2,436,963	
International equity securities.....	497,605	
Money market mutual funds.....	651,446	
MMDT - Cash portfolio.....	<u>254,289</u>	
Total investments.....	\$ <u>36,228,745</u>	

Custodial Credit Risk – Investments

For an investment, this is the risk that, in the event of a failure by the counterparty, the Town will not be able to recover the value of its investments or collateral security that are in the possession of an outside party. The Town does not have a policy for custodial credit risk of investments.

Of the Town’s investments, \$21,817,582 of government sponsored enterprises, \$10,570,860 of equity securities, and \$497,605 of international equity securities are subject to custodial credit risk.

**Town of Sudbury, Massachusetts**  
**Notes to Basic Financial Statements**  
**Year Ended June 30, 2024**

Credit Risk

The Town does not have a policy for credit risk of debt securities. At June 30, 2024, the Town's debt investments consisted of government sponsored enterprises that were rated AAA. The Town's investments of \$651,446 in money market mutual funds and \$254,289 in MMDT were unrated.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the Town's investment in a single issuer. The Town places no limit on the amount the Town may invest in any one issuer. The Town did not have more than 5% of its investments in any one individual security.

Fair Value of Investments

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

The Town has the following recurring fair value measurements as of June 30, 2024:

Investment Type	June 30, 2024	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>Investments measured at fair value:</b>				
<u>Debt securities:</u>				
Government sponsored enterprises.....	\$ 21,817,582	\$ -	\$ 21,817,582	\$ -
<u>Other investments:</u>				
Equity securities.....	10,570,860	10,570,860	-	-
Equity mutual funds.....	2,436,963	2,436,963	-	-
International equity securities.....	497,605	497,605	-	-
Money market mutual funds.....	651,446	651,446	-	-
Total other investments.....	14,156,874	14,156,874	-	-
Total investments measured at fair value.....	35,974,456	\$ 14,156,874	\$ 21,817,582	\$ -
<b>Investments measured at amortized cost:</b>				
MMDT - Cash portfolio.....	254,289			
Total investments.....	\$ 36,228,745			

**Town of Sudbury, Massachusetts**

**Notes to Basic Financial Statements**

**Year Ended June 30, 2024**

Equity securities, equity mutual funds, international equity securities, and money market mutual funds classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Government sponsored enterprises classified in Level 2 of the fair value hierarchy are valued using observable inputs other than quoted prices included in Level 1. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

MMDT investments are valued at amortized cost. Under the amortized cost method, an investment is valued initially at its cost and adjusted for the amount of interest income accrued each day over the term of the investment to account for any difference between the initial cost and the amount payable at its maturity. If amortized cost is determined not to approximate fair value, the value of the portfolio securities will be determined under procedures established by the Advisor.

**NOTE 3 – RECEIVABLES**

At June 30, 2024, receivables for the individual major and non-major governmental funds, in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	Gross Amount	Allowance for Uncollectibles	Net Amount
<u>Receivables:</u>			
Real estate and personal property taxes.. \$	1,122,311	\$ (25,784)	\$ 1,096,527
Tax liens.....	2,788,192	-	2,788,192
Community preservation fund surtax.....	25,008	-	25,008
Motor vehicle and other excise taxes.....	568,439	(94,719)	473,720
Departmental and other.....	1,497,977	(105,310)	1,392,667
Total.....	\$ 6,001,927	\$ (225,813)	\$ 5,776,114

At June 30, 2024, receivables for the transfer station enterprise fund are as follows:

	Gross Amount	Allowance for Uncollectibles	Net Amount
<u>Receivables:</u>			
Departmental and other.....	\$ 8,450	\$ -	\$ 8,450

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

**Town of Sudbury, Massachusetts**

**Notes to Basic Financial Statements**

**Year Ended June 30, 2024**

	General Fund	Other Governmental Funds	Total
<u>Receivables and other assets:</u>			
Real estate and personal property taxes... \$	717,474	\$ -	\$ 717,474
Tax liens.....	2,788,192	-	2,788,192
Community preservation fund surtax.....	-	25,008	25,008
Motor vehicle and other excise taxes.....	473,720	-	473,720
Departmental and other.....	-	1,392,667	1,392,667
Tax foreclosures.....	287,008	-	287,008
Total.....	\$ 4,266,394	\$ 1,417,675	\$ 5,684,069

**NOTE 4 – CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2024, is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities:</b>				
<u>Capital assets not being depreciated:</u>				
Land.....	\$ 50,202,908	\$ -	\$ -	\$ 50,202,908
Construction in progress.....	26,366,708	15,414,645	(535,523)	41,245,830
Intangible assets.....	16,178,237	-	-	16,178,237
Total capital assets not being depreciated.	92,747,853	15,414,645	(535,523)	107,626,975
<u>Capital assets being depreciated:</u>				
Land improvements.....	4,510,607	-	(375,000)	4,135,607
Buildings and improvements.....	84,906,089	924,859	(115,000)	85,715,948
Machinery and equipment.....	14,599,103	1,356,926	(356,965)	15,599,064
Vehicles.....	5,769,376	290,824	(227,872)	5,832,328
Infrastructure.....	24,908,527	1,621,000	(779,921)	25,749,606
Total capital assets being depreciated.....	134,693,702	4,193,609	(1,854,758)	137,032,553
<u>Less accumulated depreciation for:</u>				
Land improvements.....	(2,043,562)	(151,947)	375,000	(1,820,509)
Buildings and improvements.....	(45,868,867)	(2,151,590)	115,000	(47,905,457)
Machinery and equipment.....	(9,614,581)	(969,475)	356,965	(10,227,091)
Vehicles.....	(4,497,148)	(455,161)	227,872	(4,724,437)
Infrastructure.....	(15,289,122)	(731,595)	779,921	(15,240,796)
Total accumulated depreciation.....	(77,313,280)	(4,459,768)	1,854,758	(79,918,290)
Total capital assets being depreciated, net.....	57,380,422	(266,159)	-	57,114,263
Total governmental activities capital assets, net. \$	150,128,275	\$ 15,148,486	\$ (535,523)	\$ 164,741,238

**Town of Sudbury, Massachusetts**

**Notes to Basic Financial Statements**

**Year Ended June 30, 2024**

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Business-Type Activities:</b>				
<u>Capital assets not being depreciated:</u>				
Land.....	\$ 192,500	\$ -	\$ -	\$ 192,500
 <u>Capital assets being depreciated:</u>				
Buildings and improvements.....	1,650,181	-	-	1,650,181
Machinery and equipment.....	102,278	-	-	102,278
Vehicles.....	318,180	-	-	318,180
 Total capital assets being depreciated....	 2,070,639	 -	 -	 2,070,639
 <u>Less accumulated depreciation for:</u>				
Buildings and improvements.....	(1,192,305)	(34,868)	-	(1,227,173)
Machinery and equipment.....	(93,404)	(8,874)	-	(102,278)
Vehicles.....	(318,180)	-	-	(318,180)
 Total accumulated depreciation.....	 (1,603,889)	 (43,742)	 -	 (1,647,631)
 Total capital assets being depreciated, net.....	 466,750	 (43,742)	 -	 423,008
 Total business-type activities capital assets, net \$	 659,250	 (43,742)	 -	 615,508

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

<b>Governmental Activities:</b>	
General government.....	\$ 299,200
Public safety.....	510,664
Education.....	1,660,091
Public works.....	1,807,303
Health and human services.....	7,480
Culture and recreation.....	175,030
 Total depreciation expense - governmental activities.....	 \$ 4,459,768
 <b>Business-Type Activities:</b>	
Swimming pool.....	\$ 34,868
Transfer station.....	8,874
 Total depreciation expense - business-type activities.....	 \$ 43,742

**Town of Sudbury, Massachusetts**

**Notes to Basic Financial Statements**

**Year Ended June 30, 2024**

**NOTE 5 – INTERFUND TRANSFERS**

Interfund transfers for the year ended June 30, 2024, are summarized as follows:

Transfers Out:	Transfers In:				
	General Fund	Community Preservation	General Capital Projects	Nonmajor Governmental Funds	Total
General Fund..... \$	-	-	2,048,000	86,233	2,134,233 (1)
General Capital Projects.....	-	25,059	-	-	25,059 (2)
American Rescue Plan Act (ARPA).....	-	-	1,868,569	-	1,868,569 (3)
Nonmajor Governmental Funds.....	728,525	-	-	-	728,525 (4)
Recreation Field Maintenance Fund.....	10,500	-	-	-	10,500 (5)
Total..... \$	739,025	25,059	3,916,569	86,233	4,766,886

- (1) Represents budgeted transfers from the general fund to general capital projects for the Fairbank Community Center, Nixon Elementary School roof and Route 117 intersection improvement projects. Also represents a budgeted transfer of prior year receipts to the nonmajor town grants fund to establish an opioid settlement special revenue fund.
- (2) Represents a transfer from the playground modernization project in the general capital project fund to return unspent funds to the community preservation fund.
- (3) Represents a transfer from the American Rescue Plan Act (ARPA) fund to general capital projects fund for the Fairbank Community Center project.
- (4) Represents budgeted transfers from the nonmajor ambulance and solar revolving funds to the general fund, and
- (5) Represents a budgeted transfer from the recreation field maintenance enterprise fund to the synthetic turf field stabilization fund.

**NOTE 6 – SHORT-TERM FINANCING**

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

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

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

**Town of Sudbury, Massachusetts**

**Notes to Basic Financial Statements**

**Year Ended June 30, 2024**

The Town had the following short-term financing activity during the year:

Type	Purpose	Rate (%)	Due Date	Balance at June 30, 2023	Renewed/ Issued	Retired/ Redeemed	Balance at June 30, 2024
<b>Governmental Funds:</b>							
BAN	Community Center.....	5.00%	2/7/2024	\$ 28,832,000	\$ -	\$ (28,832,000)	\$ -
BAN	Drainage & Roadway Reconstruction.....	5.00%	2/7/2024	3,400,000	-	(3,400,000)	-
BAN	Fire Station Addition.....	5.00%	2/7/2024	3,300,000	-	(3,300,000)	-
BAN	Land Acquisition.....	5.00%	2/7/2024	820,000	-	(820,000)	-
BAN	Bridge Replacement.....	5.00%	2/7/2024	460,000	-	(460,000)	-
Total Governmental Funds.....				\$ 36,812,000	\$ -	\$ (36,812,000)	\$ -

**NOTE 7 – LONG-TERM DEBT**

State law permits the Town, under the provisions of Chapter 44, Section 10, to authorize indebtedness up to a limit of 5% of its equalized valuation. Debt issued in accordance with this section of the law is designated as being "inside the debt limit." In addition, however, a Town may authorize debt in excess of that limit for specific purposes. Such debt, when issued, is designated as being "outside the debt limit."

Details related to the outstanding indebtedness at June 30, 2024, and the debt service requirements are as shown on the following page.

**Town of Sudbury, Massachusetts**  
**Notes to Basic Financial Statements**  
**Year Ended June 30, 2024**

**Bonds Payable Schedule – Governmental Funds**

Project	Maturities Through	Original Loan Amount	Interest Rate (%)	Outstanding at June 30, 2024
<b>General Obligation Bonds Payable:</b>				
General Obligation Refunding Bonds - CPA 2018.....	2029	\$ 2,640,000	2.00-4.00	\$ 1,190,000
General Obligation Refunding Bonds - CPA 2005.....	2025	1,590,000	1.50-2.00	115,000
ESCO Loan.....	2030	974,146	2.51	518,087
General Obligation Bonds - Police Station (exempt).....	2035	6,760,000	2.00-5.00	3,706,000
General Obligation Bonds - Johnson (exempt).....	2035	1,724,000	2.00-5.00	935,000
General Obligation Bonds - Nixon.....	2025	440,000	2.00-5.00	40,000
General Obligation Bonds - Police.....	2031	280,800	2.00-5.00	134,000
General Obligation Bonds - CPA Johnson.....	2035	1,000,000	2.00-5.00	550,000
General Obligation Bonds - Broadacres.....	2041	3,465,000	1.00-4.00	2,940,000
General Obligation Bonds - Camp Sewataro.....	2041	11,065,000	1.00-4.00	9,385,000
General Obligation Bonds - DPW Fuel.....	2031	1,345,000	1.00-4.00	940,000
General Obligation Bonds - Stearns Mill Dam.....	2026	685,000	4.00	270,000
General Obligation Bonds - Pantry Brook Refunding.....	2034	2,005,000	1.00-4.00	1,700,000
General Obligation Bonds - CPA 2010 Refunding.....	2031	905,000	1.00-4.00	635,000
General Obligation Bonds - Fairbank Community Center..	2053	27,390,000	4.00-5.00	27,390,000
General Obligation Bonds - Drainage/Roadway.....	2044	3,155,000	4.00-5.00	3,155,000
General Obligation Bonds - Fire Station Addition.....	2044	3,060,000	4.00-5.00	3,060,000
General Obligation Bonds - Land Acquisition.....	2034	745,000	4.00-5.00	745,000
General Obligation Bonds - Bridge Replacement.....	2044	430,000	4.00-5.00	430,000
Subtotal General Obligation Bonds Payable.....				57,838,087
<b>Direct Borrowings Payable:</b>				
Massachusetts Clean Water Trust Loan of 2023.....	2043	500,000	1.50	475,000
Total Bonds Payable.....				58,313,087
Add: Unamortized premium on bonds.....				2,500,196
Total Bonds Payable, net.....				<u>\$ 60,813,283</u>



**Town of Sudbury, Massachusetts**

**Notes to Basic Financial Statements**

**Year Ended June 30, 2024**

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

Year	General Obligation Bonds Payable		Direct Borrowings Payable		Total
	Principal	Interest	Principal	Interest	
2025.....	\$ 3,567,845	\$ 2,047,686	\$ 25,000	\$ 7,126	\$ 5,647,657
2026.....	3,432,895	1,924,207	25,000	6,750	5,388,852
2027.....	3,293,273	1,795,829	25,000	6,376	5,120,478
2028.....	3,293,787	1,675,415	25,000	6,000	5,000,202
2029.....	3,299,641	1,554,673	25,000	5,624	4,884,938
2030.....	3,075,646	1,436,132	25,000	5,250	4,542,028
2031.....	2,970,000	1,332,427	25,000	4,876	4,332,303
2032.....	2,730,000	1,231,477	25,000	4,500	3,990,977
2033.....	2,730,000	1,135,863	25,000	4,126	3,894,989
2034.....	2,730,000	1,039,983	25,000	3,750	3,798,733
2035.....	2,470,000	957,840	25,000	3,376	3,456,216
2036.....	1,995,000	879,558	25,000	3,000	2,902,558
2037.....	1,990,000	815,350	25,000	2,624	2,832,974
2038.....	1,990,000	751,275	25,000	2,250	2,768,525
2039.....	1,990,000	686,800	25,000	1,874	2,703,674
2040.....	1,990,000	622,258	25,000	1,500	2,638,758
2041.....	1,990,000	557,262	25,000	1,126	2,573,388
2042.....	1,270,000	492,000	25,000	750	1,787,750
2043.....	1,270,000	441,200	25,000	376	1,736,576
2044.....	1,270,000	390,400	-	-	1,660,400
2045.....	945,000	339,600	-	-	1,284,600
2046.....	945,000	301,800	-	-	1,246,800
2047.....	945,000	264,000	-	-	1,209,000
2048.....	945,000	226,000	-	-	1,171,000
2049.....	945,000	188,400	-	-	1,133,400
2050.....	945,000	150,600	-	-	1,095,600
2051.....	940,000	112,800	-	-	1,052,800
2052.....	940,000	75,200	-	-	1,015,200
2053.....	940,000	37,600	-	-	977,600
Total.....	\$ <u>57,838,087</u>	\$ <u>23,463,635</u>	\$ <u>475,000</u>	\$ <u>71,254</u>	\$ <u>81,847,976</u>

The Town is subject to various debt limits by statute and may issue additional general obligation debt under the normal debt limit. At June 30, 2024, the Town had authorized and unissued debt as follows:

Purpose	Amount
Pool Renovation.....	\$ <u>2,350,000</u>

**Town of Sudbury, Massachusetts**

**Notes to Basic Financial Statements**

**Year Ended June 30, 2024**

Changes in Long-term Liabilities

During the year ended June 30, 2024, the following changes occurred in long-term liabilities:

	Beginning Balance	Bonds and Notes Issued	Bonds and Notes Redeemed	Other Increases	Other Decreases	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>							
Long-term bonds payable.....	\$ 25,516,203	\$ 34,780,000	\$ (2,458,116)	\$ -	\$ -	\$ 57,838,087	\$ 3,567,845
Long-term direct borrowings payable.....	500,000	-	(25,000)	-	-	475,000	25,000
Add: Unamortized premium on bonds....	538,618	-	-	2,045,543	(83,965)	2,500,196	225,997
Total bonds payable.....	26,554,821	34,780,000	(2,483,116)	2,045,543	(83,965)	60,813,283	3,818,842
Compensated absences.....	735,435	-	-	85,116	(73,543)	747,008	74,701
Net pension liability.....	65,894,154	-	-	6,582,426	(7,624,583)	64,851,997	-
Net OPEB liability.....	50,262,012	-	-	977,305	(14,019,972)	37,219,345	-
 Total governmental activity long-term liabilities.....	 \$ 143,446,422	 \$ 34,780,000	 \$ (2,483,116)	 \$ 9,690,390	 \$ (21,802,063)	 \$ 163,631,633	 \$ 3,893,543
<b>Business-Type Activities:</b>							
Compensated absences.....	\$ 19,426	\$ -	\$ -	\$ 3,504	\$ (1,943)	\$ 20,987	\$ 2,099
Net pension liability.....	951,382	-	-	85,638	(193,288)	843,732	-
Net OPEB liability.....	213,758	-	-	8,247	(115,308)	106,697	-
 Total business-type activity long-term liabilities.....	 \$ 1,184,566	 \$ -	 \$ -	 \$ 97,389	 \$ (310,539)	 \$ 971,416	 \$ 2,099

The governmental activities long-term liabilities are generally liquidated by the general fund, except for debt incurred and paid for by the community preservation fund, and the business-type activities long-term liabilities are generally liquidated by the applicable enterprise fund.

**NOTE 8 – GOVERNMENTAL FUND BALANCE CLASSIFICATIONS**

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

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

- **Restricted:** fund balances that are constrained by external parties, constitutional provisions, or enabling legislation.
- **Committed:** fund balances that contain self-imposed constraints of the government from its highest level of decision-making authority.
- **Assigned:** fund balances that contain self-imposed constraints of the government to be used for a particular purpose.
- **Unassigned:** fund balance of the general fund that is not constrained for any particular purpose.

## Town of Sudbury, Massachusetts

### Notes to Basic Financial Statements

**Year Ended June 30, 2024**

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

The Town maintains a general stabilization fund with a year-end balance of \$5,668,930, that is reported in the general fund as unassigned fund balance. The Town also maintains an energy stabilization fund, capital stabilization fund, and synthetic turf stabilization fund with balances of \$247,507, \$1,800,100, and \$92,701, respectively. These special purpose stabilization funds are reported in the general fund as committed fund balance. During 2024 the Town voted to close the Melone property stabilization fund and the remaining balance in the fund was transferred to the capital stabilization fund.

The Town maintains a workers' compensation fund with a year-end balance of \$153,510. This fund is reported in the general fund as restricted fund balance.

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

	General	Community Preservation	General Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
Fund Balances:					
Nonspendable:					
Permanent fund principal.....	\$ -	\$ -	\$ -	\$ 1,278,542	\$ 1,278,542
Restricted for:					
Workers' compensation fund.....	153,510	-	-	-	153,510
Community preservation.....	-	11,923,382	-	-	11,923,382
School lunch.....	-	-	-	980,087	980,087
Affordable housing.....	-	-	-	262,370	262,370
Revolving.....	-	-	-	6,767,580	6,767,580
Receipts reserved for appropriation.....	-	-	-	1,947,116	1,947,116
Town grants.....	-	-	-	1,906,074	1,906,074
Other special revenue fund.....	-	-	-	1,559,028	1,559,028
General capital projects.....	-	-	2,778,372	-	2,778,372
Cemetery perpetual care.....	-	-	-	406,509	406,509
Other permanent fund.....	-	-	-	223,634	223,634
Committed to:					
General government.....	602,452	-	-	-	602,452
Public safety.....	1,252,020	-	-	-	1,252,020
Education.....	1,181,881	-	-	-	1,181,881
Public works.....	2,681,636	-	-	-	2,681,636
Culture and recreation.....	68,036	-	-	-	68,036
Employee benefits.....	2,523	-	-	-	2,523
Capital stabilization.....	1,800,100	-	-	-	1,800,100
Energy savings programs stabilization....	247,507	-	-	-	247,507
Synthetic turf field stabilization.....	92,701	-	-	-	92,701
Assigned to:					
General government.....	39,077	-	-	-	39,077
Public safety.....	10,086	-	-	-	10,086
Education.....	443,098	-	-	-	443,098
Public works.....	191,070	-	-	-	191,070
Health and human services.....	1,304	-	-	-	1,304
Culture and recreation.....	663	-	-	-	663
Unassigned.....	16,923,228	-	-	-	16,923,228
<b>Total Fund Balances.....</b>	<b>\$ 25,690,892</b>	<b>\$ 11,923,382</b>	<b>\$ 2,778,372</b>	<b>\$ 15,330,940</b>	<b>\$ 55,723,586</b>

**Town of Sudbury, Massachusetts**

**Notes to Basic Financial Statements**

**Year Ended June 30, 2024**

**NOTE 9 – RISK FINANCING**

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

**NOTE 10 – PENSION PLAN**

*Plan Description*

The Town is a member of the Middlesex County Retirement System (MCRS), a cost-sharing multiple-employer defined benefit pension plan covering eligible employees of the member units. The MCRS is administered by the Middlesex Retirement Board (the "Board") on behalf of all current employees and retirees except for current teachers and retired teachers. Chapter 32 of the MGL assigns authority to establish and amend benefit provisions of the plan. The audited financial report may be obtained by visiting <http://middlesexretirement.org>.

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

*Special Funding Situation*

The Commonwealth is a nonemployer contributor and is required by statute to make 100% of all actuarially determined employer contributions on behalf of the Town to the MTRS. Therefore, the Town is considered to be in a special funding situation as defined by GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and the Commonwealth is a nonemployer contributor in MTRS. Since the Town does not contribute directly to MTRS, there is no net pension liability to recognize. The total of the Commonwealth provided contributions have been allocated based on each employer's covered payroll to the total covered payroll of employers in MTRS as of the measurement date of June 30, 2023. The Town's portion of the collective pension expense, contributed by the Commonwealth, of \$8,303,990 is reported in the general fund as intergovernmental revenue and pension expense in the current fiscal year. The portion of the Commonwealth's collective net pension liability associated with the Town is \$88,936,247 as of the measurement date.

**Town of Sudbury, Massachusetts**

**Notes to Basic Financial Statements**

**Year Ended June 30, 2024**

*Benefits Provided*

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

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

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

There were no changes in benefit terms that affected the measurement of the total pension liability since the prior measurement date.

*Contributions*

Chapter 32 of the MGL governs the contributions of plan members and member units. Active plan members are required to contribute to the System at rates ranging from 5% to 9% of gross regular compensation with an additional 2% contribution required for compensation exceeding \$30,000. The percentage rate is keyed to the date upon which an employee's membership commences. The member units are required to pay into the MCERS a legislatively mandated actuarially determined contribution that is apportioned among the employers based on active current payroll. The Town's actual contribution for the year ended December 31, 2023, was \$6,370,873, or 31.18% of covered payroll. The Town's actual contribution equaled its proportionate share of the required contribution. The required contribution is actuarially determined as an amount that, when combined with plan member contributions, is expected to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability.

*Pension Liabilities*

At June 30, 2024, the Town reported a liability of \$65,695,729 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2024. The Town's proportion of the net pension liability was based on a projection of the Town's

**Town of Sudbury, Massachusetts**

**Notes to Basic Financial Statements**

**Year Ended June 30, 2024**

long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At December 31, 2023, the Town’s proportion was 3.88%, which decreased from its proportionate share of 3.94% measured at December 31, 2022.

*Pension Expense*

For the year ended June 30, 2024, the Town recognized pension expense of \$6,668,064. At June 30, 2024, the Town reported deferred outflows of resources related to pensions of \$5,817,869 and deferred inflows of resources related to pensions of \$2,058,037.

The balances of deferred outflows and inflows of resources related to pensions at June 30, 2024 consist of the following:

Deferred Category	Deferred Outflows of Resources	Deferred Inflows of Resources	Total
Differences between expected and actual experience.....	\$ 1,890,163	\$ -	\$ 1,890,163
Net difference between projected and actual earnings.....	3,367,987	-	3,367,987
Changes in assumptions.....	422,153	-	422,153
Changes in proportion and proportionate share of contributions.....	137,566	(2,058,037)	(1,920,471)
Total deferred outflows/(inflows) of resources.....	\$ 5,817,869	\$ (2,058,037)	\$ 3,759,832

The deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2025.....	\$ 528,742
2026.....	1,052,079
2027.....	2,391,686
2028.....	(212,675)
Total.....	\$ 3,759,832

**Town of Sudbury, Massachusetts**  
**Notes to Basic Financial Statements**  
**Year Ended June 30, 2024**

*Actuarial Assumptions*

The total pension liability in the January 1, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement that was rolled back to December 31, 2023:

Valuation date.....	January 1, 2024
Actuarial cost method.....	Entry Age Normal Cost Method.
Amortization method.....	Prior year's total contribution increased by 6.50% for fiscal 2023 through fiscal 2028, and thereafter the remaining unfunded liability will be amortized on a 4.00% annual increasing basis.
Remaining amortization period.....	14 years from July 1, 2022.
Asset valuation method.....	The difference between the expected return and the actual investment return on a fair value basis is recognized over a five year period. Asset value is adjusted as necessary to be within 20% of the fair value.
Inflation rate.....	3.25%
Projected salary increases.....	Varies by length of service with ultimate rates of 4.00% for Group 1, 4.25% for Group 2 and 4.50% for Group 4.
Cost of living adjustments.....	5.00% of the first \$16,000 for fiscal 2023 and 3.00% of the first \$16,000 thereafter.
Mortality Rates:	
Pre-Retirement.....	The RP-2014 Blue Collar Employee Mortality Table projected generationally with Scale MP-2021.
Healthy Retiree.....	The RP-2014 Blue Collar Healthy Annuitant Mortality Table projected generationally with Scale MP-2021.
Disabled Retiree.....	The RP-2014 Blue Collar Healthy Annuitant Mortality Table set forward one year and projected generationally with Scale MP-
Investment rate of return/discount rate.....	7.15%

**Town of Sudbury, Massachusetts**

**Notes to Basic Financial Statements**

**Year Ended June 30, 2024**

*Investment Policy*

The pension plan’s policy in regard to the allocation of invested assets is established by PRIT. Plan assets are managed on a total return basis with a long-term objective of achieving a fully funded status for the benefits provided through the pension plan.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan’s target asset allocation as of December 31, 2023, are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return	Long-Term Expected Asset Allocation
Domestic equity.....	6.29%	22.00%
International developed markets equity..	6.39%	9.50%
International emerging markets equity...	7.63%	4.50%
Core fixed income.....	1.72%	15.00%
High-yield fixed income.....	3.43%	9.00%
Real estate.....	3.24%	10.00%
Timber.....	3.72%	4.00%
Hedge funds, GTAA, risk parity.....	2.87%	10.00%
Private equity.....	9.43%	16.00%
		100.00%

*Rate of Return*

For the year ended December 31, 2023, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 10.95%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

*Discount Rate*

The discount rate used to measure the total pension liability was 7.15% at December 31, 2023 and December 31, 2022. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and that contributions will be made at rates equal to the actuarially determined contribution rate. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.



**Town of Sudbury, Massachusetts**

**Notes to Basic Financial Statements**

**Year Ended June 30, 2024**

*Sensitivity of the Net Pension Liability to Changes in the Discount Rate*

The following presents the net pension liability, calculated using the discount rate of 7.15%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.15%) or 1-percentage-point higher (8.15%) than the current rate:

	<u>1% Decrease (6.15%)</u>	<u>Current Discount (7.15%)</u>	<u>1% Increase (8.15%)</u>
The Town's proportionate share of the net pension liability.....	\$ <u>82,246,365</u>	\$ <u>65,695,729</u>	\$ <u>51,767,813</u>

*Changes of Assumptions*

None.

*Changes in Plan Provisions*

Effective December 31, 2023, pursuant to chapter 269 of the Acts of 2022, the Board approved a one-time increase in the COLA from 3% to 5% effective July 1, 2022.

**NOTE 11 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS**

*Plan Description*

The Town of Sudbury administers a single-employer defined benefit healthcare plan (“the Retiree Health Plan”). The plan provides health, dental and life insurance for eligible retirees and their spouses through a single-employer defined Other Postemployment Benefit (OPEB) plan. Chapter 32B of the MGL assigns authority to establish and amend benefit provisions of the plan. Benefit provisions are negotiated between the Town and the unions representing Town employees and are renegotiated each bargaining period. The Retiree Health Plan does not issue a publicly available financial report.

*Funding Policy*

The contribution requirements of plan members and the Town are established and may be amended by the Town. The required contribution is based on a pay-as-you-go financing requirement. The Town contributes 50 percent of the cost of current-year premiums for health and life insurance for eligible retired plan members and their spouses. Plan members receiving benefits contribute the remaining 50 percent of their premium costs for health and life insurance and all of the premiums related to dental insurance. For the year ended June 30, 2024, the Town contributed \$2.8 million to the plan. The average contribution rate for 2024 was 5.64% of covered employee payroll.

**Town of Sudbury, Massachusetts**  
**Notes to Basic Financial Statements**

**Year Ended June 30, 2024**

The Commonwealth of Massachusetts passed special legislation that enabled the Town to establish a postemployment benefit trust fund for the purpose of accumulating assets to pre-fund its OPEB liabilities.

The Strategic Financial Planning Committee for OPEB Liabilities was created to generate, evaluate and report on strategies and options, both short and long term, for dealing with the unfunded OPEB liabilities facing the Town of Sudbury.

During 2024, the Town pre-funded future OPEB liabilities by contributing \$725,435 to the OPEB Trust Fund in excess of the pay-as-you-go required contribution. These funds are reporting within the Fiduciary Funds financial statements. As of June 30, 2024, the balance of this fund totaled \$15.9 million.

*Employees Covered by Benefit Terms*

The following table represents the Plan’s membership at June 30, 2024:

Active members.....	608
Inactive members currently receiving benefits.....	<u>459</u>
 Total.....	 <u>1,067</u>

*Components of OPEB Liability*

The following table represents the components of the Plan’s OPEB liability as of June 30, 2024:

Total OPEB liability.....	\$ 53,194,041
Less: OPEB plan's fiduciary net position.....	<u>(15,867,999)</u>
 Net OPEB liability.....	 <u>\$ 37,326,042</u>
 The OPEB plan's fiduciary net position as a percentage of the total OPEB liability...	  29.83%

**Town of Sudbury, Massachusetts**

**Notes to Basic Financial Statements**

**Year Ended June 30, 2024**

*Significant Actuarial Methods and Assumptions*

The total OPEB liability in the July 1, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified, that was updated to June 30, 2024:

Valuation date.....	July 1, 2023
Actuarial cost method.....	Entry Age Normal.
Asset valuation method.....	Fair Value.
Investment rate of return.....	6.38%, net of investment expenses, including inflation.
Discount rate.....	6.37%, net of investment expenses, including inflation.
Municipal bond rate.....	4.21%, based on the S&P Municipal Bond 20-Year High Grade Index - SAPIHG, as of June 30, 2024.
Inflation rate.....	2.50% as of June 30, 2024 and for future periods.
Payroll growth.....	3.00% as of June 30, 2024 and for future periods.
Mortality rates:	
Pre-Retirement.....	General: RP-2014 Mortality Table for Blue Collar Employees projected generationally with scale MP-2016 for males and females, set forward one year for females. Teachers: RP-2014 Mortality Table for White Collar Employees projected generationally with scale MP-2016 for males and females.
Post-Retirement.....	General: RP-2014 Mortality Table for Blue Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females, set forward one year for females. Teachers: RP-2014 Mortality for White Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females.
Disabled.....	General: RP-2014 Mortality Table for Blue Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females, set forward one year.  Teachers: RP-2014 Mortality Table for White Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females.

*Rate of Return*

For the year ended June 30, 2024, the annual money-weighted rate of return on investments, net of investment expense, was 8.78%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**Town of Sudbury, Massachusetts**

**Notes to Basic Financial Statements**

**Year Ended June 30, 2024**

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 rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return of by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2024 are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity - large cap.....	66.50%	4.91%
Domestic equity - small/mid cap.....	0.00%	5.29%
International equity - developed market....	3.25%	5.32%
International equity - emerging market.....	0.00%	6.13%
Domestic fixed income.....	30.00%	2.30%
International fixed income.....	0.00%	2.02%
Alternatives.....	0.00%	6.35%
Real estate.....	0.00%	6.25%
Cash.....	<u>0.25%</u>	0.00%
Total.....	<u>100.00%</u>	

*Discount Rate*

The discount rate used to measure the total OPEB liability was 6.37% as of June 30, 2024 and 5.30% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions will be made in accordance with the Plan’s funding policy. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to be insufficient to make all projected benefit payments to current plan members. Therefore, the long-term expected rate of return on the OPEB plan assets was applied to the projected benefit payments which the net position is expected to be sufficient to cover until fiscal 2096, and the municipal bond rate, based on the S&P Municipal Bond 20-Year High Grade Index published on June 30, 2024, was applied to all periods thereafter to determine the total OPEB liability.

**Town of Sudbury, Massachusetts**  
**Notes to Basic Financial Statements**  
**Year Ended June 30, 2024**

*Changes in the Net OPEB Liability*

	Increase (Decrease)		
	Plan		
	Total OPEB Liability (a)	Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at June 30, 2023.....	\$ 64,292,392	\$ 13,816,622	\$ 50,475,770
Changes for the year:			
Service cost.....	1,879,460	-	1,879,460
Interest.....	3,452,526	-	3,452,526
Differences between expected and actual experience....	(6,647,131)	-	(6,647,131)
Changes of assumptions.....	(7,696,551)	-	(7,696,551)
Net investment income.....	-	1,325,942	(1,325,942)
Employer contributions.....	-	2,812,090	(2,812,090)
Benefit payments.....	(2,086,655)	(2,086,655)	-
Net change.....	(11,098,351)	2,051,377	(13,149,728)
Balances at June 30, 2024.....	\$ <u>53,194,041</u>	\$ <u>15,867,999</u>	\$ <u>37,326,042</u>

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

The following table presents the net OPEB liability, calculated using the discount rate of 6.37%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.37%) or 1-percentage-point higher (7.37%) than the current rate.

	1% Decrease (5.37%)	Current Discount Rate (6.37%)	1% Increase (7.37%)
Net OPEB liability... \$	\$ <u>45,046,199</u>	\$ <u>37,326,042</u>	\$ <u>31,077,184</u>

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

The following table presents the net OPEB liability, calculated using the current healthcare trend rate, as well as what the net OPEB liability would be if it were calculated using a healthcare trend rate that is 1-percentage-point lower or 1-percentage-point higher.

	1% Decrease	Current Trend	1% Increase
Net OPEB liability... \$	\$ <u>30,424,024</u>	\$ <u>37,326,042</u>	\$ <u>45,931,106</u>

**Town of Sudbury, Massachusetts**

**Notes to Basic Financial Statements**

**Year Ended June 30, 2024**

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

For the financial reporting year ended June 30, 2024, the Town recognized OPEB expense of \$985,552 and reported deferred outflows and inflows of resources related to OPEB from the following sources:

<u>Deferred Category</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Total</u>
Differences between expected and actual experience..... \$	-	\$ (6,744,065)	\$ (6,744,065)
Net difference between projected and actual earnings....	-	(815,840)	(815,840)
Changes of assumptions.....	<u>5,743,197</u>	<u>(26,885,317)</u>	<u>(21,142,120)</u>
Total deferred outflows/(inflows) of resources..... \$	<u>5,743,197</u>	<u>\$ (34,445,222)</u>	<u>\$ (28,702,025)</u>

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

Reporting year ended June 30:

2025.....	\$ (4,690,242)
2026.....	(8,026,132)
2027.....	(8,571,001)
2028.....	(4,403,705)
2029.....	(2,199,033)
Thereafter.....	<u>(811,912)</u>
Total.....	<u>\$ (28,702,025)</u>

*Changes of Assumptions*

The discount rate was increased from 5.30% as of June 30, 2023, to 6.37% as of June 30, 2024.

*Changes in Plan Provisions*

None.

**Town of Sudbury, Massachusetts**

**Notes to Basic Financial Statements**

**Year Ended June 30, 2024**

**NOTE 12 – COMMITMENTS AND CONTINGENCIES**

The Town is committed to completing various projects throughout the Town which will be funded with long-term debt totaling approximately \$2.4 million. The general fund has various pending transactions for goods and services related to articles and encumbrances totaling \$6.5 million.

The Town participates in a number of federal award programs. Although the grant programs have been audited in accordance with the provisions of the Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, these programs are still subject to financial and compliance audits. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although it is expected such amounts, if any, to be immaterial.

Various legal actions and claims are pending against the Town. Litigation is subject to many uncertainties, and the outcome of individual litigated matters is not always predictable. Although the amount of liability, if any, at June 30, 2024, cannot be ascertained, management believes any resulting liability should not materially affect the financial position of the Town at June 30, 2024.

**NOTE 13 – CHANGE WITHIN REPORTING ENTITY**

The American Rescue Plan Act (ARPA) fund, previously reported as a nonmajor governmental fund, is reported as a major governmental fund in fiscal 2024. This change within the financial reporting entity was made solely as a result of the fund meeting the quantitative threshold for reporting as a major fund in 2024.

In accordance with GASB Statement #100, *Accounting Changes and Error Corrections*, the Town has evaluated the need to adjust the beginning fund balances of the American Rescue Plan Act (ARPA) major fund and the nonmajor governmental funds to reflect this change in presentation. The beginning fund balance of the American Rescue Plan Act (ARPA) fund was zero, therefore beginning fund balance adjustments are not necessary.

**NOTE 14 – SUBSEQUENT EVENTS**

Management has evaluated subsequent events through December 29, 2024, which is the date the financial statements were available to be issued.

**NOTE 15 – IMPLEMENTATION OF NEW GASB PRONOUNCEMENTS**

During 2024, the following GASB pronouncements were implemented:

- GASB Statement #100, *Accounting Changes and Error Corrections*. The annual comprehensive financial report and related notes were updated to be in compliance with this pronouncement.

**Town of Sudbury, Massachusetts**

**Notes to Basic Financial Statements**

**Year Ended June 30, 2024**

The following GASB pronouncements will be implemented in the future:

- The GASB issued Statement #101, *Compensated Absences*, which is required to be implemented in 2025.
- The GASB issued Statement #102, *Certain Risk Disclosures*, which is required to be implemented in 2025.
- The GASB issued Statement #103, *Financial Reporting Model Improvements*, which is required to be implemented in 2026.
- The GASB issued Statement #104, *Disclosure of Certain Capital Assets*, which is required to be implemented in 2026.

Management is currently assessing the impact the implementation of these pronouncements will have on the annual comprehensive financial report.



## *Required Supplementary Information*

# *General Fund Budgetary Comparison Schedule*

The General Fund is the general operating fund of the Town. It is used to account for all the financial resources, except those required to be accounted for in another fund.

**Town of Sudbury, Massachusetts**

**General Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual  
Year Ended June 30, 2024**

	Budgeted Amounts		Actual Budgetary Amounts	Amounts Carried Forward To Next Year	Variance to Final Budget
	Original Budget	Final Budget			
<b>REVENUES:</b>					
Real estate and personal property taxes, net of tax refunds.....	\$ 104,525,483	\$ 104,757,866	\$ 105,107,792	\$ -	\$ 349,926
Tax liens.....	-	-	207,570	-	207,570
Motor vehicle and other excise taxes.....	3,530,000	3,530,000	4,758,116	-	1,228,116
Penalties and interest on taxes.....	211,000	211,000	383,994	-	172,994
Payments in lieu of taxes.....	41,000	41,000	12,116	-	(28,884)
Licenses and permits.....	621,000	621,000	1,037,423	-	416,423
Fines and forfeitures.....	8,000	8,000	16,659	-	8,659
Intergovernmental.....	7,341,781	7,341,781	7,336,718	-	(5,063)
Departmental and other.....	859,000	859,000	855,865	-	(3,135)
Investment income (loss).....	30,000	30,000	714,905	-	684,905
<b>TOTAL REVENUES.....</b>	<b>117,167,264</b>	<b>117,399,647</b>	<b>120,431,158</b>	<b>-</b>	<b>3,031,511</b>
<b>EXPENDITURES:</b>					
Current:					
General Government:					
Select Board/Town Manager					
Personnel services.....	468,034	469,050	468,853	-	197
Expenditures.....	84,396	89,894	53,622	30,220	6,052
<b>Total.....</b>	<b>552,430</b>	<b>558,944</b>	<b>522,475</b>	<b>30,220</b>	<b>6,249</b>
Assistant Town Manager/Personnel					
Personnel services.....	237,396	236,632	233,803	-	2,829
Expenditures.....	10,677	11,441	7,200	1,517	2,724
<b>Total.....</b>	<b>248,073</b>	<b>248,073</b>	<b>241,003</b>	<b>1,517</b>	<b>5,553</b>
Accounting					
Personnel services.....	324,947	294,610	278,390	-	16,220
Expenditures.....	81,991	82,328	79,784	-	2,544
<b>Total.....</b>	<b>406,938</b>	<b>376,938</b>	<b>358,174</b>	<b>-</b>	<b>18,764</b>
Finance Committee					
Personnel services.....	4,959	4,959	4,036	-	923
Assessors					
Personnel services.....	237,819	237,819	236,526	-	1,293
Expenditures.....	74,962	75,010	71,394	3,500	116
<b>Total.....</b>	<b>312,781</b>	<b>312,829</b>	<b>307,920</b>	<b>3,500</b>	<b>1,409</b>
Finance Director/Treasurer/Collector					
Personnel services.....	332,384	316,354	312,990	-	3,364
Expenditures.....	31,384	35,414	23,833	4,830	6,751
<b>Total.....</b>	<b>363,768</b>	<b>351,768</b>	<b>336,823</b>	<b>4,830</b>	<b>10,115</b>
Information Systems					
Personnel services.....	279,489	283,504	275,369	-	8,135
Expenditures.....	509,372	662,857	411,507	255,930	(4,580)
<b>Total.....</b>	<b>788,861</b>	<b>946,361</b>	<b>686,876</b>	<b>255,930</b>	<b>3,555</b>
Law					
Personnel services.....	32,320	32,320	20,700	-	11,620
Expenditures.....	346,063	394,455	138,110	215,439	40,906
<b>Total.....</b>	<b>378,383</b>	<b>426,775</b>	<b>158,810</b>	<b>215,439</b>	<b>52,526</b>
Town Clerk and Registrars					
Personnel services.....	312,088	312,088	286,203	-	25,885
Expenditures.....	34,989	35,510	32,916	113	2,481
<b>Total.....</b>	<b>347,077</b>	<b>347,598</b>	<b>319,119</b>	<b>113</b>	<b>28,366</b>

(Continued)

*See notes to required supplementary information.*

**Town of Sudbury, Massachusetts**

**General Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual**

**Year Ended June 30, 2024**

	Budgeted Amounts		Actual Budgetary Amounts	Amounts Carried Forward To Next Year	Variance to Final Budget
	Original Budget	Final Budget			
<b>Conservation</b>					
Personnel services.....	219,282	219,282	205,791	-	13,491
Expenditures.....	19,194	19,194	19,066	-	128
Total.....	238,476	238,476	224,857	-	13,619
<b>Planning and Board of Appeals</b>					
Personnel services.....	334,206	306,206	244,045	-	62,161
Expenditures.....	192,283	215,908	89,846	125,561	501
Total.....	526,489	522,114	333,891	125,561	62,662
<b>Town-Wide Operations</b>					
Expenditures.....	201,719	201,719	168,756	4,419	28,544
<b>Reserve Fund</b>					
.....	300,000	300,000	-	-	300,000
<b>Total General Government.....</b>	<b>4,669,954</b>	<b>4,836,554</b>	<b>3,662,740</b>	<b>641,529</b>	<b>532,285</b>
<b>Public Safety:</b>					
<b>Police</b>					
Personnel services.....	4,024,811	3,945,147	3,872,817	-	72,330
Expenditures.....	595,717	675,381	644,341	30,766	274
Total.....	4,620,528	4,620,528	4,517,158	30,766	72,604
<b>Fire</b>					
Personnel services.....	4,494,252	4,961,252	4,642,607	-	318,645
Expenditures.....	760,125	1,810,259	582,481	1,231,340	(3,562)
Total.....	5,254,377	6,771,511	5,225,088	1,231,340	315,083
<b>Building</b>					
Personnel services.....	290,437	290,437	283,033	-	7,404
Expenditures.....	23,272	23,272	17,443	-	5,829
Total.....	313,709	313,709	300,476	-	13,233
<b>Total Public Safety.....</b>	<b>10,188,614</b>	<b>11,705,748</b>	<b>10,042,722</b>	<b>1,262,106</b>	<b>400,920</b>
<b>Education:</b>					
School Department.....	76,045,610	76,553,550	74,101,544	1,624,979	827,027
<b>Public Works:</b>					
<b>Engineering</b>					
Personnel services.....	481,059	381,059	363,148	-	17,911
Expenditures.....	233,745	233,745	140,129	85,293	8,323
Total.....	714,804	614,804	503,277	85,293	26,234
<b>Streets and Roads</b>					
Personnel services.....	1,304,923	1,274,418	1,179,813	-	94,605
Expenditures.....	3,380,475	3,675,408	2,708,468	930,749	36,191
Total.....	4,685,398	4,949,826	3,888,281	930,749	130,796
<b>Snow and Ice</b>					
Expenditures.....	424,750	730,028	696,699	-	33,329
<b>Trees and Cemetery</b>					
Personnel services.....	374,991	374,991	270,079	-	104,912
Expenditures.....	256,143	116,143	112,057	3,810	276
Total.....	631,134	491,134	382,136	3,810	105,188
<b>Parks and Grounds</b>					
Personnel services.....	171,010	171,010	160,718	-	10,292
Expenditures.....	153,434	153,434	132,015	12,330	9,089
Total.....	324,444	324,444	292,733	12,330	19,381

(Continued)

*See notes to required supplementary information.*

**Town of Sudbury, Massachusetts**

**General Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual**

**Year Ended June 30, 2024**

	Budgeted Amounts		Actual Budgetary Amounts	Amounts Carried Forward To Next Year	Variance to Final Budget
	Original Budget	Final Budget			
Facilities					
Personnel services.....	440,133	440,133	372,834	-	67,299
Expenditures.....	<u>2,902,506</u>	<u>3,172,659</u>	<u>1,308,072</u>	<u>1,840,524</u>	<u>24,063</u>
Total.....	3,342,639	3,612,792	1,680,906	1,840,524	91,362
Total Public Works.....	<u>10,123,169</u>	<u>10,723,028</u>	<u>7,444,032</u>	<u>2,872,706</u>	<u>406,290</u>
Health and Human Services					
Board of Health					
Personnel services.....	441,565	441,565	344,061	-	97,504
Expenditures.....	<u>114,113</u>	<u>114,113</u>	<u>111,226</u>	<u>1,304</u>	<u>1,583</u>
Total.....	555,678	555,678	455,287	1,304	99,087
Council on Aging					
Personnel services.....	357,289	353,289	313,980	-	39,309
Expenditures.....	<u>36,000</u>	<u>40,000</u>	<u>39,972</u>	<u>-</u>	<u>28</u>
Total.....	393,289	393,289	353,952	-	39,337
Veterans Affairs					
Personnel services.....	13,594	13,594	15,694	-	(2,100)
Expenditures.....	<u>48,581</u>	<u>48,581</u>	<u>38,653</u>	<u>-</u>	<u>9,928</u>
Total.....	62,175	62,175	54,347	-	7,828
Total Health and Human Services.....	<u>1,011,142</u>	<u>1,011,142</u>	<u>863,586</u>	<u>1,304</u>	<u>146,252</u>
Culture and Recreation:					
Goodnow Library					
Personnel services.....	1,034,638	1,034,638	1,004,873	-	29,765
Expenditures.....	<u>349,609</u>	<u>349,609</u>	<u>357,896</u>	<u>571</u>	<u>(8,858)</u>
Total.....	1,384,247	1,384,247	1,362,769	571	20,907
Recreation					
Personnel services.....	236,194	236,194	228,570	-	7,624
Expenditures.....	<u>83,036</u>	<u>83,035</u>	<u>14,550</u>	<u>68,128</u>	<u>357</u>
Total.....	319,230	319,229	243,120	68,128	7,981
Historic Commission					
Expenditures.....	<u>8,548</u>	<u>8,548</u>	<u>5,356</u>	<u>-</u>	<u>3,192</u>
Historic Districts Commission					
Personnel services.....	3,549	3,549	3,546	-	3
Expenditures.....	<u>300</u>	<u>300</u>	<u>-</u>	<u>-</u>	<u>300</u>
Total.....	3,849	3,849	3,546	-	303
Total Culture and Recreation.....	<u>1,715,874</u>	<u>1,715,873</u>	<u>1,614,791</u>	<u>68,699</u>	<u>32,383</u>
Pension Benefits					
County Retirement System and Pension Benefits					
Expenditures.....	<u>6,395,873</u>	<u>6,395,873</u>	<u>6,370,873</u>	<u>-</u>	<u>25,000</u>
Employee Benefits					
Workers Compensation					
Expenditures.....	<u>313,933</u>	<u>313,933</u>	<u>306,364</u>	<u>-</u>	<u>7,569</u>
Unemployment Compensation					
Expenditures.....	<u>64,744</u>	<u>64,744</u>	<u>21,359</u>	<u>2,523</u>	<u>40,862</u>
Medical Premiums					
Expenditures.....	<u>8,291,831</u>	<u>7,979,802</u>	<u>7,616,972</u>	<u>-</u>	<u>362,830</u>
Life Insurance					
Expenditures.....	<u>4,563</u>	<u>4,563</u>	<u>2,129</u>	<u>-</u>	<u>2,434</u>

(Continued)

*See notes to required supplementary information.*

**Town of Sudbury, Massachusetts**

**General Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual**

**Year Ended June 30, 2024**

	Budgeted Amounts		Actual Budgetary Amounts	Amounts Carried Forward To Next Year	Variance to Final Budget
	Original Budget	Final Budget			
Medicare Tax					
Expenditures.....	806,716	806,716	702,919	-	103,797
Total Employee Benefits.....	9,481,787	9,169,758	8,649,743	2,523	517,492
Property and Liability Insurance					
Expenditures.....	513,586	513,586	484,891	-	28,695
State and County Charges					
Expenditures.....	240,638	240,638	260,525	-	(19,887)
Debt Service Principal					
Expenditures.....	1,593,116	1,618,116	1,618,116	-	-
Debt Service Interest					
Expenditures.....	1,188,029	1,475,058	1,475,016	-	42
TOTAL EXPENDITURES.....	123,167,392	125,958,924	116,588,579	6,473,846	2,896,499
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	(6,000,128)	(8,559,277)	3,842,579	(6,473,846)	5,928,010
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in.....	728,525	819,076	819,076	-	-
Transfers out.....	(2,152,899)	(2,190,114)	(2,190,114)	-	-
TOTAL OTHER FINANCING SOURCES (USES).....	(1,424,374)	(1,371,038)	(1,371,038)	-	-
NET CHANGE IN FUND BALANCE.....	(7,424,502)	(9,930,315)	2,471,541	(6,473,846)	5,928,010
BUDGETARY FUND BALANCE, Beginning of year.....	15,069,902	15,069,902	15,069,902	-	-
BUDGETARY FUND BALANCE, End of year.....	\$ 7,645,400	\$ 5,139,587	\$ 17,541,443	\$ (6,473,846)	\$ 5,928,010

(Concluded)

*See notes to required supplementary information.*

# ***Community Preservation Fund Budgetary Comparison Schedule***

The Community Preservation Fund is used to account for the acquisition, creation, preservation, or rehabilitation of areas of open space, historic preservation, affordable housing and recreation. Funding is provided primarily by a property tax surcharge of up to 3%, along with matching state funds.

**Town of Sudbury, Massachusetts**

**Community Preservation Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual**

**Year Ended June 30, 2024**

	Budgeted Amounts		Actual Budgetary Amounts	Amounts Carried Forward To Next Year	Variance to Final Budget
	Original Budget	Final Budget			
<b>REVENUES:</b>					
Community preservation taxes.....	\$ 2,200,000	\$ 2,200,000	\$ 2,553,632	\$ -	\$ 353,632
Penalties and interest.....	-	-	3,743	-	3,743
Intergovernmental.....	700,000	700,000	558,308	-	(141,692)
Investment income.....	20,000	20,000	358,515	-	338,515
<b>TOTAL REVENUES.....</b>	<b>2,920,000</b>	<b>2,920,000</b>	<b>3,474,198</b>	<b>-</b>	<b>554,198</b>
<b>EXPENDITURES:</b>					
Community preservation.....	5,953,219	5,953,219	968,047	4,929,532	55,640
Debt service:					
Principal.....	865,000	865,000	865,000	-	-
Interest.....	125,643	125,643	125,643	-	-
<b>TOTAL EXPENDITURES.....</b>	<b>6,943,862</b>	<b>6,943,862</b>	<b>1,958,690</b>	<b>4,929,532</b>	<b>55,640</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>(4,023,862)</b>	<b>(4,023,862)</b>	<b>1,515,508</b>	<b>(4,929,532)</b>	<b>609,838</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in.....	-	-	25,059	-	25,059
<b>NET CHANGE IN FUND BALANCE.....</b>	<b>(4,023,862)</b>	<b>(4,023,862)</b>	<b>1,540,567</b>	<b>(4,929,532)</b>	<b>634,897</b>
<b>BUDGETARY FUND BALANCE, Beginning of year.....</b>	<b>10,382,815</b>	<b>10,382,815</b>	<b>10,382,815</b>	<b>-</b>	<b>-</b>
<b>BUDGETARY FUND BALANCE, End of year.....</b>	<b>\$ 6,358,953</b>	<b>\$ 6,358,953</b>	<b>\$ 11,923,382</b>	<b>\$ (4,929,532)</b>	<b>\$ 634,897</b>

*See notes to required supplementary information.*



# *Pension Plan Schedules*

The Schedule of the Town's Proportionate Share of the Net Pension Liability presents multi-year trend information on the Town's net pension liability and related ratios.

The Schedule of the Town's Contributions presents multi-year trend information on the Town's required and actual contributions to the pension plan and related ratios.

The Schedule of the Special Funding Amounts of the Net Pension Liability for the Massachusetts Teachers' Contributory Retirement System presents multi-year trend information on the liability and expense assumed by the Commonwealth of Massachusetts on behalf of the Town along with related ratios.

*See notes to required supplementary information.*

**Town of Sudbury, Massachusetts**

**Schedule of the Town's Proportionate Share of the Net Pension Liability**

**Middlesex County Retirement System**

<u>Year Ended</u>	<u>Proportion of the net pension liability (asset)</u>	<u>Proportionate share of the net pension liability (asset)</u>	<u>Covered payroll</u>	<u>Net pension liability as a percentage of covered payroll</u>	<u>Plan fiduciary net position as a percentage of the total pension liability</u>
December 31, 2023.....	3.88%	\$ 65,695,729	\$ 20,232,436	324.70%	55.21%
December 31, 2022.....	3.94%	66,845,536	19,605,695	340.95%	52.61%
December 31, 2021.....	4.08%	54,643,133	18,814,338	290.43%	61.14%
December 31, 2020.....	4.03%	61,745,935	18,621,425	331.59%	53.42%
December 31, 2019.....	4.01%	64,186,721	17,867,775	359.23%	49.45%
December 31, 2018.....	4.10%	63,931,576	16,560,368	386.05%	46.40%
December 31, 2017.....	4.14%	58,772,716	15,869,459	370.35%	49.27%
December 31, 2016.....	3.98%	56,372,784	15,254,095	369.56%	45.49%
December 31, 2015.....	4.02%	51,874,232	14,865,858	348.95%	46.13%
December 31, 2014.....	4.05%	48,635,848	14,294,094	340.25%	47.65%

*See notes to required supplementary information.*

**Town of Sudbury, Massachusetts**  
**Schedule of the Town's Contributions**  
**Middlesex County Retirement System**

<u>Year Ended</u>	<u>Actuarially determined contribution</u>	<u>Contributions in relation to the actuarially determined contribution</u>	<u>Contribution deficiency (excess)</u>	<u>Covered payroll</u>	<u>Contributions as a percentage of covered payroll</u>
June 30, 2024.....	\$ 6,370,873	\$ (6,370,873)	\$ -	\$ 20,434,760	31.18%
June 30, 2023.....	5,993,875	(5,993,875)	-	19,801,752	30.27%
June 30, 2022.....	5,622,886	(5,622,886)	-	19,002,481	29.59%
June 30, 2021.....	5,389,846	(5,389,846)	-	18,807,639	28.66%
June 30, 2020.....	5,026,152	(5,026,152)	-	18,046,453	27.85%
June 30, 2019.....	4,468,265	(4,468,265)	-	16,725,972	26.71%
June 30, 2018.....	4,185,908	(4,191,182)	(5,274)	16,028,154	26.15%
June 30, 2017.....	3,961,686	(3,961,686)	-	15,444,771	25.65%
June 30, 2016.....	3,710,907	(3,710,907)	-	15,051,681	24.65%
June 30, 2015.....	3,458,181	(3,458,181)	-	14,472,770	23.89%

*See notes to required supplementary information.*

**Town of Sudbury, Massachusetts**

**Schedule of the Special Funding Amounts of the Net Pension Liability**

**Massachusetts Teachers' Retirement System**

The Commonwealth of Massachusetts is a nonemployer contributor and is required by statute to make all actuarially determined employer contributions on behalf of the member employers which creates a special funding situation. Therefore, there is no net pension liability to recognize. This schedule discloses the Commonwealth's 100% share of the associated collective net pension liability; the portion of the collective pension expense as both a revenue and pension expense recognized; and the Plan's fiduciary net position as a percentage of the total liability.

<u>Year</u>	<u>Commonwealth's 100% Share of the Associated Net Pension Liability</u>	<u>Expense and Revenue Recognized for the Commonwealth's Support</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Liability</u>
2024.....	\$ 88,936,247	\$ 8,303,990	58.48%
2023.....	89,273,660	7,343,630	57.75%
2022.....	77,154,513	6,191,328	62.03%
2021.....	96,671,905	11,940,365	50.67%
2020.....	85,338,062	10,348,721	53.95%
2019.....	79,886,091	8,093,272	54.84%
2018.....	79,071,794	8,252,953	54.25%
2017.....	74,707,293	7,620,634	52.73%
2016.....	68,827,354	5,582,511	55.38%
2015.....	54,298,794	3,772,398	61.64%

*See notes to required supplementary information.*

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# *Other Postemployment Benefit Plan Schedules*

The Schedule of Changes in the Town's Net Other Postemployment Benefit Liability and Related Ratios presents multi-year trend information on changes in the Plan's total OPEB liability, changes in the Plan's net position, and ending net OPEB liability. It also demonstrates the Plan's net position as a percentage of the total liability and the Plan's net other postemployment benefit liability as a percentage of covered employee payroll.

The Schedule of the Town's Contributions presents multi-year trend information on the Town's actual contributions to the other postemployment benefit plan and related ratios.

The Schedule of Investment Returns presents multi-year trend information on the money-weighted investment return on the Plan's other postemployment assets, net of investment expense.

These schedules are intended to present information for ten years. Until a ten year trend is compiled, information is presented for those years for which information is available.

**Town of Sudbury, Massachusetts**

**Schedule of Changes in the Town's Net OPEB Liability and Related Ratios**

**Other Postemployment Benefit Plan**

	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024
<b>Total OPEB Liability</b>								
Service Cost.....	\$ 2,554,435	\$ 2,050,213	\$ 2,142,474	\$ 2,625,560	\$ 4,551,328	\$ 1,580,708	\$ 1,761,252	\$ 1,879,460
Interest.....	2,248,478	2,471,259	2,498,452	2,537,689	2,194,682	2,230,963	3,308,343	3,452,526
Changes of benefit terms.....	-	-	-	(928,278)	-	-	-	-
Differences between expected and actual experience.....	-	(6,260,543)	-	(2,832,407)	-	(1,218,427)	-	(6,647,131)
Changes of assumptions.....	(6,789,769)	9,184,285	6,217,539	25,956,202	1,343,407	(38,666,599)	1,020,732	(7,696,551)
Benefit payments.....	<u>(1,417,777)</u>	<u>(1,411,650)</u>	<u>(1,509,308)</u>	<u>(1,675,382)</u>	<u>(1,757,266)</u>	<u>(1,902,479)</u>	<u>(1,902,479)</u>	<u>(2,086,655)</u>
Net change in total OPEB liability.....	(3,404,633)	6,033,564	9,349,157	25,683,384	6,332,151	(37,975,834)	4,187,848	(11,098,351)
Total OPEB liability - beginning.....	<u>54,086,755</u>	<u>50,682,122</u>	<u>56,715,686</u>	<u>66,064,843</u>	<u>91,748,227</u>	<u>98,080,378</u>	<u>60,104,544</u>	<u>64,292,392</u>
Total OPEB liability - ending (a).....	<u>\$ 50,682,122</u>	<u>\$ 56,715,686</u>	<u>\$ 66,064,843</u>	<u>\$ 91,748,227</u>	<u>\$ 98,080,378</u>	<u>\$ 60,104,544</u>	<u>\$ 64,292,392</u>	<u>\$ 53,194,041</u>
<b>Plan fiduciary net position</b>								
Employer contributions.....	\$ 442,920	\$ 576,107	\$ 730,439	\$ 596,742	\$ 687,520	\$ 620,365	\$ 714,453	\$ 725,435
Employer contributions for OPEB payments.....	1,417,777	1,411,650	1,509,308	1,675,382	1,757,266	1,902,479	1,902,479	2,086,655
Net investment income (loss).....	198,566	(27,161)	634,424	165,091	1,698,091	353,363	1,186,988	1,325,942
Benefit payments.....	<u>(1,417,777)</u>	<u>(1,411,650)</u>	<u>(1,509,308)</u>	<u>(1,675,382)</u>	<u>(1,757,266)</u>	<u>(1,902,479)</u>	<u>(1,902,479)</u>	<u>(2,086,655)</u>
Net change in plan fiduciary net position.....	641,486	548,946	1,364,863	761,833	2,385,611	973,728	1,901,441	2,051,377
Plan fiduciary net position - beginning of year.....	<u>5,238,714</u>	<u>5,880,200</u>	<u>6,429,146</u>	<u>7,794,009</u>	<u>8,555,842</u>	<u>10,941,453</u>	<u>11,915,181</u>	<u>13,816,622</u>
Plan fiduciary net position - end of year (b).....	<u>\$ 5,880,200</u>	<u>\$ 6,429,146</u>	<u>\$ 7,794,009</u>	<u>\$ 8,555,842</u>	<u>\$ 10,941,453</u>	<u>\$ 11,915,181</u>	<u>\$ 13,816,622</u>	<u>\$ 15,867,999</u>
<b>Net OPEB liability - ending (a)-(b).....</b>	<u>\$ 44,801,922</u>	<u>\$ 50,286,540</u>	<u>\$ 58,270,834</u>	<u>\$ 83,192,385</u>	<u>\$ 87,138,925</u>	<u>\$ 48,189,363</u>	<u>\$ 50,475,770</u>	<u>\$ 37,326,042</u>
Plan fiduciary net position as a percentage of the total OPEB liability.....	11.60%	11.34%	11.80%	9.33%	11.16%	19.82%	21.49%	29.83%
Covered-employee payroll.....	\$ 38,721,911	\$ 35,461,031	\$ 39,495,099	\$ 41,146,333	\$ 42,145,772	\$ 45,967,663	\$ 47,346,693	\$ 49,866,028
Net OPEB liability as a percentage of covered-employee payroll.....	115.70%	141.81%	147.54%	202.19%	206.76%	104.83%	106.61%	74.85%

Note: this schedule is intended to present information for 10 years.  
Until a 10-year trend is compiled, information is presented for those years for which information is available.

*See notes to required supplementary information.*

**Town of Sudbury, Massachusetts**

**Schedule of the Town's Contributions**

**Other Postemployment Benefit Plan**

<u>Year Ended</u>	<u>Actuarially determined contribution</u>	<u>Contributions in relation to the actuarially determined contribution</u>	<u>Contribution deficiency (excess)</u>	<u>Covered- employee payroll</u>	<u>Contributions as a percentage of covered- employee payroll</u>
June 30, 2024.....	\$ 3,788,858	\$ (2,812,090)	\$ 976,768	\$ 49,866,028	5.64%
June 30, 2023.....	4,037,020	(2,616,932)	1,420,088	47,346,693	5.53%
June 30, 2022.....	3,788,009	(2,522,844)	1,265,165	45,967,663	5.49%
June 30, 2021.....	7,039,257	(2,444,786)	4,594,471	42,145,772	5.80%
June 30, 2020.....	4,806,807	(2,272,124)	2,534,683	41,146,333	5.52%
June 30, 2019.....	4,185,097	(2,239,747)	1,945,350	39,495,099	5.67%
June 30, 2018.....	3,999,612	(1,987,757)	2,011,855	35,461,031	5.61%
June 30, 2017.....	4,244,275	(1,860,697)	2,383,578	38,721,911	4.81%

Note: this schedule is intended to present information for 10 years.

Until a 10-year trend is compiled, information is presented for those years for which information is available.

*See notes to required supplementary information.*



**Town of Sudbury, Massachusetts**

**Schedule of Investment Returns**

**Other Postemployment Benefit Plan**

<u>Year Ended</u>	<u>Annual money-weighted rate of return, net of investment expense</u>
June 30, 2024.....	8.78%
June 30, 2023.....	9.00%
June 30, 2022.....	2.92%
June 30, 2021.....	17.35%
June 30, 2020.....	1.86%
June 30, 2019.....	8.35%
June 30, 2018.....	-0.39%
June 30, 2017.....	3.26%

Note: this schedule is intended to present information for 10 years. Until a 10-year trend is compiled, information is presented for those years for which information is available.

*See notes to required supplementary information.*

**Town of Sudbury, Massachusetts**

**Notes to Required Supplementary Information**

**Year Ended June 30, 2024**

**NOTE A – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

Budgetary Information

Municipal Law requires the Town to adopt a balanced budget that is approved by Town Meeting. The Town legally adopts a budget for the General Fund and Community Preservation Fund. The Finance Committee presents an annual budget to Town Meeting, which includes estimates of revenues and other financing sources and recommendations of expenditures and other financing uses. Town Meeting, which has full authority to amend and/or reject the budget or any individual line item, adopts the expenditure budget by majority vote. Increases or transfers between departments subsequent to the approval of the annual budget, requires majority Town Meeting approval via a supplemental appropriation.

The majority of the Town's appropriations are non-continuing which lapse at the end of each year. Others are continuing appropriations for which the governing body has authorized that an unspent balance from a prior year be carried forward and made available for spending in the current year. These carry forwards are included as part of the subsequent year's original budget.

Generally, expenditures may not exceed the legal level of spending authorized for an appropriation account. However, the Town is statutorily required to pay debt service, regardless of whether such amounts are appropriated. Additionally, expenditures for disasters, natural or otherwise, and final judgments may exceed the level of spending authorized by majority vote of the Town Meeting.

The original 2024 approved budget for the general fund authorized \$117.9 million in appropriations and other amounts to be raised, as well as \$7.4 million of encumbrances and capital articles carried forward from the prior year. During the year, the Town approved supplemental appropriations totaling \$2.8 million of which \$2.5 million was from the use of free cash. These supplemental appropriations included increases of \$1.5 million for public safety, \$600,000 for public works and \$508,000 for education.

Total revenues came in over budget by \$3.0 million, which primarily related to motor vehicle excise taxes and investment income. Total expenditures came in under budget by \$2.9 million.

The Town Accountant's office has the responsibility to ensure that budgetary control is maintained on an individual line-item appropriation account basis. Budgetary control is exercised through the Town's accounting system.

Appropriation Deficit

During 2024, actual expenditures exceeded appropriations for state and county charges. State and county charges are assessments from the Commonwealth, which are directly deducted from local receipts provided by the state. The Town is not required to raise the state and county deficit.

**Town of Sudbury, Massachusetts**

**Notes to Required Supplementary Information**

**Year Ended June 30, 2024**

**Budgetary - GAAP Reconciliation**

For budgetary financial reporting purposes, the Uniform Municipal Accounting System basis of accounting (established by the Commonwealth of Massachusetts) is followed, which differs from the GAAP basis of accounting. A reconciliation of budgetary-basis to GAAP-basis results for both the general fund and for the community preservation fund for the year ended June 30, 2024, is presented below:

	General	Community Preservation
Net change in fund balance - budgetary basis..... \$	2,471,541	\$ 1,540,567
<u>Perspective differences:</u>		
Activity of the stabilization fund recorded in the general fund for GAAP.....	307,547	-
<u>Basis of accounting differences:</u>		
Net change in recording tax refunds payable.....	407,784	-
Net change in recording 60 day receipts.....	23,167	-
Recognition of revenue for on-behalf payments.....	8,303,990	-
Recognition of expenditures for on-behalf payments.....	(8,303,990)	-
Net change in fund balance - GAAP basis..... \$	3,210,039	\$ 1,540,567

**NOTE B – PENSION PLAN**

**Schedule of the Town’s Proportionate Share of the Net Pension Liability**

The Schedule of the Town’s Proportionate Share of the Net Pension Liability details the Town’s allocated percentage of the net pension liability (asset), the Town’s proportionate share of the net pension liability, and the Town’s covered payroll. It also demonstrates the Town’s net position as a percentage of the Town’s pension liability and the Town’s net pension liability as a percentage of the Town’s covered payroll.

**Schedule of the Town’s Contributions**

Governmental employers are required to pay an annual appropriation as established by PERAC. The Town’s appropriation includes the amounts to pay the pension portion of each member’s retirement allowance, an amount to amortize the actuarially determined unfunded liability to zero in accordance with the system’s funding schedule, and additional appropriations in accordance with adopted early retirement incentive programs. The Town’s appropriations are payable on July 1 and January 1. The Town may choose to pay the entire appropriation in July at a discounted rate. Accordingly, actual Town contributions may be less than the “total appropriation”. The pension fund appropriation is allocated to the Town based on covered payroll.

**Town of Sudbury, Massachusetts**

**Notes to Required Supplementary Information**

**Year Ended June 30, 2024**

Schedule of the Special Funding Amounts of the Net Pension Liabilities

The Commonwealth of Massachusetts is a nonemployer contributor and is required by statute to make all actuarially determined employer contributions on behalf of the member employers which creates a special funding situation. Since the Town does not contribute directly to MTRS, there is no net pension liability to recognize. This schedule discloses the Commonwealth's 100% share of the collective net pension liability that is associated with the Town; the portion of the collective pension expense as both revenue and pension expense recognized by the Town; and the Plan's fiduciary net position as a percentage of the total liability.

Changes of Assumptions

None.

Changes in Plan Provisions

Effective December 31, 2023, pursuant to chapter 269 of the Acts of 2022, the Board approved a one-time increase in the COLA from 3% to 5% effective July 1, 2022.

**NOTE C – OTHER POSTEMPLOYMENT BENEFITS PLAN**

The Town administers a single-employer defined benefit healthcare plan (Plan). The Plan provides lifetime healthcare, dental and life insurance for eligible retirees and their spouses through the Town's group health insurance plan, which covers both active and retired members, including teachers.

**The Other Postemployment Benefit Plan**

Schedule of Changes in the Town's Net Other Postemployment Benefit Liability and Related Ratios

The Schedule of Changes in the Town's Net Other Postemployment Benefit Liability and Related Ratios presents multi-year trend information on changes in the Plan's total OPEB liability, changes in the Plan's net position, and ending net OPEB liability. It also demonstrates the Plan's net position as a percentage of the total liability and the Plan's net other postemployment benefit liability as a percentage of covered-employee payroll.

Schedule of the Town's Contributions

The Schedule of the Town's Contributions includes the Town's annual required contribution to the Plan, along with the contribution made in relation to the actuarially determined contribution and the covered-employee payroll. The Town is not required to fully fund this contribution. It also demonstrates the contributions as a percentage of covered-employee payroll.

Methods and assumptions used to determine contribution rates are as seen on the following page.

**Town of Sudbury, Massachusetts**

**Notes to Required Supplementary Information**

**Year Ended June 30, 2024**

Valuation date.....	July 1, 2023
Actuarial cost method.....	Entry Age Normal.
Asset valuation method.....	Fair Value.
Investment rate of return.....	6.38%, net of investment expenses, including inflation.
Discount rate.....	6.37%, net of investment expenses, including inflation.
Municipal bond rate.....	4.21%, based on the S&P Municipal Bond 20-Year High Grade Index - SAPIHG, as of June 30, 2024.
Inflation rate.....	2.50% as of June 30, 2024 and for future periods.
Payroll growth.....	3.00% as of June 30, 2024 and for future periods.
Mortality rates:	
Pre-Retirement.....	General: RP-2014 Mortality Table for Blue Collar Employees projected generationally with scale MP-2016 for males and females, set forward one year for females. Teachers: RP-2014 Mortality Table for White Collar Employees projected generationally with scale MP-2016 for males and females.
Post-Retirement.....	General: RP-2014 Mortality Table for Blue Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females, set forward one year for females. Teachers: RP-2014 Mortality for White Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females.
Disabled.....	General: RP-2014 Mortality Table for Blue Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females, set forward one year.  Teachers: RP-2014 Mortality Table for White Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females.

Schedule of Investment Returns

The Schedule of Investment Returns includes the money-weighted investment return on the Plan's other postemployment assets, net of investment expenses.

Changes of Assumptions

The discount rate was increased from 5.30% as of June 30, 2023, to 6.37% as of June 30, 2024.

Changes in Plan Provisions

None.

## *Supplementary Information*

## *Combining Statements*

# ***Nonmajor Governmental Funds***

## ***Special Revenue Funds***

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

*School Lunch Fund* – This fund is used to account for all cafeteria activities and is funded by user charges, federal and state grants, and commodities received.

*Affordable Housing Fund* – This fund is used to account for activities relating to the preservation and creation of affordable housing in the Town.

*Revolving Fund* – This fund is used to account for the activity of various revolving funds established in accordance with MGL Chapter 44, Section 53E ½, Chapter 71 and other applicable statutes.

*Receipts Reserved for Appropriation* – This fund is used to account for receipts from a specific revenue source that by law is accounted for separately from the general fund and must be spent by appropriation.

*Town Grants Fund* – This fund is used to account for grant funds received from state and federal governments that are restricted for specific purposes.

*Other Special Revenue Fund* – This fund is used to account for the activity of other special revenues funds that are not categorized within any of the other funds.

## ***Capital Projects Funds***

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

*Chapter 90 Projects* – This fund is used to account for the funds received from the State Highway Department, which are used for the construction, reconstruction and improvement of roadways.

## ***Permanent Funds***

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

*Cemetery Perpetual Care* – This fund is used to account for all contributions associated with cemetery care and maintenance.

*Other Permanent Fund* – This fund is used to account for all small permanent trusts that are not categorized within any of the other funds.



**Town of Sudbury, Massachusetts**

**Nonmajor Governmental Funds  
Combining Balance Sheet**

**June 30, 2024**

	Special Revenue Funds							Project Funds	Permanent Funds			Total Nonmajor Governmental Funds
	School Lunch	Affordable Housing	Revolving	Receipts Reserved for Appropriation	Town Grants	Other Special Revenue	Subtotal	Chapter 90 Projects	Cemetery Perpetual Care	Other Permanent Fund	Subtotal	
<b>ASSETS</b>												
Cash and cash equivalents.....	\$ 993,539	\$ 268,449	\$ 6,839,786	\$ 1,948,466	\$ 2,866,430	\$ 1,898,562	\$ 14,815,232	\$ 412,543	\$ 102,356	\$ 59,141	\$ 161,497	\$ 15,389,272
Investments.....	-	-	-	-	-	-	-	-	1,319,543	433,495	1,753,038	1,753,038
Departmental and other.....	-	-	-	1,211,061	-	181,606	1,392,667	-	-	-	-	1,392,667
<b>TOTAL ASSETS.....</b>	<b>\$ 993,539</b>	<b>\$ 268,449</b>	<b>\$ 6,839,786</b>	<b>\$ 3,159,527</b>	<b>\$ 2,866,430</b>	<b>\$ 2,080,168</b>	<b>\$ 16,207,899</b>	<b>\$ 412,543</b>	<b>\$ 1,421,899</b>	<b>\$ 492,636</b>	<b>\$ 1,914,535</b>	<b>\$ 18,534,977</b>
<b>LIABILITIES</b>												
Warrants payable.....	\$ 13,452	\$ 6,079	\$ 65,436	\$ 1,350	\$ 957,942	\$ 4,283	\$ 1,048,542	\$ -	\$ 4,000	\$ 1,850	\$ 5,850	\$ 1,054,392
Accrued payroll.....	-	-	6,770	-	2,414	20,290	29,474	-	-	-	-	29,474
Other liabilities.....	-	-	-	-	-	314,961	314,961	-	-	-	-	314,961
Unearned revenue.....	-	-	-	-	-	-	-	412,543	-	-	-	412,543
<b>TOTAL LIABILITIES.....</b>	<b>13,452</b>	<b>6,079</b>	<b>72,206</b>	<b>1,350</b>	<b>960,356</b>	<b>339,534</b>	<b>1,392,977</b>	<b>412,543</b>	<b>4,000</b>	<b>1,850</b>	<b>5,850</b>	<b>1,811,370</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>												
Unavailable revenue.....	-	-	-	1,211,061	-	181,606	1,392,667	-	-	-	-	1,392,667
<b>FUND BALANCES</b>												
Nonspendable.....	-	-	-	-	-	-	-	-	1,011,390	267,152	1,278,542	1,278,542
Restricted.....	980,087	262,370	6,767,580	1,947,116	1,906,074	1,559,028	13,422,255	-	406,509	223,634	630,143	14,052,398
<b>TOTAL FUND BALANCES.....</b>	<b>980,087</b>	<b>262,370</b>	<b>6,767,580</b>	<b>1,947,116</b>	<b>1,906,074</b>	<b>1,559,028</b>	<b>13,422,255</b>	<b>-</b>	<b>1,417,899</b>	<b>490,786</b>	<b>1,908,685</b>	<b>15,330,940</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES.....</b>	<b>\$ 993,539</b>	<b>\$ 268,449</b>	<b>\$ 6,839,786</b>	<b>\$ 3,159,527</b>	<b>\$ 2,866,430</b>	<b>\$ 2,080,168</b>	<b>\$ 16,207,899</b>	<b>\$ 412,543</b>	<b>\$ 1,421,899</b>	<b>\$ 492,636</b>	<b>\$ 1,914,535</b>	<b>\$ 18,534,977</b>

**Town of Sudbury, Massachusetts**

**Nonmajor Governmental Funds  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**

**Year Ended June 30, 2024**

	Special Revenue Funds							Capital Project Funds	Permanent Funds			Total Nonmajor Governmental Funds
	School Lunch	Affordable Housing	Revolving	Receipts Reserved for Appropriation	Town Grants	Other Special Revenue	Subtotal	Chapter 90 Projects	Cemetery Perpetual Care	Other Permanent Fund	Subtotal	
<b>REVENUES:</b>												
Intergovernmental.....	\$ 1,082,380	\$ -	\$ -	\$ -	\$ 4,320,383	\$ -	\$ 5,402,763	\$ 1,044,113	\$ -	\$ -	\$ -	\$ 6,446,876
Departmental and other.....	32,872	77,267	2,950,889	906,122	530,665	1,050,515	5,548,330	-	-	-	-	5,548,330
Contributions and donations.....	-	-	4,093	800	24,186	26,971	56,050	-	16,350	655	17,005	73,055
Investment income.....	-	4,583	-	-	326	733	5,642	-	174,828	59,486	234,314	239,956
<b>TOTAL REVENUES.....</b>	<b>1,115,252</b>	<b>81,850</b>	<b>2,954,982</b>	<b>906,922</b>	<b>4,875,560</b>	<b>1,078,219</b>	<b>11,012,785</b>	<b>1,044,113</b>	<b>191,178</b>	<b>60,141</b>	<b>251,319</b>	<b>12,308,217</b>
<b>EXPENDITURES:</b>												
Current:												
General government.....	-	-	118,179	29,404	1,361,721	395,160	1,904,464	-	-	2,562	2,562	1,907,026
Public safety.....	-	-	93,915	-	588,475	614,662	1,297,052	-	-	-	-	1,297,052
Education.....	911,252	-	786,655	-	3,288,692	127,744	5,114,343	-	-	-	-	5,114,343
Public works.....	-	-	602,906	-	56,364	-	659,270	1,044,113	70,000	-	70,000	1,773,383
Health and human services.....	-	-	135,864	-	747,290	9,945	893,099	-	-	96	96	893,195
Culture and recreation.....	-	-	380,881	-	33,103	-	413,984	-	-	39,447	39,447	453,431
Community preservation.....	-	117,420	-	-	-	-	117,420	-	-	-	-	117,420
<b>TOTAL EXPENDITURES.....</b>	<b>911,252</b>	<b>117,420</b>	<b>2,118,400</b>	<b>29,404</b>	<b>6,075,645</b>	<b>1,147,511</b>	<b>10,399,632</b>	<b>1,044,113</b>	<b>70,000</b>	<b>42,105</b>	<b>112,105</b>	<b>11,555,850</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>204,000</b>	<b>(35,570)</b>	<b>836,582</b>	<b>877,518</b>	<b>(1,200,085)</b>	<b>(69,292)</b>	<b>613,153</b>	<b>-</b>	<b>121,178</b>	<b>18,036</b>	<b>139,214</b>	<b>752,367</b>
<b>OTHER FINANCING SOURCES (USES):</b>												
Transfers in.....	-	-	-	-	86,233	-	86,233	-	-	-	-	86,233
Transfers out.....	-	-	(68,525)	(660,000)	-	-	(728,525)	-	-	-	-	(728,525)
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>204,000</b>	<b>(35,570)</b>	<b>768,057</b>	<b>217,518</b>	<b>(1,113,852)</b>	<b>(69,292)</b>	<b>(29,139)</b>	<b>-</b>	<b>121,178</b>	<b>18,036</b>	<b>139,214</b>	<b>110,075</b>
<b>FUND BALANCES AT BEGINNING OF YEAR.....</b>	<b>776,087</b>	<b>297,940</b>	<b>5,999,523</b>	<b>1,729,598</b>	<b>3,019,926</b>	<b>1,628,320</b>	<b>13,451,394</b>	<b>-</b>	<b>1,296,721</b>	<b>472,750</b>	<b>1,769,471</b>	<b>15,220,865</b>
<b>FUND BALANCES AT END OF YEAR.....</b>	<b>\$ 980,087</b>	<b>\$ 262,370</b>	<b>\$ 6,767,580</b>	<b>\$ 1,947,116</b>	<b>\$ 1,906,074</b>	<b>\$ 1,559,028</b>	<b>\$ 13,422,255</b>	<b>\$ -</b>	<b>\$ 1,417,899</b>	<b>\$ 490,786</b>	<b>\$ 1,908,685</b>	<b>\$ 15,330,940</b>

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# Statistical Section



Wayside Inn Grist Mill

# *Statistical Section*

This part of the annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Town's overall financial health.

## *Financial Trends*

- These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time.

## *Revenue Capacity*

- These schedules contain information to help the reader assess the Town's most significant local revenue source, the property tax.

## *Debt Capacity*

- These schedules present information to help the reader assess the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future.

## *Demographic and Economic Information*

- These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place.

## *Operating Information*

- These schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services the Town provides and the activities it performs.

SOURCES: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

## Town of Sudbury, Massachusetts

### Net Position by Component

#### Last Ten Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Governmental activities</b>										
Net investment in capital assets.....	\$ 74,065,551	\$ 75,723,325	\$ 83,392,412	\$ 83,825,266	\$ 88,816,801	\$ 92,401,216	\$ 94,646,039	\$ 97,706,169	\$ 100,098,226	\$ 106,706,327
Restricted.....	18,326,355	14,001,170	9,271,513	11,108,868	9,433,178	10,490,517	12,431,562	14,113,790	15,333,129	15,916,659
Unrestricted.....	<u>(44,621,401)</u>	<u>(41,554,785)</u>	<u>(72,517,200)</u>	<u>(74,085,645)</u>	<u>(77,253,672)</u>	<u>(86,809,152)</u>	<u>(93,243,811)</u>	<u>(91,364,959)</u>	<u>(89,182,323)</u>	<u>(85,893,866)</u>
Total governmental activities net position.....	<u>\$ 47,770,505</u>	<u>\$ 48,169,710</u>	<u>\$ 20,146,725</u>	<u>\$ 20,848,489</u>	<u>\$ 20,996,307</u>	<u>\$ 16,082,581</u>	<u>\$ 13,833,790</u>	<u>\$ 20,455,000</u>	<u>\$ 26,249,032</u>	<u>\$ 36,729,120</u>
<b>Business-type activities</b>										
Net investment in capital assets.....	\$ 1,037,079	\$ 1,112,014	\$ 1,030,608	\$ 950,561	\$ 870,514	\$ 790,467	\$ 746,728	\$ 702,989	\$ 659,250	\$ 615,508
Unrestricted.....	<u>(327,965)</u>	<u>(544,919)</u>	<u>(760,629)</u>	<u>(660,998)</u>	<u>(820,041)</u>	<u>(865,851)</u>	<u>(552,750)</u>	<u>(270,963)</u>	<u>(185,675)</u>	<u>114,465</u>
Total business-type activities net position.....	<u>\$ 709,114</u>	<u>\$ 567,095</u>	<u>\$ 269,979</u>	<u>\$ 289,563</u>	<u>\$ 50,473</u>	<u>\$ (75,384)</u>	<u>\$ 193,978</u>	<u>\$ 432,026</u>	<u>\$ 473,575</u>	<u>\$ 729,973</u>
<b>Primary government</b>										
Net investment in capital assets.....	\$ 75,102,630	\$ 76,835,339	\$ 84,423,020	\$ 84,775,827	\$ 89,687,315	\$ 93,191,683	\$ 95,392,767	\$ 98,409,158	\$ 100,757,476	\$ 107,321,835
Restricted.....	18,326,355	14,001,170	9,271,513	11,108,868	9,433,178	10,490,517	12,431,562	14,113,790	15,333,129	15,916,659
Unrestricted.....	<u>(44,949,366)</u>	<u>(42,099,704)</u>	<u>(73,277,829)</u>	<u>(74,746,643)</u>	<u>(78,073,713)</u>	<u>(87,675,003)</u>	<u>(93,796,561)</u>	<u>(91,635,922)</u>	<u>(89,367,998)</u>	<u>(85,779,401)</u>
Total primary government net position.....	<u>\$ 48,479,619</u>	<u>\$ 48,736,805</u>	<u>\$ 20,416,704</u>	<u>\$ 21,138,052</u>	<u>\$ 21,046,780</u>	<u>\$ 16,007,197</u>	<u>\$ 14,027,768</u>	<u>\$ 20,887,026</u>	<u>\$ 26,722,607</u>	<u>\$ 37,459,093</u>

\* The Town implemented GASB Statement #75 in fiscal year 2018 and revised the fiscal year 2017 balance to reflect the net OPEB liability being recorded for the first time.

\* The Town implemented GASB Statement #84, Fiduciary Activities in 2021 which required the 2020 governmental net position to be revised.

# Town of Sudbury, Massachusetts

## Changes in Net Position

### Last Ten Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Expenses</b>										
Governmental activities:										
General government.....	\$ 4,122,220	\$ 4,048,396	\$ 4,887,644	\$ 6,602,094	\$ 5,918,420	\$ 5,906,285	\$ 6,951,219	\$ 5,966,036	\$ 6,492,684	\$ 7,079,143
Public safety.....	9,946,647	10,968,017	11,533,488	11,875,217	12,891,246	14,735,194	15,493,762	13,169,881	14,151,127	15,028,771
Education.....	71,815,723	75,005,571	80,495,857	82,076,976	87,132,949	94,728,542	99,251,217	88,851,266	94,636,623	97,426,681
Public works.....	7,804,522	8,817,554	8,238,262	9,386,393	8,229,955	8,926,891	9,721,420	8,148,055	9,435,495	9,417,212
Community preservation.....	-	547,875	407,813	338,891	663,553	267,788	757,071	422,114	456,533	491,123
Health and human services.....	1,428,806	1,495,223	1,434,376	1,497,603	1,628,608	1,675,763	1,654,070	1,588,051	1,715,162	2,038,416
Culture and recreation.....	2,805,844	2,934,658	2,799,670	2,795,788	2,797,959	2,869,264	2,573,101	2,459,211	2,633,722	2,682,663
Interest.....	1,111,995	1,003,112	850,668	805,372	647,490	474,513	1,047,122	670,441	441,185	1,972,123
<b>Total government activities expenses.....</b>	<b>99,035,757</b>	<b>104,820,406</b>	<b>110,647,778</b>	<b>115,378,334</b>	<b>119,910,180</b>	<b>129,584,240</b>	<b>137,448,982</b>	<b>121,275,055</b>	<b>129,962,531</b>	<b>136,136,132</b>
Business-type activities:										
Swimming pool.....	620,356	572,679	560,699	484,694	564,572	362,602	405,372	334,151	352,841	233,432
Transfer station.....	258,024	356,787	346,160	334,099	385,933	242,665	320,907	294,598	267,278	234,592
Recreation field maintenance.....	227,819	247,115	264,340	212,255	229,624	145,536	184,278	200,705	232,454	209,139
<b>Total business-type activities expenses.....</b>	<b>1,106,199</b>	<b>1,176,581</b>	<b>1,171,199</b>	<b>1,031,048</b>	<b>1,180,129</b>	<b>750,803</b>	<b>910,557</b>	<b>829,454</b>	<b>852,573</b>	<b>677,163</b>
<b>Total primary government expenses.....</b>	<b>\$ 100,141,956</b>	<b>\$ 105,996,987</b>	<b>\$ 111,818,977</b>	<b>\$ 116,409,382</b>	<b>\$ 121,090,309</b>	<b>\$ 130,335,043</b>	<b>\$ 138,359,539</b>	<b>\$ 122,104,509</b>	<b>\$ 130,815,104</b>	<b>\$ 136,813,295</b>
<b>Program Revenues</b>										
Governmental activities:										
General government charges for services.....	\$ 811,131	\$ 1,268,289	\$ 225,863	\$ 582,225	\$ 583,005	\$ 710,959	\$ 1,074,329	\$ 1,382,409	\$ 1,447,820	\$ 1,414,975
Education charges for services.....	1,978,766	1,259,179	1,483,208	1,313,820	1,556,852	1,219,390	691,861	1,307,305	1,463,005	1,558,124
Other charges for services.....	2,474,899	2,658,217	3,298,261	3,943,295	3,470,787	2,615,745	2,922,370	3,666,116	3,741,009	4,268,943
Operating grants and contributions.....	12,579,719	13,587,012	10,495,915	13,123,543	12,013,671	15,984,725	19,840,778	11,441,564	13,497,699	15,163,671
Capital grants and contributions.....	711,403	2,828,635	982,063	1,085,456	1,754,155	548,098	1,539,365	1,782,924	1,607,104	2,310,330
<b>Total government activities program revenues.....</b>	<b>18,555,918</b>	<b>21,601,332</b>	<b>16,485,310</b>	<b>20,048,339</b>	<b>19,378,470</b>	<b>21,078,917</b>	<b>26,068,703</b>	<b>19,580,318</b>	<b>21,756,637</b>	<b>24,716,043</b>
Business-type activities:										
Swimming pool charges for services.....	505,487	535,355	486,309	478,401	443,086	303,046	539,201	479,855	403,329	413,943
Transfer station charges for services.....	305,071	290,909	385,369	352,734	284,834	245,861	233,961	315,937	284,604	324,276
Recreation field maintenance charges for services.....	197,422	171,704	180,327	217,687	209,934	86,539	217,257	271,710	216,689	205,842
Operating grants and contributions.....	1,132	914	-	-	-	-	-	-	-	-
<b>Total business-type activities program revenues.....</b>	<b>1,009,112</b>	<b>998,882</b>	<b>1,052,005</b>	<b>1,048,822</b>	<b>937,854</b>	<b>635,446</b>	<b>990,419</b>	<b>1,067,502</b>	<b>904,622</b>	<b>944,061</b>
<b>Total primary government program revenues.....</b>	<b>\$ 19,565,030</b>	<b>\$ 22,600,214</b>	<b>\$ 17,537,315</b>	<b>\$ 21,097,161</b>	<b>\$ 20,316,324</b>	<b>\$ 21,714,363</b>	<b>\$ 27,059,122</b>	<b>\$ 20,647,820</b>	<b>\$ 22,661,259</b>	<b>\$ 25,660,104</b>
<b>Net (Expense)/Program Revenue</b>										
Governmental activities.....	\$ (80,479,839)	\$ (83,219,074)	\$ (94,162,468)	\$ (95,329,995)	\$ (100,531,710)	\$ (108,505,323)	\$ (111,380,279)	\$ (101,694,737)	\$ (108,205,894)	\$ (111,420,089)
Business-type activities.....	(97,087)	(177,699)	(119,194)	17,774	(242,275)	(115,357)	79,862	238,048	52,049	266,898
<b>Total primary government net (expense)/program revenue.....</b>	<b>\$ (80,576,926)</b>	<b>\$ (83,396,773)</b>	<b>\$ (94,281,662)</b>	<b>\$ (95,312,221)</b>	<b>\$ (100,773,985)</b>	<b>\$ (108,620,680)</b>	<b>\$ (111,300,417)</b>	<b>\$ (101,456,689)</b>	<b>\$ (108,153,845)</b>	<b>\$ (111,153,191)</b>

(Continued)

# Town of Sudbury, Massachusetts

## Changes in Net Position

### Last Ten Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>General Revenues and other Changes in Net Position</b>										
Governmental activities:										
Real estate and personal property taxes, net of tax refunds payable.....	\$ 72,873,481	\$ 76,224,990	\$ 80,326,042	\$ 82,992,362	\$ 86,386,933	\$ 89,285,488	\$ 92,412,900	\$ 95,045,900	\$ 98,762,980	\$ 104,976,065
Tax and other liens.....	-	-	180,976	151,147	203,432	223,956	79,895	133,575	160,167	207,570
Motor vehicle and other excise taxes.....	3,657,166	3,919,447	3,861,189	4,138,186	4,314,739	4,355,860	4,059,820	4,190,308	4,588,534	4,843,734
Penalties and interest on taxes.....	186,333	306,133	329,083	208,289	284,241	378,737	388,642	328,291	400,916	387,737
Payment in lieu of taxes.....	89,934	48,783	7,350	83,613	61,537	12,347	78,493	40,450	51,296	12,116
Community preservation taxes.....	1,666,981	1,758,188	1,842,032	1,928,868	2,003,914	2,100,691	2,152,845	2,232,661	2,377,855	2,557,909
Grants and contributions not restricted to specific programs.....	1,321,924	1,374,751	6,395,091	6,607,480	6,634,232	6,823,597	6,840,237	6,800,683	7,055,572	7,354,435
Unrestricted investment income (loss).....	32,657	21,667	225,745	273,466	438,848	391,517	398,156	(455,921)	592,106	1,550,111
Gain on sale of capital assets.....	-	-	-	-	-	-	2,910,000	-	-	-
Transfers.....	100,643	39,127	-	-	-	10,500	(189,500)	-	10,500	10,500
<b>Total governmental activities.....</b>	<b>79,929,119</b>	<b>83,693,086</b>	<b>93,167,508</b>	<b>96,383,411</b>	<b>100,327,876</b>	<b>103,582,693</b>	<b>109,131,488</b>	<b>108,315,947</b>	<b>113,999,926</b>	<b>121,900,177</b>
Business-type activities:										
Unrestricted investment income.....	-	-	1,304	1,810	3,185	-	-	-	-	-
Transfers.....	(100,643)	(39,127)	-	-	-	(10,500)	189,500	189,500	(10,500)	(10,500)
<b>Total business-type activities.....</b>	<b>(100,643)</b>	<b>(39,127)</b>	<b>1,304</b>	<b>1,810</b>	<b>3,185</b>	<b>(10,500)</b>	<b>189,500</b>	<b>189,500</b>	<b>(10,500)</b>	<b>(10,500)</b>
<b>Total primary government general revenues and other changes in net positions.....</b>	<b>\$ 79,828,476</b>	<b>\$ 83,653,959</b>	<b>\$ 93,168,812</b>	<b>\$ 96,385,221</b>	<b>\$ 100,331,061</b>	<b>\$ 103,572,193</b>	<b>\$ 109,320,988</b>	<b>\$ 108,505,447</b>	<b>\$ 113,989,426</b>	<b>\$ 121,889,677</b>
<b>Changes in Net Position</b>										
Governmental activities.....	\$ (550,720)	\$ 474,012	\$ (994,960)	\$ 1,053,416	\$ (203,834)	\$ (4,922,630)	\$ (2,248,791)	\$ 6,621,210	\$ 5,794,032	\$ 10,480,088
Business-type activities.....	(197,730)	(216,826)	(117,890)	19,584	(239,090)	(125,857)	269,362	238,048	41,549	256,398
<b>Total primary government changes in net position.....</b>	<b>\$ (748,450)</b>	<b>\$ 257,186</b>	<b>\$ (1,112,850)</b>	<b>\$ 1,073,000</b>	<b>\$ (442,924)</b>	<b>\$ (5,048,487)</b>	<b>\$ (1,979,429)</b>	<b>\$ 6,859,258</b>	<b>\$ 5,835,581</b>	<b>\$ 10,736,486</b>

(Concluded)



**Town of Sudbury, Massachusetts**  
**Fund Balances, Governmental Funds**

**Last Ten Years**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<b>General Fund</b>										
Restricted.....	\$ 5,140,867	\$ 5,624,580	\$ 330,853	\$ 351,652	\$ 355,164	\$ 358,492	\$ 134,177	\$ 128,376	\$ 140,186	\$ 153,510
Committed.....	2,685,774	2,372,996	2,474,734	2,130,571	3,072,549	2,080,526	5,147,141	6,965,364	9,144,645	7,928,856
Assigned.....	1,557,983	1,058,893	1,167,752	2,369,021	875,787	764,428	1,111,739	441,108	485,370	685,298
Unassigned.....	7,158,149	3,479,922	9,873,780	9,812,217	12,546,783	15,541,044	15,286,033	13,290,423	12,710,652	16,923,228
<b>Total general fund.....</b>	<b>\$ 16,542,773</b>	<b>\$ 12,536,391</b>	<b>\$ 13,847,119</b>	<b>\$ 14,663,461</b>	<b>\$ 16,850,283</b>	<b>\$ 18,744,490</b>	<b>\$ 21,679,090</b>	<b>\$ 20,825,271</b>	<b>\$ 22,480,853</b>	<b>\$ 25,690,892</b>
<b>All Other Governmental Funds</b>										
Nonspendable.....	\$ 1,102,743	\$ 1,133,605	\$ 1,163,154	\$ 1,163,154	\$ 1,180,254	\$ 1,187,792	\$ 1,207,892	\$ 1,237,179	\$ 1,254,167	\$ 1,278,542
Restricted.....	16,606,664	11,545,492	13,770,514	17,008,468	15,698,833	16,632,972	20,888,440	24,298,547	25,970,820	28,754,152
Committed.....	55,033	43,405	-	-	-	-	-	-	-	-
Unassigned.....	-	-	-	-	-	(1,920,132)	(1,122,755)	(2,879,956)	(25,096,535)	-
<b>Total all other governmental funds...</b>	<b>\$ 17,764,440</b>	<b>\$ 12,722,502</b>	<b>\$ 14,933,668</b>	<b>\$ 18,171,622</b>	<b>\$ 16,879,087</b>	<b>\$ 15,900,632</b>	<b>\$ 20,973,577</b>	<b>\$ 22,655,770</b>	<b>\$ 2,128,452</b>	<b>\$ 30,032,694</b>

\* The Town implemented GASB Statement #84, Fiduciary Activities in 2021 which required the 2020 governmental net position to be revised.

**Town of Sudbury, Massachusetts**  
**Changes in Fund Balances, Governmental Funds**

**Last Ten Years**

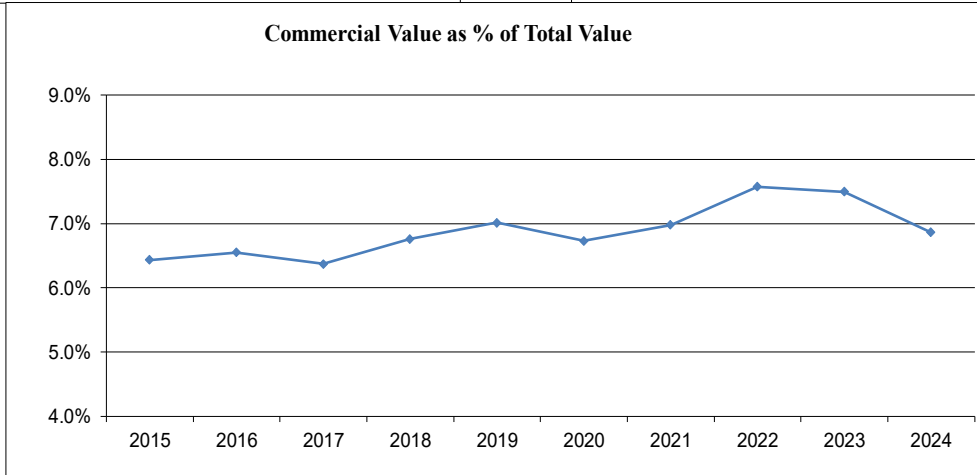
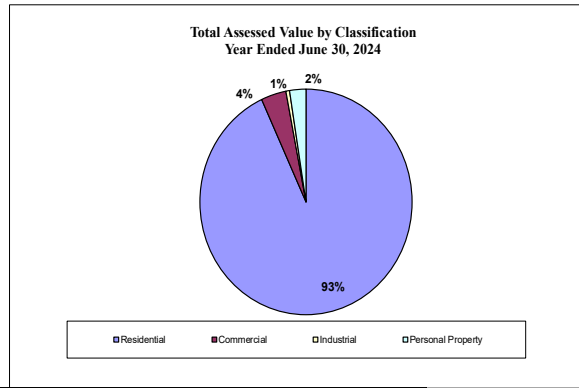
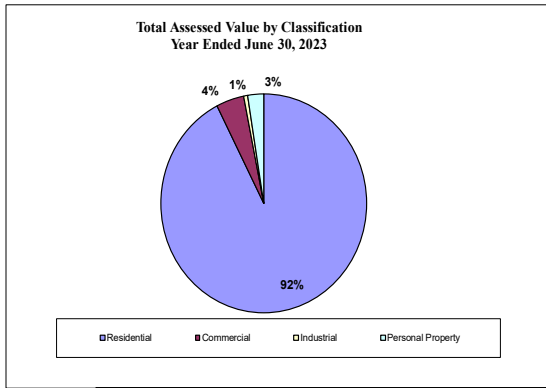
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Revenues:</b>										
Real estate and personal property taxes,										
net of tax refunds.....	\$ 72,210,203	\$ 76,420,221	\$ 80,435,678	\$ 82,385,311	\$ 86,498,484	\$ 88,923,845	\$ 93,012,980	\$ 95,023,032	\$ 98,638,533	\$ 105,538,743
Motor vehicle and other excise taxes.....	3,778,204	3,702,251	4,044,745	4,071,435	4,263,360	3,895,034	4,126,084	4,553,005	4,461,635	4,863,269
Tax liens.....	241,824	202,152	104,819	64,953	115,256	223,956	79,895	133,575	160,167	207,570
Payments in lieu of taxes.....	89,934	48,783	7,350	83,613	61,537	12,347	78,493	40,450	51,296	12,116
Community preservation taxes.....	1,662,709	1,756,562	1,844,752	1,917,476	2,005,675	2,085,433	2,166,545	2,232,495	2,381,654	2,553,632
Intergovernmental.....	10,731,708	13,086,130	18,876,071	21,014,817	20,549,130	24,721,972	27,794,432	19,302,626	21,111,316	25,886,959
Penalties and interest on taxes.....	186,333	306,133	291,741	208,289	284,241	378,737	388,642	328,291	400,916	387,737
Licenses and permits.....	746,655	819,242	1,147,063	1,553,193	1,159,863	748,076	1,191,378	1,129,923	1,313,248	1,037,423
Fines and forfeitures.....	86,250	63,083	37,342	37,711	36,418	25,569	14,631	12,092	15,876	16,659
Departmental and other.....	4,418,544	4,297,707	4,273,848	4,100,809	4,304,546	3,765,773	3,858,502	5,573,064	5,858,244	6,299,042
Contributions.....	302,659	243,641	252,661	608,826	967,495	336,968	1,151,774	208,321	280,642	123,055
Interest income (loss).....	85,504	125,650	225,745	273,466	438,848	391,517	398,156	(455,921)	592,106	1,550,111
<b>Total Revenue.....</b>	<b>94,540,527</b>	<b>101,071,555</b>	<b>111,541,815</b>	<b>116,319,899</b>	<b>120,684,853</b>	<b>125,509,227</b>	<b>134,261,512</b>	<b>128,080,953</b>	<b>135,265,633</b>	<b>148,476,316</b>
<b>Expenditures:</b>										
General government.....	6,233,818	3,732,597	3,498,506	5,093,683	5,246,989	19,450,048	6,291,146	4,632,750	4,962,728	5,673,159
Public safety.....	11,521,631	11,808,341	8,174,832	8,707,893	8,852,263	9,926,681	10,290,070	10,816,662	13,705,277	13,794,117
Education.....	59,901,358	61,131,536	62,385,862	62,579,469	66,761,974	69,191,990	71,072,769	73,543,810	76,177,744	79,669,038
Public works.....	7,889,516	9,191,644	6,521,352	7,366,387	7,055,720	8,908,199	7,566,386	10,283,326	30,272,459	21,816,979
Community preservation.....	-	-	407,813	338,891	3,308,635	267,788	839,789	441,859	496,457	1,085,467
Health and human services.....	1,053,644	1,158,185	1,043,930	1,079,532	1,161,178	1,213,786	1,196,022	1,285,143	1,402,136	1,756,781
Culture and recreation.....	2,174,517	2,561,484	2,116,894	2,109,081	2,624,419	2,148,013	1,666,666	1,931,771	1,965,163	2,343,722
Pension benefits.....	3,482,548	3,738,774	11,582,320	12,463,856	12,586,537	15,389,110	17,330,211	11,814,214	13,337,505	14,674,863
Employee benefits.....	5,865,834	6,098,164	6,949,924	7,337,462	7,376,116	7,711,290	8,211,070	8,355,812	8,728,958	8,554,761
Property and liability insurance.....	263,973	272,418	301,610	312,058	328,256	339,148	400,332	420,735	449,118	484,891
State and county charges.....	227,330	197,943	192,255	205,840	209,519	263,334	296,897	296,146	238,389	260,525
Debt service:										
Principal.....	11,085,000	3,762,321	3,720,041	3,688,057	3,426,950	3,505,343	3,534,621	2,628,908	2,468,503	2,483,116
Interest.....	888,265	1,266,881	1,124,582	1,046,207	852,010	725,292	1,037,000	801,443	725,550	1,600,659
<b>Total Expenditures.....</b>	<b>110,587,434</b>	<b>104,920,288</b>	<b>108,019,921</b>	<b>112,328,416</b>	<b>119,790,566</b>	<b>139,040,022</b>	<b>129,732,979</b>	<b>127,252,579</b>	<b>154,929,987</b>	<b>154,198,078</b>
Excess of revenues over (under) expenditures.....	(16,046,907)	(3,848,733)	3,521,894	3,991,483	894,287	(13,530,795)	4,528,533	828,374	(19,664,354)	(5,721,762)
<b>Other Financing Sources (Uses)</b>										
Issuance of bonds.....	11,805,946	-	-	-	-	14,530,000	2,030,000	-	500,000	34,780,000
Issuance of refunding bonds - advanced refunding.....	-	-	-	-	-	-	2,085,000	-	-	-
Issuance of refunding bonds - current refunding.....	6,845,000	-	-	2,640,000	-	-	905,000	-	-	-
Premium from issuance of bonds and notes.....	925,710	-	-	-	-	94,011	638,512	-	282,118	2,045,543
Premium from issuance of refunding bonds - advanced refunding.....	-	-	-	-	-	-	20,000	-	-	-
Premium from issuance of refunding bonds - current refunding.....	911,298	-	-	172,813	-	-	95,000	-	-	-
Payments to refunded bond escrow agent - advanced refunding.....	-	-	-	-	-	-	(2,105,000)	-	-	-
Payments to refunded bond escrow agent - current refunding.....	-	-	-	(2,750,000)	-	-	(1,000,000)	-	-	-
Proceeds from capital leases.....	315,559	-	-	-	-	-	-	-	-	-
Proceeds from the sale of capital assets.....	-	-	-	-	-	-	1,000,000	-	-	-
Transfers in.....	1,779,092	1,246,311	2,459,512	1,451,315	2,118,638	1,251,306	2,528,875	2,551,075	1,024,759	4,766,886
Transfers out.....	(1,678,449)	(6,445,898)	(2,459,512)	(1,451,315)	(2,118,638)	(1,240,806)	(2,718,375)	(2,551,075)	(1,014,259)	(4,756,386)
<b>Total other financing sources (uses).....</b>	<b>20,904,156</b>	<b>(5,199,587)</b>	<b>-</b>	<b>62,813</b>	<b>-</b>	<b>14,634,511</b>	<b>3,479,012</b>	<b>-</b>	<b>792,618</b>	<b>36,836,043</b>
<b>Net change in fund balance.....</b>	<b>\$ 4,857,249</b>	<b>\$ (9,048,320)</b>	<b>\$ 3,521,894</b>	<b>\$ 4,054,296</b>	<b>\$ 894,287</b>	<b>\$ 1,103,716</b>	<b>\$ 8,007,545</b>	<b>\$ 828,374</b>	<b>\$ (18,871,736)</b>	<b>\$ 31,114,281</b>
Debt service as a percentage of noncapital expenditures.....	11.92%	5.24%	4.55%	1.80%	3.78%	3.57%	3.64%	2.83%	2.51%	3.02%

# Town of Sudbury, Massachusetts

## Assessed Value and Actual Value of Taxable Property by Classification and Tax Rates

### Last Ten Years

Year	Assessed and Actual Values and Tax Rates									
	Residential Value	Residential Tax Rate	Commercial Value	Industrial Value	Personal Property	Total Commercial Value	Commercial Tax Rate	Total Direct Rate	Total Town Value	
2015	\$ 3,825,857,903	\$ 17.60	\$ 147,618,442	\$ 51,552,200	\$ 63,887,360	\$ 263,058,002	\$ 24.88	\$ 18.07	\$ 4,088,915,905	
2016	3,953,667,699	17.80	153,832,208	52,641,600	70,742,800	277,216,608	25.11	18.28	4,230,884,307	
2017	4,128,077,415	17.74	161,710,160	28,896,800	90,269,320	280,876,280	25.01	18.20	4,408,953,695	
2018	4,252,412,677	17.93	172,317,688	29,891,300	106,053,550	308,262,538	24.30	18.36	4,560,675,215	
2019	4,396,808,625	17.91	189,613,218	30,823,000	111,118,740	331,554,958	24.30	18.36	4,728,363,583	
2020	4,451,809,500	18.45	179,424,076	30,823,000	111,016,580	321,263,656	24.97	18.89	4,773,073,156	
2021	4,476,309,078	18.83	193,733,270	32,737,300	109,526,080	335,996,650	25.55	19.30	4,812,305,728	
2022	4,804,601,288	18.05	215,023,558	34,203,500	144,636,520	393,863,578	24.57	18.54	5,198,464,866	
2023	5,708,346,257	15.77	269,234,148	38,246,300	155,200,260	462,680,708	20.23	16.10	6,171,026,965	
2024	6,528,068,698	14.61	268,293,396	39,102,700	173,473,820	480,869,916	21.16	15.06	7,008,938,614	



Source: Assessor's Department, Town of Sudbury  
 All property in the Commonwealth of Massachusetts is assessed at 100% of fair cash value.

Note: Chapter 59, Section 21C of the Massachusetts General Laws, known as "Proposition 2 1/2", imposes 2 separate limits on the annual tax levy of the Town. The primary limitation is that the tax levy cannot exceed 2 1/2 percent of the full and fair cash value. The secondary limitation is that the tax levy cannot exceed the maximum levy limit for the preceding year as determined by the State Commissioner of Revenue by more than 2 1/2 percent, subject to an exception for property added to the tax rolls and for certain substantial valuation increases other than as part of a general revaluation. The secondary limit may be exceeded in any year by a majority vote of the voters, however it cannot exceed the primary limitation.

# Town of Sudbury, Massachusetts

## Principal Taxpayers

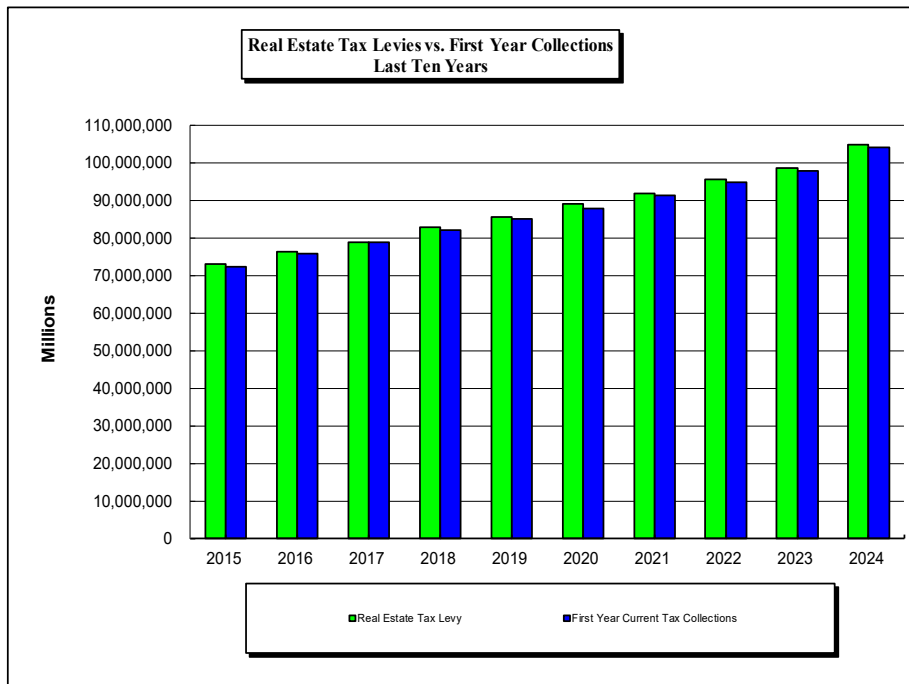
### Current Year and Nine Years Ago

Name	Property Type	2024			2015		
		Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value	Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value
NSTAR Electric & Gas Company	Utility	\$ 120,819,540	1	1.72%	\$ 32,555,760	1	0.80%
Sudbury Avalon Inc.	Housing	\$ 48,604,740	2	0.69%			
Herb Chambers	Auto Dealership	\$ 31,073,440	3	0.44%			
Chiswick Park LLC	Manufacturer	\$ 27,526,700	4	0.39%			
Boston Gas Company	Utility	\$ 19,699,850	5	0.28%	\$ 7,378,860	8	0.18%
The Apartments at Cold Brook	Housing	\$ 18,639,330	6	0.27%			
BPR Development LLC	Housing	\$ 17,681,000	7	0.25%			
TA Sudbury LLC	Shopping Center	\$ 13,926,600	8	0.20%			
Sudbury Research Center LLC	Research & Development	\$ 12,248,200	9	0.17%			
Sudbury Crossing, Ltd	Shopping Center	\$ 12,049,420	10	0.17%	\$ 10,979,800	5	0.27%
Raytheon Corporation	Research & Development				\$ 24,514,400	2	0.60%
Paris Trust LLC	Manufacturer				\$ 13,117,600	3	0.32%
Verizon	Utility				\$ 10,777,300	6	0.26%
Wellyn Inc.	Manufacturer				\$ 8,831,900	7	0.22%
PRI Longfellow Glen LLC	Housing				\$ 11,552,100	4	0.28%
Stanmar/Snider	Auto Dealership				\$ 6,890,900	9	0.17%
Richard J. Bosse Holdings LLC	Health Club				\$ 6,492,200	10	0.16%
	<b>Totals</b>	<u>\$ 322,268,820</u>		<u>4.60%</u>	<u>\$ 133,090,820</u>		<u>3.25%</u>

Source: Official Statement for Sale of Bonds

**Town of Sudbury, Massachusetts**  
**Property Tax Levies and Collections**  
**Last Ten Years**

Year	(1)		(1)	First Year	Percent of	Delinquent	Total	(2)
	Total	Less						
	Tax Levy	Abatements & Exemptions	Tax Levy	Tax Collections	Collected	Tax Collections	Tax Collections	Total Tax Collections to Net Tax Levy
2015	\$ 73,549,580	\$ 562,545	\$ 72,987,035	\$ 72,251,311	98.99%	\$ 603,461	\$ 72,854,772	99.82%
2016	76,997,530	561,430	76,436,100	75,768,929	99.13%	614,187	76,383,116	99.93%
2017	79,892,487	984,546	78,907,941	78,956,353	100.06%	352,595	79,308,948	100.51%
2018	83,323,444	584,388	82,739,056	82,147,081	99.28%	664,381	82,811,462	100.09%
2019	86,384,635	726,568	85,658,067	85,188,157	99.45%	625,877	85,814,034	100.18%
2020	89,733,894	627,195	89,106,699	87,853,592	98.59%	1,279,659	89,133,251	100.03%
2021	92,444,615	478,211	91,966,404	91,366,955	99.35%	595,992	91,962,947	100.00%
2022	95,995,345	430,850	95,564,495	94,862,799	99.27%	752,638	95,615,437	100.05%
2023	99,049,388	446,897	98,602,491	97,774,029	99.16%	479,557	98,253,586	99.65%
2024	105,189,118	431,252	104,757,866	104,079,441	99.35%	-	104,079,441	99.35%



(1) Includes tax liens.

(2) If the actual abatements and exemptions are lower than the estimate the actual collections can exceed the net levy.

Source: Assessor's Department, Town of Sudbury

**Town of Sudbury, Massachusetts**

**Ratios of Outstanding Debt by Type**

**Last Ten Years**

Year	Governmental Activities			Total Debt Outstanding	Percentage of Personal Income	U.S. Census Population	Total Debt Per Capita
	General Obligation Bonds	Direct Borrowings Payable	Leases				
2015	\$ 36,802,575	\$ -	\$ 562,642	\$ 37,365,217	2.23%	18,119	\$ 2,062
2016	32,903,010	-	352,275	33,255,285	1.85%	18,367	1,811
2017	28,939,237	-	183,341	29,122,578	1.50%	18,737	1,554
2018	25,101,589	-	64,801	25,166,390	1.18%	18,867	1,334
2019	21,493,269	-	-	21,493,269	0.99%	18,874	1,139
2020	32,384,793	-	-	32,384,793	1.62%	18,874	1,716
2021	31,354,238	-	-	31,354,238	1.41%	19,627	1,598
2022	28,618,597	-	-	28,618,597	1.25%	19,059	1,502
2023	26,054,821	500,000	-	26,554,821	1.16%	18,965	1,400
2024	60,338,283	475,000	-	60,813,283	2.12%	18,416	3,302

Source: Audited Financial Statements, U.S. Census, Division of Local Services

**Town of Sudbury, Massachusetts**

**Ratios of Outstanding Debt and General Bonded Debt**

**Last Ten Years**

<b>Year</b>	<b>General Obligation Bonds</b>	<b>Percentage of Estimated Actual Taxable Value of Property</b>	<b>General Bonded Debt Per Capita</b>
2015	\$ 36,802,575	0.90%	\$ 2,031
2016	32,903,010	0.78%	1,791
2017	28,939,237	0.66%	1,544
2018	25,101,589	0.55%	1,330
2019	21,493,269	0.45%	1,139
2020	32,384,793	0.68%	1,716
2021	31,354,238	0.65%	1,598
2022	28,618,597	0.55%	1,502
2023	26,054,821	0.42%	1,400
2024	60,338,283	0.86%	3,276

Source: Audited Financial Statements, U.S. Census, Division of Local Services

**Town of Sudbury, Massachusetts**

**Direct and Overlapping Governmental Activities Debt**

**As of June 30, 2024**

<u>Town of Sudbury, Massachusetts:</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Lincoln-Sudbury Regional High School District.....	\$ 980,000	88%	\$ 858,261
General governmental debt.....			<u>60,813,283</u>
Total direct and overlapping debt.....			<u>\$ 61,671,544</u>

Methodologies used to calculate overlapping debt:

Lincoln-Sudbury Regional High School District.

The Town's overlap is based on pupil enrollment.

Source: Official Statement for Sale of Bonds

Note: Overlapping governments are those that coincide, at least in part, with geographic boundaries of the Town. This schedule estimates the portion of outstanding debt of those overlapping governments that is borne by the taxpayers of the town. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the property taxpayers should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.



**Town of Sudbury, Massachusetts**

**Computation of Legal Debt Margin**

**Last Ten Years**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Equalized Valuation.....	\$ 4,154,402,700	\$ 4,535,401,000	\$ 4,535,401,000	\$ 4,796,024,700	\$ 4,796,024,700	\$ 5,131,906,400	\$ 5,131,906,400	\$ 5,513,521,800	\$ 5,513,521,800	\$ 7,603,766,700
Debt Limit - 5% of Equalized Valuation.....	\$ 207,720,135	\$ 226,770,050	\$ 226,770,050	\$ 239,801,235	\$ 239,801,235	\$ 256,595,320	\$ 256,595,320	\$ 275,676,090	\$ 275,676,090	\$ 380,188,335
Less:										
Outstanding debt applicable to limit.....	25,276,800	23,080,000	20,915,000	18,675,000	16,795,000	17,703,234	30,613,614	28,618,957	26,554,821	60,813,283
Authorized and unissued debt.....	621,000	621,000	621,000	3,971,000	18,931,000	18,931,000	35,723,500	39,123,500	39,123,500	2,350,000
Legal debt margin.....	\$ 181,822,335	\$ 203,069,050	\$ 205,234,050	\$ 217,155,235	\$ 204,075,235	\$ 219,961,086	\$ 190,258,206	\$ 207,933,633	\$ 209,997,769	\$ 317,025,052
Total debt applicable to the limit as a percentage of debt limit.....	12.47%	10.45%	9.50%	9.44%	14.90%	14.28%	25.85%	24.57%	23.82%	16.61%

Source: Official Statement for Sale of Bonds

**Town of Sudbury, Massachusetts**  
**Demographic and Economic Statistics**  
**Last Ten Years**

<b>Year</b>	<b>Population Estimates</b>	<b>Personal Income</b>	<b>Per Capita Personal Income</b>	<b>Median Age</b>	<b>Unemployment Rate</b>
2015	18,119	\$ 1,673,761,000	\$ 92,376	43	3.5%
2016	18,367	1,802,409,000	98,133	43	3.4%
2017	18,737	1,939,767,000	103,526	44	3.5%
2018	18,867	2,128,537,000	112,818	44	3.0%
2019	18,874	2,178,362,000	115,416	44	2.8%
2020	18,874	2,001,550,000	106,048	44	10.7%
2021	19,627	2,224,406,000	113,334	44	3.6%
2022	19,059	2,296,152,000	120,476	44	2.7%
2023	18,965	2,284,638,000	120,466	44	2.7%
2024	18,416	2,864,093,000	155,522	44	2.4%

Source: Commonwealth of Mass, Division of Local Services, Executive Office of Labor and Workforce Development. Median age is based on most recent census data.

**Town of Sudbury, Massachusetts**  
**Principal Employers (Excluding Town)**  
**Current Year and Nine Years Ago**

Employer	Nature of Business	2024			2015		
		Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
Sudbury Farms	Grocery Store	250	1	4%	300	2	4%
Lincoln-Sudbury Regional School District	Public School District	225	2	3%	225	3	3%
Whole Foods Market	Grocery Store	210	3	3%			
Staples Industrial	Packaging Materials	190	4	3%	175	5	2%
Adtech Systems	Audio/Visual Services	160	5	2%			
Sudbury Pines Extended Care	Extended Care Facility	130	6	2%	100	8	1%
Longfellow's Wayside Inn Restaurant	Restaurant	130	7	2%			
Shaw's Supermarket	Grocery Store	125	8	2%	84	9	1%
Mass State Police Crime Lab	Public Safety	110	9	2%	50	10	1%
Connexion	Staffing & Recruiting	100	10	1%			
Raytheon Corporation	Research & Development				1200	1	17%
Cavicchio Greenhouses, Inc.	Florists				200	4	3%
Methods Machine Tools, Inc.	Machine Engineering				150	6	2%
Bosse Sports	Health Club				110	7	2%

Source: Massachusetts Department of Workforce Development

**Town of Sudbury, Massachusetts**  
**Full-Time Equivalent Town Employees**

**Last Ten Years**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<u>Full-Time Equivalents</u>										
Town.....	29	31	30	30	31	30	30	30	30	32
Public Safety.....	74	78	78	78	83	88	88	88	88	88
School.....	402	413	414	404	372	383	383	428	439	477
Public Works.....	36	34	34	34	34	34	34	34	34	35
Health and Human Services.....	9	9	7	7	8	10	11	11	11	11
Culture and Recreation.....	<u>16</u>	<u>16</u>	<u>17</u>	<u>17</u>	<u>18</u>	<u>18</u>	<u>18</u>	<u>18</u>	<u>18</u>	<u>18</u>
Total.....	<u>566</u>	<u>581</u>	<u>580</u>	<u>570</u>	<u>546</u>	<u>563</u>	<u>564</u>	<u>609</u>	<u>620</u>	<u>661</u>

Source: Annual Budget Report, School Department

# Town of Sudbury, Massachusetts

## Operating Indicators by Function/Program

### Last Ten Years

<b>Function/Program</b>	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>General Government</b>										
Population.....	18,119	18,367	18,737	18,867	18,874	18,874	19,627	19,655	18,965	18,965
Selectmen's meetings.....	45	59	44	35	46	44	44	63	46	42
Licenses issued.....	81	82	82	140	89	88	86	80	81	87
Payroll processed.....	19,591	19,941	19,907	19,555	19,599	19,259	18,389	18,892	20,259	20,150
Invoices paid.....	16,216	15,882	14,816	15,343	16,639	15,126	15,784	15,520	14,513	15,840
Taxable property parcels.....	6,605	6,645	6,658	6,658	6,657	6,673	6,686	6,689	6,683	6,809
Motor vehicle excise processed.....	18,203	19,459	19,654	19,067	19,873	18,868	19,774	19,140	19,447	20,221
Certified vital records.....	1,408	1,415	1,350	1,494	1,473	1,615	1,476	1,266	1,610	1,434
Zoning board of appeals application filed.....	43	31	32	35	47	34	37	47	42	33
<b>Public Safety</b>										
<b>Police</b>										
Calls for service.....	17,021	17,341	13,379	15,936	14,504	14,017	14,447	13,907	12,908	12,688
Walk-in traffic.....	10,051	N/A	11,408	12,630	10,706	7,417	5,464	5,755	6,960	7,616
Arrests.....	128	84	46	57	57	60	53	52	77	61
Criminal complaints.....	247	191	111	156	148	140	125	123	186	213
Motor vehicle accidents.....	511	550	507	554	464	310	324	376	358	420
Alarms.....	750	839	603	601	600	519	513	520	462	398
Medical call responses.....	984	948	907	910	886	1,115	1,044	1,062	1,192	1,138
<b>Fire</b>										
<b>Incidents</b>										
Calls for assistance.....	2,246	2,193	2,034	2,310	2,084	2,200	2,313	2,461	N/A	2,804
Structure fire responses.....	13	19	19	22	38	26	40	43	N/A	54
Emergency medical responses.....	1,237	1,221	1,278	1,332	1,287	1,361	1,421	1,610	N/A	1,655
<b>Building Department</b>										
Building inspections.....	1,643	1,961	1,769	2,012	2,249	2,212	3,075	3,716	3,068	2,443
<b>Education</b>										
Public school enrollment.....	4,505	4,424	4,471	4,064	3,998	4,070	3,803	3,726	3,857	3,756
<b>Public Works</b>										
Depository of property plans.....	5,500	4,110	6,805	6,830	6,830	4,000	6,837	6,837	6,848	6,840
Transfer station stickers issued.....	1,922	2,209	2,371	2,170	2,133	2,097	1,929	1,831	1,970	2,077
Recyclables (tons).....	599	580	608	575	500	463	445	390	393	406
<b>Health and Human Services</b>										
Senior Center program attendance.....	1,900	1,600	1,542	1,700	1,850	1,870	994	1,187	1,499	1,555
Senior Center referrals.....	276	195	106	168	195	420	404	496	599	433
Veteran population (Federal census estimate)....	1,218	509	483	531	531	474	474	290	326	326
Senior and veteran tax work-off participants.....	56	55	55	57	60	56	52	30	50	53
<b>Culture and Recreation</b>										
Library circulation.....	457,612	408,422	398,447	376,594	415,092	363,176	249,327	404,250	N/A	489,481
Library resources sharing.....	104,845	106,321	106,882	107,000	110,010	79,353	176,961	180,500	N/A	133,385
Park & recreation programs.....	493	515	679	680	600	N/A	N/A	N/A	N/A	6,341
Pool use (admittance).....	77,000	77,000	75,000	75,000	75,000	N/A	N/A	N/A	N/A	68,000

Source: Various Town Departments and Annual Town Report

N/A: Information not available

**Town of Sudbury, Massachusetts**

**Capital Asset Statistics by Function/Program**

**Last Ten Years**

<u>Function/Program</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Public safety										
Police										
Number of Stations.....	1	1	1	1	1	1	1	1	1	1
Fire										
Number of Stations.....	3	3	3	3	3	3	3	3	3	3
Trucks.....	7	7	7	7	7	7	7	7	7	7
Education										
Public school buildings.....	5	5	5	5	5	5	5	5	5	5
Public Works										
Streets (miles).....	141	141	141	141	141	141	141	141	141	141
Streetlights.....	627	627	627	627	627	627	627	627	627	627
Traffic signals.....	2	2	2	2	2	2	2	2	2	2
Trucks/rolling stock equipment.....	83	83	83	83	91	91	91	91	91	91
Culture and Recreation										
Public libraries.....	1	1	1	1	1	1	1	1	1	1
Community centers.....	1	1	1	1	1	1	1	1	1	1
Town park and playground acreage.....	96	96	96	96	96	96	96	96	96	96

Source: Various Town Departments

# *Report on Internal Control*

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

To the Honorable Select Board  
**Town of Sudbury, Massachusetts**

**Independent Auditors' Report**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Sudbury, Massachusetts (Town), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our report thereon dated December 29, 2024.

**Report on 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) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control.

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 Town'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 or significant deficiencies may exist that have not been identified.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Town's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 Town'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 Town's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Marcum LLP*

Boston, MA

December 29, 2024