

Mark Pruhenski
Town Manager

E-mail: mpruhenski@townofgb.org
www.townofgb.org



Town Hall, 334 Main Street
Great Barrington, MA 01230

Telephone: (413) 528-1619 x2900
Fax: (413) 528-2290

TOWN OF GREAT BARRINGTON MASSACHUSETTS

OFFICE OF THE TOWN MANAGER

Selectboard and Finance Committee Joint Meeting via Zoom
Order of Agenda for Monday, December 13, 2021, at 6:00 PM

Please click the link below to join the webinar:

<https://us02web.zoom.us/j/84727797185?pwd=NDFRUjFITE12eDN3bE5LaTNBQ0RmZz09>

Webinar ID: 84727797185

Passcode: 528528

Dial-in, audio-only: (929) 205 6099

Pursuant to Governor Baker's March 12, 2020 Order Suspending Certain Provisions of the Open Meeting Law, G.L. c. 30A, §18, and the Governor's June 16, 2021 Revised Order extending remote participation by all members in any meeting of a public body, this meeting of the Great Barrington Selectboard will be conducted via remote participation to the greatest extent possible. Specific information and the general guidelines for remote participation by members of the public and/or parties with a right and/or requirement to attend this meeting can be found on town's website, at www.townofgb.org. For this meeting, members of the public who wish to listen to the meeting may do so in the following manner: See instructions at the top of the agenda. No in-person attendance of members of the public will be permitted, but every effort will be made to ensure that the public can adequately access the proceedings in real time, via technological means.

*****ALL VOTES ARE ROLL CALL*****

1. CALL SPECIAL JOINT MEETING TO ORDER
 - a. Audit Report, presented by Scanlon & Associates
 - b. Budget Policy for Fiscal 2023 (FY23)
 - c. FY23 Budget Meeting Schedule
2. CITIZEN SPEAK TIME

Citizen Speak Time is an opportunity for the Selectboard and Finance Committee to listen to residents. Topics of particular concern or importance may be placed on a future agenda for discussion. This time is reserved for town residents only unless otherwise permitted by the chair, and speakers are limited to 3 minutes each.

3. MEDIA TIME
4. ADJOURNMENT OF JOINT MEETING

*****ALL VOTES ARE ROLL CALL*****

1. CALL TO ORDER SELECTBOARD REGULAR MEETING
2. APPROVAL OF MINUTES
 - a. November 8, 2021
 - b. November 22, 2021
3. SELECTBOARD'S ANNOUNCEMENTS/STATEMENTS
4. TOWN MANAGER'S REPORT

- a. HWW- CodeRED Messages
- b. American Rescue Plan Act (ARPA) Survey Results–Next Steps

5. LICENSES AND PERMITS

- a. Annual License Renewals–See attached List

6. PUBLIC HEARINGS

7. NEW BUSINESS

- a. Request from Peter Puciloski, Attorney for the Community Development Corporation of South Berkshire, 910 Housing Inc., and Wayfinders, Inc., in accordance with Section 10.4.8 of the Zoning Bylaw, for a good cause extension of Special Permit #887-18, issued November 26, 2018 for work in a Zone II of the Water Quality Protection Overlay District at 910 Main Street, Great Barrington.
- b. Senior Tax Deferral Program–Recommendation from Finance Committee
- c. Housatonic Improvement Committee–Charrette Presentation
- d. Not in Our County Pledge

8. CITIZEN SPEAK TIME

Citizen Speak Time is an opportunity for the Selectboard to listen to residents. Topics of particular concern or importance may be placed on a future agenda for discussion. This time is reserved for town residents only unless otherwise permitted by the chair, and speakers are limited to 3 minutes each.

9. SELECTBOARD’S TIME

10. MEDIA TIME

11. ADJOURNMENT

NEXT SELECTBOARD MEETING

December 20, 2021

January 10, 2022

January 24, 2022



Mark Pruhenski, Town Manager

Pursuant to MGL 7c. 30A sec. 20 (f), after notifying the chair of the public body, any person may make a video or audio recording of an open session of a meeting of a public body, or may transmit the meeting through any medium. At the beginning of the meeting, the chair shall inform other attendees of any such recordings. Any member of the public wishing to speak at the meeting must receive permission of the chair. The listings of agenda items are those reasonably anticipated by the chair, which may be discussed at the meeting. Not all items listed may in fact be discussed and other items not listed may be brought up for discussion to the extent permitted by law.

2022 LICENSE RENEWALS

SB Meeting / December 13, 2021

	NAME OF BUSINESS	DBA	LICENSE (S)	HOURS	CHANGES
1	1Shree-3 LLC		common victualler	Monday - Sunday 24hours	none
2	2001, Inc.	Bogie's Restaurant	common victualler all alcoholic; common victualler; weekday entertainment; Sunday entertainment; Amusement	Monday-Sunday 8:00am-2:00am; weekday entertainment Monday-Friday 12:00pm-1:30am; Sunday enter.12:00pm-11:59pm	none; (4) amusement devices
3	7 & 23 Motor Sales		Class II		
4	Agaves Mexican Grill LLC	Agaves Mexican Grill	common victualler all alcoholic; common victualler	8:00am-10:00pm Monday-Sunday	none
5	AJZ Holdings, LLC	Café Adam	common victualler all alcoholic; common victualler	Tuesday- Sunday 5:00pm-9:00pm	none
6	All Star Auto Salvage, LLC	Formel Auto Salvage	Class II & III		none
7	Azteca Enterprises, LLC	Taqueria Azteca	common victualler	Monday-Sunday 10:00am-10:00pm	none
8	Batch 7at 41, Inc.	Manhattan Pizza	common victualler all alcoholic; common victualler	Monday-Sunday 11:00am-10:00pm	none
9	Berkshire Cooperative Association, Inc.	Berkshire Food Co-op	common victualler; retail package wine and malt; weekday entertainment	Monday-Sunday 9:00am-7:00pm	none
10	Berkshire Health Systems	Fairview Hospital (Cafeteria)	common victualler	Monday-Sunday 6:30am-7:00pm	none
11	Berkshire Mountain Brewers, Inc.	Barrington Brewery and Restaurant	common victualler wine and malt; common victualler; amusement (3 devices/\$30ea.)	11:30am-12:00am Monday-Sunday	none
12	Berkshire Pleasure Hospitality, LLC	The Barrington	common victualler all alcoholic; inn holders	Monday-Sunday 24 hours	name missing Hospitality; Carrie's name misspelled
13	Berkshire Restaurant Group III, Inc.	Number Ten	common victualler all alcoholic; common victualler; weekday entertainment	5:00pm-10:00pm; entertainment hrs. 7:00pm-10:00pm Friday & Saturday	none
14	Berkshire South Regional Community Center		weekday entertainment; Sunday entertainment	Monday-Saturday 4:00pm-11:00pm; Sunday 10:00am-11:59pm	none
15	Big Y	Big Y World Class Market #22	retail package all alcoholic; common victualler	Monday-Sunday 7:00am-10:00pm	dba added #22
16	Bizalion's Fine Food, LTD		common victualler wine and malt; common victualler	9:00am-7:30pm Monday-Sunday	none
17	Briarbear LLC	Briarcliff Motel	Innholders	Monday - Sunday 24hours	EIN #82-2874382; Name
18	Carjac Inc.	Plaza Package	retail package all alcoholic	10:00am-11:00pm Monday-Sunday	none
19	Cove Bowling & Entertainment Inc.		common victualler all alcoholic; common victualler; bowling	Monday-Sunday 9:00am-12:00am	no amusement devices
20	Crissey Farm Catering, Inc.		common victualler all alcoholic; common victualler; weekday entertainment	common victualler 11:00am-12:00am Monday-Sunday; weekday entertainment 11:00am-11:59pm Monday-Saturday	none
21	Cumberland Farms Inc.		common victualler	Monday-Sunday 24hours	none
22	D.A. Dempsey Auto Sales		Class II		none
23	Decker's Auto Body Inc. & Mechanic		Class II; Class III		none
24	Domaney's Liquors & Fine Foods		retail package goods store; common victualler	Sunday-Saturday 10:00am-11:00pm	none
25	ESPDM Inc.	Baba Louie's Organic Sour Dough	common victualler all alcoholic; common victualler	Monday-Sunday 12:00pm-9:00pm	time from 1-8 to 12-9
26	Tirekickers.com LLC		Class II		mailing address
27	Fiesta Bar & Grill LLC	Fiesta Bar & Grill	common victualler all alcoholic; common victualler; weekday entertainment; Sunday entertainment	Monday-Sunday 11:00am-10:00pm; entertainment hrs. 8:00pm-2:00am M-F; Sunday 9:00am-11:59pm	none
28	GBFBP Inc.	Four Brothers Pizza			
29	Gorham & Norton Inc.		retail package all alcoholic; common victualler	Monday-Saturday 8:00am-6:00pm	none
30	Guido's Quality Fruit & Produce, Inc.,	Guido's Fresh Marketplace	retail package all alcoholic; common victualler	Monday-Sunday 9:00am-7:00pm	none

2022 LICENSE RENEWALS

	NAME OF BUSINESS	DBA	LICENSE (S)	HOURS	CHANGES
31	Guthrie Center		weekday entertainment; Sunday entertainment	Monday-Saturday 9:00am-1159pm; Sunday 1:00pm-11:59pm	none
32	Hindustan, Inc.	Great Barrington Sunoco	common victualler	Monday-Sunday 6:00am-10:00pm	none + late fees
33	Housatonic Five and Dime	Pleasant & Main	common victualler	Tuesday-Sunday 7:00am-9:00pm	none
34	i.e. Inc.		common victualler all alcoholic; common victualler	Monday-Sunday 8:00am-8:00pm	email, manager
35	J.D. Automotive Inc.		Class II		
36	J.M. Marcus Inc.	Bizen	common victualler all alcoholic; common victualler	Monday-Sunday 10:00am-9:00pm	none; OWES COMMON VICTUALLER LICENSE \$25
37	James A. Modolo Post #8348 VFW Inc.		club license all alcoholic; common victualler; weekday entertainment; Sunday entertainment	common victualler Monday-Sunday 12:00pm-11:59pm; weekday entertainment 12:00pm-12:00am Monday-Saturday; 1:00pm-11:50pm Sunday entertainment	none
38	Kanji Inc.	Holiday Inn Express	Innholders	Monday-Sunday 24 hours 58rooms	emailed 12/2
39	Koii Asian Gourmet, Inc	Koii Chinese Restaurant	common victuarller all alcoholic; common victualler	Monday-Sunday 11:00am-9:30pm	none
40	Kria Vrissi LLC	Aegean Breeze	common victualler; common victualler all alcoholic	Monday-Sunday 11:00am-10:00pm	none
41	Lipton Inc.	Liptonmart #606	common victualler	Monday-Sunday 6:00am-11:00PM	email changed
42	Mahaiwe Performing Arts Center Inc.		common victualler wine & malt; weekday entertainment; Sunday entertainment; motion picture	10:00am-11:00pm Monday-Saturday; Sunday 1:00pm-11:59pm	director's name; Sunday entertainment ck#29333/\$50
43	Maniraj, LLC	Aroma Bar and Grill	common victualler all alcoholic; common victualler	Monday-Sunday 1:00pm-9:00pm	none
44	MATT 19:26, LLC	McDonald's #2809	common victualler	Monday-Sunday 7:00am-10:00pm	none
45	Megjake Inc.	GB Eats	common victualler all alcoholic; common victualler	Monday-Sunday 7:00am-9:00pm	2nd. Telephone #413-429-5954
46	Mooncloud, LLC	Mooncloud	common victualler all alcoholic; common victualler	Tuesday - Sunday 3:00pm-1:00am	phone #413-429-1101
47	Naji's Catering Inc.	Naji's	common victualler wine & malt; common victualler; weekday entertainment	Monday-Saturday 9:00am-11:00pm; entertainment hrs. Fri 6pm-1am, Sat 6pm-1159pm	picking up licenses
48	Price Chopper #155		common victualler	8:00am-10:00pm Sun-Sat	none
49	QJP LLC	Johnny's Garage	Class II		none
50	QJP LLC	John's Auto Body	Class III		none
51	Rubiner's Cheese Mongers & Grocers, LLC		common victualler all alcoholic; beer & wine; common victualler	Monday-Sunday 7:00pm-11:00pm	none
52	Saanvi Liquor Inc.	A & B Package and Variety	retail package all alcoholic; common victualler	Monday-Sunday 6:30am-10:00pm	none
53	Saint James Place		weekday and Sunday entertainment	Monday-Saturday 8:00am-11:00pm; Sunday 1:00pm-11:59pm	none
54	Schmaltz and Pfeffer, LLC	Market Place Kitchen Table	common victualler all alcoholic; common victualler	Monday-Sunday 7:00am-9:00pm	none
55	Shiro Restaurant, Inc.	Shiro	common victualler	Monday-Sunday 10:00am-10:00pm	none
56	Shymajii Inc.	Travelodge			emailed 12/2
57	South Main Donuts, LLC	Dunkin Donuts	common victualler	Monday-Sunday 5:00am-10:00pm	new email
58	Stockbridge Road Realty, LLC (Irinoula Hospitality Inc.)	Fairfield Inn & Suites	common victualler; innholders	Monday-Sunday 24hrs. 93 rooms	name from Irinoula Hospitality
59	The Bistro Box		common victualler	Monday-Sunday 11:00am-7:00pm	none
60	The East Asian Cuisine, Inc.	The East Asian Restaurant	common victualler all alcoholic; common victualler	Tuesday through Thursday 11:00am-9:30pm; Fri-Sat 11:00am-10:30pm; Sun 12:00noon-9:30pm	Monday closed
61	The Sweetish Baker		common victualler	As needed	Days of operation

2022 LICENSE RENEWALS

	NAME OF BUSINESS	DBA	LICENSE (S)	HOURS	CHANGES
62	The Well Restaurant and Bar LLC	The Well	common victualler all alcoholic; common victualler	Monday-Sunday 11:00am-1:00am	Days of operation; email
63	Thornewood Inn		common victualler all alcoholic; common victualler; weekday entertainment; Sunday entertainment; Innholders	common victualler Monday-Sunday 7:00am-11:59pm; weekday entertainment 10:00am-11:59pm; Innholders 12 rooms	none
64	Three is a Charm, Inc.	Windflower Inn	common victualler; innholders	Monday-Sunday 24hrs 13 rooms	none; late fees
65	Three Yanks and a Limey LLC	Miller's Pub	common victualler all alcoholic; common victualler	Monday-Sunday 11:00am-11:00pm	new manager
66	Triplex Management Corp. Inc.	Triplex Cinema	common victualler all alcoholic; common victualler; weekday entertainment; Sunday entertainment; motion picture	common victualler Monday-Sunday 9:00am-11:59pm; weekday entertainment Monday-Saturday 8:00am-11:59pm; Sunday entertainment 9:00am-11:59pm	none
67	Unitarian Universalist Meeting of South Berkshire		weekday entertainment	Monday-Saturday 10:00am-10:00pm	type of entertainment and new phone #
68	Vivaldi's Pizzeria		common victualler	Monday-Sunday 11:00am-11:00pm	none
69	Wainwright Hall, LLC	Wainwright Inn	lodging house license	Monday-Sunday 24hrs. 9 rooms	none
70	Wind in the Pines		Innholders	Monday - Sunday 24hours 15 rooms	none
71	Wood Anchor Inc.	Prairie Whale	common victualler all alcoholic; common victualler	Monday-Sunday 11:00am-1:00am	none; late fees
72	Wyantenuck Country Club		common victualler; weekday entertainment	10:00am-10:00pm Monday-Sunday	none
73	Xicohtencatl Mexican Restaurant		common victualler all alcoholic; common victualler; weekday entertainment	common victualler Monday-Sunday 12:00pm-10:00pm; weekday entertainment Tuesday, Friday & Saturday 6:00pm-11:00pm	none

Communication With Those charged With Governance

To the Honorable Selectboard
Town of Great Barrington
Great Barrington, MA

We have audited the financial statement of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Great Barrington, Massachusetts, for the year ended June 30, 2019. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Town of Great Barrington are described in Note 1 to the financial statements. We noted no transactions entered into by the Town during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates effecting the financial statements were:

1. Net OPEB liability - GASB No. 74 and 75.
2. Net pension liability – GASB No. 67 and 68.
3. The Town's estimate of its compensated absences liability.
4. Estimates involving depreciable lives of the Town's capital assets and the related depreciation.
5. Allowance for uncollectible accounts receivable.

We evaluated the key factors and assumptions used by management in determining that accounting estimates were reasonable in relation to the financial statements taken as a whole.

The financial statements disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. We have proposed several adjustments to the Town's financial statements as management has asked us to provide all adjustments identified regardless of materiality. We have met with Town personnel to review these adjustments and Management of the Town has accepted and approved these adjustments.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as Town of Great Barrington's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

We have orally discussed with Town personnel our findings and other matters during our audit as noted below:

- Improve timeliness and reconciliation of bank transfers for funds that retain its own interest.
- Consider utilizing MUNIS for maintaining Tax Title and Tax Foreclosure detail receivables.
- Implementation of future GASB statements (GASB 84 and 87).
- Veteran benefits receivable.
- Review older motor vehicle excise tax accounts receivables.
- Improve capital asset tracking and accounting.

Other Matters:

We applied certain limited procedures to the Required Supplementary information, (RSI), which supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the supplementary schedules, which accompany the financial statements but are not RSI. With respect to this supplementary schedules, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary schedules to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use:

This information is intended solely for the use of the Town of Great Barrington's management and others within the entity, and is not intended to be and should not be used by anyone other than these specified parties.

Scanlon and Associates, LLC

Scanlon & Associates, LLC
South Deerfield, Massachusetts

September 10, 2020

TOWN OF GREAT BARRINGTON, MASSACHUSETTS

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

For the Year Ended June 30, 2019

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
Report on the Examination of Basic Financial Statements
For the Year Ended June 30, 2019

TABLE OF CONTENTS

	<u>Page</u>
TABLE OF CONTENTS	2
INDEPENDENT AUDITOR’S REPORT	3-4
MANAGEMENT’S DISCUSSION AND ANALYSIS	5-13
BASIC FINANCIAL STATEMENTS	14
Government-Wide Financial Statements	
Statement of Net Position	15
Statement of Activities	16
Fund Financial Statements	
Balance Sheet - Governmental Funds.....	17
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	18
Reconciliation of the Governmental Funds Balance Sheet Total Fund Balances to the Statement of Net Position	19
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	20
Statement of Revenues and Expenditures – Budgetary Basis – (Non-GAAP) – Budget and Actual – General Fund	21
Reconciliation of Revenues and Expenditures from Budgetary Basis to GAAP Basis	22
Statement of Net Position – Proprietary Funds	23
Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds.....	24
Statement of Cash Flows – Proprietary Funds.....	25
Statement of Fiduciary Net Position – Fiduciary Funds.....	26
Notes to the Financial Statements	27-57
REQUIRED SUPPLEMENTARY INFORMATION	58
Pension Plan Schedules	59-60
Other Post Employment Benefit Plan Schedules	61-63
SUPPLEMENTARY SCHEDULES	64
Schedule of Revenues, Expenditures and Changes in Fund Balances – Non-Major Governmental Funds	65-67
Schedule of Real Estate, Personal Property and Rollback Taxes.....	68
Schedule of Community Preservation Surcharges	69
Schedule of Motor Vehicle Excise Taxes.....	70
Schedule of Tax Liens.....	71

Independent Auditor's Report

To the Honorable Selectboard
Town of Great Barrington, Massachusetts

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Great Barrington, Massachusetts, as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

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

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

Scanlon and Associates, LLC

Scanlon & Associates, LLC
South Deerfield, Massachusetts

September 10, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis

As management of the Town of Great Barrington, we offer readers of these financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2019. The intent of this discussion and analysis is to look at the Town's financial performance as a whole. Readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the Town's financial performance.

Financial Highlights

- The Town's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$30,819,982 (net position) for the fiscal year reported. This compares to the previous year when assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$28,601,819, or an increase of \$2,218,163 (8%).
- At the close of the current fiscal year, the Town's governmental funds reported total ending fund balance of \$11,067,014, a decrease of \$50,787 (.5%) in comparison with prior year.
- The General Fund's total fund balance increased \$925,155 (14%) to \$7,392,781. The ending General fund balance is 27% of revenues and transfers in; and 28% of expenditures and transfers out.
- Total liabilities of the Town increased by \$3,148,380 (8%) to \$43,995,161 during the fiscal year. This change was mainly the result of net increases in warrants payable of \$501,643, in the OPEB liability of \$1,832,446 and in the pension liability of \$1,446,182; and a decrease in the bonds payable of \$1,778,687.
- The Town had General fund free cash certified by the Department of Revenue in the amount of \$2,931,025. The key factors that attributed to the free cash amount for fiscal year 2019 were unexpended/unencumbered appropriations of \$1,195,200, excess over budget state and local receipts of \$1,510.900 and prior year free cash not appropriated of \$565,500.
- The Town's enterprise funds certified free cash is as follows:
 - Sewer fund \$ 4,868,069.

Overview of the Financial Statements

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

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

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

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

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

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

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

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

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

Proprietary funds. The Town maintains one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Town uses enterprise funds to account for its sewer activities.

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

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

Financial Highlights

Statement of Net Position Highlights

	Governmental Activities		
	2019	2018	Change
Assets:			
Current assets	\$ 17,261,777	\$ 15,784,542	\$ 1,477,235
Capital assets	37,481,150	36,089,934	1,391,216
Total assets	54,742,927	51,874,476	2,868,451
Deferred Outflows of Resources	2,041,602	819,172	1,222,430
Liabilities:			
Current liabilities (excluding debt)	1,522,426	1,077,224	445,202
Current debt	3,980,990	3,101,990	879,000
Noncurrent liabilities (excluding debt)	19,350,198	16,365,279	2,984,919
Noncurrent debt	8,000,000	9,270,000	(1,270,000)
Total liabilities	32,853,614	29,814,493	3,039,121
Deferred Inflows of Resources	513,244	1,388,391	(875,147)
Net Position:			
Net investment in capital assets	25,500,160	23,717,944	1,782,216
Restricted	5,598,493	5,552,645	45,848
Unrestricted	(7,680,982)	(7,779,825)	98,843
Total net position	\$ 23,417,671	\$ 21,490,764	\$ 1,926,907

	Business-Type Activities		
	2019	2018	Change
Assets:			
Current assets	\$ 6,281,162	\$ 5,781,507	\$ 499,655
Noncurrent assets (excluding capital assets)	-	6,446	(6,446)
Capital assets	12,101,318	12,421,773	(320,455)
Total assets	18,382,480	18,209,726	172,754
Deferred Outflows of Resources	220,247	95,593	124,654
Liabilities:			
Current liabilities (excluding debt)	264,092	453,215	(189,123)
Current debt	979,257	462,045	517,212
Noncurrent liabilities (excluding debt)	2,176,373	1,904,304	272,069
Noncurrent debt	7,721,825	8,212,724	(490,899)
Total liabilities	11,141,547	11,032,288	109,259
Deferred Inflows of Resources	58,869	161,976	(103,107)
Net Position:			
Net investment in capital assets	3,406,682	3,454,680	(47,998)
Restricted	506,709	377,941	128,768
Unrestricted	3,488,920	3,278,434	210,486
Total net position	\$ 7,402,311	\$ 7,111,055	\$ 291,256

Financial Highlights

Statement of Activities Highlights

	Governmental Activities		
	2019	2018	Change
Program Revenues:			
Charges for services	\$ 1,477,847	\$ 1,093,368	\$ 384,479
Operating grants and contributions	702,745	1,095,974	(393,229)
Capital grants and contributions	2,107,574	871,265	1,236,309
General Revenues:			
Property taxes	24,014,458	22,481,092	1,533,366
Motor vehicle excise and other taxes	876,324	925,998	(49,674)
Hotel room occupancy and meal taxes	1,034,152	733,340	300,812
Penalties and interest on taxes	97,327	179,980	(82,653)
Nonrestricted grants	1,061,704	1,221,095	(159,391)
Unrestricted investment income	97,154	34,756	62,398
Miscellaneous	3,746	11,850	(8,104)
Total revenues	31,473,031	28,648,718	2,824,313
Expenses:			
General government	2,103,075	2,635,195	(532,120)
Public safety	3,452,438	3,101,115	351,323
Public works	2,834,412	2,929,485	(95,073)
Education	16,012,972	15,329,397	683,575
Health and human services	616,771	474,637	142,134
Culture and recreation	1,077,378	942,773	134,605
Employee benefits and insurance	3,154,497	2,510,748	643,749
State assessments	73,095	101,656	(28,561)
Interest	379,786	352,412	27,374
Total expenses	29,704,424	28,377,418	1,327,006
Net (expenses) revenues	1,768,607	271,300	1,497,307
Contributions to permanent funds	3,200	2,150	1,050
Transfers	155,100	86,100	69,000
Change in net position	1,926,907	359,550	1,567,357
Net position - beginning of year	21,490,764	21,131,214	359,550
Net position - end of year	\$ 23,417,671	\$ 21,490,764	\$ 1,926,907

	Business-Type Activities		
	2019	2018	Change
Program Revenues:			
Charges for services	\$ 2,225,385	\$ 2,069,098	\$ 156,287
Operating grants and contributions	69,759	21,729	48,030
Total revenues	2,295,144	2,090,827	204,317
Expenses:			
Sewer	1,848,788	1,982,714	(133,926)
Total expenses	1,848,788	1,982,714	(133,926)
Net (expenses) revenues	446,356	108,113	338,243
Transfers	(155,100)	(86,100)	(69,000)
Change in net position	291,256	22,013	269,243
Net position - beginning of year	7,111,055	7,089,042	22,013
Net position - end of year	\$ 7,402,311	\$ 7,111,055	\$ 291,256

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. Assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$30,819,982 at the close of fiscal year 2019.

Net position of \$28,906,842 reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that are still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the investment in its capital assets is reported net of its related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the net position, \$6,105,202, represents resources that are subject to external restrictions on how they may be used. The remaining balance consists of *unrestricted net position* (\$4,192,062).

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

At the end of the current fiscal year, the Town is able to report positive balances in all three categories of net position for its business-type activities.

The governmental activities net position increased by \$1,926,907 (9%) during the current fiscal year. The key elements of the decrease in net position for fiscal year 2019 are attributed to net increases in the acquisition of \$3,606,030 in new capital assets exceeding the depreciation expense (cost spread out over the useful life of the asset) for the year of \$2,214,814 and in the changes from the repayment of debt \$1,300,000, in this year's deferred outflows/(inflows) of resources related to OPEB of \$899,164 and of resources related to pensions of \$1,198,413; and net decreases resulting from the changes in the OPEB liability of \$1,671,475 and in the pension liability of \$1,335,084.

There was an increase of \$291,256 (4%) in net position reported in the sewer business-type activities.

Financial Analysis of the Government's Funds

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

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

As of the end of the current fiscal year, governmental funds reported combined ending fund balances of \$11,067,014, a decrease of \$50,787 (.5%) in comparison with the prior year.

Breakdown of the governmental funds are as follows:

- Non-spendable fund balance – \$295,065 (3%).
- Restricted fund balance – \$4,081,201 (37%).
- Committed fund balance – \$1,254,773 (11%).
- Assigned fund balance – \$3,443,630 (31%).
- Unassigned fund balance – \$1,992,345 (18%).

Major Governmental Funds

At the end of the fiscal year, the General Fund reported a total fund balance of \$7,392,781 increasing \$925,155 (14%) from the prior year. Of the \$7,392,781, the unassigned amount is \$3,932,900 (53%), the assigned amount is \$3,443,630 (46%) and the committed amount is \$16,251 (1%). General fund revenues were \$1,892,062 (7%) more than the prior fiscal year and expenditures also increased by \$968,181 (4%). Other activity in the General Fund consisted of net transfers in from other funds of \$146,069.

The main components of the increase in general fund revenues were related to an increase in property taxes collected of \$1,507,439 (7%) from the prior year.

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

- Decrease in Public works expenditures of \$121,240 (7%).
- Increase in Education expenditures of \$683,575 (4%).
- Increase in Debt service expenditures (principal and interest) of \$388,141 (30%).

The *Street Improvements Fund* is a capital projects fund used to account for the accumulation of resources to make improvements to the Town's sidewalks and roadways. The fund has a deficit balance of \$1,116,153 year and shows a decrease of \$390,384 (54%) attributed to the expenditures. The Town has issued a bond anticipation note of \$1,430,000 which is not reflected in the Fund Balance. The fund ended fiscal year 2019 with a negative balance due to the interim financing with bond anticipation notes. Permanent financing will be done once the project nears completion which will eliminate the deficit.

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

Major Proprietary Funds

The *Sewer Fund* has accumulated a fund balance of \$7,402,311 used in the financing and operations of the Town's sewer system. The fund shows an increase of \$291,256 (4%) in total operations. This change was attributed to operating revenues exceeding operating expenses by \$575,511, interest income of \$62,654, intergovernmental and other receipts of \$7,105, interest expense of \$198,914 and net transfers out to the governmental funds of \$155,100. Operating revenues increased by \$156,287 (8%) while operating expenses decreased by \$132,192 (7%) from the prior year.

General Fund Budgetary Highlights

The final general fund budget for fiscal year 2019 was \$28,246,684. This was an increase of \$941,061 (3%) from the previous year's budget.

General fund expenditures were less than budgeted by \$1,688,847. Of the \$1,688,847 in under budget expenditures, \$493,630 has been carried over to fiscal year 2020.

There are negative variances in property taxes of \$506,488 and intergovernmental receipts of \$18,741 as expectations (budget) were higher than the receipts.

Overall, the variance with the final budget was a positive \$2,199,217 consisting of a revenue surplus of \$1,004,429 and an appropriation surplus of \$1,195,217.

Capital Asset and Debt Administration

Capital Assets. The Town's investment in capital assets for its governmental and business-type activities as of June 30, 2019 amounts to \$37,481,150 and \$12,101,318, respectively.

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

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

- Foreclosure properties for \$210,189.
- Town Hall and information technology improvements for \$480,987.
- Police Station improvements for \$71,436.
- Police vehicle purchases for \$83,588.
- Highway Storage Facility construction for \$77,306.
- Highway vehicle and equipment purchases for \$48,510.
- Road and sidewalk infrastructure improvements for \$2,511,154.
- Library and masonry improvements for \$112,875.
- Olympian Meadow improvements for 9,985.

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

Sewer fund:

- Sewer infrastructure improvements for \$60,205.

Debt Administration. The Town's outstanding governmental debt as of June 30, 2019 totaled \$9,270,000 for various building improvements, vehicles and equipment, and street improvements.

The governmental activities currently have \$2,710,990 in bond anticipation notes outstanding for multiple capital activities.

The Town's outstanding business-type debt as of June 30, 2019 totaled \$8,196,082 consisting of various sewer system improvements.

The business-type activities currently have \$505,000 for phase II of the sewer improvement project.

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

Next Year's Annual Town Meeting

The Town of Great Barrington operates under the "Open Meeting" concept where each voter has an equal vote in adopting of Town budgets and appropriations. The financial statements for June 30, 2019 do not reflect the fiscal year 2020 Town Meeting actions with exception of the free cash amount used to fund the budget. The Annual Town Meeting on May 6, 2019 authorized the fiscal year 2020 operating and capital budgets as follows:

From raise and appropriate	\$	28,331,033
From sewer receipts		2,209,599
From Other Available Funds:		
General Fund:		
Unassigned fund balance:		
Free cash		1,000,000
Community Preservation Fund		1,664,800
Non-major Governmental Funds:		
Sale of real estate		300,000
		<u>300,000</u>
	\$	<u>33,505,432</u>

Requests for Information

This financial report is designed to provide a general overview of the Town of Great Barrington's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Town Manager, Town Hall, 334 Main Street, Great Barrington, Massachusetts 01230.

BASIC FINANCIAL STATEMENTS

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
STATEMENT OF NET POSITION
JUNE 30, 2019

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
CURRENT:			
Cash and Cash Equivalents	\$ 10,078,800	\$ 5,692,883	\$ 15,771,683
Investments	3,471,672	-	3,471,672
Receivables, net of allowance for uncollectibles:			
Property Taxes	1,340,703	-	1,340,703
Tax Liens	470,602	-	470,602
Excise Taxes	143,901	-	143,901
Departmental	140,540	-	140,540
User Charges	-	581,833	581,833
Due from Other Governments	1,615,559	6,446	1,622,005
Total current assets	17,261,777	6,281,162	23,542,939
NONCURRENT:			
Capital Assets, net of accumulated Depreciation:			
Nondepreciable	10,197,796	70,860	10,268,656
Depreciable	27,283,354	12,030,458	39,313,812
Total noncurrent assets	37,481,150	12,101,318	49,582,468
Total Assets	54,742,927	18,382,480	73,125,407
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows Related to Pensions	1,255,686	129,211	1,384,897
Deferred Outflows Related to OPEB	785,916	91,036	876,952
Total Deferred Outflows of Resources	2,041,602	220,247	2,261,849
LIABILITIES			
CURRENT:			
Warrants Payable	1,260,652	173,857	1,434,509
Accrued Payroll	127,796	14,976	142,772
Payroll Withholdings	42,268	-	42,268
Tax Refund Payable	33,000	-	33,000
Accrued Interest	43,710	75,259	118,969
Landfill Post-Closure Care Costs	15,000	-	15,000
Bond Anticipation Notes Payable	2,710,990	505,000	3,215,990
Bonds Payable	1,270,000	474,257	1,744,257
Total current liabilities	5,503,416	1,243,349	6,746,765
NONCURRENT:			
Compensated Absences	222,880	47,500	270,380
Landfill Post-Closure Care Costs	105,000	-	105,000
Net OPEB Liability	15,781,877	1,795,430	17,577,307
Net Pension Liability	3,240,441	333,443	3,573,884
Bonds Payable	8,000,000	7,721,825	15,721,825
Total noncurrent liabilities	27,350,198	9,898,198	37,248,396
Total Liabilities	32,853,614	11,141,547	43,995,161
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows Related to Pensions	44,965	4,627	49,592
Deferred Inflows Related to OPEB	468,279	54,242	522,521
Total Deferred Inflows of Resources	513,244	58,869	572,113
NET POSITION			
Net Investment in Capital Assets	25,500,160	3,406,682	28,906,842
Restricted for:			
Capital Projects	1,108,292	506,709	1,615,001
Federal & State Grants	963,087	-	963,087
Community Preservation	1,681,541	-	1,681,541
Permanent Funds:			
Expendable	23,416	-	23,416
Nonexpendable	295,065	-	295,065
Other Purposes	1,527,092	-	1,527,092
Unrestricted	(7,680,982)	3,488,920	(4,192,062)
Total Net Position	\$ 23,417,671	\$ 7,402,311	\$ 30,819,982

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

**TOWN OF GREAT BARRINGTON, MASSACHUSETTS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019**

	<u>Program Revenues</u>				<u>Net (Expenses) Revenues and Changes in Net Position</u>		
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Governmental Activities:							
General Government	\$ 2,103,075	\$ 522,432	\$ 380,635	\$ -	\$ (1,200,008)	\$ -	\$ (1,200,008)
Public Safety	3,452,438	821,699	99,254	-	(2,531,485)	-	(2,531,485)
Public Works	2,834,412	50,088	-	2,107,574	(676,750)	-	(676,750)
Education	16,012,972	-	-	-	(16,012,972)	-	(16,012,972)
Health and Human Services	616,771	64,985	161,094	-	(390,692)	-	(390,692)
Culture and Recreation	1,077,378	18,643	52,865	-	(1,005,870)	-	(1,005,870)
Employee Benefits and Insurance	3,154,497	-	8,897	-	(3,145,600)	-	(3,145,600)
Intergovernmental Assessments	73,095	-	-	-	(73,095)	-	(73,095)
Interest	379,786	-	-	-	(379,786)	-	(379,786)
Total Governmental Activities	29,704,424	1,477,847	702,745	2,107,574	(25,416,258)	-	(25,416,258)
Business-Type Activities:							
Sewer	1,848,788	2,225,385	69,759	-	-	446,356	446,356
Total Primary Government	\$ 31,553,212	\$ 3,703,232	\$ 772,504	\$ 2,107,574	(25,416,258)	446,356	(24,969,902)
General Revenues:							
Property Taxes					24,014,458	-	24,014,458
Motor vehicle and other excise taxes					876,324	-	876,324
Hotel room occupancy, meals and cannabis taxes					1,034,152	-	1,034,152
Penalties & Interest on taxes					97,327	-	97,327
Grants & Contributions not restricted to specific programs					1,061,704	-	1,061,704
Unrestricted Investment Income					97,154	-	97,154
Miscellaneous					3,746	-	3,746
Contributions to Permanent Funds					3,200	-	3,200
Transfers, net					155,100	(155,100)	-
Total General Revenues, Contributions and Transfers					27,343,165	(155,100)	27,188,065
Change in Net Position					1,926,907	291,256	2,218,163
Net Position:							
Beginning of year					21,490,764	7,111,055	28,601,819
End of year					\$ 23,417,671	\$ 7,402,311	\$ 30,819,982

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

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2019

	General Fund	Street Improvements Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets:				
Cash and Cash Equivalents	\$ 3,714,063	\$ 317,716	\$ 6,047,021	\$ 10,078,800
Investments	3,471,672	-	-	3,471,672
Receivables, net of allowance for uncollectibles:				
Property Taxes	1,316,440	-	24,263	1,340,703
Tax Liens	465,302	-	5,300	470,602
Excise Taxes	143,901	-	-	143,901
Departmental	63,880	-	76,660	140,540
Due from Other Governments	173,282	-	1,442,277	1,615,559
Total Assets	\$ 9,348,540	\$ 317,716	\$ 7,595,521	\$ 17,261,777
Liabilities:				
Warrants Payable	\$ 198,493	\$ 3,869	\$ 1,058,290	\$ 1,260,652
Accrued Payroll	113,733	-	14,063	127,796
Employee Withholdings	42,268	-	-	42,268
Tax Refund Payable	33,000	-	-	33,000
Bond Anticipation Notes Payable	-	1,430,000	1,280,990	2,710,990
Total Liabilities	387,494	1,433,869	2,353,343	4,174,706
Deferred Inflows of Resources - Unavailable Revenue	1,568,265	-	451,792	2,020,057
Fund Balance:				
Nonspendable	-	-	295,065	295,065
Restricted	16,251	-	4,064,950	4,081,201
Committed	-	-	1,254,773	1,254,773
Assigned	3,443,630	-	-	3,443,630
Unassigned	3,932,900	(1,116,153)	(824,402)	1,992,345
Total Fund Balance	7,392,781	(1,116,153)	4,790,386	11,067,014
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 9,348,540	\$ 317,716	\$ 7,595,521	\$ 17,261,777

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

**TOWN OF GREAT BARRINGTON, MASSACHUSETTS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2019**

	General Fund	Street Improvements Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:				
Property Taxes	\$ 23,184,115	\$ -	\$ 516,158	\$ 23,700,273
Intergovernmental	1,096,449	-	2,638,020	3,734,469
Excise and Other Taxes	876,402	-	-	876,402
Hotel Room Occupancy, Meals and Cannabis Taxes	1,034,152	-	-	1,034,152
Licenses, Permits, Fees	952,756	-	-	952,756
Charges for Services	-	-	476,876	476,876
Interest on Taxes	95,895	-	1,432	97,327
Investment Income	97,154	-	31,599	128,753
Gifts and Donations	-	-	43,352	43,352
Other	-	-	11,725	11,725
Total Revenues	27,336,923	-	3,719,162	31,056,085
Expenditures:				
Current:				
General Government	1,724,998	-	766,555	2,491,553
Public Safety	2,284,014	-	732,130	3,016,144
Public Works	1,571,600	390,384	2,280,304	4,242,288
Education	16,012,972	-	-	16,012,972
Health and Human Services	423,601	-	187,620	611,221
Culture and Recreation	625,505	-	300,030	925,535
Employee Benefits and Insurance	2,168,257	-	77,258	2,245,515
Intergovernmental Assessments	73,095	-	-	73,095
Debt Service:				
Principal	1,300,000	-	-	1,300,000
Interest	373,795	-	-	373,795
Total Expenditures	26,557,837	390,384	4,343,897	31,292,118
Excess of Revenues Over (Under) Expenditures	779,086	(390,384)	(624,735)	(236,033)
Other Financing Sources (Uses):				
Operating Transfers In	150,000	-	109,031	259,031
Operating Transfers Out	(3,931)	-	(100,000)	(103,931)
Bond Premium	-	-	30,146	30,146
Total Other Financing Sources (Uses)	146,069	-	39,177	185,246
Net Change in Fund Balances	925,155	(390,384)	(585,558)	(50,787)
Fund Balances, Beginning of Year	6,467,626	(725,769)	5,375,944	11,117,801
Fund Balances, End of Year	\$ 7,392,781	\$ (1,116,153)	\$ 4,790,386	\$ 11,067,014

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

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
Reconciliation of the Governmental Funds Balance Sheet
Total Fund Balances to the Statement of Net Position
For the Year Ended June 30, 2019

Total Governmental Fund Balances		\$ 11,067,014
Capital Assets (net) used in governmental activities are not financial resources and, therefore, are not reported in the funds.		37,481,150
Revenues are recognized on an accrual basis of accounting instead of a modified accrual basis.		2,020,057
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.		1,528,358
Long Term liabilities are not due and payable in the current period and, therefore, are not reported in governmental funds:		
Bonds Payable	\$ (9,270,000)	
Landfill Post-Closure Care Costs	(120,000)	
Net Other Post Employment Benefits Liability	(15,781,877)	
Net Pension Liability	(3,240,441)	
Compensated Absences	(222,880)	(28,635,198)
In the statement of activities, interest is accrued on outstanding long term debt, whereas in governmental funds interest is not reported until due.		(43,710)
Net Position of Governmental Activities		\$ 23,417,671

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

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2019

Net Change in Fund Balances - Total Governmental Funds \$ (50,787)

Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and are reported as depreciation expense:

Capital Outlay Purchases	\$ 3,606,030	
Depreciation	<u>(2,214,814)</u>	1,391,216

Revenue in the Statement of Activities that do not provide current financial resources are fully deferred in the Statement of Revenues, Expenditures and Changes in Fund Balances. Therefore, the recognition of revenue for various types of accounts receivable (i.e., real estate and personal property, motor vehicle excise, etc.) differ between the two statements. This amount represents the net change in deferred inflow - unavailable revenue. 179,811

The issuance of long-term debt (e.g., bonds and leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the financial resources of governmental funds. Neither transaction, however, has any effect on net position:

Repayment of Debt Principal		1,300,000
-----------------------------	--	-----------

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:

Net Change in Compensated Absences	6,640	
Net Change in Landfill Post-Closure Care Costs	15,000	
Net Change in Net Other Post Employment Benefit Liability	(1,671,475)	
Net Change in Deferred Outflow/(Inflow) of Resources Related to OPEB	899,164	
Net Change in Net Pension Liability	(1,335,084)	
Net Change in Deferred Outflow/(Inflow) of Resources Related to Pensions	1,198,413	
Net Change in Accrued Interest	<u>(5,991)</u>	<u>(893,333)</u>

Change in Net Position of Governmental Activities **\$ 1,926,907**

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

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
STATEMENT OF REVENUES AND EXPENDITURES - BUDGETARY BASIS
(NON-GAAP) - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2019

	Budgeted Amounts			Actual Budgetary Basis	Amounts Carried Forward to Next Year	Variance with Final Budget Positive (Negative)
	Amounts Carried Forward from Prior Year	Original Budget	Final Budget			
Revenues:						
Property Taxes	\$ -	\$ 23,348,603	\$ 23,348,603	\$ 22,842,115	\$ -	\$ (506,488)
Intergovernmental	-	1,115,190	1,115,190	1,096,449	-	(18,741)
Excise and Other Taxes	-	422,000	422,000	876,402	-	454,402
Hotel Room Occupancy, Meals and Cannabis Taxes	-	470,000	470,000	1,034,152	-	564,152
Licenses, Permits, Fees	-	568,000	568,000	952,756	-	384,756
Interest on Taxes	-	45,000	45,000	95,895	-	50,895
Investment Income	-	20,000	20,000	95,453	-	75,453
Total Revenues	-	25,988,793	25,988,793	26,993,222	-	1,004,429
Expenditures:						
Current:						
General Government	383,900	1,809,419	2,287,243	1,724,998	446,739	115,506
Public Safety	17,151	2,355,001	2,376,652	2,284,014	2,700	89,938
Public Works	73,444	1,643,798	1,631,627	1,571,600	43,382	16,645
Education	-	16,155,297	16,155,297	16,012,972	-	142,325
Health and Human Services	2,100	483,704	485,804	423,601	120	62,083
Culture and Recreation	8,637	667,425	663,253	625,505	387	37,361
Employee Benefits and Insurance	-	2,749,513	2,749,513	2,168,257	302	580,954
Intergovernmental Assessments	-	73,095	73,095	73,095	-	-
Debt Service:						
Principal	150,000	1,300,000	1,450,000	1,300,000	-	150,000
Interest	550	373,650	374,200	373,795	-	405
Total Expenditures	635,782	27,610,902	28,246,684	26,557,837	493,630	1,195,217
Excess of Revenues Over (Under) Expenditures	(635,782)	(1,622,109)	(2,257,891)	435,385	(493,630)	2,199,646
Other Financing Sources (Uses):						
Operating Transfers In	-	100,000	100,000	250,000	-	150,000
Operating Transfers Out	-	(3,931)	(3,931)	(3,931)	-	-
Total Other Financing Sources (Uses)	-	96,069	96,069	246,069	-	150,000
Net Change in Budgetary Fund Balance	(635,782)	(1,526,040)	(2,161,822)	\$ 681,454	\$ (493,630)	\$ 2,349,646
Other Budgetary Items:						
Free Cash and Other Reserves	-	1,542,504	1,542,504			
Prior Year Deficits	-	(16,464)	(16,464)			
Prior Year Encumbrances	635,782	-	635,782			
Total Other Budgetary Items	635,782	1,526,040	2,161,822			
NET BUDGET	\$ -	\$ -	\$ -			

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

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
Reconciliation of Revenues and Expenditures
from Budgetary Basis to GAAP Basis
For the Year Ended June 30, 2019

	Revenues	Expenditures
Reported on a Budgetary Basis	\$ 26,993,222	\$ 26,557,837
<i>Adjustments:</i>		
Activity for Stabilization Funds Recorded in the General Fund for GAAP Purposes	1,701	-
Net Decrease in Revenue from recording Refund Taxes Payable	(33,000)	-
Net Increase in Revenue from Recording 60-Day Receipts	375,000	-
Reported on a GAAP Basis	\$ 27,336,923	\$ 26,557,837

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

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

	Business-Type Activities Enterprise Funds
	Sewer Fund
ASSETS	
CURRENT:	
Cash and Cash Equivalents	\$ 5,692,883
User Charges, net of allowance for uncollectibles	581,833
Due from Other Governments	6,446
Total current assets	6,281,162
NONCURRENT:	
Capital Assets, net of accumulated depreciation:	
Nondepreciable	70,860
Depreciable	12,030,458
Total noncurrent assets	12,101,318
Total Assets	18,382,480
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Outflows Related to Pensions	129,211
Deferred Outflows Related to OPEB	91,036
Total Deferred Outflows of Resources	220,247
LIABILITIES	
CURRENT:	
Warrants Payable	173,857
Accrued Payroll	14,976
Accrued Interest	75,259
Bond Anticipation Notes Payable	505,000
Bonds Payable	474,257
Total current liabilities	1,243,349
NONCURRENT:	
Compensated Absences	47,500
Net OPEB Liability	1,795,430
Net Pension Liability	333,443
Bonds Payable	7,721,825
Total noncurrent liabilities	9,898,198
Total Liabilities	11,141,547
DEFERRED INFLOWS OF RESOURCES	
Deferred Inflows Related to Pensions	4,627
Deferred Inflows Related to OPEB	54,242
Total Deferred Inflows of Resources	58,869
NET POSITION	
Net Investment in Capital Assets	3,406,682
Restricted for Capital Projects	506,709
Unrestricted	3,488,920
Total Net Position	\$ 7,402,311

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

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

	Business-Type Activities Enterprise Funds
	Sewer Fund
Operating Revenues:	
Charges for Services	\$ 2,201,721
Other	23,664
Total Operating Revenues	2,225,385
Operating Expenses:	
Salaries & Wages	431,400
Operating Expenses	837,815
Depreciation	380,659
Total Operating Expenses	1,649,874
Operating Income (Loss)	575,511
Non-Operating Revenues (Expenses):	
Interest Income	62,654
Intergovernmental	1,490
Other	5,615
Interest Expense	(198,914)
Total Non-Operating Revenues (Expenses)	(129,155)
Income (Loss) Before Operating Transfers	446,356
Operating Transfers:	
Transfer In	-
Transfers (Out)	(155,100)
Total Operating Transfers	(155,100)
Change in Net Position	291,256
Net Position at Beginning of Year	7,111,055
Net Position at End of Year	\$ 7,402,311

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

**TOWN OF GREAT BARRINGTON, MASSACHUSETTS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2019**

	Business-Type Activities Enterprise Funds
	Sewer Fund
Cash Flows From Operating Activities:	
Receipts from Customers and Users	\$ 2,112,479
Receipts from Other Revenues	23,664
Payments to Vendors	(737,652)
Payments to Employees	(430,954)
Net Cash Provided by (Used for) Operating Activities	967,537
Cash Flows from Noncapital Financing Activities:	
Transfers from (to) Other Funds	(155,100)
Net Cash Provided by (Used for) Noncapital Financing Activities	(155,100)
Cash Flows from Capital and Related Financing Activities:	
Intergovernmental	7,720
Proceeds from the Issuance of Notes and Bonds	200,000
Principal Payments on Bonds and Notes	(462,045)
Interest Expense	(199,542)
Net Cash Provided by (Used for) Capital and Related Financing Activities	(448,252)
Cash Flows from Investing Activities:	
Investment Income	62,654
Net Cash Provided by (Used for) Investing Activities	62,654
Net Increase (Decrease) in Cash and Cash Equivalents	426,839
Cash and Cash Equivalents at Beginning of Year	5,266,044
Cash and Cash Equivalents at End of Year	\$ 5,692,883

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

Operating Income (Loss)	\$ 575,511
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:	
Depreciation	380,659
Deferred (Outflows)/Inflows of Resources Related to Pensions	(123,148)
Deferred (Outflows)/Inflows of Resources Related to OPEB	(104,613)
Change in Assets and Liabilities:	
Increase (Decrease) in Warrants Payable	55,855
Increase (Decrease) in Accrued Payroll	446
Increase (Decrease) in Net OPEB Liability	160,971
Increase (Decrease) in Net Pension Liability	111,098
Decrease (Increase) in User Charges Receivable	(89,242)
Total Adjustments	392,026
Net Cash Provided by (Used for) Operating Activities	\$ 967,537

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

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

	Agency Funds
ASSETS	
Cash and Cash Equivalents	\$ 18,165
Total Assets	18,165
LIABILITIES	
Warrants Payable	331
Due to Others	17,834
Total Liabilities	18,165
NET POSITION	
Held in Trust for Other Purposes	\$ -

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

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
Notes to the Financial Statements
Year Ended June 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The Town was incorporated in 1761 under the laws of the Commonwealth of Massachusetts. The Town is governed by an elected five-member Selectboard.

For financial reporting purposes, the Town has included all funds, organizations, account groups, agencies, boards, commissions and institutions. The Town has also considered all potential component units for which it is financially accountable as well as other organizations for which the nature and significance of their relationship with the Town are such that exclusion would cause the basic financial statements to be misleading or incomplete. In fiscal year 2019, it was determined that no entities met the required GASB-39 and GASB-61 criteria of component units.

The Town is responsible for electing the governing board and/or committee members of the Berkshire Hills Regional School District, the Great Barrington Housing Authority and the Great Barrington Fire District. These related organizations are excluded from the financial reporting entity because the Town's accountability does not extend beyond the Town electing the board members. A description of the related organizations follows:

Berkshire Hills Regional School District - A regional school district made up of three communities to serve and provide a learning experience. The regional school district is a separate entity under the Commonwealth of Massachusetts. The District is responsible for both the operating and capital costs related to the school and operates independently from the Town.

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

Great Barrington Fire District – A District that provides water services to the residents of the Town. The districts are autonomous and self-sufficient units under the General Laws of the Commonwealth of Massachusetts. The Town has no significant influence over management, budget or policies of the districts.

B. Government-Wide and Fund Financial Statements

Government-wide financial statements

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

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
Notes to the Financial Statements
Year Ended June 30, 2019

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

Fund financial statements

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

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

Major Fund Criteria

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

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

and

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

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

Proprietary and fiduciary funds are reported by fund type.

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

Government-wide financial statements

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis* of accounting, as are the proprietary fund and fiduciary fund financial statements. Under the modified accrual basis of accounting revenues are recognized when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
Notes to the Financial Statements
Year Ended June 30, 2019

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

Fund financial statements

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

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

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

The Town reports the following major governmental fund:

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

The *street improvements fund* a capital projects fund used to account for the accumulation of resources to make improvements to the Town's sidewalks and roadways..

The Town reports the following major proprietary funds:

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

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

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

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

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

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
Notes to the Financial Statements
Year Ended June 30, 2019

Additionally, the Town reports the following fund types:

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

The *agency fund* is used to account for assets held in a purely custodial capacity.

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

D. Cash and Cash Equivalents

Cash balances from all funds, except those required to be segregated by law, are combined to form a consolidation of cash. Cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with an original maturity of three months or less from the date of acquisition. The Town maintains a cash and investment pool that is available for use by all funds. Each fund's portion of this pool is reflected on the combined financial statements under the caption, "cash and cash equivalents".

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

Investment income from proprietary funds is maintained in those funds.

E. Investments

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

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

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

Level 3 inputs are unobservable for the asset or liability.

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

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
Notes to the Financial Statements
Year Ended June 30, 2019

Additional investment disclosures are presented in these Notes.

F. Receivables

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

Property Taxes and Tax Liens

Property taxes are based on assessments as of January 1, 2018. Taxes are used to finance the operations of the Town for the fiscal year July 1st to June 30th. By law, all taxable property in the Commonwealth of Massachusetts must be assessed at 100% of fair cash value. Taxes are due and payable on July 1st. The first tax payment is due November 1st, or thirty days after the date tax bills were mailed, whichever is later and must be at least one-half of the tax and any betterments. The balance of the tax is owed by May 1st of the following year. If payments are not made by the due dates, interest at the rate of 14% will be charged on the amount of the payment that is unpaid and overdue. The Town has an ultimate right to foreclose on property for which taxes have not been paid. Property taxes levied are recorded as receivables. Revenues from property taxes are recognized in the fiscal year for which they have been levied.

The Town mailed actual tax bills for fiscal year 2019 on September 27, 2018 and March 26, 2019 that were due on November 1, 2018 and May 1, 2019.

The Commonwealth of Massachusetts electorate in November, 1980, passed legislation known as Proposition 2 1/2, in order to limit the amount of revenue to be raised by taxation. The purpose of the legislation was to control the levy of taxes that are assessed to property owners of a Town. The legal levy limit under Proposition 2 1/2 for fiscal year 2019 is as follows:

Legal Levy Limit Under Proposition 2 1/2 for fiscal year 2019	\$ 22,803,152
Less: Debt Exclusion	<u>1,427,734</u>
Maximum Allowable Levy	<u><u>\$ 24,230,886</u></u>

The total amount to be raised by taxation was \$23,500,999.

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

Excise Taxes

Excise taxes consist of motor vehicle excise. Excise taxes are assessed annually and are recorded as receivables in the fiscal year of levy. The Commonwealth is responsible for reporting the number of vehicles registered and the fair value of those vehicles.

The tax calculation is the fair market value of the vehicle multiplied by \$25 per \$1,000 of value.

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

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
Notes to the Financial Statements
Year Ended June 30, 2019

User Charges

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

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

Departmental

Departmental receivables consist of fees for parking tickets and public safety false alarms, and police off-duty details.

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

Due from Other Governments

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

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

G. Capital Assets

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

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

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

Capital Asset Type	Years
Buildings and renovations	20-40
Machinery, equipment and other	3-15
Infrastructure	20-40

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

H. Interfund Transfers

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

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
Notes to the Financial Statements
Year Ended June 30, 2019

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

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

I. Deferred Outflows/Inflows of Resources

Government-wide financial statements

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

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

Fund financial statements

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

J. Net Position and Fund Balances

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

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

Net position has been "restricted for" the following:

"Capital projects" represents amounts restricted for capital purposes.

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

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
Notes to the Financial Statements
Year Ended June 30, 2019

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

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

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

“Other purposes” represents restrictions placed on assets from outside parties.

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

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

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

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

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

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

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

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

K. Long-term Debt

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

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

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
Notes to the Financial Statements
Year Ended June 30, 2019

L. Compensated Absences

The Town grants to employees unused sick leave benefits in varying amounts based upon length of service and in accordance with various individual union contracts. Upon retirement, termination, or death, certain employees are compensated for unused sick leave (subject to certain limitations) at their current rates of pay. The Town has established a trust fund with Town appropriations (typically \$35,000 annually, \$30,000 from the general fund and \$5,000 from the sewer fund) to be used to fund the accumulated sick leave benefits. The balance in the trust fund at June 30, 2019 is \$386,755.

M. Pension Benefits

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the Berkshire County Retirement System (the System) is provided. Additions to and deductions from the System's fiduciary net position have been determined on the same basis as they are reported by the system. For this purpose, benefit payments (including refunds of employee contributions), are recognized when due and payable according with the benefit terms. Investments are reported at their fair value.

N. Post Retirement Benefits

In addition to providing pension benefits, health insurance coverage is provided for retired employees and their survivors in accordance with MGL, Chapter 32, on a pay-as-you-go basis. The cost of providing health insurance is recognized by recording the employer's 50% share of insurance premiums for retirees, spouses and surviving spouses in the general fund in the fiscal year paid.

O. Use of Estimates

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

P. Total Column

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

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

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

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

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
Notes to the Financial Statements
Year Ended June 30, 2019

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

- Estimates are submitted by departments in accordance with Massachusetts general Laws.
- The budget is legally enacted by vote at the annual Town meeting.
- Supplemental appropriations may be made from available funds after the setting of the tax rate with Town meeting approval.
- Throughout the year appropriations may be transferred between departments with Town meeting approval.

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

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

For fiscal year 2019, the Town incurred a final budget deficit of \$2,161,822 for the General Fund.

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

Unassigned fund balance:	
Free cash votes	\$ 1,542,504
Reserve for Deficits	(16,464)
Prior year's encumbrances	635,782
	\$ 2,161,822
	\$ 2,161,822

B. Deficit Fund Balances

The following funds have deficits at June 30, 2019 as measured by the balances of unassigned fund balance.

- The *Antenna/fiber optic* capital project fund has a deficit of \$49,254. The Town has an outstanding bond anticipation note for \$50,000. This deficit will be eliminated upon the issuance of permanent debt.
- The *Cemetery equipment* capital project funds have deficits totaling \$22,573. The Town has outstanding bond anticipation notes for \$22,700. The deficits will be eliminated upon the issuance of permanent debt.
- The *Cemetery vehicle* capital project fund has a deficit of \$62,869. The Town has an outstanding bond anticipation note for \$63,000. This deficit will be eliminated upon the issuance of permanent debt.
- The *Highway storage facility* capital project fund has a deficit of \$174,639. The Town has an outstanding bond anticipation note for \$275,000. This deficit will be eliminated upon the issuance of permanent debt.

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
Notes to the Financial Statements
Year Ended June 30, 2019

- The *Highway vehicle* capital project funds have deficits totaling \$225,589. The Town has outstanding bond anticipation notes for \$225,590. The deficits will be eliminated upon the issuance of permanent debt.
- The *Information technology* capital project fund has a deficit of \$83,107. The Town has an outstanding bond anticipation note for \$136,000. This deficit will be eliminated upon the issuance of permanent debt.
- The *Olympian Meadow improvements* capital project fund has a deficit of \$9,985. The Town has an outstanding bond anticipation note for \$30,000. This deficit will be eliminated upon the issuance of permanent debt.
- The *Police cruisers* capital project funds have deficits totaling \$142,586. The Town has outstanding bond anticipation notes for \$144,800. The deficits will be eliminated upon the issuance of permanent debt.
- The *Highway skid steer* capital project fund has a deficit of \$53,800. The Town has an outstanding bond anticipation note for \$53,900. This deficit will be eliminated upon the issuance of permanent debt.
- The *Street improvements* capital project fund and Major Fund has a deficit of \$1,116,153. The Town has an outstanding bond anticipation note for \$1,430,000. This deficit will be eliminated upon the issuance of permanent debt.

3. DETAILED NOTES

A. Deposits and Investments

Custodial Credit Risks - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned. The government does not have a deposit policy for custodial credit risk. Deposits at June 30, 2019 were \$16,069,415. Of these, none are exposed to custodial credit risk as uninsured and uncollateralized.

Investment Policies

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

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

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
Notes to the Financial Statements
Year Ended June 30, 2019

As such, the Town reports its investments in MMDT in the amount of \$3,471,672. MMDT's fair value is measured at amortized cost.

Custodial Credit Risks - Investments

For an investment, custodial risk is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town's investments all are in the MMDT and thus are exempt from collateralization. The Town has no policy on custodial credit risk.

Interest Rate Risk

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

Credit Risk

There is no exposure to credit risk.

Concentration of Credit Risk

The Town places no limit on the amount the Town may invest in one issuer. The Town's entire investment is in the MMDT.

Fair Value of Investments

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

The Town has the following recurring fair value measurements as of June 30, 2019:

Investment Type	Fair Value	Fair Value Measurements		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments Measured at Amortized Cost:				
External Investment Pools (MMDT)	\$ 3,471,672			

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
Notes to the Financial Statements
Year Ended June 30, 2019

B. Receivables

At June 30, 2019, receivables for the individual major governmental funds 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
Major and nonmajor governmental funds:			
Property taxes	\$ 1,355,703	\$ (15,000)	\$ 1,340,703
Tax liens	470,602	-	470,602
Excise taxes	193,901	(50,000)	143,901
Departmental	157,206	(16,666)	140,540
Due from other governments	1,615,559	-	1,615,559
	<u>\$ 3,792,971</u>	<u>\$ (81,666)</u>	<u>\$ 3,711,305</u>

At June 30, 2019, receivables for the business-type activities consist of the following:

	Gross Amount	Allowance for Uncollectibles	Net Amount
Sewer Fund:			
User charges	\$ 514,621	\$ (11,000)	\$ 503,621
Tax liens	78,212	-	78,212
Due from other governments	6,446	-	6,446
	<u>\$ 599,279</u>	<u>\$ (11,000)</u>	<u>\$ 588,279</u>

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
Notes to the Financial Statements
Year Ended June 30, 2019

The composition of amounts due from other governments as of June 30, 2019 for the governmental funds is as follows:

General Fund:

Commonwealth of Massachusetts:

Department of Revenue:		
Unrestricted General Government	\$	59,328
State Owned Land		19,581
Veterans, blind and surviving spouse exemptions		884
Department of Veterans Services:		
Veterans benefits		93,489
		<u>173,282</u>

Nonmajor Governmental Funds:

Commonwealth of Massachusetts:

Department of Elder Affairs:		
Council on Aging Service Incentive Grant		50,000
Department of Energy Resources:		
Green Communities Grant		35,675
Executive Office of Economic Development:		
Massachusetts Works Grant		942,355
Executive Office of Public Safety and Homeland Security:		
State 911 Support and Incentive Grants		9,791
Massachusetts Department of Transportation:		
Highway Department - Chapter 90 funded projects		404,456
		<u>1,442,277</u>
		<u>\$ 1,615,559</u>

The composition of amounts due from other governments as of June 30, 2019 for the business-type funds is as follows:

Sewer Fund:

Massachusetts Clean Water Trust:

Principal loan subsidy		<u>\$ 6,446</u>
------------------------	--	-----------------

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
Notes to the Financial Statements
Year Ended June 30, 2019

C. Deferred Inflows of Resources – Unavailable Revenue

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

General Fund:			
Property taxes	\$	838,440	
Tax liens		465,302	
Excise taxes		143,901	
Departmental		41,690	
Due from other governments		78,932	\$ 1,568,265
Nonmajor governmental funds:			
Property taxes		24,263	
Tax liens		5,300	
Departmental		76,660	
Due from other governments		345,569	451,792
			\$ 2,020,057

D. Capital Assets

Capital asset activity for the governmental and business-type activities for the year ended June 30, 2019, are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	\$ 5,506,248	\$ 210,189	\$ -	\$ 5,716,437
Construction in progress	1,217,616	3,263,743	-	4,481,359
Total capital assets not being depreciated	6,723,864	3,473,932	-	10,197,796
Capital assets being depreciated:				
Buildings and Renovations	16,358,599	-	-	16,358,599
Machinery, equipment and other	9,447,268	132,098	-	9,579,366
Infrastructure	19,868,508	-	-	19,868,508
Total capital assets being depreciated	45,674,375	132,098	-	45,806,473
Less accumulated depreciation for:				
Buildings and Renovations	5,921,497	565,803	-	6,487,300
Machinery, equipment and other	5,507,395	662,865	-	6,170,260
Infrastructure	4,879,413	986,146	-	5,865,559
Total accumulated depreciation	16,308,305	2,214,814	-	18,523,119
Total capital assets being depreciated, net	29,366,070	(2,082,716)	-	27,283,354
Total governmental activities capital assets, net	\$ 36,089,934	\$ 1,391,216	\$ -	\$ 37,481,150

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
Notes to the Financial Statements
Year Ended June 30, 2019

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	\$ 10,655	\$ -	\$ -	\$ 10,655
Construction in Progress	-	60,205	-	60,205
Total capital assets not being depreciated	10,655	60,205	-	70,860
Capital assets being depreciated:				
Buildings and renovations	10,077,690	-	-	10,077,690
Machinery, equipment and other	1,288,184	-	-	1,288,184
Infrastructure	10,166,478	-	-	10,166,478
Total capital assets being depreciated	21,532,352	-	-	21,532,352
Less accumulated depreciation for:				
Buildings and renovations	7,684,201	187,568	-	7,871,769
Machinery, equipment and other	1,000,497	83,179	-	1,083,676
Infrastructure	436,536	109,913	-	546,449
Total accumulated depreciation	9,121,234	380,660	-	9,501,894
Total capital assets being depreciated, net	12,411,118	(380,660)	-	12,030,458
Total business-type activities capital assets, net	\$ 12,421,773	\$ (320,455)	\$ -	\$ 12,101,318

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

Governmental Activities:

General government	\$ 99,149
Public safety	591,318
Public works	1,244,094
Health and human services	5,550
Culture and recreation	274,703
Total depreciation expense - governmental activities	<u>\$ 2,214,814</u>

Business-Type Activities:

Sewer fund	<u>\$ 380,660</u>
------------	-------------------

E. Short-Term Financing

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

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
Notes to the Financial Statements
Year Ended June 30, 2019

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

Governmental Activities						
Purpose	Interest Rate	Final Maturity Date	Balance July 1, 2018	Renewed/ Issued	Retired/ Redeemed	Outstanding June 30, 2019
Bond Anticipation Notes:						
Municipal Purpose Loan of 2018	2.00%	5/15/2019	\$ 1,801,990	\$ -	\$ 1,801,990	\$ -
Municipal Purpose Loan of 2019	3.00%	5/15/2020	-	2,710,990	-	2,710,990
Total Governmental Activities			<u>\$ 1,801,990</u>	<u>\$ 2,710,990</u>	<u>\$ 1,801,990</u>	<u>\$ 2,710,990</u>

Business-Type Activities:						
Purpose	Interest Rate	Final Maturity Date	Balance July 1, 2018	Renewed/ Issued	Retired/ Redeemed	Outstanding June 30, 2019
Bond Anticipation Notes:						
Municipal Purpose Loan of 2018	2.00%	5/15/2019	\$ 305,000	\$ -	\$ 305,000	\$ -
Municipal Purpose Loan of 2019	3.00%	5/15/2020	-	505,000	-	505,000
Total Business-Type Activities			<u>\$ 305,000</u>	<u>\$ 505,000</u>	<u>\$ 305,000</u>	<u>\$ 505,000</u>

F. Long Term Debt

General Obligation Bonds

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

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

	Interest Rate	Date Issued	Final Maturity Date	Original Amount Issued	Outstanding June 30, 2019
Inside Debt:					
Municipal Purpose Loan of 2013	2.62%	8/1/2013	6/1/2028	\$ 2,526,400	\$ 1,380,000
Municipal Purpose Loan of 2014	1.89%	6/15/2014	6/1/2024	1,657,280	765,000
Municipal Purpose Loan of 2016	1.31%	6/26/2016	6/15/2027	4,725,000	3,550,000
Municipal Purpose Loan of 2017	2.13%	10/26/2017	4/15/2033	3,940,000	3,575,000
Total governmental type debt					<u>\$ 9,270,000</u>

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
Notes to the Financial Statements
Year Ended June 30, 2019

Future Debt Service

The annual principal and interest payments to retire all governmental type fund general obligation long-term debt outstanding as of June 30, 2019, are as follows:

Year	Principal	Interest	Total
2020	\$ 1,270,000	\$ 315,550	\$ 1,585,550
2021	1,275,000	243,813	1,518,813
2022	1,195,000	201,872	1,396,872
2023	1,200,000	158,022	1,358,022
2024	1,025,000	114,013	1,139,013
2025-2029	2,655,000	258,042	2,913,042
2030-2033	650,000	46,050	696,050
	\$ 9,270,000	\$ 1,337,362	\$ 10,607,362

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

	Interest Rate	Date Issued	Final Maturity Date	Original Amount Issued	Outstanding June 30, 2019
Sewer Fund:					
Inside Debt:					
Municipal Purpose Loan of 2013	2.62%	8/1/2013	6/1/2028	\$ 268,600	\$ 180,000
Municipal Purpose Loan of 2016	1.31%	6/26/2016	6/15/2027	296,000	120,000
Massachusetts Clean Water Trust:					
Sewer system improvements	5.00%	11/11/2004	8/1/2019	271,555	20,000
Sewer system improvements	2.00%	2/11/2016	1/15/2036	4,210,000	3,687,919
Sewer system improvements	2.00%	4/13/2017	1/15/2037	4,579,305	4,188,163
Total Business-type debt					\$ 8,196,082

Future Debt Service

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

Year	Principal	Interest	Total
2020	\$ 474,257	\$ 168,501	\$ 642,758
2021	462,391	157,386	619,777
2022	410,702	146,739	557,441
2023	419,193	138,325	557,518
2024	427,869	129,741	557,610
2025-2029	2,256,226	513,539	2,769,765
2030-2034	2,423,220	279,699	2,702,919
2035-2038	1,322,224	48,107	1,370,331
	\$ 8,196,082	\$ 1,582,037	\$ 9,778,119

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
Notes to the Financial Statements
Year Ended June 30, 2019

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

	Balance			Balance	Amounts Due
	July 1, 2018	Additions	Reductions	June 30, 2019	within One
					Year
Governmental activities:					
Bonds Payable:					
General obligation bonds	\$ 10,570,000	\$ -	\$ 1,300,000	\$ 9,270,000	\$ 1,270,000
Landfill post-closure care costs	135,000	-	15,000	120,000	15,000
Compensated absences	229,520	-	6,640	222,880	-
Net OPEB liability	14,110,402	1,671,475	-	15,781,877	-
Net pension liability	1,905,357	1,335,084	-	3,240,441	-
Governmental activity					
Long-term liabilities	<u>\$ 26,950,279</u>	<u>\$ 3,006,559</u>	<u>\$ 1,321,640</u>	<u>\$ 28,635,198</u>	<u>\$ 1,285,000</u>
Business type activities:					
Bonds Payable:					
General obligation bonds	\$ 375,000	\$ -	\$ 75,000	\$ 300,000	\$ 80,000
Massachusetts Clean					
Water Trust bonds	8,299,769	-	403,687	7,896,082	394,257
Compensated absences	47,500	-	-	47,500	-
Net OPEB liability	1,634,459	160,971	-	1,795,430	-
Net pension liability	222,345	111,098	-	333,443	-
Business-type activity					
Long-term liabilities	<u>\$ 10,579,073</u>	<u>\$ 272,069</u>	<u>\$ 478,687</u>	<u>\$ 10,372,455</u>	<u>\$ 474,257</u>

Massachusetts Clean Water Trust (MCWT)

The Town is scheduled to be subsidized by the Massachusetts Clean Water Trust (MCWT) on a periodic basis for principal in the amount of \$9,060,860 and interest costs of \$2,061,219 for a loan which the Town has borrowed from MCWT. The principal subsidies are guaranteed and, therefore, \$6,446 has been reported as an intergovernmental receivable in the government-wide financial statements. The gross amount outstanding at June 30, 2019 for principal and interest combined for the loan is \$9,442,619. The net repayments, including interest, are scheduled to be \$9,435,623. Since the Town is legally obligated for the total amount of the debt, such amounts for the gross principal have been recorded on the financial statements. The fiscal year 2019 interest subsidies totaled \$7,720.

Landfill Post-Closure Care Costs

State and Federal laws and regulations require the Town perform certain maintenance and monitoring functions at the landfill site for thirty years after closure.

The \$120,000 reported as landfill post-closure care liability as of June 30, 2019 represents the remaining estimated post-closure maintenance costs. These amounts are based on what it will cost to perform all post-closure care in 2019. Actual costs may be higher due to inflation, changes in technology or changes in regulations.

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
Notes to the Financial Statements
Year Ended June 30, 2019

Legal Debt Limit

Under Section 10 of Chapter 44 of the Massachusetts General Laws a Town may authorize indebtedness up to a limit of five percent of its equalized valuation of the Town. Debt issued in accordance with this section of the law is designated as being "inside the debt limit." The Town's inside debt at June 30, 2019 totaled \$17,466,082.

In addition, the Town is authorized to incur debt outside of that limit for specific purposes. Such debt, when issued, is designated as being "outside the debt limit."

The following is a computation of the legal debt limit as of June 30, 2019.

Equalized Valuation-Real Estate and Personal Property (2018)		\$ 1,480,946,600
Debt Limit: 5 % of Equalized value		<u>74,047,330</u>
Total Debt Outstanding	\$ 17,466,082	
Less: Debt Outside Debt Limit	-	<u>17,466,082</u>
Inside Debt Excess Borrowing Capacity at June 30, 2019		<u>\$ 56,581,248</u>

Loans Authorized and Unissued - Memorandum Only

Under the general laws of the Commonwealth of Massachusetts a Town must authorize debt at a Town meeting. This authorized debt does not have to be actually issued at that time and remains authorized until the debt is actually issued or Town meeting votes to rescind the authorized debt. Loan authorizations that have not been issued as of June 30, 2019 and are not reflected in the Town's financial statements are as follows:

Date Town Meeting Authorized	Purpose	Amount
5/2/2011	Water System Improvements	\$ 575,000
5/7/2012	Sewer System Improvements	21,400
5/5/2014	Sewer System Improvements	7,819,695
5/9/2016	Highway Dump Truck Purchase	29,000
5/9/2016	Fire Department - Air Packs' Purchase	155,000
5/1/2017	Departmental Vehicles, Equipment and Capital Improvements	<u>417,860</u>
		<u>\$ 9,017,955</u>

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
Notes to the Financial Statements
Year Ended June 30, 2019

G. Fund Balances

The following is a summary of the Town's Governmental fund balances at the year ended June 30, 2019:

	General Fund	Major Funds	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:				
Permanent funds	\$ -	\$ -	\$ 295,065	\$ 295,065
Restricted:				
Federal, state and local grants	-	-	617,518	617,518
Town Revolving funds	-	-	4,048	4,048
Community preservation funds	-	-	1,651,978	1,651,978
Debt service	16,251	-	-	16,251
Donations and gifts	-	-	128,441	128,441
Capital projects	-	-	337,856	337,856
Permanent funds	-	-	23,416	23,416
Other	-	-	1,301,693	1,301,693
	<u>16,251</u>	<u>-</u>	<u>4,064,950</u>	<u>4,081,201</u>
Committed:				
Conservation Fund	-	-	29,230	29,230
Employee Fringe Benefits Fund	-	-	386,755	386,755
Pension Reserve Fund	-	-	802,887	802,887
Unemployment Fund	-	-	35,901	35,901
	<u>-</u>	<u>-</u>	<u>1,254,773</u>	<u>1,254,773</u>
Assigned:				
General government	446,739	-	-	446,739
Public safety	2,700	-	-	2,700
Public works	43,382	-	-	43,382
Health and Human Services	120	-	-	120
Culture and Recreation	387	-	-	387
Employee benefits and Insurance	302	-	-	302
Subsequent year's budget	2,950,000	-	-	2,950,000
	<u>3,443,630</u>	<u>-</u>	<u>-</u>	<u>3,443,630</u>
Unassigned:				
General fund	3,932,900	-	-	3,932,900
Capital project deficits	-	(1,116,153)	(824,402)	(1,940,555)
	<u>3,932,900</u>	<u>(1,116,153)</u>	<u>(824,402)</u>	<u>1,992,345</u>
Total Governmental fund balances	\$ 7,392,781	\$ (1,116,153)	\$ 4,790,386	\$ 11,067,014

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
Notes to the Financial Statements
Year Ended June 30, 2019

H. Special Trust Funds

Stabilization Fund

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

At June 30, 2019, the balance in the stabilization fund is \$279,918 and is reported in the General Fund as unassigned fund balance.

4. OTHER INFORMATION

A. Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The Town has obtained a variety of commercial liability insurance policies which passes the risk of loss listed above to independent third parties.

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

B. Contingent Liabilities

Litigation

Litigation is subject to many uncertainties, and the outcome of individual matters is not always predictable. Although the amount of the liability, if any, at June 30, 2019, cannot be ascertained, management believes any resulting liability should not materially affect the financial position at June 30, 2019.

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

C. Subsequent Events

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

D. Tax Abatements

The Town enters into property tax abatement agreements with local businesses under the Commonwealth of Massachusetts Economic Development Incentive Program Act of 1993 and as amended in 2009. Under this Act, state municipalities may grant property tax abatements of up to 100% of a business' property tax bill for the purpose of attracting or retaining these businesses within their jurisdictions. The abatements may be granted to any business located within or promising to relocate to the Town of Great Barrington.

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
Notes to the Financial Statements
Year Ended June 30, 2019

As of June 30, 2019, the Town of Great Barrington abated property taxes amounting to \$47,305 under this program, including the following tax abatement agreements.

A 70% declining to 20% over ten years property tax abatement agreement was approved in May 2011 for the Iredale Mineral Cosmetics, Limited, to make renovations and improvements to the property on 50 Church Street of at least \$7.5 million, retain 81 full-time employees and create at least 32 new, permanent full-time jobs. In addition, the Iredale Mineral Cosmetics, Limited, agrees to operate its business and maintain the level of jobs as long as the agreement is in effect (term is ten years). The company has not met the Massachusetts Executive office of Housing and Economic Development Economic Assistance Coordinating Council (EACC) standards (job creation quota). The company had \$47,305 of abatements in this fiscal year.

A property tax abatement agreement was approved for the 20 Castle Street, L.L.C., to make improvements to the property and create new, permanent full-time jobs. In addition, the 20 Castle Street, L.L.C., agrees to operate its business and maintain the level of jobs as long as the agreement is in effect. The company has not met the Massachusetts Executive office of Housing and Economic Development Economic Assistance Coordinating Council (EACC) standards, has made no meaningful improvements and, therefore, had no abatements in this fiscal year.

E. Pension Plan

Plan Description

The Town is a member of the Berkshire County Retirement System (the System). The System is a cost-sharing multiple-employer public employee retirement system administered by a five-member board. Massachusetts General Laws (MGL), Chapter 32, assigns authority to establish the System and amend benefit provisions of the plan; which is regulated by the Public Employees Retirement Administration Commission (PERAC). The System is a defined benefit pension plan that covers substantially all employees of its member employers. The System issues a publicly available financial report in accordance with guidelines established by the Commonwealth's PERAC. That report may be obtained by contacting the System at 29 Dunham Hall, Pittsfield, Massachusetts 01201-6207.

Benefits Provided

The System provides retirement, disability, survivor and death benefits to plan members and beneficiaries. MGL Chapter 32 establishes uniform benefit and contributory requirements for all contributory public employee retirement systems (PERS). The Massachusetts PERS benefits are uniform from system to system, with a few minor exceptions. Members of the System become vested after 10 years of creditable service. 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. Retirement benefits are determined as a percentage of the member's final three-year (five-year for members hired on or after April 2, 2012) final average compensation times the member's years of creditable service prior to retirement. The percentage is based on the age of the member at retirement and his or her Group classification. Benefit payments are based upon a member's age, length of creditable service, and group creditable service, and group classification. Most employees who joined the system on or after April 2, 2012 cannot retire prior to age 60. The authority for amending these provisions rests with the Massachusetts Legislature.

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

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
Notes to the Financial Statements
Year Ended June 30, 2019

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

Contributions

MGL Chapter 32 governs the contributions of plan members and the Town. Plan members are required to contribute to the System at rates ranging from 5% to 9% based upon their membership date of gross regular compensation with an additional 2% contribution after exceeding \$30,000 in annual covered compensation. The Town is required to pay into the System its share of the system-wide actuarial determined contribution that is apportioned among the employers based on active current payroll. Administrative expenses are funded through investment earnings. The Town's proportionate share of the required contribution to the System for the year ended December 31, 2018 was \$787,563, representing 22.07% of the covered payroll, an actuarially determined amount that, when combined with plan member contributions, is expected to finance the costs of benefits earned by plan members during the year and an additional amount to finance any unfunded accrued liability.

Pension Liability

As of June 30, 2019, the Town reported a liability of \$3,573,884 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2017. Accordingly, update procedures were used to roll forward the total pension liability to the measurement date. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At December 31, 2018, the Town's proportional percentage was 8.17%, which was a slight decrease from the last measurement.

Pension Expense

For the year ended June 30, 2019, the Town recognized a pension expense of \$935,874; reported deferred outflows of resources related to pensions of \$1,384,897 from the difference between expected and actual experience, changes in assumptions, and the net difference between projected and actual investment earnings on pension plan investments; and deferred inflows of resources related to pensions of \$49,592 from the difference between expected and actual experience.

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

For years ended June 30,		
2020	\$	552,455
2021		223,450
2022		183,172
2023		376,228
	\$	1,335,305

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
Notes to the Financial Statements
Year Ended June 30, 2019

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of January 1, 2017, using the following actuarial assumptions, applied to all periods included in the measurement that was updated December 31, 2018:

Valuation date	January 1, 2017
Actuarial cost method	Entry Age Normal Cost Method
Asset valuation method	Determined in accordance with the deferred recognition method under which 20% of the gains or losses occurring in the prior year are recognized, 40% of those occurring 2 years ago, etc., so that 100% of the gains and losses occurring 5 years ago are recognized. The actuarial value of assets will be adjusted, if necessary, in order to remain between 85% and 115% of market value.
Investment rate of return	7.25% per year net of investment expenses
Projected salary increase	Select and ultimate by job group; ultimate rates 4.25% for Group 1 and Group 2, and 4.75% for Fire and Police.
Inflation	Not explicitly stated
Cost of living adjustments	3.00% of the first \$14,000.
Mortality rates	Pre-retirement rates reflect the RP-2000 Employees table projected generationally with Scale BB and a base year of 2009 (gender distinct). Post retirement rates reflect the RP-2000 Healthy Annuitant table projected generationally with Scale BB and a base year of 2009 (gender distinct). For disabled retirees, rates reflect the RP-2000 Healthy Annuitant table projected generationally with Scale BB and a base year of 2012 (gender distinct).

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which 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 weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
Notes to the Financial Statements
Year Ended June 30, 2019

Best estimates of arithmetic real rates of return for each major class included in the pension plan's target asset allocation as of December 31, 2018, are summarized in the following table;

Asset Class	Target Asset Allocation	Real Return Arithmetic Basis	Long-Term Expected Real Rate of Return
U.S. Equities	17.50%	7.62%	1.33%
International Equities	15.50%	7.80%	1.21%
Emerging International Equities	6.00%	9.31%	0.56%
Core Bonds	5.00%	4.37%	0.22%
20+ Year Treasury STRIPS	2.00%	3.50%	0.07%
TIPS	5.00%	4.00%	0.20%
Fixed Income	10.00%	7.58%	0.76%
Private Equity	12.00%	11.15%	1.34%
Real Estate (Core)	10.00%	6.59%	0.66%
Timber/Natural Resources	4.00%	7.00%	0.28%
Portfolio Completion (PBC)	13.00%	6.83%	0.89%
Total	<u>100.00%</u>		

Rate of Return

For the year ended December 31, 2018, the annual money-weighted rate of return (which expresses investment performance), net of investment expense was (2.31%). The money-weighted rate of return considers the changing amounts actually invested during a period and weighs the amount of pension plan investments by the proportion of time they are available to earn a return during that period. The rate of return is then calculated by solving, through an iterative process, for the rate that equates the sum of the weighted external cash flows into and out of the pension plan investments to the ending fair value of pension plan investments.

Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarial determined rates based on the Board's funding policy, which establishes the contractually required rates by Statute and in accordance with Section 22D and Section 22F of MGL Chapter 32. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments or 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 GREAT BARRINGTON, MASSACHUSETTS
Notes to the Financial Statements
Year Ended June 30, 2019

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

The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 7.25%. As well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	1% Decrease	Current	Discount Rate	1% Increase
	6.25%	7.25%	7.25%	8.25%
Town's net pension liability	\$ 6,256,423	\$ 3,573,884	\$	1,208,016

F. Other Post Employment Benefits Payable

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

Plan Description

In addition to providing pension benefits, the Town provided post-employment health care and life insurance benefits for retired employees, their dependents and beneficiaries. The benefits, benefit levels, employee and employer contributions are governed by Massachusetts General Law chapter 32. As of the actuarial valuation date there are approximately 118 active and retired employees that meet the eligibility requirements. The plan does not issue a separate financial report.

Investment Policy

The Town's does not have a policy to contribute to an OPEB trust and has not contributed as of June 30, 2019. The Town has not established an irrevocable trust for the purpose of accumulating assets to prefund the OPEB liabilities. If such a trust existed, Plan assets segregated and restricted in an OPEB trust must be dedicated to providing plan benefits to retirees and beneficiaries in accordance with the terms of the plan and must be legally protected from creditors of the employer. Further, employer contributions to the trust must be irrevocable.

GASB Statement No. 75 – Financial Reporting for OPEB Employer

Funding Policy

The contribution requirements of plan members and the Town are established and may be amended through Town ordinances. For the period ending June 30, 2019, the total Town premiums plus implicit costs for the retiree medical program were \$464,153. The Town also made a contribution to an OPEB Trust of \$0 for a total contribution during the reporting period of \$464,153 to be reported on the financial statement for the fiscal year ending June 30, 2019.

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
Notes to the Financial Statements
Year Ended June 30, 2019

Measurement Date

GASB Statement No. 75 requires the net OPEB liability to be measured as of a date no earlier than the end of the employer's prior fiscal year and no later than the end of the employer's current fiscal year, consistently applied from period to period. Accordingly, the net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of July 1, 2017.

Plan Membership:

Current active members	62
Current retirees, beneficiaries and dependents	56
Total	118

Net OPEB Liability

The components of the net OPEB liability are as follows:

	6/30/2019
Total OPEB liability	\$ 17,577,307
Less: Plan fiduciary net position	-
Town's Net OPEB liability	\$ 17,577,307
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of July 1, 2017, using the following actuarial assumptions, applied to all periods included in the measurement for the reporting date of June 30, 2019:

Valuation date	July 1, 2017
Actuarial cost method	Individual Entry Age Normal
Inflation	2.60% annually, based on the 2017 Social Security Trustees Report
Single equivalent discount rate	3.50%, compounded annually, for the measurement as of June 30, 2019
Projected salary increases	3.50% annually
Mortality rates	
Pre-retirement mortality (General & Public Safety)	RP-2000 Employees Mortality Table, base year 2009, projected with generational mortality improvement using Scale BB.
Post-retirement mortality (General & Public Safety)	RP-2000 Healthy Annuitant Table, base year 2009, projected with generational mortality improvement using Scale BB.

The actuarial assumptions used in the July 1, 2017 valuation were reflective of published municipal bond indices; the Bond Buyer 20-Bond GO Index as of June 30, 2019 is 3.50%.

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
Notes to the Financial Statements
Year Ended June 30, 2019

Rate of Return

For the year ended June 30, 2019, the annual money-weighted rate of return (which expresses investment performance), net of investment expense was not provided.

Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Total OPEB Liability
Balances at July 1, 2018	\$ 15,744,861	\$ -	\$ 15,744,861
Service cost	623,878	-	623,878
Interest on Total OPEB Liability	624,489	-	624,489
Changes in benefit terms	-	-	-
Changes in assumptions **	1,048,232	-	1,048,232
Difference between actual and expected experience	-	-	-
Net investment income	-	-	-
Employer contributions to Trust	-	464,153	(464,153)
Total benefit payments including implicit cost	(464,153)	(464,153)	-
Administrative expense	-	-	-
Net change in total OPEB liability	1,832,446	-	1,832,446
Balances at June 30, 2019	\$ 17,577,307	\$ -	\$ 17,577,307

** = Amortized over 6.12 years

Discount Rate

The discount rate used to measure the total OPEB liability was 3.50%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rates and that member employer contributions will be made in accordance Massachusetts General Law Chapter 32. Based on those assumptions, the OPEB plan 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 OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
Notes to the Financial Statements
Year Ended June 30, 2019

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

The following presents the Town's net OPEB liability as well as what the Town's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.50%) or 1-percentage-point higher (4.50%) than the current rate:

	1% Decrease (2.50%)	Current Discount Rate (3.50%)	1% Increase (4.50%)
Town's net OPEB liability	\$ 20,946,055	\$ 17,577,307	\$ 14,946,019

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

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

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Town's net OPEB liability	\$ 14,200,434	\$ 17,577,307	\$ 22,385,216

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

For the year ended June 30, 2019, the GASB Statement No. 75 reporting period and fiscal year ending date, the Town recognized an OPEB expense of \$1,292,822 and reported deferred outflows of resources related to OPEB of \$876,952 from changes in assumptions and deferred inflows of resources related to OPEB of \$522,521 for changes in assumptions.

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

For years ended June 30,	
2020	\$ 44,455
2021	44,455
2022	44,455
2023	44,455
2024	156,059
Thereafter:	20,552
	\$ 354,431

G. Implementation of New GASB Pronouncements

The GASB issued Statement No. 83, *Certain Asset Retirement Obligations*, for implementation in fiscal year 2019.

The GASB issued Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*, for implementation in fiscal year 2019.

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
Notes to the Financial Statements
Year Ended June 30, 2019

H. Future GASB Pronouncements

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

The GASB issued Statement No. 84, *Fiduciary Activities*, for implementation in fiscal year 2020.

The GASB issued Statement No. 87, *Leases*, for implementation in fiscal year 2021.

The GASB issued Statement No. 90, *Majority Equity Interests – an amendment of GASB Statements No. 14 and No. 61*, for implementation in fiscal year 2020.

The GASB issued Statement No. 91, *Conduit Debt Obligations*, for implementation in fiscal year 2022.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
Required Supplementary Information
Pension Plan Schedules
Berkshire County Retirement System
For the Year Ended June 30, 2019

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

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

Date	Town's proportion of the net pension liability (asset)	Town's proportionate share of the net pension liability (asset)	Town's covered employee payroll	Net pension liability percentage of covered employee payroll	Plan fiduciary net position as a percentage of the total pension liability
12/31/2018	8.17%	\$ 3,573,884	\$ 3,569,228	100.13%	84.40%
12/31/2017	8.23%	\$ 2,127,702	\$ 3,595,440	59.18%	90.41%
12/31/2016	8.38%	\$ 3,332,894	\$ 3,545,000	94.02%	84.06%
12/31/2015	8.49%	\$ 3,592,713	\$ 3,592,000	100.02%	82.25%
12/31/2014	8.61%	\$ 2,260,900	\$ 3,469,000	65.17%	88.13%

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

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
Required Supplementary Information
Pension Plan Schedules
Berkshire County Retirement System
For the Year Ended June 30, 2019

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

Schedule of the Town's Contributions:

Date	Actuarially determined contribution	Less: Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	Town's covered employee payroll	Contributions percentage of covered employee payroll
12/31/2018	\$ 787,563	\$ (787,563)	\$ -	\$ 3,569,228	22.07%
12/31/2017	\$ 757,064	\$ (757,064)	\$ -	\$ 3,595,440	21.06%
12/31/2016	\$ 735,666	\$ (735,666)	\$ -	\$ 3,545,000	20.75%
12/31/2015	\$ 711,322	\$ (711,322)	\$ -	\$ 3,592,000	19.80%
12/31/2014	\$ 688,658	\$ (688,658)	\$ -	\$ 3,469,000	19.85%

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

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
Required Supplementary Information
Other Post Employment Benefit Plan Schedules
For the Year Ended June 30, 2019

Schedule of Changes in the Net OPEB Liability:

	<u>6/30/2019</u>	<u>6/30/2018</u>
Total OPEB liability		
Service cost	\$ 623,878	\$ 655,305
Interest on net OPEB liability	624,489	579,133
Changes in benefit terms	-	-
Changes in assumptions	1,048,232	(776,171)
Difference between actual and expected experience	-	-
Benefit payments, including refunds of member contributions	(464,153)	(469,964)
Administrative expense	-	-
Net change in total OPEB liability	<u>1,832,446</u>	<u>(11,697)</u>
Total OPEB liability-beginning	<u>15,744,861</u>	<u>15,756,558</u>
Total OPEB liability-ending (a)	<u>\$ 17,577,307</u>	<u>\$ 15,744,861</u>
 Plan fiduciary net position		
Employer contributions to Trust	464,153	\$ 469,964
Benefit payments, including refunds of member contributions	(464,153)	(469,964)
Administrative expense	-	-
Net change in plan fiduciary net position	<u>-</u>	<u>-</u>
Total fiduciary net position-beginning	<u>-</u>	<u>-</u>
Total fiduciary net position-ending (b)	<u>\$ -</u>	<u>\$ -</u>
 Town's net OPEB liability (a-b)	 <u><u>\$ 17,577,307</u></u>	 <u><u>\$ 15,744,861</u></u>

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

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
Required Supplementary Information
Other Post Employment Benefit Plan Schedules
For the Year Ended June 30, 2019

Schedule of Net OPEB Liability:

	<u>6/30/2019</u>	<u>6/30/2018</u>
Total OPEB liability	\$ 17,577,307	\$ 15,744,861
Less: Plan fiduciary net position	-	-
Town's Net OPEB liability	<u>\$ 17,577,307</u>	<u>\$ 15,744,861</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%
Town's share of covered employee payroll	\$ 3,434,514	\$ 3,702,261
Participating employer net OPEB liability (asset) as a percentage of covered-employee payroll	511.78%	425.28%

Schedule of Contributions:

	<u>6/30/2019</u>	<u>6/30/2018</u>
Actuarially determined contribution	\$ 1,221,853	\$ 1,228,837
Less: Contributions in relation to the actuarially determined contribution	<u>(464,153)</u>	<u>(469,964)</u>
Contribution deficiency (excess)	<u>\$ 757,700</u>	<u>\$ 758,873</u>
Town's share of covered employee payroll	\$ 3,434,514	\$ 3,702,261
Contributions percentage of covered-employee payroll	13.51%	12.69%
Annual money-weighted rate of return net of investment expense	N/A	N/A

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

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
Required Supplementary Information
Other Post Employment Benefit Plan Schedules
For the Year Ended June 30, 2019

Schedule of Funding Progress:

Measurement Date	Other Post Employment Benefits						
	Actuarial Fiduciary Net Position (A)	Actuarial Total OPEB Liability (B)	Actuarial Net OPEB Liability (B-A)	Actuarial Funded Ratio (A/B)	Actuarial Covered Payroll (C)	Actuarial Percentage of Covered Payroll ((B-A)/C)	
6/30/2019	\$ -	\$ 17,577,307	\$ 17,577,307	0.00%	\$ 3,434,514	511.78%	
6/30/2018	\$ -	\$ 15,744,861	\$ 15,744,861	0.00%	\$ 3,702,261	425.28%	
6/30/2017	\$ -	\$ 15,756,558	\$ 15,756,558	0.00%	N/A	N/A	

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

SUPPLEMENTARY SCHEDULES

**TOWN OF GREAT BARRINGTON, MASSACHUSETTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2019**

	Fund Balances July 1, 2018	Revenues	Expenditures	Other Financing Sources (Uses)	Fund Balances June 30, 2019
Special Revenue:					
Federal and State Grants:					
Board of Health Grants	\$ 4,645	\$ -	\$ 4,645	\$ -	\$ -
Brownfields Assessment	13	120,551	120,551	-	13
Community Compact Grants	-	52,646	32,639	-	20,007
Council on Aging Grants	-	72,500	71,074	-	1,426
Cultural Council Grants	2,747	9,736	4,650	-	7,833
Forest Stewardship	-	2,164	11,951	-	(9,787)
Highway Grants	15,473	2,105,337	2,120,810	-	-
Library Grants	37,039	12,046	14,667	-	34,418
Other Grants and Programs	1,752	21,860	19,498	-	4,114
Public Safety Grants	1,612	79,139	74,023	3,931	10,659
Smart Growth Grants	550,000	-	1,164	-	548,836
Other:					
Blue Hill Commons	3,853	60	-	-	3,913
Cemetery Revolving	644	-	-	-	644
Community Preservation Fund	1,530,605	678,725	457,352	(100,000)	1,651,978
Electrical Inspections	-	44,454	44,454	-	-
Gas Inspections	-	12,982	12,982	-	-
Gifts and Donations	103,328	43,384	18,271	-	128,441
Insurance Reimbursements	11,975	6,526	3,755	-	14,746
Parks Department Revolving	2,501	-	-	-	2,501
Plumbing Inspections	-	14,073	14,182	-	(109)
Police Drug Task Force	7,699	12,393	14,932	-	5,160
Police Narcotic	6,627	448	675	-	6,400
Outside Details	-	385,743	381,907	-	3,836
Sale of Cemetery Lots	364,103	10,100	-	-	374,203
Sale of Real Estate	675,780	-	-	-	675,780
Tax Title Revolving	657	4,610	4,256	-	1,011
Transportation Infrastructure	-	45	-	-	45
Wellness Program	10,001	2,000	1,634	-	10,367
Wetland Fund	57,981	4,915	8,811	-	54,085
Total Special Revenue page 65	\$ 3,389,035	\$ 3,696,437	\$ 3,438,883	\$ (96,069)	\$ 3,550,520

**TOWN OF GREAT BARRINGTON, MASSACHUSETTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2019**

	Fund Balances July 1, 2018	Revenues	Expenditures	Other Financing Sources (Uses)	Fund Balances June 30, 2019
Continued from Page 65	\$ 3,389,035	\$ 3,696,437	\$ 3,438,883	\$ (96,069)	\$ 3,550,520
Special Revenue (Continued):					
Other (Continued):					
Affordable Housing Fund	64,515	548	11,905	100,000	153,158
Conservation Fund	28,786	444	-	-	29,230
Employee Fringe Benefits Fund	441,237	2,053	61,635	5,100	386,755
Pension Reserve Fund	791,898	10,989	-	-	802,887
Unemployment Fund	50,667	857	15,623	-	35,901
Total Special Revenue Funds	<u>4,766,138</u>	<u>3,711,328</u>	<u>3,528,046</u>	<u>9,031</u>	<u>4,958,451</u>
Capital Projects:					
Antenna/Fiber Optic	-	-	49,254	-	(49,254)
Bond Premium	-	-	-	30,146	30,146
Building Improvements	(25,923)	-	338,019	386,000	22,058
Cemetery Equipment	-	-	22,573	-	(22,573)
Cemetery Vehicle	(62,869)	-	-	-	(62,869)
General Project Accounts	605,326	-	24,704	(386,000)	194,622
Highway Storage garage	(97,333)	-	77,306	-	(174,639)
Highway Vehicles	(178,090)	-	47,499	-	(225,589)
Information Technology Improvements	-	-	83,107	-	(83,107)
Library Improvements	142,592	-	51,562	-	91,030
Olympian Meadow Improvements	-	-	9,985	-	(9,985)
Police Vehicles	(30,744)	-	111,842	-	(142,586)
Skid Steer	(53,800)	-	-	-	(53,800)
Total Capital Projects	<u>\$ 299,159</u>	<u>\$ -</u>	<u>\$ 815,851</u>	<u>\$ 30,146</u>	<u>\$ (486,546)</u>

**TOWN OF GREAT BARRINGTON, MASSACHUSETTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2019**

	Fund Balances July 1, 2018	Revenues	Expenditures	Other Financing Sources (Uses)	Fund Balances June 30, 2019
Perpetual Permanent Funds:					
Cemetery Perpetual Care	\$ 227,002	\$ 3,200	\$ -	\$ -	\$ 230,202
E.E. Smith Library Trust	24,045	-	-	-	24,045
Hollenbeck Trust	1,063	-	-	-	1,063
L. Chesanow Library Trust	3,500	-	-	-	3,500
M. Dewey Trust	1,707	-	-	-	1,707
Mason Library Trust	3,000	-	-	-	3,000
McKenley Trust	28,548	-	-	-	28,548
Ramsdell Library Trust	3,000	-	-	-	3,000
Total Perpetual Permanent Funds	291,865	3,200	-	-	295,065
Permanent Funds:					
Cemetery Perpetual Care	8,936	3,482	-	-	12,418
Community Building Trust	30	1	-	-	31
E.E. Smith Library Trust	1,207	392	-	-	1,599
Elizabeth Wheeler Trust	276	4	-	-	280
Hollenbeck Trust	150	19	-	-	169
L. Chesanow Library Trust	642	64	-	-	706
M. Dewey Trust	186	29	-	-	215
Mason Library Trust	193	49	-	-	242
McKenley Trust	4,566	510	-	-	5,076
Ramsdell Library Trust	2,596	84	-	-	2,680
Total Permanent Funds	18,782	4,634	-	-	23,416
Total - Non-Major Governmental Funds	\$ 5,375,944	\$ 3,719,162	\$ 4,343,897	\$ 39,177	\$ 4,790,386

**TOWN OF GREAT BARRINGTON, MASSACHUSETTS
SCHEDULE OF REAL ESTATE, PERSONAL PROPERTY AND ROLLBACK TAXES
JULY 1, 2018 TO JUNE 30, 2019**

	Uncollected Taxes July 1, 2018	Commitments	Abatements and Adjustments	Collections Net of Refunds and Overpayments	Uncollected Taxes June 30, 2019	Uncollected Taxes Per Detail June 30, 2019
Real Estate Taxes:						
Levy of 2019	\$ -	\$ 22,580,264	\$ 137,036	\$ 21,398,761	\$ 1,044,467	\$ 1,044,467
Levy of 2018	638,766	-	1,991	490,282	146,493	146,493
Levy of 2017	25	-	-	-	25	25
	<u>638,791</u>	<u>22,580,264</u>	<u>139,027</u>	<u>21,889,043</u>	<u>1,190,985</u>	<u>1,190,985</u>
Personal Property Taxes:						
Levy of 2019	-	946,013	5,530	833,960	106,523	106,523
Levy of 2018	17,921	-	-	6,274	11,647	11,647
Levy of 2017	8,444	-	-	503	7,941	7,941
Levy of 2016	4,332	-	-	200	4,132	4,132
Levy of 2015	2,875	-	-	189	2,686	2,686
Prior Years	7,704	-	-	178	7,526	7,536
	<u>41,276</u>	<u>946,013</u>	<u>5,530</u>	<u>841,304</u>	<u>140,455</u>	<u>140,465</u>
Rollback Taxes:	-	17,490	-	17,490	-	-
Total Real Estate, Personal Property and Rollback Taxes	<u>\$ 680,067</u>	<u>\$ 23,543,767</u>	<u>\$ 144,557</u>	<u>\$ 22,747,837</u>	<u>\$ 1,331,440</u>	<u>\$ 1,331,450</u>

**TOWN OF GREAT BARRINGTON, MASSACHUSETTS
 SCHEDULE OF COMMUNITY PRESERVATION SURCHARGE
 JULY 1, 2018 TO JUNE 30, 2019**

	Uncollected Taxes July 1, 2018	Commitments	Abatements and Adjustments	Collections Net of Refunds and Overpayments	Uncollected Taxes June 30, 2019	Uncollected Taxes Per Detail June 30, 2019
Non-Major Governmental Funds:						
Community Preservation Surcharge						
Levy of 2019	\$ -	\$ 530,476	\$ 3,068	\$ 505,371	\$ 22,037	\$ 22,037
Levy of 2018	12,397	-	19	10,152	2,226	2,226
Total Community Preservation Surcharge	\$ 12,397	\$ 530,476	\$ 3,087	\$ 515,523	\$ 24,263	\$ 24,263

**TOWN OF GREAT BARRINGTON, MASSACHUSETTS
SCHEDULE OF MOTOR VEHICLE EXCISE TAXES
JULY 1, 2018 TO JUNE 30, 2019**

	Uncollected Taxes July 1, 2018	Commitments	Abatements and Adjustments	Collections Net of Refunds and Overpayments	Uncollected Taxes June 30, 2019	Uncollected Taxes Per Detail June 30, 2019
Motor Vehicle Excise Taxes:						
Levy of 2019	\$ -	\$ 768,126	\$ 13,696	\$ 687,158	\$ 67,272	\$ 67,272
Levy of 2018	75,477	102,575	10,483	143,476	24,093	24,093
Levy of 2017	16,843	611	1,080	9,302	7,072	7,072
Levy of 2016	8,877	-	562	2,597	5,718	5,718
Levy of 2015	4,893	-	-	321	4,572	4,572
Prior Years	85,882	30	-	738	85,174	85,123
Total Motor Vehicle Excise Taxes	\$ 191,972	\$ 871,342	\$ 25,821	\$ 843,592	\$ 193,901	\$ 193,850

**TOWN OF GREAT BARRINGTON, MASSACHUSETTS
SCHEDULE OF TAX LIENS
JULY 1, 2018 TO JUNE 30, 2019**

	Uncollected Accounts July 1, 2018	Commitments	Abatements and Adjustments	Collections Net of Refunds and Overpayments	Uncollected Accounts June 30, 2019	Uncollected Accounts Per Detail June 30, 2019
Tax Liens	\$ 640,667	\$ -	\$ 78,225	\$ 97,140	\$ 465,302	\$ 465,302
Non-Major Governmental Funds: Community Preservation Taxes Tax Liens	\$ 9,498	\$ -	\$ 2,391	\$ 1,807	\$ 5,300	\$ 5,300

Communication With Those charged With Governance

To the Honorable Selectboard
Town of Great Barrington
Great Barrington, MA

We have audited the financial statement of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Great Barrington, Massachusetts, for the year ended June 30, 2020. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Town of Great Barrington are described in Note 1 to the financial statements. We noted no transactions entered into by the Town during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates effecting the financial statements were:

1. Net OPEB liability - GASB No. 74 and 75.
2. Net pension liability – GASB No. 67 and 68.
3. The Town's estimate of its compensated absences liability.
4. Estimates involving depreciable lives of the Town's capital assets and the related depreciation.
5. Allowance for uncollectible accounts receivable.

We evaluated the key factors and assumptions used by management in determining that accounting estimates were reasonable in relation to the financial statements taken as a whole.

The financial statements disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. We have proposed several adjustments to the Town's financial statements as management has asked us to provide all adjustments identified regardless of materiality. We have met with Town personnel to review these adjustments and Management of the Town has accepted and approved these adjustments.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as Town of Great Barrington's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

We have orally discussed with Town personnel our findings and other matters during our audit as noted below:

- Improve timeliness of reporting and reconciling transactions and accounts within the Treasurer's office.
- Improve timeliness and reconciliation of bank transfers for funds that retain its own interest.
- Consider utilizing MUNIS for maintaining Tax Title and Tax Foreclosure detail receivables.
- Impact of Single Audit in future audits – covid grants.
- Implementation of future GASB statements (GASB 84 and 87).
- Veteran benefits receivable.
- Review TIF agreements to ensure company is being properly taxed.
- Review older motor vehicle excise tax accounts receivables.
- Improve capital asset tracking and accounting.

Other Matters:

We applied certain limited procedures to the Required Supplementary information, (RSI), which supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the supplementary schedules, which accompany the financial statements but are not RSI. With respect to this supplementary schedules, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary schedules to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use:

This information is intended solely for the use of the Town of Great Barrington's management and others within the entity, and is not intended to be and should not be used by anyone other than these specified parties.

Scanlon and Associates, LLC

Scanlon & Associates, LLC
South Deerfield, Massachusetts

September 15, 2021

TOWN OF GREAT BARRINGTON, MASSACHUSETTS

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

For the Year Ended June 30, 2020

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
Report on the Examination of Basic Financial Statements
For the Year Ended June 30, 2020

TABLE OF CONTENTS

	<u>Page</u>
TABLE OF CONTENTS	2
INDEPENDENT AUDITOR’S REPORT	3-4
MANAGEMENT’S DISCUSSION AND ANALYSIS	5-13
BASIC FINANCIAL STATEMENTS	14
Government-Wide Financial Statements	
Statement of Net Position	15
Statement of Activities	16
Fund Financial Statements	
Balance Sheet - Governmental Funds.....	17
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	18
Reconciliation of the Governmental Funds Balance Sheet Total Fund Balances to the Statement of Net Position	19
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	20
Statement of Revenues and Expenditures – Budgetary Basis – (Non-GAAP) – Budget and Actual – General Fund	21
Reconciliation of Revenues and Expenditures from Budgetary Basis to GAAP Basis	22
Statement of Net Position – Proprietary Funds	23
Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds.....	24
Statement of Cash Flows – Proprietary Funds.....	25
Statement of Fiduciary Net Position – Fiduciary Funds.....	26
Notes to the Financial Statements	27-57
REQUIRED SUPPLEMENTARY INFORMATION	58
Pension Plan Schedules	59-60
Other Post Employment Benefit Plan Schedules	61-63
SUPPLEMENTARY SCHEDULES	64
Schedule of Revenues, Expenditures and Changes in Fund Balances – Non-Major Governmental Funds	65-67
Schedule of Real Estate, Personal Property and Rollback Taxes.....	68
Schedule of Community Preservation Surcharges	69
Schedule of Motor Vehicle Excise Taxes.....	70
Schedule of Tax Liens.....	71

Independent Auditor's Report

To the Honorable Selectboard
Town of Great Barrington, Massachusetts

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 Great Barrington, Massachusetts, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Town of Great Barrington, Massachusetts' basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Great Barrington, Massachusetts, as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

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

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

Scanlon & Associates, LLC
South Deerfield, Massachusetts

June 25, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis

As management of the Town of Great Barrington, we offer readers of these financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2020. The intent of this discussion and analysis is to look at the Town's financial performance as a whole. Readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the Town's financial performance.

Financial Highlights

- The Town's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$33,500,406 (net position) for the fiscal year reported. This compares to the previous year when assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$30,819,982, or an increase of \$2,680,424 (9%).
- At the close of the current fiscal year, the Town's governmental funds reported total ending fund balance of \$13,048,433, an increase of \$1,981,419 (18%) in comparison with prior year.
- The General Fund's total fund balance increased \$2,944,179 (40%) to \$10,336,960. The ending General fund balance is 34% of revenues and transfers in; and 37% of expenditures and transfers out.
- Total liabilities of the Town increased by \$1,861,817 (4%) to \$45,856,978 during the fiscal year. This change was mainly the result of increases in bond anticipation notes payable of \$2,397,981 and in the OPEB liability of \$3,020,272; and decreases in warrants payable of \$1,014,078, in the pension liability of \$942,767 and in the bonds payable of \$1,744,257.
- The Town had General fund free cash certified by the Department of Revenue in the amount of \$5,614,845. The key factors that attributed to the free cash amount for fiscal year 2020 were unexpended/unencumbered appropriations of \$1,154,700, excess over budget state and local receipts of \$4,224,900 and prior year free cash not appropriated of \$402,000.
- The Town's enterprise funds certified free cash is as follows:
 - Sewer fund \$ 5,088,773.

Overview of the Financial Statements

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

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

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

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

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

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

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

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

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

Proprietary funds. The Town maintains one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Town uses enterprise funds to account for its sewer activities.

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

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

Financial Highlights

Statement of Net Position Highlights

	Governmental Activities		
	2020	2019	Change
Assets:			
Current assets	\$ 21,179,678	\$ 17,261,777	\$ 3,917,901
Capital assets	36,850,686	37,481,150	(630,464)
Total assets	58,030,364	54,742,927	3,287,437
Deferred Outflows of Resources	5,177,580	2,041,602	3,135,978
Liabilities:			
Current liabilities (excluding debt)	782,621	1,522,426	(739,805)
Current debt	5,858,971	3,980,990	1,877,981
Noncurrent liabilities (excluding debt)	21,117,403	19,350,198	1,767,205
Noncurrent debt	6,725,000	8,000,000	(1,275,000)
Total liabilities	34,483,995	32,853,614	1,630,381
Deferred Inflows of Resources	2,873,618	513,244	2,360,374
Net Position:			
Net investment in capital assets	24,266,715	25,500,160	(1,233,445)
Restricted	6,933,536	5,598,493	1,335,043
Unrestricted	(5,349,920)	(7,680,982)	2,331,062
Total net position	\$ 25,850,331	\$ 23,417,671	\$ 2,432,660

	Business-Type Activities		
	2020	2019	Change
Assets:			
Current assets	\$ 6,956,009	\$ 6,281,162	\$ 674,847
Capital assets	11,806,838	12,101,318	(294,480)
Total assets	18,762,847	18,382,480	380,367
Deferred Outflows of Resources	576,857	220,247	356,610
Liabilities:			
Current liabilities (excluding debt)	173,141	264,092	(90,951)
Current debt	1,492,391	979,257	513,134
Noncurrent liabilities (excluding debt)	2,448,017	2,176,373	271,644
Noncurrent debt	7,259,434	7,721,825	(462,391)
Total liabilities	11,372,983	11,141,547	231,436
Deferred Inflows of Resources	316,646	58,869	257,777
Net Position:			
Net investment in capital assets	3,055,013	3,406,682	(351,669)
Restricted	870,657	506,709	363,948
Unrestricted	3,724,405	3,488,920	235,485
Total net position	\$ 7,650,075	\$ 7,402,311	\$ 247,764

Financial Highlights
Statement of Activities Highlights

	Governmental Activities		
	2020	2019	Change
Program Revenues:			
Charges for services	\$ 1,087,548	\$ 1,477,847	\$ (390,299)
Operating grants and contributions	841,304	702,745	138,559
Capital grants and contributions	1,069,035	2,107,574	(1,038,539)
General Revenues:			
Property taxes	24,421,319	24,014,458	406,861
Motor vehicle excise and other taxes	931,118	876,324	54,794
Hotel room occupancy and meal taxes	2,324,176	1,034,152	1,290,024
Penalties and interest on taxes	141,705	97,327	44,378
Nonrestricted grants	2,621,333	1,061,704	1,559,629
Unrestricted investment income	123,768	97,154	26,614
Miscellaneous	-	3,746	(3,746)
Total revenues	33,561,306	31,473,031	2,088,275
Expenses:			
General government	3,207,578	2,103,075	1,104,503
Public safety	3,477,870	3,452,438	25,432
Public works	2,625,325	2,834,412	(209,087)
Education	16,730,161	16,012,972	717,189
Health and human services	412,442	616,771	(204,329)
Culture and recreation	1,031,661	1,077,378	(45,717)
Employee benefits and insurance	3,368,839	3,154,497	214,342
State assessments	79,652	73,095	6,557
Interest	362,868	379,786	(16,918)
Total expenses	31,296,396	29,704,424	1,591,972
Net (expenses) revenues	2,264,910	1,768,607	496,303
Contributions to permanent funds	4,650	3,200	1,450
Transfers	163,100	155,100	8,000
Change in net position	2,432,660	1,926,907	505,753
Net position - beginning of year	23,417,671	21,490,764	1,926,907
Net position - end of year	\$ 25,850,331	\$ 23,417,671	\$ 2,432,660

	Business-Type Activities		
	2020	2019	Change
Program Revenues:			
Charges for services	\$ 2,379,287	\$ 2,225,385	\$ 153,902
Operating grants and contributions	61,511	69,759	(8,248)
Total revenues	2,440,798	2,295,144	145,654
Expenses:			
Sewer	2,029,934	1,848,788	181,146
Total expenses	2,029,934	1,848,788	181,146
Net (expenses) revenues	410,864	446,356	(35,492)
Transfers	(163,100)	(155,100)	(8,000)
Change in net position	247,764	291,256	(43,492)
Net position - beginning of year	7,402,311	7,111,055	291,256
Net position - end of year	\$ 7,650,075	\$ 7,402,311	\$ 247,764

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. Assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$33,500,406 at the close of fiscal year 2020.

Net position of \$27,321,728 reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that are still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the investment in its capital assets is reported net of its related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the net position, \$7,804,193, represents resources that are subject to external restrictions on how they may be used. The remaining balance consists of *unrestricted net position* (\$1,625,515).

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

At the end of the current fiscal year, the Town is able to report positive balances in all three categories of net position for its business-type activities.

The governmental activities net position increased by \$2,432,660 (10%) during the current fiscal year. The key elements of the increase in net position for fiscal year 2020 are attributed to net increases in governmental fund's balances of \$1,981,419 and in the changes from the repayment of debt \$1,270,000, in this year's deferred outflows/(inflows) of resources related to OPEB of \$1,831,987 and in the pension liability of \$851,672; and net decreases resulting from the depreciation expense (cost spread out over the useful life of the asset) for the year of \$2,150,076 exceeding the acquisition of \$1,519,612 in new capital assets, and from the changes in the OPEB liability of \$2,645,666 and in the deferred outflows/(inflows) of resources related to pensions of \$1,056,383.

There was an increase of \$247,764 (3%) in net position reported in the sewer business-type activities.

Financial Analysis of the Government's Funds

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

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

As of the end of the current fiscal year, governmental funds reported combined ending fund balances of \$13,048,433, an increase of \$1,981,419 (18%) in comparison with the prior year.

Breakdown of the governmental funds are as follows:

- Non-spendable fund balance – \$299,715 (2%).
- Restricted fund balance – \$4,047,260 (31%).
- Committed fund balance – \$1,205,902 (9%).
- Assigned fund balance – \$2,964,523 (23%).
- Unassigned fund balance – \$4,531,033 (35%).

Major Governmental Funds

At the end of the fiscal year, the General Fund reported a total fund balance of \$10,336,960 increasing \$2,944,179 (40%) from the prior year. Of the \$10,336,960, the unassigned amount is \$7,359,657 (71.2%), the assigned amount is \$2,964,523 (28.7%) and the committed amount is \$12,780 (.1%). General fund revenues were \$3,046,807 (11%) more than the prior fiscal year and expenditures also increased by \$1,020,389 (4%). Other activity in the General Fund consisted of net transfers in from other funds of \$138,675.

The main components of the increase in general fund revenues were related to increases in hotel room occupancy, meals and cannabis taxes of \$1,290,024 (125%) (primarily from the cannabis taxes of \$1,154,881) and in licenses, permits and fees of \$1,388,465 (146%) from the prior year.

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

- Increase in General government expenditures of \$283,829 (16%).
- Increase in Public safety expenditures of \$135,145 (6%).
- Decrease in Public works expenditures of \$125,716 (8%).
- Increase in Education expenditures of \$717,189 (4%).

The *Street Improvements Fund* is a capital projects fund used to account for the accumulation of resources to make improvements to the Town's sidewalks, bridges and roadways. The fund has a deficit balance of \$1,620,751 year and shows a decrease of \$504,598 (45%). This is attributed to other receipts of \$3,093 and expenditures of \$507,691. The Town has issued a bond anticipation notes totaling \$2,480,000 which are not reflected in the Fund Balance. The fund ended fiscal year 2020 with a negative balance due to the interim financing with bond anticipation notes. Permanent financing will be done once the projects near completion which will eliminate the deficit.

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

Major Proprietary Funds

The *Sewer Fund* has accumulated a fund balance of \$7,650,075 used in the financing and operations of the Town's sewer system. The fund shows an increase of \$247,764 (3%) in total operations. This change was attributed to operating revenues exceeding operating expenses by \$541,726, interest income of \$56,202, intergovernmental and other receipts of \$5,309, interest expense of \$192,373 and net transfers out to the governmental funds of \$163,100. Operating revenues increased by \$153,902 (7%) and operating expenses also increased by \$187,687 (11%) from the prior year.

General Fund Budgetary Highlights

The final general fund budget for fiscal year 2020 was \$29,168,465. This was an increase of \$921,781 (3%) from the previous year's budget.

There was an increase of \$100,315 between the total original budget and the total final amended budget. The changes are attributed to adjustments voted at various special meetings and the annual town meeting in June 2020 for various budget operating line items.

General fund expenditures were less than budgeted by \$1,590,239. Of the \$1,590,239 in under budget expenditures, \$435,523 has been carried over to fiscal year 2021.

There are negative variances in property taxes of \$71,417 and intergovernmental receipts of \$16,883 as expectations (budget) were higher than the receipts.

A negative variance exists in intergovernmental assessments of \$500 as the Town had a lower assessment in the registry of motor vehicles non-renewal surcharges than actual payments to the State.

Overall, the variance with the final budget was a positive \$5,308,219 consisting of a revenue surplus of \$4,153,503 and an appropriation surplus of \$1,154,716.

Capital Asset and Debt Administration

Capital Assets. The Town's investment in capital assets for its governmental and business-type activities as of June 30, 2020 amounts to \$36,850,686 and \$11,806,838, respectively.

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

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

- Foreclosure properties for \$38,941.
- Town Hall and information technology improvements for \$53,425.
- Police Station improvements for \$3,200.
- Police vehicle purchases for \$86,195.
- Highway vehicle and equipment purchases for \$179,825.
- Road and sidewalk infrastructure improvements for \$1,137,304.
- Library and masonry improvements for \$2,895.
- Parks' playground equipment purchases for \$10,860.
- Parks' improvements for \$6,967.

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

Sewer fund:

- Infrastructure improvements for \$165,811.

Debt Administration. The Town's outstanding governmental debt as of June 30, 2020 totaled \$8 million for various building improvements, vehicles and equipment, and street improvements.

The governmental activities currently have \$4,583,971 in bond anticipation notes outstanding for multiple capital activities.

The Town's outstanding business-type debt as of June 30, 2020 totaled \$7,721,825 consisting of various sewer system improvements.

The business-type activities currently have \$1,030,000 for phase II of the sewer improvement project.

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

Next Year's Annual Town Meeting

The Town of Great Barrington operates under the "Open Meeting" concept where each voter has an equal vote in adopting of Town budgets and appropriations. The financial statements for June 30, 2020 do not reflect the fiscal year 2021 Town Meeting actions with exception of the free cash amount used to fund the budget. The Annual Town Meeting on June 20, 2020 authorized the fiscal year 2021 operating and capital budgets as follows:

From raise and appropriate	\$	27,611,846
From sewer receipts		2,322,973
From Other Available Funds:		
General Fund:		
Unassigned fund balance:		
Free cash		2,529,000
Non-major Governmental Funds:		
Community preservation fund		1,293,500
Sale of real estate		50,000
	\$	<u>33,807,319</u>

Requests for Information

This financial report is designed to provide a general overview of the Town of Great Barrington's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Town Manager, Town Hall, 334 Main Street, Great Barrington, Massachusetts 01230.

BASIC FINANCIAL STATEMENTS

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
STATEMENT OF NET POSITION
JUNE 30, 2020

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
CURRENT:			
Cash and Cash Equivalents	\$ 16,007,634	\$ 6,164,749	\$ 22,172,383
Investments	2,020,565	-	2,020,565
Receivables, net of allowance for uncollectibles:			
Property Taxes	927,555	-	927,555
Tax Liens	1,059,833	-	1,059,833
Excise Taxes	219,245	-	219,245
Departmental	42,553	-	42,553
User Charges	-	791,260	791,260
Due from Other Governments	902,293	-	902,293
Total current assets	21,179,678	6,956,009	28,135,687
NONCURRENT:			
Capital Assets, net of accumulated Depreciation:			
Nondepreciable	10,226,222	236,671	10,462,893
Depreciable	26,624,464	11,570,167	38,194,631
Total noncurrent assets	36,850,686	11,806,838	48,657,524
Total Assets	58,030,364	18,762,847	76,793,211
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows Related to Pensions	988,652	100,302	1,088,954
Deferred Outflows Related to OPEB	4,188,928	476,555	4,665,483
Total Deferred Outflows of Resources	5,177,580	576,857	5,754,437
LIABILITIES			
CURRENT:			
Warrants Payable	348,390	72,041	420,431
Accrued Payroll	172,275	20,529	192,804
Payroll Withholdings	66,512	-	66,512
Tax Refund Payable	110,000	-	110,000
Accrued Interest	37,673	71,071	108,744
Compensated Absences	32,771	9,500	42,271
Landfill Post-Closure Care Costs	15,000	-	15,000
Bond Anticipation Notes Payable	4,583,971	1,030,000	5,613,971
Bonds Payable	1,275,000	462,391	1,737,391
Total current liabilities	6,641,592	1,665,532	8,307,124
NONCURRENT:			
Compensated Absences	211,091	35,633	246,724
Landfill Post-Closure Care Costs	90,000	-	90,000
Net OPEB Liability	18,427,543	2,170,036	20,597,579
Net Pension Liability	2,388,769	242,348	2,631,117
Bonds Payable	6,725,000	7,259,434	13,984,434
Total noncurrent liabilities	27,842,403	9,707,451	37,549,854
Total Liabilities	34,483,995	11,372,983	45,856,978
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows Related to Pensions	834,314	84,644	918,958
Deferred Inflows Related to OPEB	2,039,304	232,002	2,271,306
Total Deferred Inflows of Resources	2,873,618	316,646	3,190,264
NET POSITION			
Net Investment in Capital Assets	24,266,715	3,055,013	27,321,728
Restricted for:			
Capital Projects	2,075,648	870,657	2,946,305
Federal & State Grants	1,387,111	-	1,387,111
Community Preservation	1,605,961	-	1,605,961
Permanent Funds:			
Expendable	27,334	-	27,334
Nonexpendable	299,715	-	299,715
Other Purposes	1,537,767	-	1,537,767
Unrestricted	(5,349,920)	3,724,405	(1,625,515)
Total Net Position	\$ 25,850,331	\$ 7,650,075	\$ 33,500,406

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

**TOWN OF GREAT BARRINGTON, MASSACHUSETTS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020**

	<u>Program Revenues</u>				<u>Net (Expenses) Revenues and Changes in Net Position</u>		
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Governmental Activities:							
General Government	\$ 3,207,578	\$ 296,032	\$ 575,447	\$ -	\$ (2,336,099)	\$ -	\$ (2,336,099)
Public Safety	3,477,870	648,612	69,063	-	(2,760,195)	-	(2,760,195)
Public Works	2,625,325	52,394	-	1,069,035	(1,503,896)	-	(1,503,896)
Education	16,730,161	-	-	-	(16,730,161)	-	(16,730,161)
Health and Human Services	412,442	79,691	98,918	-	(233,833)	-	(233,833)
Culture and Recreation	1,031,661	10,819	47,893	-	(972,949)	-	(972,949)
Employee Benefits and Insurance	3,368,839	-	49,983	-	(3,318,856)	-	(3,318,856)
Intergovernmental Assessments	79,652	-	-	-	(79,652)	-	(79,652)
Interest	362,868	-	-	-	(362,868)	-	(362,868)
Total Governmental Activities	31,296,396	1,087,548	841,304	1,069,035	(28,298,509)	-	(28,298,509)
Business-Type Activities:							
Sewer	2,029,934	2,379,287	61,511	-	-	410,864	410,864
Total Primary Government	\$ 33,326,330	\$ 3,466,835	\$ 902,815	\$ 1,069,035	(28,298,509)	410,864	(27,887,645)
General Revenues:							
Property Taxes					24,421,319	-	24,421,319
Motor vehicle and other excise taxes					931,118	-	931,118
Hotel room occupancy, meals and cannabis taxes					2,324,176	-	2,324,176
Penalties & Interest on taxes					141,705	-	141,705
Grants & Contributions not restricted to specific programs					2,621,333	-	2,621,333
Unrestricted Investment Income					123,768	-	123,768
Contributions to Permanent Funds					4,650	-	4,650
Transfers, net					163,100	(163,100)	-
Total General Revenues, Contributions and Transfers					30,731,169	(163,100)	30,568,069
Change in Net Position					2,432,660	247,764	2,680,424
Net Position:							
Beginning of year					23,417,671	7,402,311	30,819,982
End of year					\$ 25,850,331	\$ 7,650,075	\$ 33,500,406

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

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2020

	General Fund	Street Improvements Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets:				
Cash and Cash Equivalents	\$ 8,656,452	\$ 860,155	\$ 6,491,027	\$ 16,007,634
Investments	2,020,565	-	-	2,020,565
Receivables, net of allowance for uncollectibles:				
Property Taxes	910,632	-	16,923	927,555
Tax Liens	1,042,873	-	16,960	1,059,833
Excise Taxes	219,245	-	-	219,245
Departmental	27,120	-	15,433	42,553
Due from Other Governments	69,013	-	833,280	902,293
Total Assets	\$ 12,945,900	\$ 860,155	\$ 7,373,623	\$ 21,179,678
Liabilities:				
Warrants Payable	\$ 274,860	\$ 906	\$ 72,624	\$ 348,390
Accrued Payroll	138,685	-	33,590	172,275
Employee Withholdings	66,512	-	-	66,512
Tax Refund Payable	110,000	-	-	110,000
Bond Anticipation Notes Payable	-	2,480,000	2,103,971	4,583,971
Total Liabilities	590,057	2,480,906	2,210,185	5,281,148
Deferred Inflows of Resources - Unavailable Revenue	2,018,883	-	831,214	2,850,097
Fund Balance:				
Nonspendable	-	-	299,715	299,715
Restricted	12,780	-	4,034,480	4,047,260
Committed	-	-	1,205,902	1,205,902
Assigned	2,964,523	-	-	2,964,523
Unassigned	7,359,657	(1,620,751)	(1,207,873)	4,531,033
Total Fund Balance	10,336,960	(1,620,751)	4,332,224	13,048,433
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 12,945,900	\$ 860,155	\$ 7,373,623	\$ 21,179,678

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

**TOWN OF GREAT BARRINGTON, MASSACHUSETTS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020**

	General Fund	Street Improvements Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:				
Property Taxes	\$ 23,441,382	\$ -	\$ 536,913	\$ 23,978,295
Intergovernmental	1,157,942	-	1,269,931	2,427,873
Excise and Other Taxes	855,774	-	-	855,774
Hotel Room Occupancy, Meals and Cannabis Taxes	2,324,176	-	-	2,324,176
Licenses, Permits, Fees	2,341,221	-	-	2,341,221
Charges for Services	-	-	397,684	397,684
Interest on Taxes	139,467	-	2,238	141,705
Investment Income	123,768	-	32,648	156,416
Gifts and Donations	-	-	38,359	38,359
Other	-	3,093	11,201	14,294
Total Revenues	30,383,730	3,093	2,288,974	32,675,797
Expenditures:				
Current:				
General Government	2,008,827	-	1,101,003	3,109,830
Public Safety	2,419,159	-	590,792	3,009,951
Public Works	1,445,884	507,691	818,702	2,772,277
Education	16,730,161	-	-	16,730,161
Health and Human Services	375,639	-	36,158	411,797
Culture and Recreation	598,827	-	176,807	775,634
Employee Benefits and Insurance	2,281,172	-	69,277	2,350,449
Intergovernmental Assessments	79,652	-	-	79,652
Debt Service:				
Principal	1,270,000	-	-	1,270,000
Interest	368,905	-	-	368,905
Total Expenditures	27,578,226	507,691	2,792,739	30,878,656
Excess of Revenues Over (Under) Expenditures	2,805,504	(504,598)	(503,765)	1,797,141
Other Financing Sources (Uses):				
Operating Transfers In	158,000	-	24,425	182,425
Operating Transfers Out	(19,325)	-	-	(19,325)
Bond Premium	-	-	21,178	21,178
Total Other Financing Sources (Uses)	138,675	-	45,603	184,278
Net Change in Fund Balances	2,944,179	(504,598)	(458,162)	1,981,419
Fund Balances, Beginning of Year	7,392,781	(1,116,153)	4,790,386	11,067,014
Fund Balances, End of Year	\$ 10,336,960	\$ (1,620,751)	\$ 4,332,224	\$ 13,048,433

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

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
Reconciliation of the Governmental Funds Balance Sheet
Total Fund Balances to the Statement of Net Position
For the Year Ended June 30, 2020

Total Governmental Fund Balances		\$ 13,048,433
Capital Assets (net) used in governmental activities are not financial resources and, therefore, are not reported in the funds.		36,850,686
Revenues are recognized on an accrual basis of accounting instead of a modified accrual basis.		2,850,097
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.		2,303,962
Long Term liabilities are not due and payable in the current period and, therefore, are not reported in governmental funds:		
Bonds Payable	\$ (8,000,000)	
Landfill Post-Closure Care Costs	(105,000)	
Net Other Post Employment Benefits Liability	(18,427,543)	
Net Pension Liability	(2,388,769)	
Compensated Absences	<u>(243,862)</u>	(29,165,174)
In the statement of activities, interest is accrued on outstanding long term debt, whereas in governmental funds interest is not reported until due.		<u>(37,673)</u>
Net Position of Governmental Activities		<u><u>\$ 25,850,331</u></u>

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

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2020

Net Change in Fund Balances - Total Governmental Funds \$ 1,981,419

Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and are reported as depreciation expense:

Capital Outlay Purchases	\$ 1,519,612	
Depreciation	<u>(2,150,076)</u>	(630,464)

Revenue in the Statement of Activities that do not provide current financial resources are fully deferred in the Statement of Revenues, Expenditures and Changes in Fund Balances. Therefore, the recognition of revenue for various types of accounts receivable (i.e., real estate and personal property, motor vehicle excise, etc.) differ between the two statements. This amount represents the net change in deferred inflow - unavailable revenue. 830,040

The issuance of long-term debt (e.g., bonds and leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the financial resources of governmental funds. Neither transaction, however, has any effect on net position:

Repayment of Debt Principal		1,270,000
-----------------------------	--	-----------

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:

Net Change in Compensated Absences	(20,982)	
Net Change in Landfill Post-Closure Care Costs	15,000	
Net Change in Net Other Post Employment Benefit Liability	(2,645,666)	
Net Change in Deferred Outflow/(Inflow) of Resources Related to OPEB	1,831,987	
Net Change in Net Pension Liability	851,672	
Net Change in Deferred Outflow/(Inflow) of Resources Related to Pensions	(1,056,383)	
Net Change in Accrued Interest	<u>6,037</u>	<u>(1,018,335)</u>

Change in Net Position of Governmental Activities \$ 2,432,660

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

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
STATEMENT OF REVENUES AND EXPENDITURES - BUDGETARY BASIS
(NON-GAAP) - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Budgeted Amounts</u>				Actual	Amounts Carried Forward to Next Year	Variance with Final Budget Positive (Negative)	
	Amounts Carried		Final					Budgetary
	Forward from Prior Year	Original Budget	Budget	Basis				
Revenues:								
Property Taxes	\$ -	\$ 23,817,799	\$ 23,817,799	\$ 23,746,382	\$ -	\$ (71,417)		
Intergovernmental	-	1,174,825	1,174,825	1,157,942	-	(16,883)		
Excise and Other Taxes	-	422,000	422,000	855,774	-	433,774		
Hotel Room Occupancy, Meals and Cannabis Taxes	-	470,000	470,000	2,324,176	-	1,854,176		
Licenses, Permits, Fees	-	568,000	568,000	2,341,221	-	1,773,221		
Interest on Taxes	-	45,000	45,000	139,467	-	94,467		
Investment Income	-	30,000	30,000	116,165	-	86,165		
Total Revenues	-	26,527,624	26,527,624	30,681,127	-	4,153,503		
Expenditures:								
Current:								
General Government	446,739	2,196,789	2,685,343	2,008,827	416,295	260,221		
Public Safety	2,700	2,479,620	2,512,320	2,419,159	9,448	83,713		
Public Works	43,382	1,589,263	1,661,145	1,445,884	9,608	205,653		
Education	-	16,730,161	16,730,161	16,730,161	-	-		
Health and Human Services	120	450,215	450,335	375,639	-	74,696		
Culture and Recreation	387	676,460	676,847	598,827	172	77,848		
Employee Benefits and Insurance	302	2,711,710	2,712,012	2,281,172	-	430,840		
Intergovernmental Assessments	-	79,152	79,152	79,652	-	(500)		
Debt Service:								
Principal	-	1,270,000	1,270,000	1,270,000	-	-		
Interest	-	391,150	391,150	368,905	-	22,245		
Total Expenditures	493,630	28,574,520	29,168,465	27,578,226	435,523	1,154,716		
Excess of Revenues Over (Under) Expenditures	(493,630)	(2,046,896)	(2,640,841)	3,102,901	(435,523)	5,308,219		
Other Financing Sources (Uses):								
Operating Transfers In	-	158,000	158,000	158,000	-	-		
Operating Transfers Out	-	(1,019,325)	(1,019,325)	(1,019,325)	-	-		
Total Other Financing Sources (Uses)	-	(861,325)	(861,325)	(861,325)	-	-		
Net Change in Budgetary Fund Balance	(493,630)	(2,908,221)	(3,502,166)	\$ 2,241,576	\$ (435,523)	\$ 5,308,219		
Other Budgetary Items:								
Free Cash and Other Reserves	-	2,950,000	3,050,315					
Prior Year Deficits	-	(41,779)	(41,779)					
Prior Year Encumbrances	493,630	-	493,630					
Total Other Budgetary Items	493,630	2,908,221	3,502,166					
NET BUDGET	\$ -	\$ -	\$ -					

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

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
Reconciliation of Revenues and Expenditures
from Budgetary Basis to GAAP Basis
For the Year Ended June 30, 2020

	Revenues	Expenditures
Reported on a Budgetary Basis	\$ 30,681,127	\$ 27,578,226
<i>Adjustments:</i>		
Activity for Stabilization Funds Recorded in the General Fund for GAAP Purposes	7,603	-
Net Decrease in Revenue from recording Refund Taxes Payable	(77,000)	-
Net Decrease in Revenue from Recording 60-Day Receipts	(228,000)	-
Reported on a GAAP Basis	\$ 30,383,730	\$ 27,578,226

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

**TOWN OF GREAT BARRINGTON, MASSACHUSETTS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2020**

	Business-Type Activities Enterprise Funds
	Sewer Fund
ASSETS	
CURRENT:	
Cash and Cash Equivalents	\$ 6,164,749
User Charges, net of allowance for uncollectibles	791,260
Total current assets	6,956,009
NONCURRENT:	
Capital Assets, net of accumulated depreciation:	
Nondepreciable	236,671
Depreciable	11,570,167
Total noncurrent assets	11,806,838
Total Assets	18,762,847
 DEFERRED OUTFLOWS OF RESOURCES	
Deferred Outflows Related to Pensions	100,302
Deferred Outflows Related to OPEB	476,555
Total Deferred Outflows of Resources	576,857
 LIABILITIES	
CURRENT:	
Warrants Payable	72,041
Accrued Payroll	20,529
Accrued Interest	71,071
Compensated Absences	9,500
Bond Anticipation Notes Payable	1,030,000
Bonds Payable	462,391
Total current liabilities	1,665,532
NONCURRENT:	
Compensated Absences	35,633
Net OPEB Liability	2,170,036
Net Pension Liability	242,348
Bonds Payable	7,259,434
Total noncurrent liabilities	9,707,451
Total Liabilities	11,372,983
 DEFERRED INFLOWS OF RESOURCES	
Deferred Inflows Related to Pensions	84,644
Deferred Inflows Related to OPEB	232,002
Total Deferred Inflows of Resources	316,646
 NET POSITION	
Net Investment in Capital Assets	3,055,013
Restricted for Capital Projects	870,657
Unrestricted	3,724,405
Total Net Position	\$ 7,650,075

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

**TOWN OF GREAT BARRINGTON, MASSACHUSETTS
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020**

	Business-Type Activities Enterprise Funds
	Sewer Fund
Operating Revenues:	
Charges for Services	\$ 2,357,055
Other	22,232
Total Operating Revenues	2,379,287
Operating Expenses:	
Salaries & Wages	444,751
Operating Expenses	932,519
Depreciation	460,291
Total Operating Expenses	1,837,561
Operating Income (Loss)	541,726
Non-Operating Revenues (Expenses):	
Interest Income	56,202
Intergovernmental	550
Other	4,759
Interest Expense	(192,373)
Total Non-Operating Revenues (Expenses)	(130,862)
Income (Loss) Before Operating Transfers	410,864
Operating Transfers:	
Transfers (Out)	(163,100)
Total Operating Transfers	(163,100)
Change in Net Position	247,764
Net Position at Beginning of Year	7,402,311
Net Position at End of Year	\$ 7,650,075

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

**TOWN OF GREAT BARRINGTON, MASSACHUSETTS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020**

	Business-Type Activities Enterprise Funds
	Sewer Fund
Cash Flows From Operating Activities:	
Receipts from Customers and Users	\$ 2,147,628
Receipts from Other Revenues	22,232
Payments to Vendors	(849,657)
Payments to Employees	(441,565)
Net Cash Provided by (Used for) Operating Activities	878,638
Cash Flows from Noncapital Financing Activities:	
Transfers from (to) Other Funds	(163,100)
Net Cash Provided by (Used for) Noncapital Financing Activities	(163,100)
Cash Flows from Capital and Related Financing Activities:	
Intergovernmental	6,996
Other	4,759
Proceeds from the Issuance of Notes and Bonds	525,000
Acquisition and Construction of Capital Assets	(165,811)
Principal Payments on Bonds and Notes	(474,257)
Interest Expense	(196,561)
Net Cash Provided by (Used for) Capital and Related Financing Activities	(299,874)
Cash Flows from Investing Activities:	
Investment Income	56,202
Net Cash Provided by (Used for) Investing Activities	56,202
Net Increase (Decrease) in Cash and Cash Equivalents	471,866
Cash and Cash Equivalents at Beginning of Year	5,692,883
Cash and Cash Equivalents at End of Year	\$ 6,164,749
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used For) Operating Activities:	
Operating Income (Loss)	\$ 541,726
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:	
Depreciation	460,291
Deferred (Outflows)/Inflows of Resources Related to Pensions	108,926
Deferred (Outflows)/Inflows of Resources Related to OPEB	(207,759)
Change in Assets and Liabilities:	
Increase (Decrease) in Warrants Payable	(101,816)
Increase (Decrease) in Accrued Payroll	5,553
Increase (Decrease) in Compensated Absences	(2,367)
Increase (Decrease) in Net OPEB Liability	374,606
Increase (Decrease) in Net Pension Liability	(91,095)
Decrease (Increase) in User Charges Receivable	(209,427)
Total Adjustments	336,912
Net Cash Provided by (Used for) Operating Activities	\$ 878,638

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

**TOWN OF GREAT BARRINGTON, MASSACHUSETTS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2020**

	Agency Funds
ASSETS	
Cash and Cash Equivalents	\$ 14,264
Total Assets	14,264
LIABILITIES	
Warrants Payable	638
Due to Others	13,626
Total Liabilities	14,264
NET POSITION	
Held in Trust for Other Purposes	\$ -

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The Town was incorporated in 1761 under the laws of the Commonwealth of Massachusetts. The Town is governed by an elected five-member Selectboard.

For financial reporting purposes, the Town has included all funds, organizations, account groups, agencies, boards, commissions and institutions. The Town has also considered all potential component units for which it is financially accountable as well as other organizations for which the nature and significance of their relationship with the Town are such that exclusion would cause the basic financial statements to be misleading or incomplete. In fiscal year 2020, it was determined that no entities met the required GASB-39 and GASB-61 criteria of component units.

The Town is responsible for electing the governing board and/or committee members of the Berkshire Hills Regional School District, the Great Barrington Housing Authority and the Great Barrington Fire District. These related organizations are excluded from the financial reporting entity because the Town's accountability does not extend beyond the Town electing the board members. A description of the related organizations follows:

Berkshire Hills Regional School District - A regional school district made up of three communities to serve and provide a learning experience. The regional school district is a separate entity under the Commonwealth of Massachusetts. The District is responsible for both the operating and capital costs related to the school and operates independently from the Town.

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

Great Barrington Fire District – A District that provides water services to the residents of the Town. The districts are autonomous and self-sufficient units under the General Laws of the Commonwealth of Massachusetts. The Town has no significant influence over management, budget or policies of the districts.

B. Government-Wide and Fund Financial Statements

Government-wide financial statements

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

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

Fund financial statements

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

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

Major Fund Criteria

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

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

and

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

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

Proprietary and fiduciary funds are reported by fund type.

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

Government-wide financial statements

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis* of accounting, as are the proprietary fund and fiduciary fund financial statements. Under the modified accrual basis of accounting revenues are recognized when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

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

Fund financial statements

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

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

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

The Town reports the following major governmental fund:

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

The *street improvements fund* a capital projects fund used to account for the accumulation of resources to make improvements to the Town's sidewalks, bridges and roadways.

The Town reports the following major proprietary funds:

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

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

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

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

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

Additionally, the Town reports the following fund types:

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

The *agency fund* is used to account for assets held in a purely custodial capacity.

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

D. Cash and Cash Equivalents

Cash balances from all funds, except those required to be segregated by law, are combined to form a consolidation of cash. Cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with an original maturity of three months or less from the date of acquisition. The Town maintains a cash and investment pool that is available for use by all funds. Each fund's portion of this pool is reflected on the combined financial statements under the caption, "cash and cash equivalents".

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

Investment income from proprietary funds is maintained in those funds.

E. Investments

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

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

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

Level 3 inputs are unobservable for the asset or liability.

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

Additional investment disclosures are presented in these Notes.

F. Receivables

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

Property Taxes and Tax Liens

Property taxes are based on assessments as of January 1, 2019. Taxes are used to finance the operations of the Town for the fiscal year July 1st to June 30th. By law, all taxable property in the Commonwealth of Massachusetts must be assessed at 100% of fair cash value. Taxes are due and payable on July 1st. The first tax payment is due November 1st, or thirty days after the date tax bills were mailed, whichever is later and must be at least one-half of the tax and any betterments. The balance of the tax is owed by May 1st of the following year. If payments are not made by the due dates, interest at the rate of 14% will be charged on the amount of the payment that is unpaid and overdue. The Town has an ultimate right to foreclose on property for which taxes have not been paid. Property taxes levied are recorded as receivables. Revenues from property taxes are recognized in the fiscal year for which they have been levied.

The Town mailed actual tax bills for fiscal year 2020 on October 28, 2019 and March 30, 2020 that were due on November 28, 2019 and June 1, 2020.

The Commonwealth of Massachusetts electorate in November, 1980, passed legislation known as Proposition 2 1/2, in order to limit the amount of revenue to be raised by taxation. The purpose of the legislation was to control the levy of taxes that are assessed to property owners of a Town. The legal levy limit under Proposition 2 1/2 for fiscal year 2020 is as follows:

Legal Levy Limit Under Proposition 2 1/2 for fiscal year 2020	\$ 23,576,289
Less: Debt Exclusion	<u>1,397,348</u>
Maximum Allowable Levy	<u><u>\$ 24,973,637</u></u>

The total amount to be raised by taxation was \$23,993,431.

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

Excise Taxes

Excise taxes consist of motor vehicle excise. Excise taxes are assessed annually and are recorded as receivables in the fiscal year of levy. The Commonwealth is responsible for reporting the number of vehicles registered and the fair value of those vehicles.

The tax calculation is the fair market value of the vehicle multiplied by \$25 per \$1,000 of value.

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

User Charges

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

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

Departmental

Departmental receivables consist of fees for parking tickets and public safety false alarms, and police off-duty details.

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

Due from Other Governments

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

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

G. Capital Assets

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

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

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

Capital Asset Type	Years
Buildings and renovations	20-40
Machinery, equipment and other	3-15
Infrastructure	20-40

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

H. Interfund Transfers

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

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

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

I. Deferred Outflows/Inflows of Resources

Government-wide financial statements

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

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

Fund financial statements

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

J. Net Position and Fund Balances

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

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

Net position has been "restricted for" the following:

"Capital projects" represents amounts restricted for capital purposes.

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

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

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

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

“Other purposes” represents restrictions placed on assets from outside parties.

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

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

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

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

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

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

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

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

K. Long-term Debt

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

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

L. Compensated Absences

The Town grants to employees unused sick leave benefits in varying amounts based upon length of service and in accordance with various individual union contracts. Upon retirement, termination, or death, certain employees are compensated for unused sick leave (subject to certain limitations) at their current rates of pay. The Town has established a trust fund with Town appropriations (typically \$35,000 annually, \$30,000 from the general fund and \$5,000 from the sewer fund) to be used to fund the accumulated sick leave benefits. The balance in the trust fund at June 30, 2020 is \$345,980.

M. Pension Benefits

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the Berkshire County Retirement System (the System) is provided. Additions to and deductions from the System's fiduciary net position have been determined on the same basis as they are reported by the system. For this purpose, benefit payments (including refunds of employee contributions), are recognized when due and payable according with the benefit terms. Investments are reported at their fair value.

N. Post Retirement Benefits

In addition to providing pension benefits, health insurance coverage is provided for retired employees and their survivors in accordance with MGL, Chapter 32, on a pay-as-you-go basis. The cost of providing health insurance is recognized by recording the employer's 50% share of insurance premiums for retirees, spouses and surviving spouses in the general fund in the fiscal year paid.

O. Use of Estimates

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

P. Total Column

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

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

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

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

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

- Estimates are submitted by departments in accordance with Massachusetts general Laws.
- The budget is legally enacted by vote at the annual Town meeting.
- Supplemental appropriations may be made from available funds after the setting of the tax rate with Town meeting approval.
- Throughout the year appropriations may be transferred between departments with Town meeting approval.

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

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

For fiscal year 2020, the Town incurred a final budget deficit of \$3,502,166 for the General Fund.

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

Unassigned fund balance:	
Free cash votes	\$ 3,050,315
Reserve for Deficits	(41,779)
Prior year's encumbrances	493,630
	<u>\$ 3,502,166</u>

B. Deficit Fund Balances

The following funds have deficits at June 30, 2020 as measured by the balances of unassigned fund balance.

- The *Street improvements* capital project funds and Major Fund have deficits totaling \$1,620,751. The Town has outstanding bond anticipation notes for \$2,480,000. These deficits will be eliminated upon the issuance of permanent debt.
- The *Antenna/fiber optic* capital project fund has a deficit of \$49,254. The Town has an outstanding bond anticipation note for \$50,000. This deficit will be eliminated upon the issuance of permanent debt.
- The *Building improvements* capital project funds have deficits totaling \$3,200. The Town has outstanding bond anticipation notes for \$275,000. The deficits will be eliminated upon the issuance of permanent debt.
- The *Cemetery vehicle and equipment* capital project funds have deficits totaling \$85,442. The Town has outstanding bond anticipation notes for \$85,700. The deficits will be eliminated upon the issuance of permanent debt.

- The *Fire Department turnout gear* capital project fund has a deficit of \$6,927. The Town has an outstanding bond anticipation note for \$70,000. This deficit will be eliminated upon the issuance of permanent debt.
- The *Highway storage facility* capital project fund has a deficit of \$174,639. The Town has an outstanding bond anticipation note for \$275,000. This deficit will be eliminated upon the issuance of permanent debt.
- The *Highway vehicle and equipment* capital project funds have deficits totaling \$468,426. The Town has outstanding bond anticipation notes for \$789,490. The deficits will be eliminated upon the issuance of permanent debt.
- The *Information technology* capital project fund has a deficit of \$128,319. The Town has an outstanding bond anticipation note for \$136,000. This deficit will be eliminated upon the issuance of permanent debt.
- The *Olympian Meadow improvements* capital project fund has a deficit of \$9,985. The Town has an outstanding bond anticipation note for \$30,000. This deficit will be eliminated upon the issuance of permanent debt.
- The *Parks' improvements* capital project fund has a deficit of \$6,967. The Town has outstanding bond anticipation notes for \$52,000. This deficit will be eliminated upon the issuance of permanent debt.
- The *Police cruisers* capital project funds have deficits totaling \$228,781. The Town has outstanding bond anticipation notes for \$225,800. The deficits will be eliminated upon the issuance of permanent debt.
- The *Portable radio's* capital project fund has a deficit of \$44,981. The Town has an outstanding bond anticipation note for \$44,981. This deficit will be eliminated upon the issuance of permanent debt.
- The *Telecommunications upgrade* capital project fund has a deficit of \$952. The Town has an outstanding bond anticipation note for \$25,000. This deficit will be eliminated upon the issuance of permanent debt.

3. DETAILED NOTES

A. Deposits and Investments

Custodial Credit Risks - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned. The government does not have a deposit policy for custodial credit risk. Deposits at June 30, 2020 were \$22,391,001. Of these, none are exposed to custodial credit risk as uninsured and uncollateralized.

Investment Policies

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

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

As such, the Town reports its investments in MMDT in the amount of \$2,020,565. MMDT's fair value is measured at amortized cost.

Custodial Credit Risks - Investments

For an investment, custodial risk is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town's investments all are in the MMDT and thus are exempt from collateralization. The Town has no policy on custodial credit risk.

Interest Rate Risk

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

Credit Risk

There is no exposure to credit risk.

Concentration of Credit Risk

The Town places no limit on the amount the Town may invest in one issuer. The Town's entire investment is in the MMDT.

Fair Value of Investments

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

The Town has the following recurring fair value measurements as of June 30, 2020:

Investment Type	Fair Value	Fair Value Measurements		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments Measured at Amortized Cost:				
External Investment Pools (MMDT)	\$ 2,020,565			

B. Receivables

At June 30, 2020, receivables for the individual major governmental funds 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
Major and nonmajor governmental funds:			
Property taxes	\$ 942,555	\$ (15,000)	\$ 927,555
Tax liens	1,059,833	-	1,059,833
Excise taxes	269,245	(50,000)	219,245
Departmental	58,553	(16,000)	42,553
Due from other governments	902,293	-	902,293
	<u>\$ 3,232,479</u>	<u>\$ (81,000)</u>	<u>\$ 3,151,479</u>

At June 30, 2020, receivables for the business-type activities consist of the following:

	Gross Amount	Allowance for Uncollectibles	Net Amount
Sewer Fund:			
User charges	\$ 635,103	\$ (11,000)	\$ 624,103
Tax liens	167,157	-	167,157
	<u>\$ 802,260</u>	<u>\$ (11,000)</u>	<u>\$ 791,260</u>

The composition of amounts due from other governments as of June 30, 2020 for the governmental funds is as follows:

General Fund:

Commonwealth of Massachusetts:

Department of Veterans Services:

Veterans benefits	\$	69,013
-------------------	----	--------

Nonmajor Governmental Funds:

Commonwealth of Massachusetts:

Department of Elder Affairs:

Council on Aging Service Incentive Grant	11,600	
--	--------	--

Department of Environmental Protection:

Stormwater Grant	30,759	
------------------	--------	--

Executive Office of Economic Development:

Massachusetts Works Grant	-	
---------------------------	---	--

Executive Office of Public Safety and Homeland Security:

State 911 Support and Incentive Grants	6,544	
--	-------	--

Traffic Enforcement Grants	2,480	
----------------------------	-------	--

Other:

Massachusetts Department of Transportation:

Highway Department - Chapter 90 funded projects	781,897	833,280
---	---------	---------

\$	<u>902,293</u>
----	----------------

C. Deferred Inflows of Resources – Unavailable Revenue

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

General Fund:

Property taxes	\$	660,632	
Tax liens		1,042,873	
Excise taxes		219,245	
Departmental		27,120	
Due from other governments		<u>69,013</u>	\$ 2,018,883

Nonmajor governmental funds:

Property taxes	16,923	
Tax liens	16,960	
Departmental	15,433	
Due from other governments	<u>781,898</u>	<u>831,214</u>
	\$	<u>2,850,097</u>

D. Capital Assets

Capital asset activity for the governmental and business-type activities for the year ended June 30, 2020, are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	\$ 5,716,437	\$ 38,941	\$ -	\$ 5,755,378
Construction in progress	4,481,359	1,203,791	(1,214,306)	4,470,844
Total capital assets not being depreciated	10,197,796	1,242,732	(1,214,306)	10,226,222
Capital assets being depreciated:				
Buildings and Renovations	16,358,599	747,808	-	17,106,407
Machinery, equipment and other	9,579,366	454,453	(141,915)	9,891,904
Infrastructure	19,868,508	288,925	-	20,157,433
Total capital assets being depreciated	45,806,473	1,491,186	(141,915)	47,155,744
Less accumulated depreciation for:				
Buildings and Renovations	6,487,300	559,920	-	7,047,220
Machinery, equipment and other	6,170,260	603,493	(141,915)	6,631,838
Infrastructure	5,865,559	986,663	-	6,852,222
Total accumulated depreciation	18,523,119	2,150,076	(141,915)	20,531,280
Total capital assets being depreciated, net	27,283,354	(658,890)	-	26,624,464
Total governmental activities capital assets, net	\$ 37,481,150	\$ 583,842	\$ (1,214,306)	\$ 36,850,686

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	\$ 10,655	\$ -	\$ -	\$ 10,655
Construction in Progress	60,205	165,811	-	226,016
Total capital assets not being depreciated	70,860	165,811	-	236,671
Capital assets being depreciated:				
Buildings and renovations	10,077,690	-	-	10,077,690
Machinery, equipment and other	1,288,184	-	-	1,288,184
Infrastructure	10,166,478	-	-	10,166,478
Total capital assets being depreciated	21,532,352	-	-	21,532,352
Less accumulated depreciation for:				
Buildings and renovations	7,871,769	186,869	-	8,058,638
Machinery, equipment and other	1,083,676	67,343	-	1,151,019
Infrastructure	546,449	206,079	-	752,528
Total accumulated depreciation	9,501,894	460,291	-	9,962,185
Total capital assets being depreciated, net	12,030,458	(460,291)	-	11,570,167
Total business-type activities capital assets, net	\$ 12,101,318	\$ (294,480)	\$ -	\$ 11,806,838

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

Governmental Activities:	
General government	\$ 119,665
Public safety	535,810
Public works	1,217,432
Health and human services	5,550
Culture and recreation	271,619
Total depreciation expense - governmental activities	<u>\$ 2,150,076</u>
 Business-Type Activities:	
Sewer fund	<u>\$ 460,291</u>

E. Short-Term Financing

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

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

Governmental Activities							
Purpose	Interest Rate	Final Maturity Date	Balance July 1, 2019	Renewed/ Issued	Retired/ Redeemed	Outstanding June 30, 2020	
Bond Anticipation Notes:							
Municipal Purpose Loan of 2019	3.00%	5/15/2020	\$ 2,710,990	\$ -	\$ 2,710,990	\$ -	
Municipal Purpose Loan of 2020	2.00%	1/27/2021	-	4,583,971	-	4,583,971	
Total Governmental Activities			<u>\$ 2,710,990</u>	<u>\$ 4,583,971</u>	<u>\$ 2,710,990</u>	<u>\$ 4,583,971</u>	

Business-Type Activities:							
Purpose	Interest Rate	Final Maturity Date	Balance July 1, 2019	Renewed/ Issued	Retired/ Redeemed	Outstanding June 30, 2020	
Bond Anticipation Notes:							
Municipal Purpose Loan of 2019	3.00%	5/15/2020	\$ 505,000	\$ -	\$ 505,000	\$ -	
Municipal Purpose Loan of 2020	2.00%	1/27/2021	-	1,030,000	-	1,030,000	
Total Business-Type Activities			<u>\$ 505,000</u>	<u>\$ 1,030,000</u>	<u>\$ 505,000</u>	<u>\$ 1,030,000</u>	

F. Long Term Debt

General Obligation Bonds

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

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

	Interest Rate	Date Issued	Final Maturity Date	Original Amount Issued	Outstanding June 30, 2020
Inside Debt:					
Municipal Purpose Loan of 2013	2.62%	8/1/2013	6/1/2028	\$ 2,526,400	\$ 1,145,000
Municipal Purpose Loan of 2014	1.89%	6/15/2014	6/1/2024	1,657,280	610,000
Municipal Purpose Loan of 2016	1.31%	6/26/2016	6/15/2027	4,725,000	3,035,000
Municipal Purpose Loan of 2017	2.13%	10/26/2017	4/15/2033	3,940,000	3,210,000
Total governmental type debt					<u>\$ 8,000,000</u>

Future Debt Service

The annual principal and interest payments to retire all governmental type fund general obligation long-term debt outstanding as of June 30, 2020, are as follows:

Year	Principal	Interest	Total
2021	\$ 1,275,000	\$ 243,813	\$ 1,518,813
2022	1,195,000	201,872	1,396,872
2023	1,200,000	158,022	1,358,022
2024	1,025,000	114,013	1,139,013
2025	765,000	84,272	849,272
2026-2030	2,075,000	193,270	2,268,270
2031-2033	465,000	26,550	491,550
	<u>\$ 8,000,000</u>	<u>\$ 1,021,812</u>	<u>\$ 9,021,812</u>

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

	Interest Rate	Date Issued	Final Maturity Date	Original Amount Issued	Outstanding June 30, 2020
Sewer Fund:					
Inside Debt:					
Municipal Purpose Loan of 2013	2.62%	8/1/2013	6/1/2028	\$ 268,600	\$ 160,000
Municipal Purpose Loan of 2016	1.31%	6/26/2016	6/15/2027	296,000	60,000
Massachusetts Clean Water Trust:					
Sewer system improvements	2.00%	2/11/2016	1/15/2036	4,210,000	3,506,274
Sewer system improvements	2.00%	4/13/2017	1/15/2037	4,579,305	3,995,551
Total Business-type debt					<u>\$ 7,721,825</u>

Future Debt Service

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

Year	Principal	Interest	Total
2021	\$ 462,391	\$ 157,386	\$ 619,777
2022	410,702	146,739	557,441
2023	419,192	138,325	557,517
2024	427,869	129,741	557,610
2025	436,733	120,983	557,716
2026-2030	2,283,525	467,465	2,750,990
2031-2035	2,475,885	231,235	2,707,120
2036-2038	805,528	21,662	827,190
	<u>\$ 7,721,825</u>	<u>\$ 1,413,536</u>	<u>\$ 9,135,361</u>

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

	Balance July 1, 2019	Additions	Reductions	Balance June 30, 2020	Amounts Due within One Year
Governmental activities:					
Bonds Payable:					
General obligation bonds	\$ 9,270,000	\$ -	\$ 1,270,000	\$ 8,000,000	\$ 1,275,000
Landfill post-closure care costs	120,000	-	15,000	105,000	15,000
Compensated absences	222,880	58,142	37,160	243,862	32,771
Net OPEB liability	15,781,877	2,645,666	-	18,427,543	-
Net pension liability	3,240,441	-	851,672	2,388,769	-
Governmental activity					
Long-term liabilities	<u>\$ 28,635,198</u>	<u>\$ 2,703,808</u>	<u>\$ 2,173,832</u>	<u>\$ 29,165,174</u>	<u>\$ 1,322,771</u>
Business type activities:					
Bonds Payable:					
General obligation bonds	\$ 300,000	\$ -	\$ 80,000	\$ 220,000	\$ 80,000
Massachusetts Clean Water Trust bonds	7,896,082	-	394,257	7,501,825	382,391
Compensated absences	47,500	-	2,367	45,133	9,500
Net OPEB liability	1,795,430	374,608	-	2,170,038	-
Net pension liability	333,443	-	91,095	242,348	-
Business-type activity					
Long-term liabilities	<u>\$ 10,372,455</u>	<u>\$ 374,608</u>	<u>\$ 567,719</u>	<u>\$ 10,179,344</u>	<u>\$ 471,891</u>

Massachusetts Clean Water Trust (MCWT)

The Town is scheduled to be subsidized by the Massachusetts Clean Water Trust (MCWT) on a periodic basis for principal in the amount of \$9,060,860 and interest costs of \$2,061,219 for a loan which the Town has borrowed from MCWT. The gross amount outstanding at June 30, 2020 for principal and interest combined for the loan is \$8,890,212. Since the Town is legally obligated for the total amount of the debt, such amounts for the gross principal have been recorded on the financial statements. The fiscal year 2020 interest subsidies totaled \$6,996.

Landfill Post-Closure Care Costs

State and Federal laws and regulations require the Town perform certain maintenance and monitoring functions at the landfill site for thirty years after closure.

The \$105,000 reported as landfill post-closure care liability as of June 30, 2020 represents the remaining estimated post-closure maintenance costs. These amounts are based on what it will cost to perform all post-closure care in 2020. Actual costs may be higher due to inflation, changes in technology or changes in regulations.

Legal Debt Limit

Under Section 10 of Chapter 44 of the Massachusetts General Laws a Town may authorize indebtedness up to a limit of five percent of its equalized valuation of the Town. Debt issued in accordance with this section of the law is designated as being "inside the debt limit." The Town's inside debt at June 30, 2020 totaled \$15,721,825.

In addition, the Town is authorized to incur debt outside of that limit for specific purposes. Such debt, when issued, is designated as being "outside the debt limit."

The following is a computation of the legal debt limit as of June 30, 2020.

Equalized Valuation-Real Estate and Personal Property (2020)		<u>\$ 1,600,428,300</u>
Debt Limit: 5 % of Equalized value		80,021,415
Total Debt Outstanding	\$ 15,721,825	
Less: Debt Outside Debt Limit	-	<u>15,721,825</u>
Inside Debt Excess Borrowing Capacity at June 30, 2020		<u>\$ 64,299,590</u>

Loans Authorized and Unissued - Memorandum Only

Under the general laws of the Commonwealth of Massachusetts a Town must authorize debt at a Town meeting. This authorized debt does not have to be actually issued at that time and remains authorized until the debt is actually issued or Town meeting votes to rescind the authorized debt.

Loan authorizations that have not been issued as of June 30, 2020 and are not reflected in the Town's financial statements are as follows:

Date Town Meeting Authorized	Purpose	Amount
5/2/2011	Water System Improvements	\$ 575,000
5/7/2012	Sewer System Improvements	21,400
5/5/2014	Sewer System Improvements	7,142,806
5/9/2016	Highway Dump Truck Purchase	29,000
5/9/2016	Fire Department - Air Packs' Purchase	155,000
5/1/2017	Departmental Vehicles, Equipment and Capital Improvements	417,860
5/7/2018	Departmental Vehicles, Equipment and Capital Improvements	206,500
5/6/2019	Departmental Vehicles, Equipment and Capital Improvements	6,109,019
		<u>\$ 14,656,585</u>

Overlapping Debt

The Town pays assessments which include debt service payments to other local governmental units providing services within the Town's boundaries (commonly referred to as overlapping debt). The following summary sets forth the long-term debt of the governmental unit, the estimated share of such debt being serviced by the Town and the total of its share of estimated indirect debt.

	Current Year's Debt	Town's Estimated Share	Town's Estimated Indirect Debt
Berkshire Hills Regional School District:			
School Construction	4,920,000	74.219%	<u>3,651,564</u>

The Berkshire Hills Regional School District also has bond anticipation notes outstanding as of June 30, 2020 of \$124,000 for capital projects.

G. Fund Balances

The following is a summary of the Town's Governmental fund balances at the year ended June 30, 2020:

	General Fund	Major Funds	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:				
Permanent funds	\$ -	\$ -	\$ 299,715	\$ 299,715
Restricted:				
Federal, state and local grants	-	-	605,213	605,213
Town Revolving funds	-	-	11,465	11,465
Community preservation funds	-	-	1,572,078	1,572,078
Debt service	12,780	-	-	12,780
Donations and gifts	-	-	127,873	127,873
Capital projects	-	-	320,301	320,301
Permanent funds	-	-	27,335	27,335
Other	-	-	1,370,215	1,370,215
	<u>12,780</u>	<u>-</u>	<u>4,034,480</u>	<u>4,047,260</u>
Committed:				
Conservation Fund	-	-	29,652	29,652
Employee Fringe Benefits Fund	-	-	345,980	345,980
Pension Reserve Fund	-	-	814,874	814,874
Unemployment Fund	-	-	15,396	15,396
	<u>-</u>	<u>-</u>	<u>1,205,902</u>	<u>1,205,902</u>
Assigned:				
General government	416,295	-	-	416,295
Public safety	9,448	-	-	9,448
Public works	9,608	-	-	9,608
Culture and Recreation	172	-	-	172
Subsequent year's budget	2,529,000	-	-	2,529,000
	<u>2,964,523</u>	<u>-</u>	<u>-</u>	<u>2,964,523</u>
Unassigned:				
General fund	7,359,657	-	-	7,359,657
Capital project deficits	-	(1,620,751)	(1,207,873)	(2,828,624)
	<u>7,359,657</u>	<u>(1,620,751)</u>	<u>(1,207,873)</u>	<u>4,531,033</u>
Total Governmental fund balances	<u>\$ 10,336,960</u>	<u>\$ (1,620,751)</u>	<u>\$ 4,332,224</u>	<u>\$ 13,048,433</u>

H. Special Trust Funds

Stabilization Fund

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

At June 30, 2020, the balance in the stabilization fund is \$1,287,521 and is reported in the General Fund as unassigned fund balance.

4. OTHER INFORMATION

A. Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The Town has obtained a variety of commercial liability insurance policies which passes the risk of loss listed above to independent third parties.

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

B. Contingent Liabilities

Litigation

Litigation is subject to many uncertainties, and the outcome of individual matters is not always predictable. Although the amount of the liability, if any, at June 30, 2020, cannot be ascertained, management believes any resulting liability should not materially affect the financial position at June 30, 2020.

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

C. COVID-19

The Covid-19 outbreak in the United States and across the globe has resulted in economic uncertainties. The disruption is expected to be temporary, but there is considerable uncertainty around the duration and scope. The extent of the impact of Covid-19 on our operational and financial performance will depend on certain developments, including the duration and spread of outbreak, impact on our customers, employees, and vendors all of which are uncertain and cannot be predicted. At this point, the extent to which Covid-19 may impact our financial condition or results of operations is uncertain.

D. Subsequent Events

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

E. Tax Abatements

The Town enters into property tax abatement agreements with local businesses under the Commonwealth of Massachusetts Economic Development Incentive Program Act of 1993 and as amended in 2009. Under this Act, state municipalities may grant property tax abatements of up to 100% of a business' property tax bill for the purpose of attracting or retaining these businesses within their jurisdictions. The abatements may be granted to any business located within or promising to relocate to the Town of Great Barrington.

As of June 30, 2020, the Town of Great Barrington abated property taxes amounting to \$47,335 under this program, including the following tax abatement agreements.

A 70% declining to 20% over ten years property tax abatement agreement was approved in May 2011 for the Iredale Mineral Cosmetics, Limited, to make renovations and improvements to the property on 50 Church Street of at least \$7.5 million, retain 81 full-time employees and create at least 32 new, permanent full-time jobs. In addition, the Iredale Mineral Cosmetics, Limited, agrees to operate its business and maintain the level of jobs as long as the agreement is in effect (term is ten years). The company has not met the Massachusetts Executive office of Housing and Economic Development Economic Assistance Coordinating Council (EACC) standards (job creation quota). The company had \$47,335 of abatements in this fiscal year.

A property tax abatement agreement was approved for the 20 Castle Street, L.L.C., to make improvements to the property and create new, permanent full-time jobs. In addition, the 20 Castle Street, L.L.C., agrees to operate its business and maintain the level of jobs as long as the agreement is in effect. The company has not met the Massachusetts Executive office of Housing and Economic Development Economic Assistance Coordinating Council (EACC) standards, has made no meaningful improvements and, therefore, had no abatements in this fiscal year.

F. Pension Plan

Plan Description

The Town is a member of the Berkshire County Retirement System (the System). The System is a cost-sharing multiple-employer public employee retirement system administered by a five-member board. Massachusetts General Laws (MGL), Chapter 32, assigns authority to establish the System and amend benefit provisions of the plan; which is regulated by the Public Employees Retirement Administration Commission (PERAC). The System is a defined benefit pension plan that covers substantially all employees of its member employers. The System issues a publicly available financial report in accordance with guidelines established by the Commonwealth's PERAC. That report may be obtained by contacting the System at 29 Dunham Hall, Pittsfield, Massachusetts 01201-6207.

Benefits Provided

The System provides retirement, disability, survivor and death benefits to plan members and beneficiaries. MGL Chapter 32 establishes uniform benefit and contributory requirements for all contributory public employee retirement systems (PERS). The Massachusetts PERS benefits are uniform from system to system, with a few minor exceptions. Members of the System become vested after 10 years of creditable service. 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. Retirement benefits are determined as a percentage of the member's final three-year (five-year for members hired on or after April 2, 2012) final average compensation times the member's years of creditable service prior to retirement. The percentage is based on the age of the member at retirement and his or her Group classification. Benefit payments are based upon a member's age, length of creditable service, and group creditable service, and group classification. Most employees who joined the system on or after April 2, 2012 cannot retire prior to age 60. The authority for amending these provisions rests with the Massachusetts Legislature.

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

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

Contributions

MGL Chapter 32 governs the contributions of plan members and the Town. Plan members are required to contribute to the System at rates ranging from 5% to 9% based upon their membership date of gross regular compensation with an additional 2% contribution after exceeding \$30,000 in annual covered compensation. The Town is required to pay into the System its share of the system-wide actuarial determined contribution that is apportioned among the employers based on active current payroll. Administrative expenses are funded through investment earnings. The Town's proportionate share of the required contribution to the System for the year ended December 31, 2019 was \$867,564, representing 21.40% of the covered payroll, an actuarially determined amount that, when combined with plan member contributions, is expected to finance the costs of benefits earned by plan members during the year and an additional amount to finance any unfunded accrued liability.

Pension Liability

As of June 30, 2020, the Town reported a liability of \$2,631,117 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2019. Accordingly, update procedures were used to roll forward the total pension liability to the measurement date. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At December 31, 2019, the Town's proportional percentage was 8.59%, which was a slight increase from the last measurement.

Pension Expense

For the year ended June 30, 2020, the Town recognized a pension expense of \$983,985; reported deferred outflows of resources related to pensions of \$1,088,954 from the difference between expected and actual experience and changes in assumptions; and deferred inflows of resources related to pensions of \$918,958 from the difference between expected and actual experience and the net difference between projected and actual investment earnings on pension plan investments.

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

For years ended June 30,	
2021	\$ 76,451
2022	34,188
2023	237,256
2024	<u>(177,899)</u>
	<u>\$ 169,996</u>

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of January 1, 2019, using the following actuarial assumptions, applied to all periods included in the measurement that was updated December 31, 2019:

Valuation date	January 1, 2019
Actuarial cost method	Entry Age Normal Cost Method
Asset valuation method	Determined in accordance with the deferred recognition method under which 20% of the gains or losses occurring in the prior year are recognized, 40% of those occurring 2 years ago, etc., so that 100% of the gains and losses occurring 5 years ago are recognized. The actuarial value of assets will be adjusted, if necessary, in order to remain between 90% and 110% of market value.
Investment rate of return	7.00% per year net of investment expenses
Projected salary increase	Select and ultimate by job group; ultimate rates 4.25% for Group 1 and Group 2, and 4.75% for Fire and Police.
Inflation	Not explicitly stated
Cost of living adjustments	3.00% of the first \$14,000.
Mortality rates	Pre-retirement rates reflect the RP-2014 Blue Collar Employees table projected generationally with Scale MP-2018 (gender distinct). Post retirement rates reflect the RP-2014 Blue Collar Healthy Annuitant table projected generationally with Scale MP-2018 (gender distinct). For disabled retirees, rates reflect the RP-2014 Blue Collar Healthy Annuitant table set forward one year projected generationally with Scale MP-2018 (gender distinct).

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which 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 weighing 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 class included in the pension plan's target asset allocation as of December 31, 2019, are summarized in the following table:

Asset Class	Target Asset Allocation	Real Return Arithmetic Basis	Long-Term Expected Real Rate of Return
U.S. Equities	13.00%	7.62%	0.99%
International Equities	13.00%	7.80%	1.01%
Emerging International Equities	5.00%	9.31%	0.47%
Hedge Equity	8.00%	6.89%	0.55%
Core Bonds	6.00%	4.37%	0.26%
Short-term Fixed Income	2.00%	4.01%	0.08%
20+ Year Treasury STRIPS	3.00%	3.50%	0.11%
TIPS	4.00%	4.00%	0.16%
Value-added Fixed Income	8.00%	7.58%	0.61%
Private Equity	13.00%	11.15%	1.45%
Real Estate (Core)	10.00%	6.43%	0.64%
Timber/Natural Resources	4.00%	7.00%	0.28%
Portfolio Completion (PBC)	11.00%	6.76%	0.74%
Total	<u>100.00%</u>		

Rate of Return

For the year ended December 31, 2019, the annual money-weighted rate of return (which expresses investment performance), net of investment expense was 16.23%. The money-weighted rate of return considers the changing amounts actually invested during a period and weighs the amount of pension plan investments by the proportion of time they are available to earn a return during that period. The rate of return is then calculated by solving, through an iterative process, for the rate that equates the sum of the weighted external cash flows into and out of the pension plan investments to the ending fair value of pension plan investments.

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarial determined rates based on the Board's funding policy, which establishes the contractually required rates by Statute and in accordance with Section 22D and Section 22F of MGL Chapter 32. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments or current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 7.00%. As well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate (amounts expressed in thousands):

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
Town's net pension liability	\$ 5,554,638	\$ 2,631,117	\$ 152,644

G. Other Post Employment Benefits Payable

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

Plan Description

In addition to providing pension benefits, the Town provided post-employment health care and life insurance benefits for retired employees, their dependents and beneficiaries. The benefits, benefit levels, employee and employer contributions are governed by Massachusetts General Law chapter 32. As of the actuarial valuation date there are approximately 120 active and retired employees, and spouses that meet the eligibility requirements. The plan does not issue a separate financial report.

Investment Policy

The Town's does not have a policy to contribute to an OPEB trust and has not contributed as of June 30, 2020. The Town has not established an irrevocable trust for the purpose of accumulating assets to prefund the OPEB liabilities. If such a trust existed, Plan assets segregated and restricted in an OPEB trust must be dedicated to providing plan benefits to retirees and beneficiaries in accordance with the terms of the plan and must be legally protected from creditors of the employer. Further, employer contributions to the trust must be irrevocable.

GASB Statement No. 75 – Financial Reporting for OPEB Employer

Funding Policy

The contribution requirements of plan members and the Town are established and may be amended through Town ordinances. For the period ending June 30, 2020, the total Town premiums plus implicit costs for the retiree medical program were \$470,212. The Town also made a contribution to an OPEB Trust of \$0 for a total contribution during the reporting period of \$470,212 to be reported on the financial statement for the fiscal year ending June 30, 2020.

Measurement Date

GASB Statement No. 75 requires the net OPEB liability to be measured as of a date no earlier than the end of the employer's prior fiscal year and no later than the end of the employer's current fiscal year, consistently applied from period to period. Accordingly, the net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of July 1, 2019.

Plan Membership:

Current active members	67
Current retirees, beneficiaries and dependents	53
Total	<u>120</u>

Net OPEB Liability

The components of the net OPEB liability are as follows:

	<u>6/30/2020</u>
Total OPEB liability	\$ 20,597,579
Less: Plan fiduciary net position	-
Town's Net OPEB liability	<u>\$ 20,597,579</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of July 1, 2019, using the following actuarial assumptions, applied to all periods included in the measurement for the reporting date of June 30, 2020:

Valuation date	July 1, 2019
Actuarial cost method	Individual Entry Age Normal
Inflation	2.40% annually, based on the 2020 Social Security Trustees Report
Single equivalent discount rate	2.21%, compounded annually, for the measurement as of June 30, 2020
Projected salary increases	3.50% annually
Mortality rates	
Pre-retirement mortality (General & Public Safety)	RP-2014 Blue Collar table, projected with generational mortality improvement using Scale MP-2018.
Post-retirement mortality (General & Public Safety)	RP-2014 Blue Collar table, projected with generational mortality improvement using Scale MP-2018.

The actuarial assumptions used in the July 1, 2019 valuation were reflective of published municipal bond indices; the Bond Buyer 20-Bond GO Index as of June 30, 2020 is 2.21%.

Rate of Return

For the year ended June 30, 2020, the annual money-weighted rate of return (which expresses investment performance), net of investment expense was not provided.

Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Total OPEB Liability
Balances at June 30, 2019	\$ 17,577,307	\$ -	\$ 17,577,307
Service cost	718,482	-	718,482
Interest on Total OPEB Liability	632,124	-	632,124
Changes in benefit terms	(321,896)	-	(321,896)
Changes in assumptions **	4,677,168	-	4,677,168
Difference between actual and expected experience	(2,215,394)	-	(2,215,394)
Net investment income	-	-	-
Employer contributions to Trust	-	470,212	(470,212)
Total benefit payments including implicit cost	(470,212)	(470,212)	-
Net change in total OPEB liability	3,020,272	-	3,020,272
Balances at June 30, 2020	\$ 20,597,579	\$ -	\$ 20,597,579

** = Amortized over 6.52 years

Discount Rate

The discount rate used to measure the total OPEB liability was 2.21%. As of June 30, 2020 measurement date, the OPEB plan's fiduciary net position was projected to be insufficient to make all projected benefit payments to current plan members. Therefore, the 2.21% municipal bond rate was applied to all periods to determine the total OPEB liability. Projected benefit payments are discounted to their actuarial present value using a single discount rate of 2.21%.

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

The following presents the Town's net OPEB liability as well as what the Town's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.21%) or 1-percentage-point higher (3.21%) than the current rate:

	Current		
	1% Decrease 1.21%	Discount Rate 2.21%	1% Increase 3.21%
Town's net OPEB liability	\$ 25,038,312	\$ 20,597,579	\$ 17,197,141

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

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

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Town's net OPEB liability	\$ 16,751,436	\$ 20,597,579	\$ 25,797,103

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

For the year ended June 30, 2020, the GASB Statement No. 75 reporting period and fiscal year ending date, the Town recognized an OPEB expense of \$1,450,738 and reported deferred outflows of resources related to OPEB of \$4,665,483 from changes in assumptions and deferred inflows of resources related to OPEB of \$2,271,306 from the differences between expected and actual experience and changes in assumptions.

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

For years ended June 30,	
2021	\$ 422,028
2022	422,028
2023	422,028
2024	533,632
2025	398,125
Thereafter:	196,336
	<u>\$ 2,394,177</u>

H. Implementation of New GASB Pronouncements

The GASB issued Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. This pronouncement postponed the effective dates of certain provisions in GASB statements and Implementation Guides that first became effective or are scheduled to be effective for periods beginning after June 15, 2018 or later.

I. Future GASB Pronouncements

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

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

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

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

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

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

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

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

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

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
Required Supplementary Information
Pension Plan Schedules
Berkshire County Retirement System
For the Year Ended June 30, 2020

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

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

Measurement Date	Town's proportion of the net pension liability (asset)	Town's proportionate share of the net pension liability (asset)	Town's covered employee payroll	Net pension liability percentage of covered employee payroll	Plan fiduciary net position as a percentage of the total pension liability
12/31/2019	8.59%	\$ 2,631,117	\$ 4,054,738	64.89%	89.90%
12/31/2018	8.17%	\$ 3,573,884	\$ 3,569,228	100.13%	84.40%
12/31/2017	8.23%	\$ 2,127,702	\$ 3,595,440	59.18%	90.41%
12/31/2016	8.38%	\$ 3,332,894	\$ 3,545,000	94.02%	84.06%
12/31/2015	8.49%	\$ 3,592,713	\$ 3,592,000	100.02%	82.25%
12/31/2014	8.61%	\$ 2,260,900	\$ 3,469,000	65.17%	88.13%

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

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
Required Supplementary Information
Pension Plan Schedules
Berkshire County Retirement System
For the Year Ended June 30, 2020

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

Schedule of the Town's Contributions:

Measurement Date	Actuarially determined contribution	Less: Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	Town's covered employee payroll	Contributions percentage of covered employee payroll
12/31/2019	\$ 867,564	\$ (867,564)	\$ -	\$ 4,054,738	21.40%
12/31/2018	\$ 787,563	\$ (787,563)	\$ -	\$ 3,569,228	22.07%
12/31/2017	\$ 757,064	\$ (757,064)	\$ -	\$ 3,595,440	21.06%
12/31/2016	\$ 735,666	\$ (735,666)	\$ -	\$ 3,545,000	20.75%
12/31/2015	\$ 711,322	\$ (711,322)	\$ -	\$ 3,592,000	19.80%
12/31/2014	\$ 688,658	\$ (688,658)	\$ -	\$ 3,469,000	19.85%

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

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
Required Supplementary Information
Other Post Employment Benefit Plan Schedules
For the Year Ended June 30, 2020

Schedule of Changes in the Net OPEB Liability:

	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>
Total OPEB liability			
Service cost	\$ 718,482	\$ 623,878	\$ 655,305
Interest on net OPEB liability	632,124	624,489	579,133
Changes in benefit terms	(321,896)	-	-
Changes in assumptions	4,677,168	1,048,232	(776,171)
Difference between actual and expected experience	(2,215,394)	-	-
Benefit payments, including refunds of member contributions	(470,212)	(464,153)	(469,964)
Net change in total OPEB liability	<u>3,020,272</u>	<u>1,832,446</u>	<u>(11,697)</u>
Total OPEB liability-beginning	<u>17,577,307</u>	<u>15,744,861</u>	<u>15,756,558</u>
Total OPEB liability-ending (a)	<u>\$ 20,597,579</u>	<u>\$ 17,577,307</u>	<u>\$ 15,744,861</u>
Plan fiduciary net position			
Employer contributions to Trust	470,212	464,153	\$ 469,964
Benefit payments, including refunds of member contributions	(470,212)	(464,153)	(469,964)
Net change in plan fiduciary net position	-	-	-
Total fiduciary net position-beginning	-	-	-
Total fiduciary net position-ending (b)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town's net OPEB liability (a-b)	<u><u>\$ 20,597,579</u></u>	<u><u>\$ 17,577,307</u></u>	<u><u>\$ 15,744,861</u></u>

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

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
Required Supplementary Information
Other Post Employment Benefit Plan Schedules
For the Year Ended June 30, 2020

Schedule of Net OPEB Liability:

	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>
Total OPEB liability	\$ 20,597,579	\$ 17,577,307	\$ 15,744,861
Less: Plan fiduciary net position	-	-	-
Town's Net OPEB liability	<u>\$ 20,597,579</u>	<u>\$ 17,577,307</u>	<u>\$ 15,744,861</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%
Town's share of covered employee payroll	\$ 4,009,726	\$ 3,434,514	\$ 3,702,261
Participating employer net OPEB liability (asset) as a percentage of covered-employee payroll	513.69%	511.78%	425.28%

Schedule of Contributions:

	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>
Actuarially determined contribution	\$ 1,350,046	\$ 1,221,853	\$ 1,228,837
Less: Contributions in relation to the actuarially determined contribution	(470,212)	(464,153)	(469,964)
Contribution deficiency (excess)	<u>\$ 879,834</u>	<u>\$ 757,700</u>	<u>\$ 758,873</u>
Town's share of covered employee payroll	\$ 4,009,726	\$ 3,434,514	\$ 3,702,261
Contributions percentage of covered-employee payroll	11.73%	13.51%	12.69%
Annual money-weighted rate of return net of investment expense	N/A	N/A	N/A

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

TOWN OF GREAT BARRINGTON, MASSACHUSETTS
Required Supplementary Information
Other Post Employment Benefit Plan Schedules
For the Year Ended June 30, 2020

Schedule of Funding Progress:

Measurement Date	Other Post Employment Benefits						
	Actuarial Fiduciary Net Position (A)	Actuarial Total OPEB Liability (B)	Actuarial Net OPEB Liability (B-A)	Actuarial Funded Ratio (A/B)	Actuarial Covered Payroll (C)	Actuarial Percentage of Covered Payroll ((B-A)/C)	
6/30/2020	\$ -	\$ 20,597,579	\$ 20,597,579	0.00%	\$ 4,009,726	513.69%	
6/30/2019	\$ -	\$ 17,577,307	\$ 17,577,307	0.00%	\$ 3,434,514	511.78%	
6/30/2018	\$ -	\$ 15,744,861	\$ 15,744,861	0.00%	\$ 3,702,261	425.28%	
6/30/2017	\$ -	\$ 15,756,558	\$ 15,756,558	0.00%	N/A	N/A	

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

SUPPLEMENTARY SCHEDULES

**TOWN OF GREAT BARRINGTON, MASSACHUSETTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020**

	Fund Balances July 1, 2019	Revenues	Expenditures	Other Financing Sources (Uses)	Fund Balances June 30, 2020
Special Revenue:					
Federal and State Grants:					
Brownfields Assessment	\$ 13	\$ 115,867	\$ 115,867	\$ -	\$ 13
Community Compact Grants	20,007	-	19,980	-	27
Community Development Block Grant	-	25,308	-	-	25,308
Council on Aging Grants	1,426	33,997	30,049	-	5,374
Cultural Council Grants	7,833	5,015	5,885	-	6,963
Emergency Management Grants (COVID-19)	-	30,226	17,608	-	12,618
Highway Grants	-	629,614	629,614	-	-
Library Grants	34,418	22,150	18,186	-	38,382
Other Grants and Programs	(5,673)	56,820	41,420	(1,575)	8,152
Public Safety Grants	10,659	53,395	63,549	4,325	4,830
Small Town Housing Choice Grant	-	100,000	99,999	-	1
Smart Growth Grants	548,836	-	45,290	-	503,546
Other:					
Blue Hill Commons	3,913	56	-	-	3,969
Cemetery Revolving	644	-	-	-	644
Community Preservation Fund	1,651,978	738,446	719,921	(98,425)	1,572,078
Electrical, Gas and Plumbing Inspections	(109)	64,516	60,164	-	4,243
Gifts and Donations	128,441	38,390	38,958	-	127,873
Insurance Reimbursements	14,746	4,550	860	-	18,436
Outside Details	3,836	304,706	310,222	15,000	13,320
Parks Department Revolving	2,501	-	-	-	2,501
Police Drug Task Force	5,160	10,294	14,331	-	1,123
Police Narcotic	6,400	-	-	-	6,400
Sale of Cemetery Lots	374,203	24,400	-	-	398,603
Sale of Real Estate	675,780	-	-	-	675,780
Tax Title Revolving	1,011	3,066	-	-	4,077
Transportation Infrastructure	45	42	-	-	87
Wellness Program	10,367	2,000	1,680	-	10,687
Wetland Fund	54,085	995	75	-	55,005
Total Special Revenue page 65	\$ 3,550,520	\$ 2,263,853	\$ 2,233,658	\$ (80,675)	\$ 3,500,040

**TOWN OF GREAT BARRINGTON, MASSACHUSETTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020**

	Fund Balances July 1, 2019	Revenues	Expenditures	Other Financing Sources (Uses)	Fund Balances June 30, 2020
Continued from Page 65	\$ 3,550,520	\$ 2,263,853	\$ 2,233,658	\$ (80,675)	\$ 3,500,040
Special Revenue (Continued):					
Other (Continued):					
Affordable Housing Fund	153,158	946	67,300	100,000	186,804
Conservation Fund	29,230	422	-	-	29,652
Employee Fringe Benefits Fund	386,755	2,082	47,957	5,100	345,980
Pension Reserve Fund	802,887	11,987	-	-	814,874
Unemployment Fund	35,901	815	21,320	-	15,396
Total Special Revenue Funds	<u>4,958,451</u>	<u>2,280,105</u>	<u>2,370,235</u>	<u>24,425</u>	<u>4,892,746</u>
Capital Projects:					
Antenna/Fiber Optic	(49,254)	-	-	-	(49,254)
Bond Premium	30,146	-	12,450	21,178	38,874
Building Improvements	22,058	-	11,420	-	10,638
Cemetery Equipment	(22,573)	-	-	-	(22,573)
Cemetery Vehicle	(62,869)	-	-	-	(62,869)
Fire Department Turnout Gear	-	-	6,927	-	(6,927)
General Project Accounts	194,622	-	15,168	-	179,454
Highway Storage garage	(174,639)	-	-	-	(174,639)
Highway Skid Steer	(53,800)	-	-	-	(53,800)
Highway Vehicles	(225,589)	-	189,037	-	(414,626)
Information Technology Improvements	(83,107)	-	45,212	-	(128,319)
Library Improvements	91,030	-	2,895	-	88,135
Olympian Meadow Improvements	(9,985)	-	-	-	(9,985)
Parks' Improvements	-	-	6,967	-	(6,967)
Police Vehicles	(142,586)	-	86,195	-	(228,781)
Portable Radios	-	-	44,981	-	(44,981)
Telecommunications Upgrades	-	-	952	-	(952)
Total Capital Projects	<u>\$ (486,546)</u>	<u>\$ -</u>	<u>\$ 422,204</u>	<u>\$ 21,178</u>	<u>\$ (887,572)</u>

**TOWN OF GREAT BARRINGTON, MASSACHUSETTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020**

	Fund Balances July 1, 2019	Revenues	Expenditures	Other Financing Sources (Uses)	Fund Balances June 30, 2020
Perpetual Permanent Funds:					
Cemetery Perpetual Care	\$ 230,202	\$ 4,650	\$ -	\$ -	\$ 234,852
E.E. Smith Library Trust	24,045	-	-	-	24,045
Hollenbeck Trust	1,063	-	-	-	1,063
L. Chesanow Library Trust	3,500	-	-	-	3,500
M. Dewey Trust	1,707	-	-	-	1,707
Mason Library Trust	3,000	-	-	-	3,000
McKenley Trust	28,548	-	-	-	28,548
Ramsdell Library Trust	3,000	-	-	-	3,000
Total Perpetual Permanent Funds	295,065	4,650	-	-	299,715
Permanent Funds:					
Cemetery Perpetual Care	12,418	3,122	-	-	15,540
Community Building Trust	31	-	-	-	31
E.E. Smith Library Trust	1,599	374	300	-	1,673
Elizabeth Wheeler Trust	280	4	-	-	284
Hollenbeck Trust	169	18	-	-	187
L. Chesanow Library Trust	706	61	-	-	767
M. Dewey Trust	215	27	-	-	242
Mason Library Trust	242	47	-	-	289
McKenley Trust	5,076	486	-	-	5,562
Ramsdell Library Trust	2,680	80	-	-	2,760
Total Permanent Funds	23,416	4,219	300	-	27,335
Total - Non-Major Governmental Funds	\$ 4,790,386	\$ 2,288,974	\$ 2,792,739	\$ 45,603	\$ 4,332,224

**TOWN OF GREAT BARRINGTON, MASSACHUSETTS
SCHEDULE OF REAL ESTATE, PERSONAL PROPERTY AND ROLLBACK TAXES
JULY 1, 2019 TO JUNE 30, 2020**

	Uncollected Taxes July 1, 2019	Commitments	Abatements and Adjustments	Collections Net of Refunds and Overpayments	Uncollected Taxes June 30, 2020	Uncollected Taxes Per Detail June 30, 2020
Real Estate Taxes:						
Levy of 2020	\$ -	\$ 23,122,744	\$ 390,018	\$ 21,974,303	\$ 758,423	\$ 758,423
Levy of 2019	1,044,467	-	284,593	689,993	69,881	69,881
Levy of 2018	146,493	-	51,670	94,823	-	-
Levy of 2017	25	-	-	25	-	-
	<u>1,190,985</u>	<u>23,122,744</u>	<u>726,281</u>	<u>22,759,144</u>	<u>828,304</u>	<u>828,304</u>
Personal Property Taxes:						
Levy of 2020	-	874,278	2,136	825,203	46,939	46,939
Levy of 2019	106,523	-	-	87,604	18,919	18,919
Levy of 2018	11,647	-	-	1,580	10,067	10,067
Levy of 2017	7,941	-	-	647	7,294	7,294
Levy of 2016	4,132	-	-	205	3,927	3,927
Prior Years	10,212	-	-	30	10,182	10,192
	<u>140,455</u>	<u>874,278</u>	<u>2,136</u>	<u>915,269</u>	<u>97,328</u>	<u>97,338</u>
Rollback Taxes:	-	38,254	16,673	21,581	-	-
Total Real Estate, Personal Property and Rollback Taxes	<u>\$ 1,331,440</u>	<u>\$ 24,035,276</u>	<u>\$ 745,090</u>	<u>\$ 23,695,994</u>	<u>\$ 925,632</u>	<u>\$ 925,642</u>

**TOWN OF GREAT BARRINGTON, MASSACHUSETTS
SCHEDULE OF COMMUNITY PRESERVATION SURCHARGE
JULY 1, 2019 TO JUNE 30, 2020**

	Uncollected Taxes July 1, 2019	Commitments	Abatements and Adjustments	Collections Net of Refunds and Overpayments	Uncollected Taxes June 30, 2020	Uncollected Taxes Per Detail June 30, 2020
Non-Major Governmental Funds:						
Community Preservation Surcharge						
Levy of 2020	\$ -	\$ 545,106	\$ 10,136	\$ 519,236	\$ 15,734	\$ 15,734
Levy of 2019	22,037	-	5,430	15,418	1,189	1,189
Levy of 2018	2,226	-	945	1,281	-	-
Total Community Preservation Surcharge	\$ 24,263	\$ 545,106	\$ 16,511	\$ 535,935	\$ 16,923	\$ 16,923

**TOWN OF GREAT BARRINGTON, MASSACHUSETTS
SCHEDULE OF MOTOR VEHICLE EXCISE TAXES
JULY 1, 2019 TO JUNE 30, 2020**

	Uncollected Taxes July 1, 2019	Commitments	Abatements and Adjustments	Collections Net of Refunds and Overpayments	Uncollected Taxes June 30, 2020	Uncollected Taxes Per Detail June 30, 2020
Motor Vehicle Excise Taxes:						
Levy of 2020	\$ -	\$ 805,954	\$ 15,720	\$ 657,650	\$ 132,584	\$ 132,584
Levy of 2019	67,272	143,259	12,903	173,002	24,626	24,626
Levy of 2018	24,093	-	1,861	10,623	11,609	11,609
Levy of 2017	7,072	70	489	250	6,403	6,403
Levy of 2016	5,718	-	-	454	5,264	5,264
Prior Years	89,746	-	-	987	88,759	88,708
Total Motor Vehicle Excise Taxes	\$ 193,901	\$ 949,283	\$ 30,973	\$ 842,966	\$ 269,245	\$ 269,194

**TOWN OF GREAT BARRINGTON, MASSACHUSETTS
SCHEDULE OF TAX LIENS
JULY 1, 2019 TO JUNE 30, 2020**

	Uncollected Accounts July 1, 2019	Commitments	Abatements and Adjustments	Collections Net of Refunds and Overpayments	Uncollected Accounts June 30, 2020	Uncollected Accounts Per Detail June 30, 2020
Tax Liens	\$ 465,302	\$ 659,604	\$ 30,351	\$ 51,682	\$ 1,042,873	\$ 1,042,873
Non-Major Governmental Funds: Community Preservation Taxes Tax Liens	\$ 5,300	\$ 13,195	\$ 557	\$ 978	\$ 16,960	\$ 16,960

Great Barrington Budget & Financial Policy for Fiscal Year 2023

The Town of Great Barrington will manage municipal finances wisely. This will include planning for adequate funding to: 1) Provide and maintain public services and facilities at a level that will ensure public well-being and safety; 2) Comply with all State and local by-laws, rules and regulations; and 3) Meet the strategic priorities of the Town.

The budget and financial goals set forth by the Town Selectboard and the Finance Committee in the policy document outlines the priorities and objectives of the Town and provides agreed upon financial guidelines to be used in the preparation and review of the annual budget.

STRATEGIC PRIORITIES

- Ensure public safety.
- Ensure public health.
- Maintain a strong local economy.
- Strive for a high quality of life.
- Seek environmental sustainability.
- Ensure the fiscal stability of the Town.
- Maintain public infrastructure.
- Follow Great Barrington's Master Plan.

FINANCIAL GOALS

- Maintain adequate financial resources to sustain municipal services in the short and long term.
- Respond to the changes in the economy and meet the priority needs of the Town.
- Provide quality services efficiently and on a cost-effective basis.
- Maintain our top level bond rating.
- Work to keep the overall tax levy reasonable in consideration of other priorities and goals.

FINANCIAL MANAGEMENT POLICY

Revenue

- Services provided may not exceed available resources.
- Process must provide quality estimates of anticipated revenue.
- Process must anticipate any changes in revenue in upcoming years.
- Seek to diversify revenue sources.
- Estimate available resources including state funds, local funds, fees, grants and other sources.
- Estimate available resources including state funds, local funds, fees, grants and other sources.

Real Estate Tax

- Town should restrict levy to a 2.5% increase over the prior year levy limit adjusted for new construction growth and net debt and capital exclusions, as per Mass General Law.

- Proposed budget to not exceed legal property tax levy. Evaluate estimated tax rate based on level of affordability including: average and median income; average and median value of real property and the cost of living.

User Fees

- Establish user fees and other non-property tax revenues to recoup, to the extent possible, the costs of supplying a particular service.
- Review current department fee structures and charges for services annually to determine if they reflect the cost of the service and are also reasonable and affordable fees.

Debt Management

- Allow no borrowing to fund operational programs
- Debt service payments may not require the elimination of essential Town services
- Ensure that the Town's general obligation debt ratio not exceed 50% of statutory limit (5% of equalized valuation).
- Exempt from Proposition 2½ any long-term capital debt for municipal buildings, WWTP improvements, fire apparatus acquisition and school facilities improvements.

Service Delivery

- Manage financial resources through internal controls.
- Establish operation practices that minimize the cost of government and financial risk.
- Provide efficient public services.
- Minimize the cost of administration.
- Identify and measure performance outcomes.
- Review the level of services and standards annually.

BUDGET PREPARATION PROCESS

The FY2023 budget will be estimated in accordance with municipal code and applicable state law. The budget is based on separate funds set forth from anticipated revenues and expenditures for the General Fund and the Enterprise Fund.

The annual operating budget will contain complete financial statements that show outstanding obligations of the municipality, cash on hand to the credit of each fund, funds received from all sources during the preceding year, funds available from all sources during the ensuing year, revenue estimates to cover expenses in the proposed budget and the estimated tax rate required to fund the proposed budget.

For Fiscal Year 2023, the Selectboard and the Finance Committee agree that the budget preparation and review process shall include the following steps:

1. Review and approve Finance Policy
2. Distribute Budget Books:
 - a. Forecast Revenues.
 - b. Updated Capital Plan.
 - c. Review Department Budgets.
 - d. Recommended Projects Proposed for CPA Funds.

3. Participate in BHRSD joint budget meeting with Stockbridge and West Stockbridge.
4. Hold Budget Workshop Meetings.
5. Hold Public Hearing.

The Selectboard and the Finance Committee will jointly set the dates for the above budget meetings.

For Fiscal Year 2023, the Selectboard and the Finance Committee agree that the following will be done to ensure there is community engagement in the budget process:

- 1) Provide on-line access to budget information.
- 2) Provide printed budget books for the public at the libraries.
- 3) Provide a digital budget book on the town website.
- 4) Hold open meetings and hearing.

LOCAL GOVERNMENT SERVICES

- The Town Manager will prepare the budget for review by the Selectboard and the Finance Committee.
- The Town Manager may propose significant reorganizational changes and provide alternative ways to deliver services within the proposed budget.
- Performance objectives and goals will be identified and assessed.
- The Town Manager may propose elimination of services in the budget if it is not needed or cost-effective and/or propose new services as needed.
- Any service reductions shall be noted in the Fiscal 2023 budget presentation.
- Salaries and employee insurance contributions shall be set in the Fiscal Year 2023 budget pursuant to the Town's collective bargaining units and/or those already approved via a negotiated settlement and for non-represented personnel as authorized by the Town Manager.

For any proposed new initiatives, the Town Manager will:

- 1) Explain and justify the new needs(s).
- 2) Identify alternatives to what is being proposed and the pros and cons.
- 3) Identify the cost and benefit of the proposed alternative.
- 4) Identify financing source to pay for new need.
- 5) New need(s) include: any expansion of municipal services necessary; any additional staff and any additional resources needed to meet service needs or expanded service needs.

TOWN BUDGET FORMAT

For Fiscal Year 2023, the Selectboard and the Finance Committee agree that the following will be done to ensure that the budget information is provided in a format that is clear, accurate and complete.

Operating Budget Process:

- The Town Manager to request that Departments submit proposed budgets with operational plans and reports. Background information will include department goals and objectives, strategic initiatives, summary of activities and level of service.

- The Town Manager to review methods of operation, program service delivery and expenditure of resources inclusive of manpower allocation to ensure maximum efficiency of the Town.
- The Town Manager to provide complete financial statements in the Budget Book to include:
 - Outstanding obligations.
 - Cash on hand.
 - Funds received from prior year.
 - Sources of funds from prior year.
 - Estimated revenues.
 - Estimated expenses.
 - Estimated tax levy.
 - Estimated tax rate.
 - Estimated user fees for services.

Capital Budget Report:

- The Town defines a capital project as having an overall expenditure of \$15,000 and a life expectancy in excess of 3 years.
- The Town's annual budget will include a capital plan that identifies work to be started within that fiscal year.
- The budget shall include a five-year Capital Improvement Plan for all Town assets.
- Each year, the Selectboard and the Finance Committee will review the five-year Capital Improvement Plan to identify the future upcoming needs, review any changes to the schedule, cost estimate or sources of funding.
- Operational costs associated with any new equipment or infrastructure will be identified.
- The capital budget report will include the Debt Schedule broken down by department and function and a 10-year history be provided if possible.
- Identify a funding plan that reflects available State funds, grants, bonds and tax levy dollars to finance each project.

Enterprise Fund Process:

- The Town Manager shall prepare a budget for the Enterprise Fund that maintains it as a self-supporting fund, without a property tax transfer.
- The Enterprise Fund budget will include a report on sewer fees and rate structure.

FY2023 Budget Schedule/Timeline

Anticipated Completion Date	Description
November 30th	Kickoff: Budget instructions to departments
Monday, December 14th	Operating and Capital budgets due from departments
December 20th - 28th	Budget meetings with depts
January 7th	Order binders and tabs
January 11th	Budget cover design to Joe/Tate
January 12th-13th	Proof all salaries and longevity
January 14th-19th	Finalize 5-year Capital Improvement Plan, Special Articles, Historical Tax Data, Revenues, Debt Service, Reserve Balances
January 18th	Finalize Overall Budget Projection (Pro-forma)
January 19th	Finalize Capital
January 19th-21st	Proof ALL budget book documents (calculations and spelling)
January 21st	Dept heads to review and sign budget pages
January 24th	TM Letter due
January 24th-27th	Assemble budget books
Friday, January 28th	Distribute budget books
Tuesday, February 1st	1st budget meeting
Wednesday, February 2nd	2nd budget meeting
Tuesday, February 8th	3rd budget meeting
Wednesday, February 9th	4th budget meeting
All meetings will be held at 6:00pm	
February 14th-18th	Sue vacation
Tuesday, March 1st	Public Hearing (6:00pm)

Tate Coleman
Finance Assistant/Board Clerk
E-mail: tcoleman@townofgb.org
www.townofgb.org



Town Hall, 334 Main Street
Great Barrington, MA 01230

Telephone: (413) 528-1619
Fax: (413) 528-2290

TOWN OF GREAT BARRINGTON MASSACHUSETTS

SELECTBOARD & TOWN MANAGER OFFICE

ARPA Survey Results

The Town of Great Barrington conducted a survey in November 2021 regarding potential uses of \$2,075,908 in funds from the American Rescue Plan Act (ARPA). This survey contained eight questions and was distributed via print and online through Google Forms. The survey was available in Spanish, both in print and online. Various organizations disseminated the survey, including the People's Pantry, Berkshire South Regional Community Center (BSRCC), Bard College at Simon's Rock, Community Health Practices (CHP), and Berkshire Food Co-op. The Town of Great Barrington also distributed the survey at Town Hall, on the Town's website, and at the Claire Teague Senior Center. Two out of 274 responses (<1%) were completed in Spanish. 23 out of a total 274 responses (8%) were handwritten.

Question 1a: Are you a resident of Great Barrington?

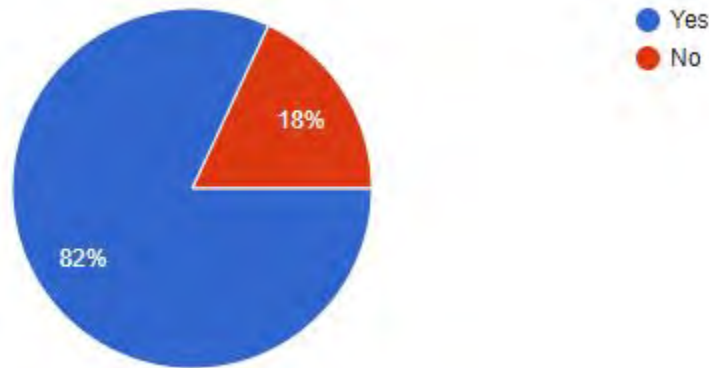


Figure 1: Percentage of respondents residing in Great Barrington

The majority of survey respondents (82%) were residents of Great Barrington. 18% were not residents of Great Barrington. Out of those who did not reside in Great Barrington, one-fifth were owners of businesses or non-for-profits. 72% worked in Great Barrington. Those who were not residents resided primarily in nearby municipalities.

Question 1b: What is the name of the street you live on? (Only for Great Barrington Residents)

Out of the 216 Great Barrington residents who responded:

- 12.5% were residents of Alford Road
- Other common streets:
 - Main Street (5.6%)
 - North Plain Road (4.2%)
 - East Street (3.7%)
 - Castle Hill Avenue (3.2%)

Question 1c: What is your ZIP Code?

- 01230 – Great Barrington/Monterey (68.4%)
- 01236 – Housatonic (17.9%)
- Other ZIP codes:
 - 01201 – Pittsfield (2.7%)
 - 01245 – Monterey (1.5%)

Question 2: Do you work in Great Barrington?

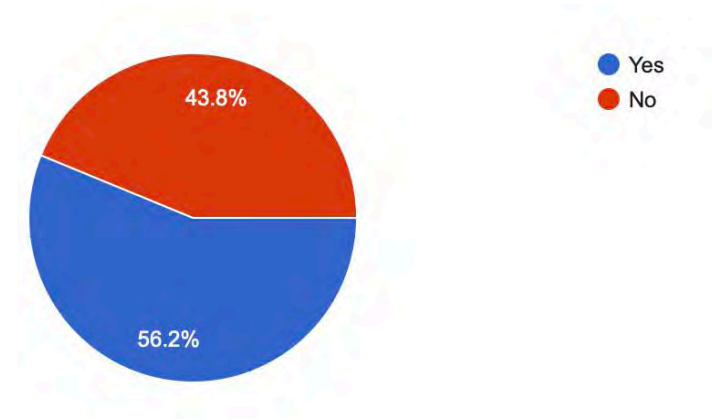


Figure II: Percentage of respondents working in Great Barrington

- 56.2% of respondents worked in Great Barrington
- 43.8% of respondents did not work in Great Barrington

Question 3: Do you own or operate a business or non-profit in Great Barrington?

52 respondents (19.3%) indicated that they owned or operated a business or non-profit in Great Barrington. Out of those, 43 were residents of Great Barrington.

Question 4a: How has COVID-19 affected your business?

Respondents who indicated that they owned or operated a business or non-profit in Great Barrington were asked to indicate how their business was affected by COVID-19 on a scale of 1 to 5, with 1 being “Very Negative” and 5 being “Very Positive.”

- Very Negative [1] – 17.3%
- Somewhat Negative [2] – 26.9%
- Not Affected [3] – 38.5%
- Somewhat Positive [4] – 5.8%
- Very Positive [5] – 11.5%
- On average, businesses who responded to this survey were affected Slightly Negatively [2.67 out of 5]

Question 4b: Where is your business located?

50 out of the 52 business owners indicated their business’ location.

- Housatonic – 22%
- Downtown Great Barrington – 18%
- Stockbridge Road – 18%
- South Main Street – 8%
- Home Office (Write-In) – 24%
- Other responses included “within the boundaries,” and “home painter”

Question 4c: How has COVID-19 affected your household?

272 out of 274 respondents answered this question. Respondents were asked to indicate how their business was affected by COVID-19 on a scale of 1 to 5, with 1 being “Very Negative” and 5 being “Very Positive.”

- Very Negative [1] – 19.1%
- Slightly Negative [2] – 48.9%
- No Change [3] – 23.5%
- Slightly Positive [4] – 7.4%
- Very Positive [5] – 1.1%
- On average, households who responded were affected Slightly Negatively [2.23 out of 5].

Question 5: What would be most helpful to offset COVID-19 Impacts? [Choose up to 3]

Survey participants were asked to select up to three options for offsetting COVID-19 impacts from Figure III. Respondents were generally asked to respond to this question if they indicated that their household was affected negatively. 213 respondents completed this question.

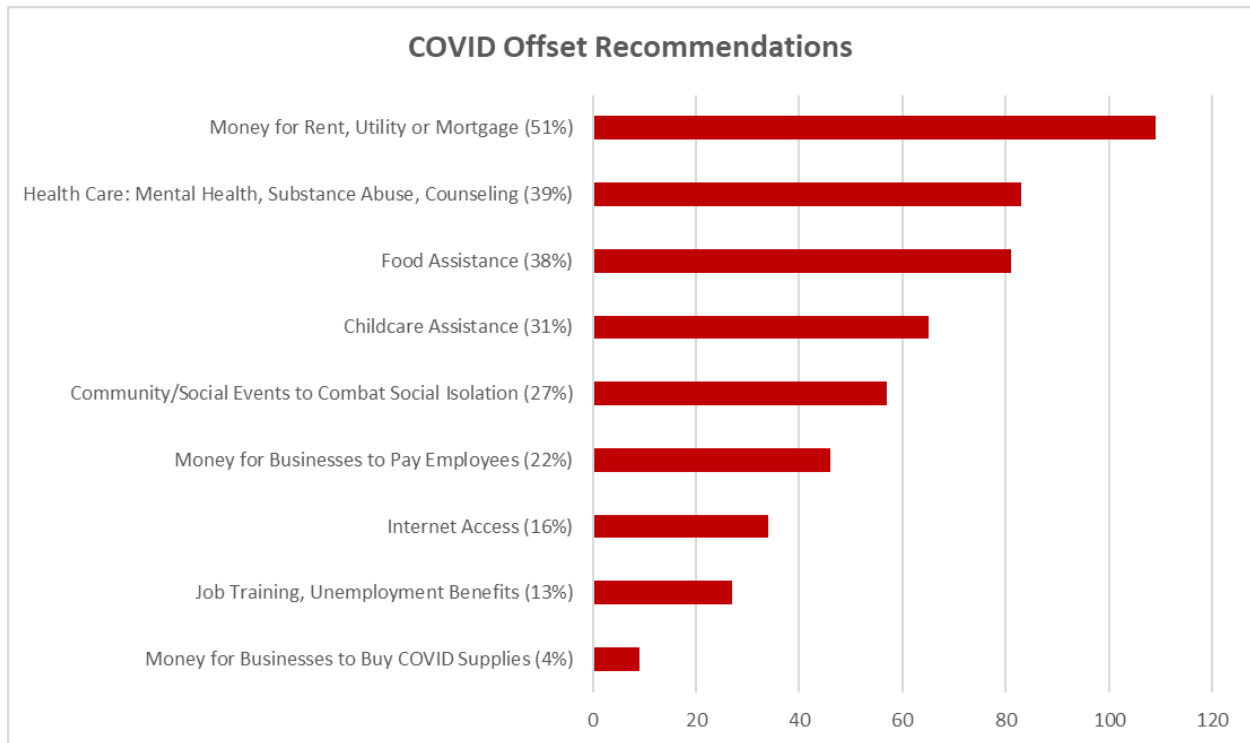


Figure III: Distribution of COVID Offset Recommendations

The most supported uses of funding:

- Money for rent, utility or mortgage (51.2%)
- Food assistance (38%)
- Help with childcare (30.5%)
- Health care: Mental health, substance abuse, and counseling (28.6%)
- Community/social events to combat social isolation (26.8%)
- Write-in responses included:
 - Affordable housing
 - Transportation
 - Elderly assistance

Question 6: Please rank the following ways the Town can use \$2 Million in COVID relief in order of priority (1 to 4):

The four categories respondents were able to select were: “Fund public health programs (for example, vaccination, testing, tracing, medical expenses)”; “Reduce negative economic impacts of COVID-19 (for example, provide money to households for food/rent/housing costs, money to small businesses)”; “Provide extra pay for essential workers (for example, grocery store clerks, nurses)” and “Fund water, sewer and high-speed internet projects.” Figure IV, below, provides an overview of the priority distribution per category. For the purposes of this analysis, I have determined the metric to rank categories’ support as a combination of respondents’ first and second priorities.

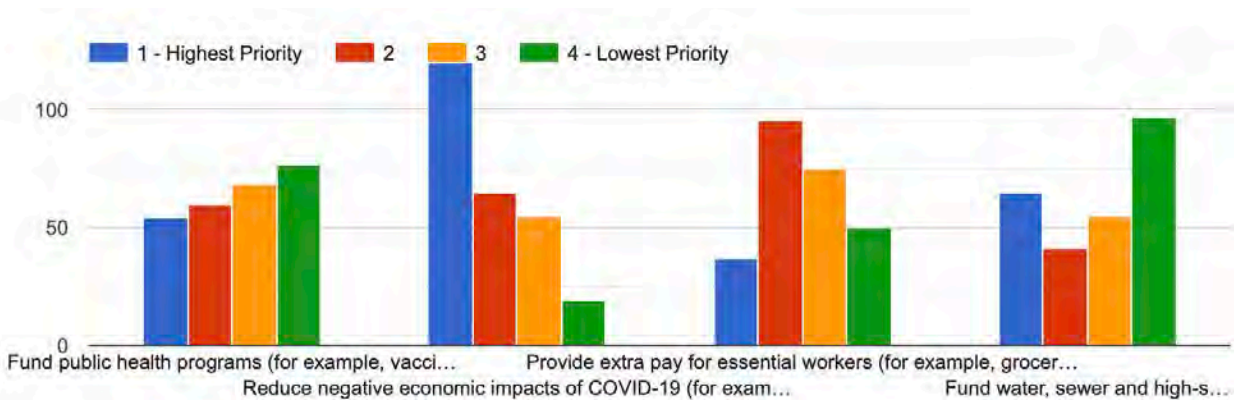


Figure IV: Support Distribution of the Four ARPA Funding Categories (Responses by Category)

Out of the 259 responses to this question:

- “Reduce negative economic impacts of COVID-19 (for example, provide money to households for food/rent/housing costs, money to small businesses)”
 - 46.3% selected this category as their highest priority
 - 25.1% indicated this as their second priority
 - 71.4% of respondents indicated this category as either their first or second priority (the previous two categories combined)
- “Provide extra pay for essential workers (for example, grocery store clerks, nurses)”
 - 14.3% selected this category as their highest priority
 - 37.7% indicated this as their second priority
 - 52% of respondents indicated this category as either their first or second priority

- “Fund public health programs (for example, vaccination, testing, tracing, medical expenses)”
 - 20.8% selected this category as their highest priority
 - 23.2% indicated this as their second priority
 - **44%** of respondents indicated this category as either their first or second priority
- “Fund water, sewer and high-speed internet projects”
 - 25.1% selected this category as their highest priority
 - 15.8% indicated this as their second priority
 - **40.9%** of respondents indicated this category as either their first or second priority

Question 7: Select up to 5 areas where we should invest the COVID relief (optional)

Respondents were asked to select up to 5 subcategories of the four major categories where they would like to see the funds invested. 268 out of 274 participants answered this optional question.

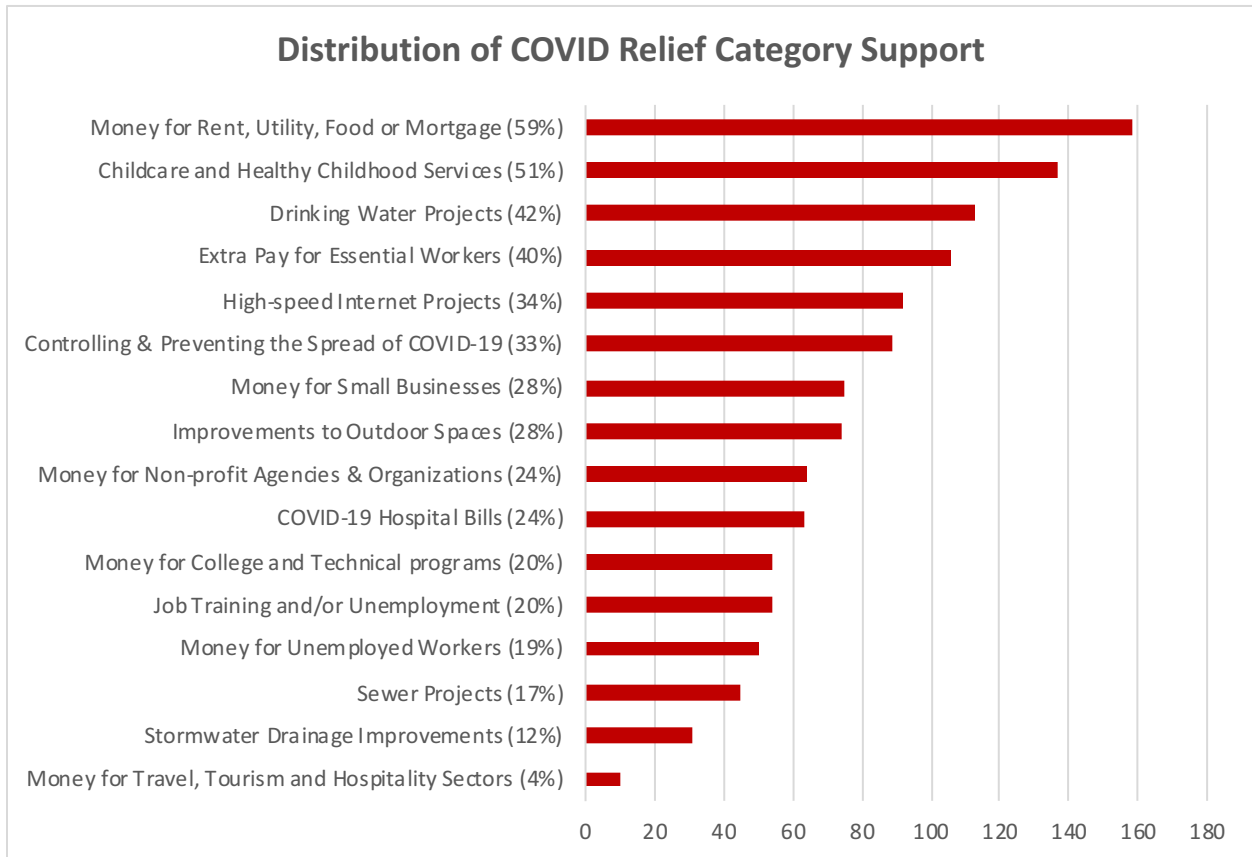


Figure V: Distribution of COVID Relief Category Support (Responses by Category)

The most popular subcategories:

- Money for rent, mortgage, food, utility including eviction protection – 59%
- Child care and healthy childhood services – 51.1%
- Drinking water projects – 42.2%
- Extra pay for essential workers – 39.5%

Question 8: What is your race/ethnicity? (optional)

264 respondents answered this optional race/ethnicity question. Out of those, 80.7% identified as White; 1.9% identified as Black or African American; 1.9% identified as Asian; 1.5% identified as Hispanic or Latino; 0.8% as Other; and 13.3% selected “Prefer not to answer.”

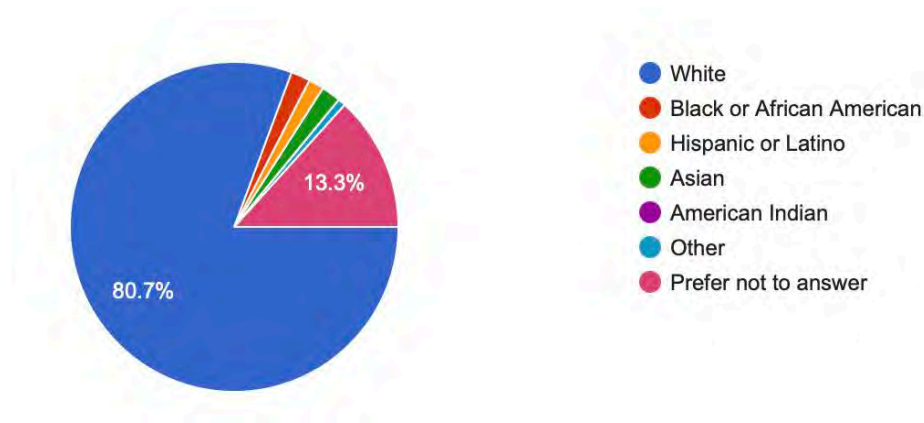


Figure VI: Breakdown of Respondents' Racial Identity

Question 9: Please enter your email if you would like to receive updates about survey results.

133 respondents, or roughly half, provided their email.

Time Series Analysis:

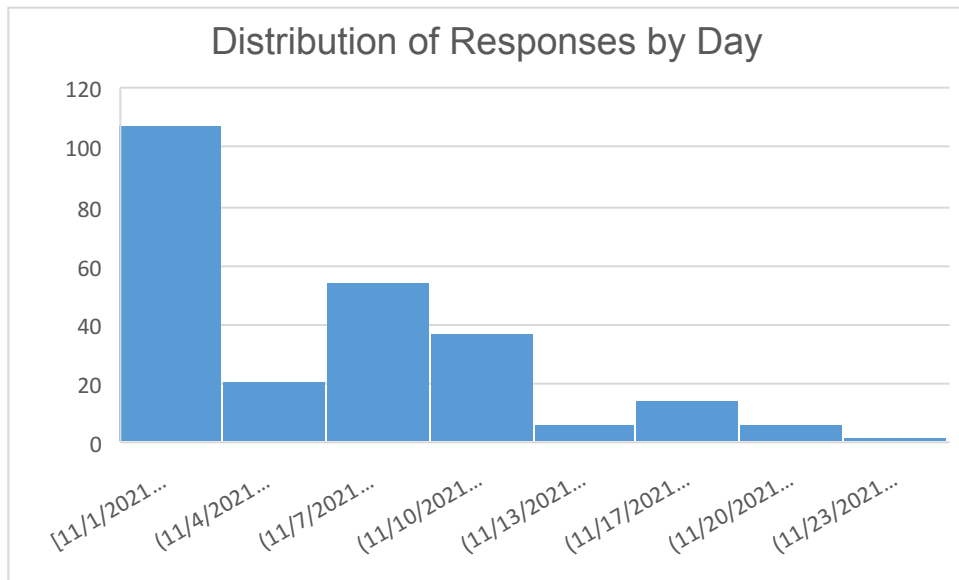


Figure VII: Distribution of Responses by Day

Over one-third of respondents replied to the survey in the first three days. New responses leveled off and decreased substantially after the first week.

Public Input Meeting Feedback: Approximately 17 community members (5.8% of overall sample size) provided input at a November 1 Community Input meeting. Their comments are detailed below. Additionally, one resident emailed input regarding ARPA funds.

Allison Marchese, Community Development Corporation (CDC): Affordable Housing needed. Could supply more affordable housing. Also, economic development to help businesses

Randy Jordan/Daniel Seitz: What are the strings on the Federal COVID funds? Conditions?

Frances Kollman: Sewer line extension: Roger Road to 34 Blue Hill Road

Thomas Jenson: Same comments: 27-28-32-34 Blue Hill Rd, etc.

Caleb Stone/Jim Santos: EMS – stipends – vehicles (\$140,000)

Jane Ralph, Construct: Affordable housing

Erica Mielke: Affordable Housing and essential pay for workers (grocery store/childcare)

Judi Kales: Sewer line extension (32 Blue Hill Road)

Vivian Orłowski: Agricultural Commission/only commit to partial use of funds in case something arises later

Michelle Loubert: Inquiry re: federal government mandates tied to this funding? EMS services/ambulance, essential workers, arts, Housatonic Water, septic systems upgrades

Jeanne Chesnow: Blue Hill Rd/wastewater sewer extension (28 Blue Hill Rd)

Philip Orenstein: Drinking water and sewer infrastructure. SBA/EMS, new broadband, affordable housing/rental subsidies

Matthew O'Brien: Inquiry regarding Federal strings

Kristin Grippo: Inquiry regarding Federal obligations. Supports use for affordable housing

Don Eaton, CDC: Affordable housing (serves as a board member at the CDC)

By Email:

Larissa Yapple: Affordable housing trust fund for workers and their families. Tax credits for landlords who chose to rent to workers in transition to locating here full time and those who chose to rent to long term tenants instead of short term rentals. Job training funds for local businesses to have trained employees and so they can provide worthy wages.

COMMON VICTUALLER ALL ALCOHOLIC RESTURANT

- 1 James A. Modolo Post #8348 VFW Inc.
- 2 GBFBP Inc. / Four Brothers Pizza
- 3 2001, Inc. / Bogie's Rest.
- 4 Agaves Mexican Grill LLC
- 5 AJZ Holdings, LLC / Café Adam
- 6 Batch 7at 41, Inc. / Manhattan Pizza
- 7 Berkshire Restaurant Group III, Inc. / Number Ten
- 8 Cove Bowling & Entertainment Inc.
- 9 Crissey Farm Catering, Inc.
- 10 ESPDM Inc. / Baba Louie's Organic Sour Dough
- 11 Fiesta Bar & Grill LLC
- 12 i.e. Inc.
- 13 J.M. Marcus Inc. / Bizen
- 14 Koi Asian Gourmet, Inc / Koi Chinese Restaurant
- 15 Kria Vrasi LLC / Aegean Breeze
- 16 Maniraj, LLC / Aroma Bar and Grill
- 17 Megjake Inc. / GB Eats
- 18 Mooncloud, LLC
- 19 Rubiner's Café
- 20 Schmaltz and Pfeffer, LLC / Market Place Kitchen Table
- 21 The East Asian Cuisine, Inc. / The East Asian Rest.
- 22 The Well Restaurant and Bar LLC
- 23 Thornewood Inn
- 24 Three Yanks and a Limey LLC / Miller's Pub
- 25 Triplex Management Corp. Inc. / Triplex Cinema
- 26 Wood Anchor Inc. / Prairie Whale
- 27 Xicohtencatl Mexican Restaurant

COMMON VICTUALLER ALL ALCOHOLIC INN HOLDERS

- 1 Berkshire Pleasure Hospitality, LLC / The Barrington

COMMON VICTUALLER WINE AND MALT RESTURANT

- 1 Berkshire Mountain Brewers, Inc. / Barrington Brewery and Rest.
- 2 Bizalion's Fine Food, LTD
- 3 Great Barrington Pizza House / Pizza House
- 4 Naji's Catering Inc.
- 5 Siam Square

COMMON VICTUALLER WINE AND MALT WITHOUT FOOD

- 1 Mahaiwe Performing Arts Center Inc.

RETAIL PACKAGE ALL ALCOHOLIC

- 1 Big Y / Big Y World Class Market #22
- 2 Carjac Inc. / Plaza Package
- 3 Domaney's Liquors & Fine Foods
- 4 Gorham & Norton Inc.
- 5 Guido's Quality Fruit & Produce, Inc.
- 6 Saanvi Liquor Inc. / A&B Package and Variety

RETAIL PACKAGE WINE AND MALT

- 1 Berkshire Cooperative Association, Inc. / Berkshire Food Co-op
- 2 Rubiner's Cheese Mongers & Grocers, LLC

COMMON VICTUALLER

- 1 2001, Inc. / Bogie's Rest.
- 2 1Shree-3 LLC
- 3 Agaves Mexican Grill LLC
- 4 Azteca Enterprises, LLC / Taqueria Azteca
- 5 AJZ Holdings, LLC / Café Adam
- 6 Batch 7at 41, Inc. / Manhattan Pizza
- 7 Hindustan, Inc. / Great Barrington Sunoco
- 8 The Well Restaurant and Bar LLC
- 9 Shiro Restaurant, Inc.
- 10 Gorham & Norton Inc.
- 11 Naji's Catering Inc.
- 12 Cumberland Farms Inc.
- 13 ESPDM Inc. / Baba Louie's Organic Sour Dough
- 14 Maniraj, LLC / Aroma Bar and Grill
- 15 Wyantenuck Country Club
- 16 J.M. Marcus Inc. / Bizen
- 17 Wood Anchor Inc. / Prairie Whale
- 18 GBFBP Inc. / Four Brothers Pizza
- 19 Fiesta Bar & Grill LLC
- 20 Kria Vrasi LLC / Aegean Breeze
- 21 Three Yanks and a Limey LLC / Miller's Pub
- 22 Vivaldi's Pizzeria
- 23 Crissey Farm Catering, Inc.
- 24 The Bistro Box
- 25 Great Barrington Pizza House / Pizza House
- 26 Koi Asian Gourmet, Inc / Koi Chinese Restaurant
- 27 Berkshire Mountain Brewers, Inc. / Barrington Brewery and Rest.
- 28 Xicohtencatl Mexican Restaurant
- 29 James A. Modolo Post #8348 VFW Inc.
- 30 Stockbridge Road Realty, LLC / Fairfield Inn & Suites
- 31 Three is a Charm, Inc. / Windflower Inn
- 32 South Main Donuts, LLC / Dunkin Donuts
- 33 Berkshire Restaurant Group III, Inc. / Number Ten
- 34 Lipton Inc. / Liptonmart #606
- 35 Price Chopper #155
- 36 Saanvi Liquor Inc. / A&B Package and Variety
- 37 Berkshire Health Systems / Fairview Hospital (cafeteria)
- 38 Big Y / Big Y World Class Market #22
- 39 MATT 19:26, LLC / McDonald's #2809
- 40 Thornewood Inn
- 41 Megjake Inc. / GB Eats
- 42 Schmaltz and Pfeffer, LLC / Market Place Kitchen Table
- 43 Rubiner's Cheese Mongers & Grocers, LLC
- 44 The Sweetish Baker
- 45 i.e. Inc.
- 46 Triplex Management Corp. Inc. / Triplex Cinema
- 47 Cove Bowling & Entertainment Inc.
- 48 Guido's Quality Fruit & Produce, Inc.
- 49 Berkshire Cooperative Association, Inc. / Berkshire Food Co-op
- 50 Bizalion's Fine Food, LTD
- 51 The East Asian Cuisine, Inc. / The East Asian Rest.
- 52 Housatonic Five and Dime / Pleasant & Main
- 53 Mooncloud, LLC

HOURS

- MONDAY-SUNDAY 8:00AM-2:00AM
 MONDAY-SUNDAY 24 HOURS
 MONDAY-SUNDAY 8:00AM-10:00PM
 MONDAY-SUNDAY 10:00AM-10:00PM
 TUESDAY-SUNDAY 5:00PM -9:00PM
 MONDAY-SUNDAY 11:00AM-10:00PM
 MONDAY-SUNDAY 6:00AM-10:00PM
 MONDAY-FRIDAY 11:00AM-1:00AM
 MONDAY-SATURDAY 10:00AM-9:00PM
 MONDAY-SATURDAY 8:00AM-6:00PM
 MONDAY-SATURDAY 9:00AM-11:00PM
 24 HOURS
 MONDAY-SUNDAY 1:00PM-8:00PM
 MONDAY-SUNDAY 1:00PM-9:00PM
 MONDAY-SUNDAY 10:00AM-10:00PM
 MONDAY-SUNDAY 10:00AM-9:00PM
 MONDAY-SUNDAY 11:00AM-1:00AM
 MONDAY-SUNDAY 11:00AM-10:00PM
 MONDAY-SUNDAY 11:00AM-10:00PM
 MONDAY-SUNDAY 11:00AM-10:00PM
 MONDAY-SUNDAY 11:00AM-11:00PM
 MONDAY-SUNDAY 11:00AM-12:00AM
 MONDAY-SUNDAY 11:00AM-7:00PM
 MONDAY-SUNDAY 11:00AM-9:00PM
 MONDAY-SUNDAY 11:00AM-9:30PM
 MONDAY-SUNDAY 11:30AM-12:00AM
 MONDAY-SUNDAY 12:00PM-10:00PM
 MONDAY-SUNDAY 12:00PM-11:59PM
 24 HOURS
 24 HOURS
 MONDAY-SUNDAY 5:00AM-10:00PM
 MONDAY-SUNDAY 5:00PM-10:00PM
 MONDAY-SUNDAY 6:00AM-11:00PM
 MONDAY-SUNDAY 6:00AM-12:00PM
 MONDAY-SUNDAY 6:30AM-10:00PM
 MONDAY-SUNDAY 6:30AM-7:00PM
 MONDAY-SUNDAY 7:00AM-10:00PM
 MONDAY-SUNDAY 7:00AM-10:00PM
 MONDAY-SUNDAY 7:00AM-11:59PM
 MONDAY-SUNDAY 7:00AM-9:00PM
 MONDAY-SUNDAY 7:00AM-9:00PM
 MONDAY-SUNDAY 7:00PM-11:00PM
 MONDAY-SUNDAY 7:30AM-2:00PM
 MONDAY-SUNDAY 8:00AM-8:00PM
 MONDAY-SUNDAY 9:00AM-11:59PM
 MONDAY-SUNDAY 9:00AM-12:00AM
 MONDAY-SUNDAY 9:00AM-7:00PM
 MONDAY-SUNDAY 9:00AM-7:00PM
 MONDAY-SUNDAY 9:00AM-7:30PM
 TUESDAY-SUNDAY 11:00AM-11:00PM
 TUESDAY-SUNDAY 7:00AM-9:00PM
 WEDNESDAY-SUNDAY 3:00PM-1:00AM

CHANGES

- time from 1-8 to 12-9
 new manager
 new email
 email changed
 dba added #22
 2nd. Telephone #413-429-5954
 Days of operation
 no amusement devices
 Monday closed
 phone #413-429-1101

WEEKDAY ENTERTAINMENT

- 1 Berkshire Restaurant Group III, Inc. / Number Ten
- 2 2001, Inc. / Bogie's Rest.
- 3 James A. Modolo Post #8348 VFW Inc.
- 4 Naji's Catering Inc.
- 5 Fiesta Bar & Grill LLC
- 6 Unitarian Universalist Meeting of South Berkshire
- 7 Mahaiwe Performing Arts Center Inc.
- 8 Thornewood Inn
- 9 Crissey Farm Catering, Inc.
- 10 Berkshire South Regional Community Center
- 11 Wyantenuck Country Club
- 12 Saint James Place
- 13 Triplex Management Corp. Inc. / Triplex Cinema
- 14 Guthrie Center
- 15 Berkshire Cooperative Association, Inc. / Berkshire Food Co-op
- 16 Xicohtencatl Mexican Restaurant

HOURS

FRIDAY-SATURDAY 7:00PM-10:00PM
 MONDAY-FRIDAY 12:00PM-1:30AM
 MONDAY-FRIDAY 2:30PM-11:59PM; SATURDAY 1:00PM-11:59PM
 MONDAY-FRIDAY 6:00PM-1:00AM; SATURDAY 6:00PM-11:59PM
 MONDAY-FRIDAY 8:00PM-2:00AM
 MONDAY-SATURDAY 10:00AM-10:00PM
 MONDAY-SATURDAY 10:00AM-11:00PM
 MONDAY-SATURDAY 10:00AM-11:59PM
 MONDAY-SATURDAY 11:00AM-11:59PM
 MONDAY-SATURDAY 4:00PM-11:00PM
 MONDAY-SATURDAY 5:00PM-10:PM
 MONDAY-SATURDAY 8:00AM-11:00PM
 MONDAY-SATURDAY 8:00AM-11:59PM
 MONDAY-SATURDAY 9:00AM-11:59PM
 MONDAY-SATURDAY 9:00AM-7:00PM
 TUESDAY, FRIDAY & SATURDAY 6:00PM-11:00PM

CHANGES (NO CHANGES REPORTED)

SUNDAY ENTERTAINMENT

- 1 Mahaiwe Performing Arts Center Inc.
- 2 Guthrie Center
- 3 Berkshire South Regional Community Center
- 4 2001, Inc. / Bogie's Rest.
- 5 James A. Modolo Post #8348 VFW Inc.
- 6 Fiesta Bar & Grill LLC
- 7 Saint James Place
- 8 Triplex Management Corp. Inc. / Triplex Cinema

HOURS

1:00PM-11:59PM
 1:00PM-11:59PM
 9:00AM-11:59PM
 1:00PM-11:59PM
 9:00AM-11:59PM
 9:00AM-11:59PM
 1:00PM-11:59PM
 9:00AM-11:59PM

CHANGES (NON REPORTED)

INN HOLDERS

- 1 Berkshire Pleasure Hospitality, LLC / The Barrington
- 2 Briarbear LLC / Briarcliff Motel
- 3 Kanji Inc. / Holiday Inn Express
- 4 Thornewood Inn
- 5 Three is a Charm, Inc. / Windflower Inn
- 6 Wind in the Pines
- 7 Shymajii Inc. / Travelodge
- 8 Stockbridge Road Realty, LLC / Fairfield Inn & Suites
- 9 Wainwright Hall, LLC / Wainwright Inn

AMUSEMENT

- 1 2001, Inc. / Bogie's Rest.
- 2 Berkshire Mountain Brewers, Inc. / Barrington Brewery and Rest.

MOTION PICTURE

- 1 Mahaiwe Performing Arts Center Inc.
- 2 Triplex Management Corp. Inc. / Triplex Cinema

BOWLING

- 1 Cove Bowling & Entertainment Inc.

CLASS II

- 1 7 & 23 Motor Sales
- 2 All Star Auto Salvage, LLC / Formel Auto Salvage
- 3 D.A. Dempsey Auto Sales
- 4 Decker's Auto Body Inc. & Mechanic
- 5 J.D. Automotive Inc.
- 6 QJP LLC / Johnny's Garage
- 7 Tirekickers.com LLC

CLASS III

- 1 D.A. Dempsey Auto Sales
- 2 Decker's Auto Body Inc. & Mechanic
- 3 QJP LLC / John's Auto Body

LAZAN GLOVER & PUCILOSKI LLP
BOSTON • GREAT BARRINGTON

PETER L. PUCILOSKI
ALEXANDRA H. GLOVER
ADRIENNE L. ARNOLD

OF COUNSEL
DAVID M. LAZAN*
SCOTT A. SANES[◊]
JAMES B. MCLINDON

785 MAIN STREET
GREAT BARRINGTON, MA 01230
TELEPHONE 413-644-0200
FAX 413-644-0201
www.lazanlaw.com

Peter L. Puciloski
Email puciloski@lazanlaw.com

Via email: mpruhenski@townofgb.org

December 2, 2021

Mark Pruhenski
Town Manager
Town of Great Barrington
334 Main St.
Great Barrington, MA 01230

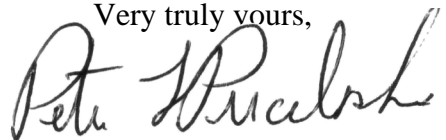
Re: WQPOD special permit for 910 Main Street, Great Barrington, MA

Dear Mr. Pruhenski:

On December 3, 2018, the Select Board issued a Water Quality Protection Overlay District Special Permit for the above project. §10.4.8 of the Zoning Bylaw states that such a permit expires within 24 months, “except for good cause.”

We have been pursuing funding diligently since the issuance of the local permits for the project. We are within weeks of obtaining construction financing, and would expect to commence construction in late January. The delay between permit and financing is inherent in the low and moderate income housing process. I request that the Board determined that the delay in financing constitutes good cause for not commencing work within 24 months of the issuance of the permit.

Very truly yours,



Peter L. Puciloski

*Also admitted in Florida

[◊]Also admitted in Texas

**Finance Committee Recommendation to the Select Board
Property Tax Deferrals for Seniors – Clause 41A
Review of Current Law and Potential Modification at Town Meeting
December 13, 2021**

- 1. Under Massachusetts General Law Ch 59, Section 5 Clause 41A, qualifying seniors may be able to delay payment of their property taxes.**
 - a. This deferral program became a Massachusetts General law on June 4, 1974 ¹.
 - b. Since that time there have been several amendments and extensive guidance provided by the state on how to implement and manage the program.
 - c. A property tax deferral does not eliminate a tax obligation (like an exemption does). Instead, it defers payment until the time when the eligible homeowner no longer owns the home – such as when it’s sold, transferred to a trust, or death of the owner.
 - d. The deferred property taxes, plus interest accrued during the year(s) of deferment, must be repaid to the city or town.
 - e. Seniors may defer payment of all or part of the taxes owed each year so long as they continue to qualify, and the cumulative deferred taxes including accrued interest are not more than 50% of the fair cash value of the property.
 - f. Repayment of deferred taxes and accrued interest (state guideline: 8% annual rate) is due when the property is sold or the death of the owner, unless the surviving spouse continues to defer. As of that date, interest accrues at 16% (*this rate cannot be changed*)
- 2. The state has established eligibility criteria for the deferral and a Town’s legislative body (Town Meeting) may elect to modify some of the criteria within certain limitations**
- 3. Summary of current eligibility criteria included in State Law**
 - a. Age 65 or older
 - b. Resident of Mass for at least 10 consecutive years and owned property for at least 5 years
 - c. Resident’s income (gross receipts) for the previous calendar year cannot exceed \$20,000 (*this income criteria applies to a single person or couple*). Gross receipts include income from all sources (*this income limit can be modified*).
 - d. Interest on deferred taxes accrues at 8% (*this rate can be modified*)
 - e. Any existing mortgage lender must consent to the deferral and the priority of the Tax Lien.

4. Great Barrington can vote to modify these criteria at Town Meeting

- a. The \$20,000 gross income limit may be increased up to the income limit allowed for the “circuit breaker” state income tax credit for single non-head of household filers which for 2021 is \$62,000.²
- b. Some towns such as Brookline, Newton and Sudbury have received state legislative authorization for higher income limits and lower age criteria (details below).
- c. The interest rate on deferred taxes may be set at any rate below 8%.
- d. In making our recommendation, we considered the example of a retired couple living on social security. The nationwide average benefit is \$18,600.³
- e. **The Finance Committee recommendation to the Select Board is for an income limit of \$35,000 and an interest rate of 4%**

5. Related observations and recommendations

- a. There is very limited capability and data to quantify the need among GB residents for senior tax assistance or to predict the volume of applicants for the deferral program.
 - i. In Great Barrington, the federally funded heating fuel assistance program assists 63 senior homeowners
 - ii. The 41C program provides 16 seniors with a \$1,000 property tax exemption
- b. While the deferral program operates under established state law, usage of the program will require time and resources from Town staff
- c. Town staff are researching various open questions on technical issues, some of which relate to circumstances that are unlikely but possible. These include excluding applicants with existing reverse mortgages and federal tax liens
- d. There is a list of existing property tax exemption programs specified by the state with different complex criteria and application requirements. The Town should explore ways to provide more comprehensive guidance to Seniors on how to navigate the various options. In addition to those listed above these include:
 - i. the State’s Senior Circuit Breaker Tax credit program
 - ii. the senior property tax work-off program

Notes:

State authorization of local amendments to Senior Tax Deferral Criteria

- A. November 2018 - AN ACT AUTHORIZING THE CITY OF NEWTON TO AMEND THE INCOME QUALIFICATIONS FOR A CERTAIN TAX DEFERRAL PROGRAM

SECTION 1. Notwithstanding clause Forty-first A of section 5 of chapter 59 of the General Laws or any other general or special law to the contrary, the city of Newton may, by ordinance, adopt a maximum qualifying gross receipts amount for the purposes of said clause Forty-first A of more than \$40,000 but not more than the income limit determined by the commissioner of revenue for the purposes of subsection (k) of section 6 of chapter 62 for married persons filing jointly, regardless of the taxpayer's marital status.

<https://malegislature.gov/Laws/SessionLaws/Acts/2018/Chapter294>

- B. Similar legislation was passed for Brookline

<https://malegislature.gov/Bills/192/H3090>

- C. Sudbury reduced the eligibility age to 60 in 2002

<https://malegislature.gov/Laws/SessionLaws/Acts/2002/Chapter320>

¹ <https://archives.lib.state.ma.us/bitstream/handle/2452/34026/1974acts0287.pdf?sequence=4&isAllowed=y>

² <https://www.mass.gov/info-details/massachusetts-senior-circuit-breaker-tax-credit#who-is-and-isn't-eligible->

³ <https://www.ssa.gov/news/press/factsheets/basicfact-alt.pdf>

EXHIBITS AND DATA

Data re: MA Senior Tax Deferral Program (41A)

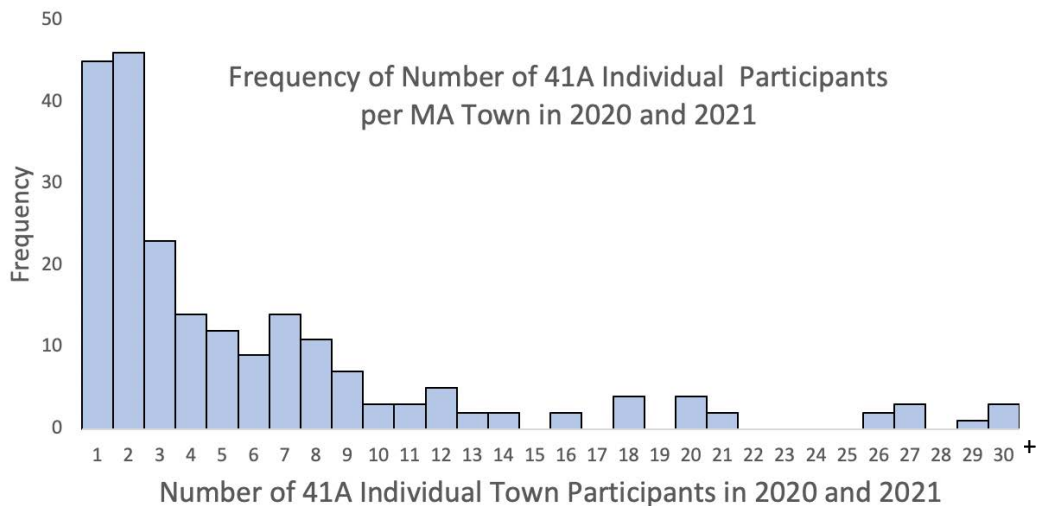
Top 10 Towns Participating in 41A

2020		2021	
Newton	69	< Newton not yet reported ? >	
Lexington	41	Lexington	54
Boston	27	Boston	27
Quincy	27	Quincy	29
Natick	26	Natick	26
Wellesley	21	Wellesley	21
Hingham	20	Hingham	20
Weymouth	20	Weymouth	20
Arlington	18	Arlington	16
Westford	18	Winchester	18
* Sudbury	18	Westford	16

2020 Avg annual amount of deferral (per participant) = \$5,180 (n = 116)

2021 Avg annual amount of deferral (per participant) = \$6,163 (n = 102)

All Towns with 1+ participants (n = 134 [out of 351 total]): Abington, Acton, Amesbury, Amherst, Andover, Arlington, Ashby, Ashland, Attleboro, Barnstable, Belmont, Beverly, Billerica, Boston, Braintree, Brewster, Bridgewater, Brockton, Brookline, Burlington, Cambridge, Chatham, Chelmsford, Chicopee, Clinton, Cohasset, Colrain, Concord, Danvers, Dedham, Dennis, Dover, Duxbury, East Bridgewater, Easton, Everett, Fairhaven, Falmouth, Framingham, Freetown, Gloucester, Grafton, Hadley, Halifax, Hampden, Hanover, Hanson, Harwich, Haverhill, Hingham, Hopkinton, Hudson, Hull, Ipswich, Kingston, Lexington, Leyden, Littleton, Longmeadow, Lynn, Lynnfield, Manchester By The Sea, Marblehead, Marlborough, Marshfield, Mashpee, Maynard, Medfield, Medford, Medway, Melrose, Milton, Nahant, Natick, Needham, Newburyport, Newton, Norfolk, North Andover, Northampton, Northborough, Norton, Norwell, Oak Bluffs, Orleans, Paxton, Peabody, Pembroke, Pepperell, Plymouth, Plympton, Provincetown, Quincy, Randolph, Reading, Rowley, Salisbury, Sandwich, Scituate, Sherborn, Somerville, Southborough, Southbridge, Stoneham, Stow, Sudbury, Swampscott, Tewksbury, Tisbury, Topsfield, Tyngsborough, Wakefield, Walpole, Waltham, Wareham, Watertown, Wellesley, Wenham, West Bridgewater, West Brookfield, West Newbury, Westborough, Westford, Weston, Westwood, Weymouth, Whitman, Wilmington, Winchester, Winthrop, Woburn, Worcester, Wrentham, Yarmouth. (Towns in Berkshire County: 0)



Note: approx. 50% of towns have 3 or fewer participants

Town comparisons re: Senior Tax Deferral (41A)

from 2019 Census Data*

								Program 41A Info/Data		
	Population	# of Homes	Median Property Value	Median Household Income	2020 Property Tax Rate	% 65+ yrs (# homes by 65+ %)	% of 65+ residents below poverty	Max Income Allowed	Interest Rate	Total Annual Amount Deferred (& # partic)
Great Barrington	6,901 <small>(7,027 in 2020)</small>	2,813	\$353,800	\$55,478	\$15.75	23% (647 homes)	6%	-----	-----	-----
Chatham	1,428	840	\$778,600	\$81,630	\$4.82	55% (462 homes)	9%	\$40,000	8%	'20 = 0 '21 = \$2,333 (1)
Sandwich	3,002	1302	\$372,700	\$93,333	\$14.31	26% (339 homes)	3%	No info for 2021		'20 = \$19,718 (4) '21 = no data
Manchester-by-the-Sea	5,400	2,075	\$852,400	\$148,854	\$11.70	24% (498 homes)	4%	\$40,000	8%	'20 = \$7,402 (2) '21 = \$5,716 (1)
Norwell	11,054	3,666	\$608,300	\$157,987	\$16.63	18% (660 homes)	5%	\$61,000 -> \$92,000	2%	'20 = \$36,026 (4) '21 = \$42,225 (8)
Sudbury	19,122	6,386	\$720,800	\$191,310	\$18.45	16% (1022 homes)	1%	\$90,000 (also has set 60 as min age)	2%	'20 = \$102,831 (18) '21 = no data
MA STATE								\$20,000	8%	

* <https://censusreporter.org/profiles/06000US2500326815-great-barrington-town-berkshire-county-ma/>
<https://censusreporter.org/profiles/16000US2512960-chatham-ma/>
<https://censusreporter.org/profiles/06000US2500937995-manchester-by-the-sea-town-essex-county-ma/>
<https://censusreporter.org/profiles/06000US2502350145-norwell-town-plymouth-county-ma/>
<https://censusreporter.org/profiles/06000US2501768260-sudbury-town-middlesex-county-ma/>
<https://censusreporter.org/profiles/16000US2559700-sandwich-ma/>

Top 11 Massachusetts Towns with Active 41A Senior Tax Deferral Programs

Prepared by: Vivian Orlowski — Sources: Massachusetts Department of Revenue: Division of Local Services and Town Websites

TOWN	RANKED BY NUMBER OF PARTICIPANTS FY 2020	RANKED BY NUMBER OF PARTICIPANTS FY 2021	INTEREST RATE	FISCAL YEAR*	MAXIMUM QUALIFYING INCOME	MINIMUM AGE REQUIRED	DEFERRD TAXES: % of TAX LEVY**	NOTES
Newton	69	?	0.25 %	2022	\$86,000	65	0.66	FY 2022 deferral interest rate of 0.25% is based on the Federal Reserve Discount Rate as of 6/30/2021
Lexington	41	54	1.41 %	2021	\$90,000	65	1.04	“Let the Value of Your House Pay Your Property Tax” Lexington encourages Senior Tax Deferrals.
Boston	27	27	1.00 %	2022	\$61,000	65	0%	
Quincy	27	29	4.00 %	2022	\$61,000	65	0.85	
Natick	26	26	2.00 %	2021	\$60,000	65	0.49	
Wellesley	21	21	0.25 %	2022	\$50,000	65	1.30	Interest calculated annually based on the 2-year constant maturity Treasury rate each fiscal year
Hingham	20	20	1.00 %	2021	\$60,000	65	1.15	Succinct summary of Hingham’s Senior Tax Deferral Program is posted on their website.
Weymouth	20	20	4.00 %	2022	\$40,000	65	0.46	
Arlington	18	16	1.25 %	2022	\$92,000	65	0.36	Maximum Qualifying Income is adjusted annually based on state “Senior Circuit Breaker” Income Limit
Westford	18	18	0 %	2022	\$92,000	65	0.60	Maximum Qualifying Income is adjusted annually based on state “Senior Circuit Breaker” Income Limit
Sudbury	18	16	2.00 %	2021	\$90,000	60	2.11	Qualifying Age: “60 or older per Sudbury local option”
AVERAGE	27.7	24.7	1.56 %	-	\$71,090	-	0.82	

* Fiscal Year Senior Tax Deferral requirements re: annual interest rate, maximum qualifying Income, minimum age (each town’s website)

**Deferred Property Taxes as % of Tax Levy = Total cumulative amount of deferred taxes outstanding for all years
(Data from FY2020 or FY2021 as posted by Massachusetts Department of Revenue’s Division of Local Services)

Impact on Town Finances - Looking at a single Year

Hypothetical Illustration of financial impact
Results dependent on the Assumptions below

Prepared By P. Orenstein for Finance Committee discussions

Number of Residents deferring		5
Their annual property tax deferral amount	\$	5,000
Annual Deferral Amount	\$	25,000

	With Tax Deferral	No Tax Deferral
Tax Levy (rounded number)	\$ 25,000,000	\$ 25,000,000
Tax payments deferred until home sale/transfer	\$ 25,000	0
Deferred Property Tax Receivable	\$ 25,000	
Taxes received by the Town	\$ 24,975,000	\$ 25,000,000
Percentage change Town tax receipts	0.100%	0.000%

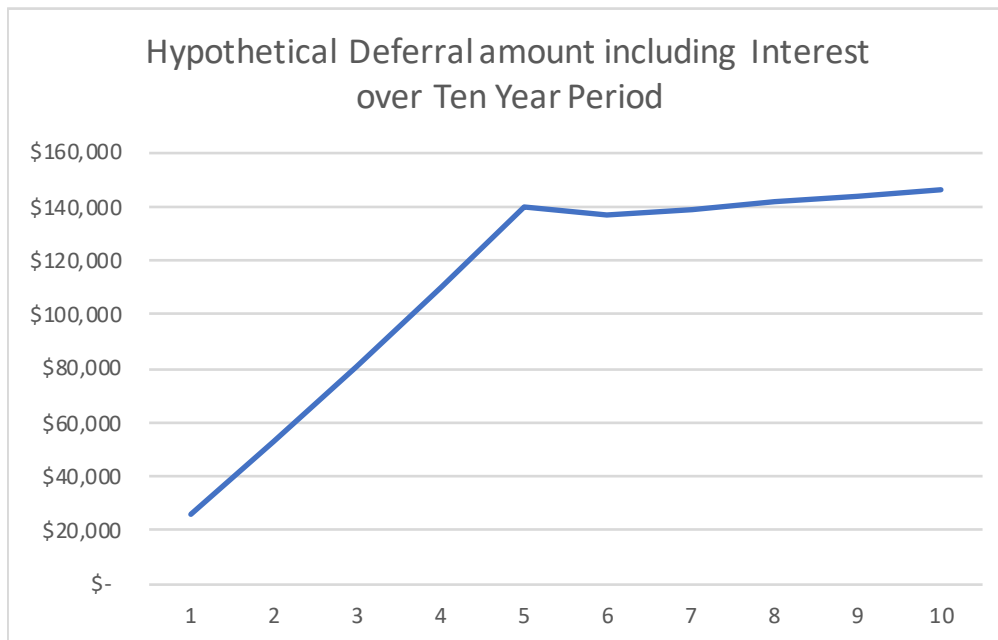
Senior Tax Deferral

Hypothetical Illustration on financial Impact over time

Results dependent on the Assumptions below

Prepared By P. Orenstein for Finance Committee discussions

Number of Residents deferring		5
Their annual property tax deferral amount	\$	5,000
Annual Deferral Amount	\$	25,000
Interest rate on deferred amounts		4%
Average length of deferral		6 years



Years

Criteria for Other Aid Programs

A. The Low Income Home Energy Assistance Program (LIHEAP)

A federally funded heating bill assistance program is administered locally through the Berkshire Community Action Council in Pittsfield

- Last year Great Barrington had 195 residents receiving benefits.
 - ⇒ Of that number, 90 residents were 65 years or older;
 - ⇒ 63 were homeowners and 27 were renters.
- This year the income eligibility test (simplified here) is set at ~\$53,500 for a family of 2. This income level represents 60% of state median income.
- Benefits on the program are typically up to \$600 in credits against fuel bills
- Applying for this aid is complex but BCAC provides comprehensive assistance upon request.

Source: Tammy Biagini of the Berkshire Community Action Council

B. Clause 41C Senior Property Tax Exemption

- Provides \$1,000 property tax exemption to eligible seniors
- The income test is currently being reviewed by assessor, but it is estimated at \$22,314 for singles and \$33,471 for a couple.



[Return to Last page](#)

For Questions or Assistance Email us at :
databank@dor.state.ma.us

Select Municipalities: Select Fiscal Years:

Great Barrington 2021

Clause	Clause Description	Number of Exemptions Granted	Amount Abated	State Reimbursement Amount
17	Surviving Spouses, minors or persons 70 years or over	0	0.00	0.00
17C	Surviving Spouses, minors or persons 70 years or over	0	0.00	0.00
17C 1/2	Surviving Spouses, minors or persons 70 years or over	0	0.00	0.00
17D	Surviving Spouses, minors or persons 70 years or over	0	0.00	0.00
18	Hardship	0	0.00	0.00
18A	Deferred taxes	0	0.00	0.00
22(a-f)	Veterans	17	6,800.00	3,825.00
Para	Paraplegics & surviving spouses of paraplegics (G.L. 58 §8)	0	0.00	0.00
22A	Veterans & surviving spouses	0	0.00	0.00
22B	Veterans & surviving spouses	0	0.00	0.00
22C	Veterans & surviving spouses	0	0.00	0.00
22D	Surviving spouse	5	23,386.00	23,386.00
22E	Veterans & surviving spouses	7	7,000.00	5,775.00
37	Blind	5	2,187.50	437.50
37A	Blind	0	0.00	0.00
41	Certain elderly persons 70 years of age or over	0	0.00	
41B	Certain elderly persons 70 years of age or over	0	0.00	
41C	Certain elderly persons 70 years of age or over	16	16,000.00	
41C 1/2	Certain elderly persons 70 years of age or over	0	0.00	
41A	Deferred taxes -- persons 65 years or over	0	0.00	0.00
42	Surv. spouses of police officers/firefighters killed in the line of duty	0	0.00	0.00
43	Surv. minors of police officers/firefighters killed in the line of duty	0	0.00	0.00
50	Elderly housing (G.L. 59 §5)	0	0.00	0.00
52	Elderly persons water/sewer debt shift (G.L. 59 §5)	0	0.00	0.00
53	Septic system/cesspool (G.L. 59 §5)	0	0.00	0.00
56	Guardsmen and Reservists Deployed	0	0.00	0.00
57	Optional Senior Exemption	0	0.00	0.00
Totals		50	55,373.50	33,423.50

Outstanding Tax Deferral by Town

Municipality	Fiscal Year	Outstanding Deferred Property Tax	Tax Levy	Deferred Property Taxes as % of Tax Levy
Newton	2020	2,395,945	361,460,789	0.66%
Sudbury	2020	2,155,807	89,733,894	2.40%
Quincy	2020	2,050,516	241,950,668	0.85%
Lexington	2020	2,045,988	195,949,768	1.04%
Wellesley	2020	2,031,993	144,896,906	1.40%
Marshfield	2020	1,052,229	69,065,616	1.52%
Hingham	2020	987,664	86,044,011	1.15%
Sharon	2020	805,005	69,523,326	1.16%
Winchester	2020	695,150	101,011,909	0.69%
Marblehead	2020	683,447	69,813,033	0.98%
Natick	2020	599,468	121,562,585	0.49%
Needham	2020	546,673	151,549,737	0.36%
Belmont	2020	533,487	101,308,400	0.53%
Westwood	2020	524,341	80,224,068	0.65%
Weymouth	2020	517,704	111,548,116	0.46%
Weston	2020	456,643	80,345,829	0.57%
Plymouth	2020	453,781	183,463,298	0.25%
Westford	2020	429,074	81,832,084	0.52%
Chelmsford	2020	427,913	105,916,601	0.40%
Lynnfield	2020	423,319	46,770,157	0.91%
Arlington	2020	417,701	133,350,155	0.31%
Randolph	2020	407,664	65,597,314	0.62%
Brookline	2020	390,658	238,487,743	0.16%
Scituate	2020	381,568	65,813,198	0.58%
Salem	2020	379,687	103,616,867	0.37%
Beverly	2020	358,335	108,024,248	0.33%
Bridgewater	2020	352,809	46,770,428	0.75%
Gloucester	2020	320,113	87,107,363	0.37%
Andover	2020	316,708	151,611,876	0.21%
Duxbury	2020	303,272	64,176,449	0.47%
Sherborn	2020	289,310	25,527,914	1.13%
Waltham	2020	283,892	191,667,486	0.15%
Framingham	2020	264,088	196,153,144	0.13%
Cambridge	2020	261,050	438,128,694	0.06%
Cohasset	2020	259,560	40,054,820	0.65%
Medfield	2020	257,982	49,598,590	0.52%
Lincoln	2020	238,165	33,846,176	0.70%
Lynn	2020	234,420	136,399,466	0.17%
Wakefield	2020	233,418	76,421,123	0.31%
Concord	2020	233,358	95,040,945	0.25%
Walpole	2020	229,156	75,639,376	0.30%
Melrose	2020	218,480	66,627,306	0.33%
Ipswich	2020	211,829	42,931,265	0.49%
Groton	2020	209,566	33,723,200	0.62%
Danvers	2020	199,772	80,988,716	0.25%

Dover	2020	196,618	34,454,414	0.57%
Tewksbury	2020	194,803	94,484,460	0.21%
West Bridgewater	2020	192,380	25,946,991	0.74%
Yarmouth	2020	192,265	64,265,946	0.30%
Braintree	2020	182,215	96,033,471	0.19%
Haverhill	2020	174,324	107,514,654	0.16%
Holliston	2020	173,088	50,174,519	0.34%
Milton	2020	173,058	85,137,614	0.20%
Southampton	2020	172,651	12,749,908	1.35%
Norwell	2020	172,636	45,924,694	0.38%
Hull	2020	167,365	30,386,276	0.55%
Sandwich	2020	155,312	68,472,184	0.23%
Peabody	2020	153,857	110,753,621	0.14%
Marlborough	2020	148,546	109,040,205	0.14%
Somerville	2020	132,455	167,812,263	0.08%
Orleans	2020	132,323	31,827,519	0.42%
Maynard	2020	131,511	32,663,840	0.40%
Northampton	2020	129,715	61,837,364	0.21%
Hanover	2020	128,078	47,320,007	0.27%
Oak Bluffs	2020	127,964	25,426,345	0.50%
North Andover	2020	125,978	76,941,902	0.16%
Brewster	2020	125,345	35,530,848	0.35%
Westborough	2020	121,028	77,819,258	0.16%
Holbrook	2020	115,750	28,330,849	0.41%
Pembroke	2020	114,635	42,837,516	0.27%
Ashland	2020	110,584	48,261,537	0.23%
Southborough	2020	110,095	43,739,989	0.25%
Acton	2020	108,518	89,564,159	0.12%
Harwich	2020	105,842	52,145,765	0.20%
Norton	2020	101,535	39,397,467	0.26%
Hanson	2020	99,381	21,752,893	0.46%
Medway	2020	97,321	41,530,368	0.23%
Bourne	2020	90,374	52,829,049	0.17%
Tyngsborough	2020	88,963	28,895,175	0.31%
Wayland	2020	87,686	70,949,998	0.12%
Swampscott	2020	85,156	48,813,196	0.17%
Watertown	2020	82,536	117,123,396	0.07%
Longmeadow	2020	77,992	54,504,292	0.14%
Barnstable	2020	75,303	128,392,357	0.06%
East Bridgewater	2020	73,404	31,367,484	0.23%
Manchester By The Sea	2020	71,798	29,355,144	0.24%
Salisbury	2020	70,484	22,579,704	0.31%
Pepperell	2020	70,285	24,166,605	0.29%
Hopkinton	2020	68,703	72,022,621	0.10%
Amesbury	2020	68,474	43,113,242	0.16%
Wareham	2020	66,892	42,660,325	0.16%
Amherst	2020	66,010	54,939,382	0.12%
Reading	2020	65,986	76,110,687	0.09%
Kingston	2020	60,260	35,499,020	0.17%

Springfield	2020	59,662	216,358,653	0.03%
Wrentham	2020	56,912	34,808,693	0.16%
Provincetown	2020	55,323	21,517,176	0.26%
Easton	2020	54,889	58,836,548	0.09%
Halifax	2020	50,902	17,043,656	0.30%
Hudson	2020	49,541	55,142,532	0.09%
Medford	2020	49,090	118,044,927	0.04%
Wilmington	2020	45,604	87,073,371	0.05%
Berlin	2020	42,934	12,314,017	0.35%
Hamilton	2020	41,685	28,985,808	0.14%
Saugus	2020	40,869	72,368,811	0.06%
Chicopee	2020	40,250	88,916,755	0.05%
Abington	2020	39,596	37,567,952	0.11%
Falmouth	2020	39,137	106,710,554	0.04%
Billerica	2020	39,088	129,626,232	0.03%
Clinton	2020	38,580	27,222,257	0.14%
Westfield	2020	35,776	76,484,434	0.05%
Nahant	2020	35,467	10,620,981	0.33%
Dedham	2020	33,175	89,836,926	0.04%
Stoneham	2020	32,265	52,521,660	0.06%
Littleton	2020	31,974	41,490,620	0.08%
Swansea	2020	30,256	35,443,121	0.09%
Leyden	2020	29,142	1,546,588	1.88%
Mashpee	2020	26,789	50,224,018	0.05%
Franklin	2020	26,166	80,996,801	0.03%
Freetown	2020	26,133	22,075,913	0.12%
Hampden	2020	25,663	12,688,941	0.20%
Topsfield	2020	24,894	25,137,392	0.10%
Mattapoisett	2020	24,876	24,086,156	0.10%
Whitman	2020	24,687	27,223,524	0.09%
Hadley	2020	23,018	12,819,834	0.18%
Burlington	2020	22,480	117,292,076	0.02%
Stow	2020	22,069	27,991,820	0.08%
Athol	2020	21,939	14,237,095	0.15%
Plympton	2020	19,477	9,569,119	0.20%
Dennis	2020	18,607	45,347,111	0.04%
Wenham	2020	18,528	16,774,940	0.11%
Auburn	2020	17,584	43,863,283	0.04%
West Newbury	2020	16,865	14,099,088	0.12%
Taunton	2020	15,132	107,491,032	0.01%
Newburyport	2020	14,886	59,511,142	0.03%
Grafton	2020	14,753	44,891,761	0.03%
Middleton	2020	14,662	30,428,877	0.05%
Fairhaven	2020	12,487	29,352,673	0.04%
Southbridge	2020	12,071	21,935,343	0.06%
Carver	2020	11,077	27,076,294	0.04%
Lee	2020	10,882	13,908,470	0.08%
Somerset	2020	10,690	39,811,730	0.03%
Pelham	2020	10,382	3,939,480	0.26%

Norfolk	2020	9,458	34,471,929	0.03%
Deerfield	2020	8,969	11,789,055	0.08%
Rockland	2020	8,965	39,009,943	0.02%
Colrain	2020	8,894	3,575,073	0.25%
Paxton	2020	8,723	11,351,869	0.08%
Lancaster	2020	8,451	20,255,838	0.04%
Chatham	2020	6,102	35,699,116	0.02%
Raynham	2020	5,609	37,385,102	0.02%
Rockport	2020	4,955	23,305,372	0.02%
Northborough	2020	3,597	53,019,704	0.01%
Warren	2020	3,410	7,023,746	0.05%
Tisbury	2020	3,408	26,404,187	0.01%
Lunenburg	2020	2,614	28,054,407	0.01%
Boxborough	2020	2,480	19,757,683	0.01%
Gardner	2020	1,267	27,884,208	0.00%
Acushnet	2020	0	18,472,648	0.00%
Adams	2020	0	11,681,365	0.00%
Agawam	2020	0	64,531,212	0.00%
Alford	2020	0	1,513,397	0.00%
Ashburnham	2020	0	14,724,927	0.00%
Ashby	2020	0	6,565,103	0.00%
Ashfield	2020	0	4,346,580	0.00%
Attleboro	2020	0	78,275,325	0.00%
Avon	2020	0	21,150,006	0.00%
Ayer	2020	0	24,985,750	0.00%
Barre	2020	0	8,676,869	0.00%
Becket	2020	0	5,878,559	0.00%
Bedford	2020	0	67,257,679	0.00%
Belchertown	2020	0	28,678,307	0.00%
Bellingham	2020	0	42,559,472	0.00%
Berkley	2020	0	13,660,036	0.00%
Bernardston	2020	0	4,423,353	0.00%
Blackstone	2020	0	19,434,589	0.00%
Blandford	2020	0	3,060,848	0.00%
Bolton	2020	0	22,727,311	0.00%
Boston	2020	0	2,508,767,050	0.00%
Boxford	2020	0	30,610,700	0.00%
Boylston	2020	0	13,854,873	0.00%
Brimfield	2020	0	7,787,218	0.00%
Brockton	2020	0	148,960,737	0.00%
Brookfield	2020	0	5,353,698	0.00%
Buckland	2020	0	4,156,372	0.00%
Canton	2020	0	80,166,862	0.00%
Carlisle	2020	0	28,573,389	0.00%
Charlemont	2020	0	2,764,298	0.00%
Charlton	2020	0	24,205,068	0.00%
Chelsea	2020	0	61,452,521	0.00%
Cheshire	2020	0	4,284,629	0.00%
Chester	2020	0	2,518,509	0.00%

Chesterfield	2020	0	3,148,470	0.00%
Chilmark	2020	0	9,643,980	0.00%
Clarksburg	2020	0	2,217,418	0.00%
Conway	2020	0	4,987,327	0.00%
Cummington	2020	0	1,926,881	0.00%
Dalton	2020	0	12,843,990	0.00%
Dartmouth	2020	0	65,545,081	0.00%
Dighton	2020	0	18,569,438	0.00%
Douglas	2020	0	18,520,769	0.00%
Dracut	2020	0	51,977,891	0.00%
Dudley	2020	0	13,767,721	0.00%
Dunstable	2020	0	9,650,954	0.00%
East Brookfield	2020	0	3,870,248	0.00%
East Longmeadow	2020	0	42,832,763	0.00%
Eastham	2020	0	26,500,139	0.00%
Easthampton	2020	0	29,944,731	0.00%
Edgartown	2020	0	31,489,932	0.00%
Egremont	2020	0	4,086,625	0.00%
Erving	2020	0	10,907,743	0.00%
Essex	2020	0	14,516,930	0.00%
Everett	2020	0	93,125,938	0.00%
Fall River	2020	0	106,766,089	0.00%
Fitchburg	2020	0	55,676,853	0.00%
Florida	2020	0	2,712,143	0.00%
Foxborough	2020	0	52,067,410	0.00%
Aquinnah	2020	0	5,105,195	0.00%
Georgetown	2020	0	21,778,050	0.00%
Gill	2020	0	2,813,909	0.00%
Goshen	2020	0	2,467,144	0.00%
Gosnold	2020	0	592,534	0.00%
Granby	2020	0	13,239,687	0.00%
Granville	2020	0	3,095,829	0.00%
Great Barrington	2020	0	23,993,431	0.00%
Greenfield	2020	0	34,852,691	0.00%
Groveland	2020	0	15,052,352	0.00%
Hancock	2020	0	874,066	0.00%
Hardwick	2020	0	4,110,597	0.00%
Harvard	2020	0	22,733,888	0.00%
Hatfield	2020	0	7,826,056	0.00%
Hawley	2020	0	830,528	0.00%
Heath	2020	0	2,017,691	0.00%
Hinsdale	2020	0	4,085,654	0.00%
Holden	2020	0	42,681,771	0.00%
Holland	2020	0	5,711,358	0.00%
Holyoke	2020	0	55,493,875	0.00%
Hopedale	2020	0	15,332,377	0.00%
Hubbardston	2020	0	7,269,379	0.00%
Huntington	2020	0	3,860,172	0.00%
Lakeville	2020	0	24,865,976	0.00%

Lanesborough	2020	0	8,384,993	0.00%
Lawrence	2020	0	74,116,191	0.00%
Leicester	2020	0	16,465,283	0.00%
Lenox	2020	0	16,015,739	0.00%
Leominster	2020	0	75,076,958	0.00%
Leverett	2020	0	5,561,785	0.00%
Lowell	2020	0	138,331,643	0.00%
Ludlow	2020	0	44,249,314	0.00%
Malden	2020	0	94,519,948	0.00%
Mansfield	2020	0	67,098,802	0.00%
Marion	2020	0	20,440,702	0.00%
Mendon	2020	0	16,900,460	0.00%
Merrimac	2020	0	13,614,041	0.00%
Methuen	2020	0	93,318,921	0.00%
Middleborough	2020	0	46,043,657	0.00%
Middlefield	2020	0	1,231,887	0.00%
Milford	2020	0	69,879,951	0.00%
Millbury	2020	0	27,888,243	0.00%
Millis	2020	0	25,859,987	0.00%
Millville	2020	0	5,163,023	0.00%
Monroe	2020	0	701,816	0.00%
Monson	2020	0	14,791,997	0.00%
Montague	2020	0	18,803,395	0.00%
Monterey	2020	0	3,941,434	0.00%
Montgomery	2020	0	1,524,681	0.00%
Mount Washington	2020	0	553,708	0.00%
Nantucket	2020	0	84,281,637	0.00%
New Ashford	2020	0	491,791	0.00%
New Bedford	2020	0	129,553,230	0.00%
New Braintree	2020	0	2,056,140	0.00%
New Marlborough	2020	0	5,339,826	0.00%
New Salem	2020	0	2,088,607	0.00%
Newbury	2020	0	17,560,525	0.00%
North Adams	2020	0	18,264,782	0.00%
North Attleborough	2020	0	60,772,302	0.00%
North Brookfield	2020	0	6,861,393	0.00%
North Reading	2020	0	53,193,751	0.00%
Northbridge	2020	0	24,624,038	0.00%
Northfield	2020	0	8,011,970	0.00%
Norwood	2020	0	84,250,570	0.00%
Oakham	2020	0	2,993,287	0.00%
Orange	2020	0	11,676,251	0.00%
Otis	2020	0	5,141,572	0.00%
Oxford	2020	0	24,621,359	0.00%
Palmer	2020	0	20,337,320	0.00%
Peru	2020	0	1,780,846	0.00%
Petersham	2020	0	2,767,225	0.00%
Phillipston	2020	0	3,602,897	0.00%
Pittsfield	2020	0	89,799,224	0.00%

Plainfield	2020	0	1,901,825	0.00%
Plainville	2020	0	23,957,336	0.00%
Princeton	2020	0	8,865,276	0.00%
Rehoboth	2020	0	26,278,486	0.00%
Revere	2020	0	90,462,324	0.00%
Richmond	2020	0	5,205,812	0.00%
Rochester	2020	0	13,957,475	0.00%
Rowe	2020	0	4,222,612	0.00%
Rowley	2020	0	17,581,024	0.00%
Royalston	2020	0	1,907,386	0.00%
Russell	2020	0	3,481,730	0.00%
Rutland	2020	0	16,898,343	0.00%
Sandisfield	2020	0	3,193,861	0.00%
Savoy	2020	0	1,036,767	0.00%
Seekonk	2020	0	44,198,408	0.00%
Sheffield	2020	0	9,387,886	0.00%
Shelburne	2020	0	3,883,197	0.00%
Shirley	2020	0	11,652,422	0.00%
Shrewsbury	2020	0	80,193,336	0.00%
Shutesbury	2020	0	5,289,040	0.00%
South Hadley	2020	0	29,172,330	0.00%
Southwick	2020	0	20,126,224	0.00%
Spencer	2020	0	16,153,975	0.00%
Sterling	2020	0	19,848,429	0.00%
Stockbridge	2020	0	9,045,507	0.00%
Stoughton	2020	0	73,296,776	0.00%
Sturbridge	2020	0	26,043,483	0.00%
Sunderland	2020	0	5,825,016	0.00%
Sutton	2020	0	24,964,191	0.00%
Templeton	2020	0	11,961,642	0.00%
Tolland	2020	0	1,697,568	0.00%
Townsend	2020	0	18,919,557	0.00%
Truro	2020	0	16,397,503	0.00%
Tyringham	2020	0	1,421,398	0.00%
Upton	2020	0	21,280,653	0.00%
Uxbridge	2020	0	30,897,800	0.00%
Wales	2020	0	3,355,469	0.00%
Ware	2020	0	15,501,517	0.00%
Warwick	2020	0	1,608,022	0.00%
Washington	2020	0	1,282,326	0.00%
Webster	2020	0	25,811,419	0.00%
Wellfleet	2020	0	18,376,951	0.00%
Wendell	2020	0	2,362,074	0.00%
West Boylston	2020	0	18,823,251	0.00%
West Brookfield	2020	0	6,214,949	0.00%
West Springfield	2020	0	62,950,804	0.00%
West Stockbridge	2020	0	5,010,052	0.00%
West Tisbury	2020	0	17,145,542	0.00%
Westhampton	2020	0	4,833,169	0.00%

Westminster	2020	0	18,420,750	0.00%
Westport	2020	0	29,494,856	0.00%
Whately	2020	0	4,365,662	0.00%
Wilbraham	2020	0	39,428,023	0.00%
Williamsburg	2020	0	6,618,739	0.00%
Williamstown	2020	0	17,949,653	0.00%
Winchendon	2020	0	12,646,617	0.00%
Windsor	2020	0	1,656,632	0.00%
Winthrop	2020	0	34,187,854	0.00%
Woburn	2020	0	113,007,096	0.00%
Worcester	2020	0	316,125,865	0.00%
Worthington	2020	0	2,941,636	0.00%

HOUSATONIC SCHOOL,
HOUSATONIC, MASS.

Housatonic School Adaptive Reuse

Recommendations to the Great Barrington Selectboard

December 13, 2021

Great Barrington, Massachusetts

Housatonic Improvement Committee
Report to Great Barrington Selectboard on the Adaptive
Reuse of the Housatonic School Building

Contents

03 Executive Summary

04 Improvement Committee's Research

06 Design Charrette

09 Concept Sketches

14 Financial Predictions

17 Recommendations and Path Forward

Housatonic Improvement Committee

- Dan Bailly, *Committee Chair*
- Eric Gabriel, *Committee Vice-Chair*
- Patrick Barrett
- Daniel Bialowas
- Louise Goldsmith
- Angela Lomanto
- Beverly Nourse



Executive Summary

The Housatonic Improvement Committee was chartered by the Great Barrington Selectboard in December 2019 “to foster the social, and cultural well-being of Housatonic.” Committee members were appointed over the next several months and we began meeting in June 2020. The Selectboard charged us to make a recommendation for the future use of the Housatonic School.

We began informing ourselves about the building and the needs and wants of the community by accessing existing documents – studies, proposals, planning reports, informative websites, and site plans. (See page 5). After numerous meetings with public input, we formally eliminated the idea of razing the building and opted for a plan that would include a variety of uses including market-rate or below market-rate housing rather than luxury housing, maker’s space and workshops, retail and office spaces, flexible space for a variety of uses, and a food service space.

To explore if and how those uses would fit into the building, we asked the Western Massachusetts AIA to organize a design charrette. In October 2021, five volunteer architects spent several hours sketching plans for how the building could accommodate the proposed mixed uses and if the renovation for those uses was financially feasible. The team of architects were able to design spaces that met the parameters we had chosen and they, broadly, estimated the price per square foot of renovating the space. Since then, we’ve learned that the renovation costs might be much higher and the Town would need to furnish funds to make the renovations to the building. At this point, we know that the Town is responsible for any hazardous material abatement including asbestos, lead paint, and mercury light switches and it has \$600,000 earmarked for the envelope of the building. We have provided rough financial projections using conservative numbers for income. We believe that the building can generate rents to support a \$3M - \$4M renovation. We look to the Town to put a package together to augment what is already committed to make this a viable project.

With this report, we present ideas for the building’s re-use with two alternatives for housing on the top floor, flexible space on the first floor, and tenant space, public restrooms, and a commercial kitchen on the ground floor with a private entrance and exit for resident and each floor accessible via elevator. We have provided rough financial projections using conservative numbers for income.

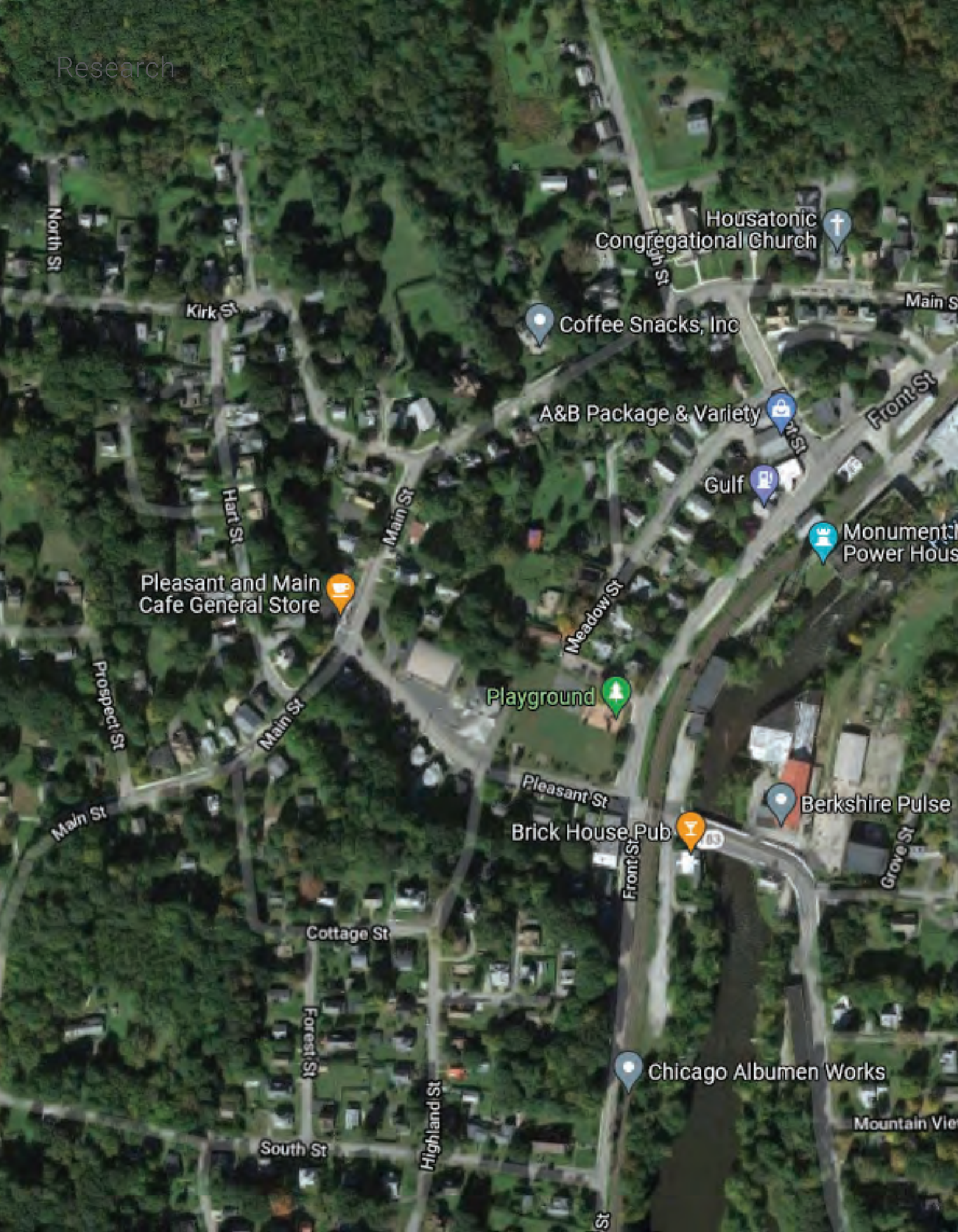
We hope that the building can become viable and serve as an anchor for the Housatonic village center and be useful to the Town of Great Barrington.

HOUSATONIC SCHOOL,
HOUSATONIC, MASS.

Research



Research



To inform our path forward and to give the architects context for reuses of the Housatonic School, we explored the following resources:

- Community Master Plan Volume I and II
- Berkshire Blueprint 2.0
- Comprehensive Economic Development Strategy and Update
- Berkshire Mall Reuse Study
- Ramsdell Library Draft Capital Plans
- Housatonic Visioning Report 2004
- Photos and drone footage
- Existing site plans and floorplans
- Zoning and parking information
- Berkshire Edge article 5-11-17
- RFP Housatonic School
- Proposal from the CDCSB and Green & Green 2010
- Greyhouse Partners Proposal 2019
- Multicultural Bridge Proposal 2010
- Site Improvements Proposal
- Environmental Site Assessment Phase 1
- Flow test Summary 2014.08.27

We also read information from two on-line resources germane to our work:

- Strong Towns - <https://www.strongtowns.org/journal/tag/Value+Per+Acre>
- CORI - <https://ruralinnovation.us>

HOUSATONIC SCHOOL.
HOUSATONIC, MASS.

Design Charrette



Design Charrette



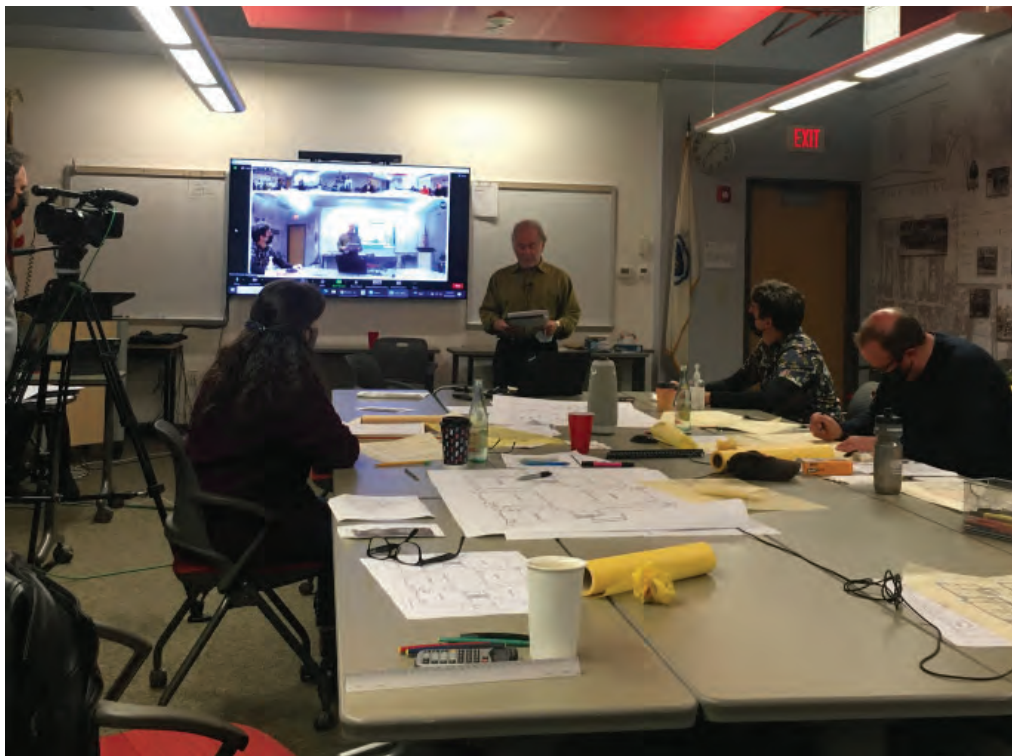
On Saturday, October 30th from the hours of 10AM to 2PM a charrette (an intense period of design and planning activity) was held at the Great Barrington Fire Station with the goal of imagining possible redevelopment options for the Housatonic school building.

The architects present were: Kerry Bartini (Berkshire Design; Pittsfield, MA), Wendy Brown (Pittsfield, MA), Robert Harrison (Berkshire Design & Bradley Architects; Pittsfield, MA), Bruce Moore (Red House Design; Great Barrington, MA), and David Whitehill (Kliment Halsband Architects; Northampton, MA).

The Housatonic Improvement Committee provided the design team members with an information packet about the school, its history in the community, and possible uses for the space. Several of the architects toured the school prior to the charrette. The charrette began with the architects asking questions of the residents and members of the Housatonic Improvement Committee to get an idea of the town's wants and needs. They discussed the building's accessibility and ADA compliance and then spent an hour in a collaborative design session.

The architects decided to work as a group, with each person addressing a different floor of the building and with one of the architects writing a summary, which they presented as a group, along with floor plans and recommendations.

The summary, floor plan ideas, and recommendations are included in this report, below.





The charrette participants summarized their design strategy and recommendations as follows:

Program: Mixed-use residential and non-residential

Without needing to know what the non-residential uses are, some parameters can be set:

- Residential use on second floor only
- Non-residential use on first floor
- Basement is public space to be non-residential support space

The whole building will need sprinklers. The first floor must be accessible while the basement must be accessible if it is to contain public spaces. This will require a 2-stop elevator. Elevator to the basement allows for public restrooms, community commercial kitchen and additional commercial spaces.

Though 2nd floor residential units do not need to be accessible, the incremental cost of a 3-stop elevator vs. a 2-stop elevator is worth offering the convenience for tenants.

Basement:

Can be support space for first floor, non-residential spaces. If it is public space it will require handicapped accessibility. We envision restrooms, a commercial kitchen, common storage, possibly 1 or 2 commercial spaces on the east wall with nice windows and, also, mechanical spaces.

First Floor: Non-residential

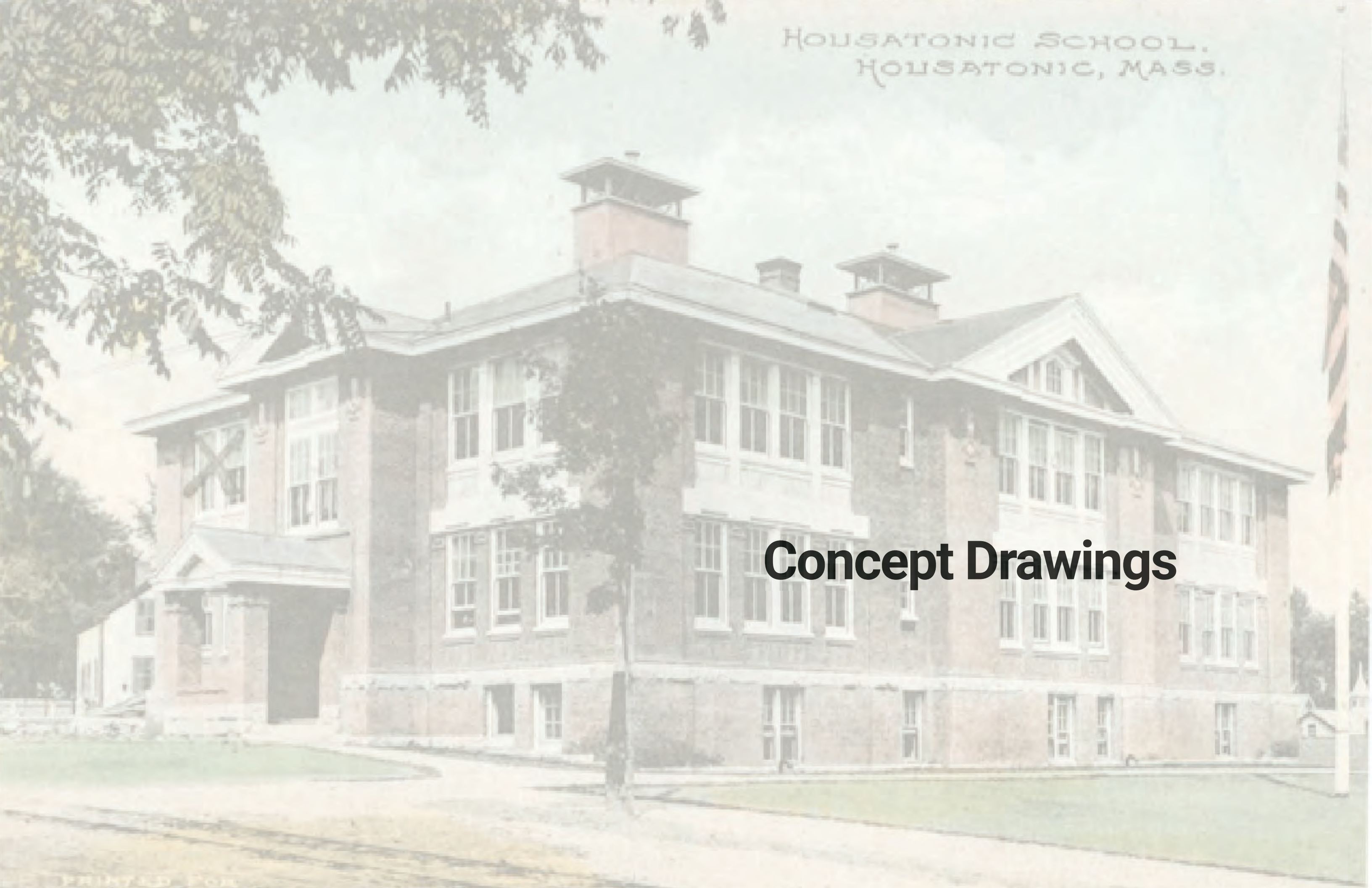
Handicapped accessible from the outside with elevator lobby in new main entrance on the west side of the building, in the middle of the building. Commercial space with lots of glass or additional lobby space opposite the entry.

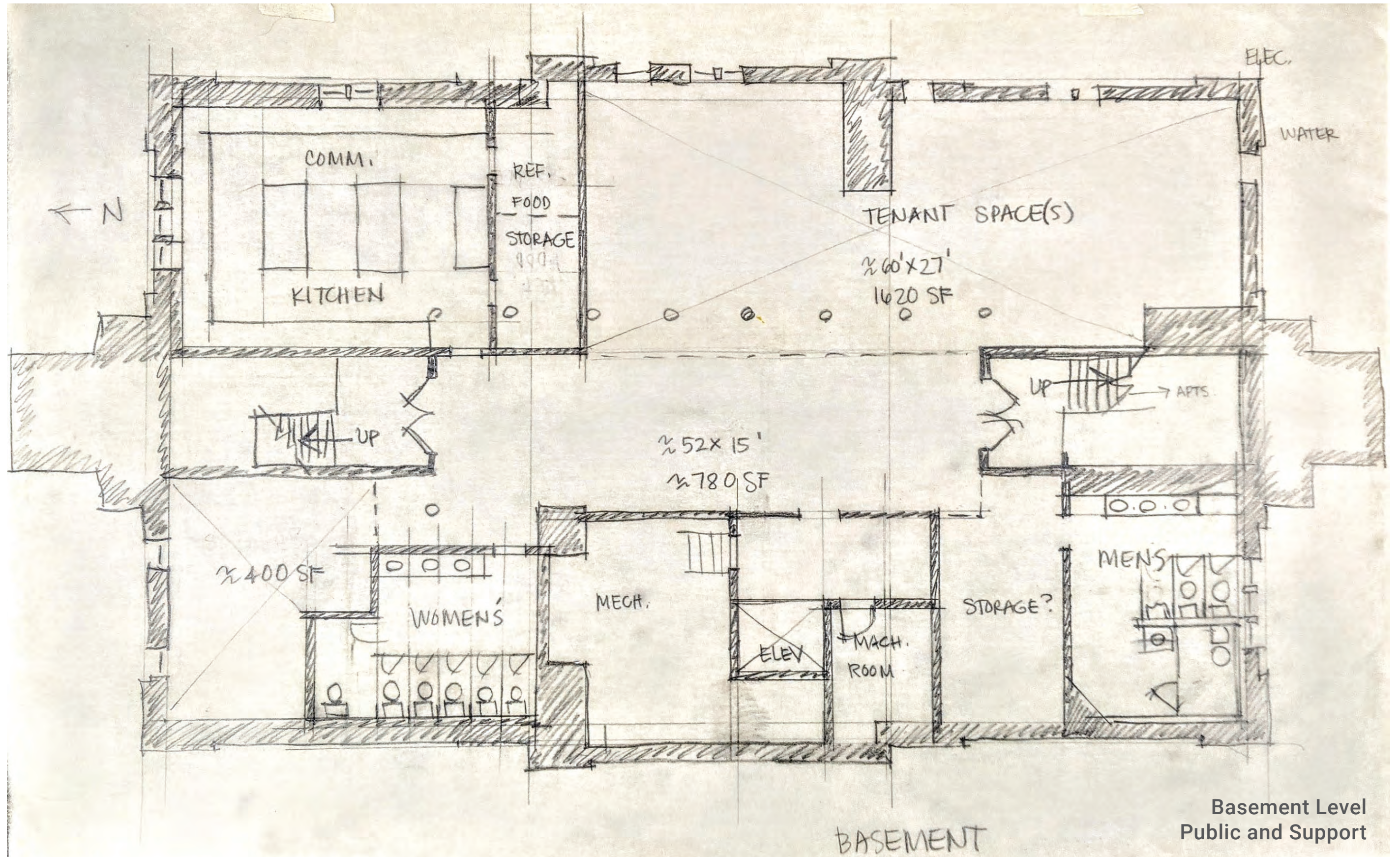
Second Floor: Residential

We can envision 6, 7, or 8 units with a separate, dedicated stair access from the south side. Handicapped access will be from the shared lobby elevator. Emergency egress from the north stair.

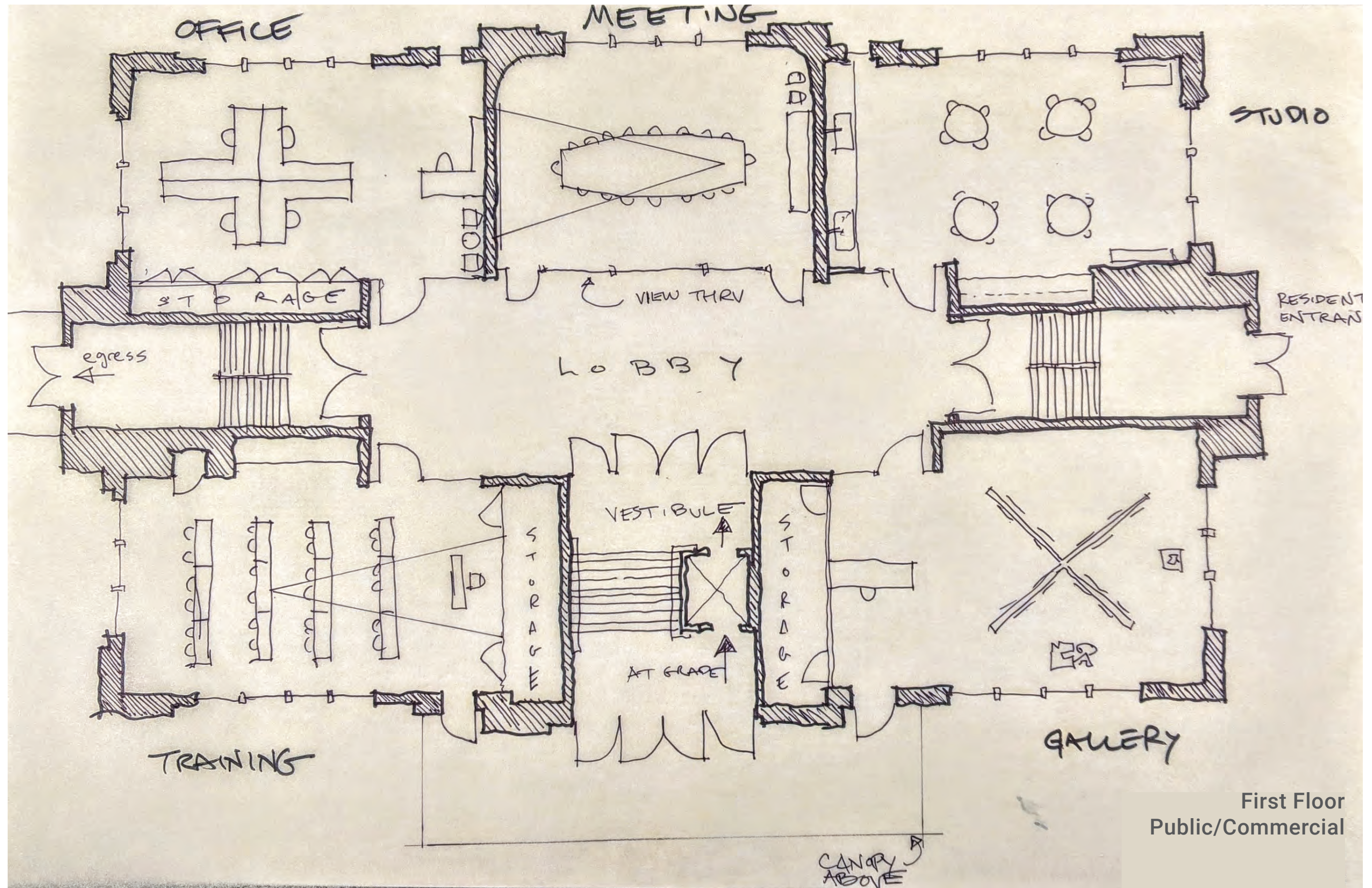
HOUSATONIC SCHOOL.
HOUSATONIC, MASS.

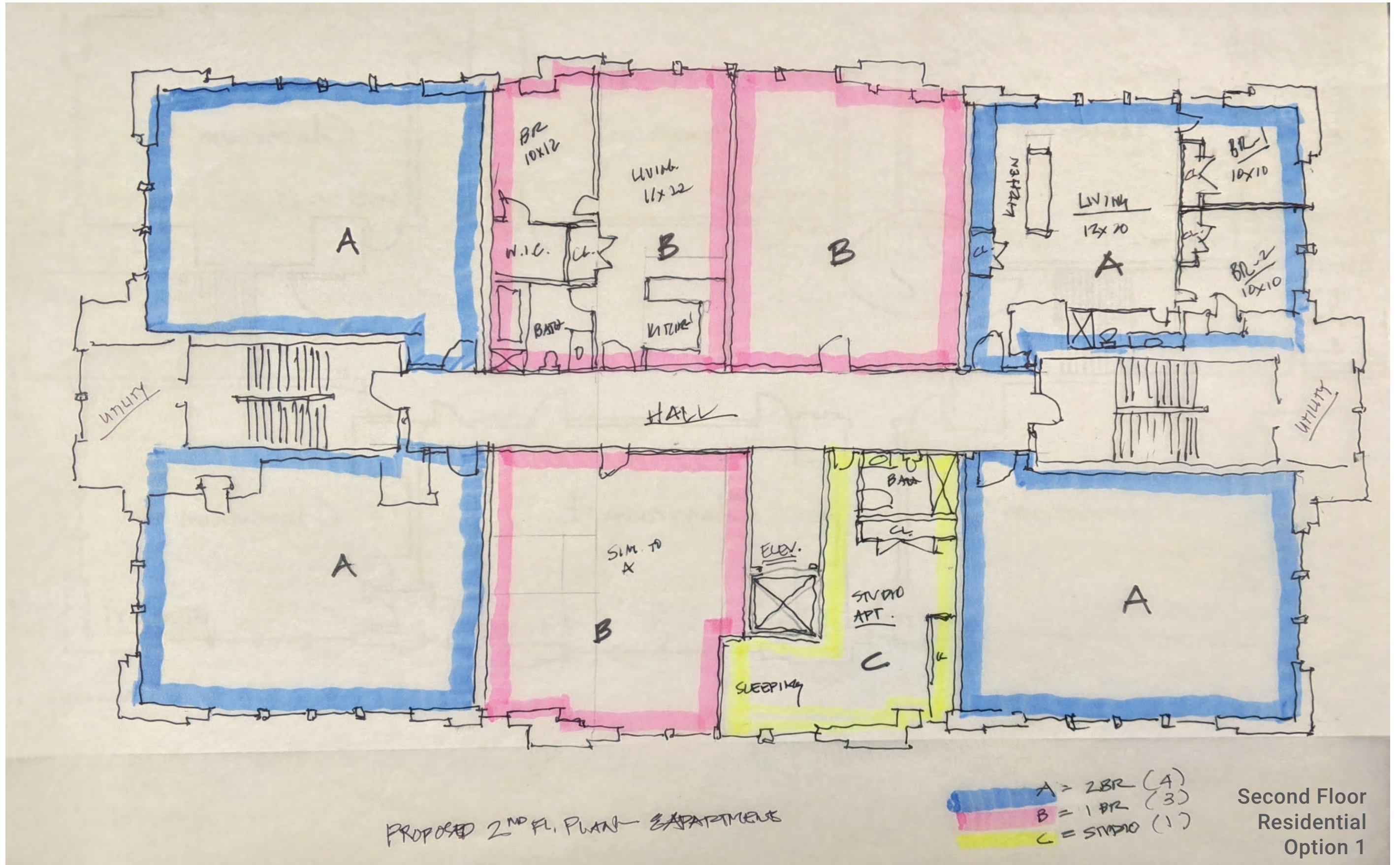
Concept Drawings

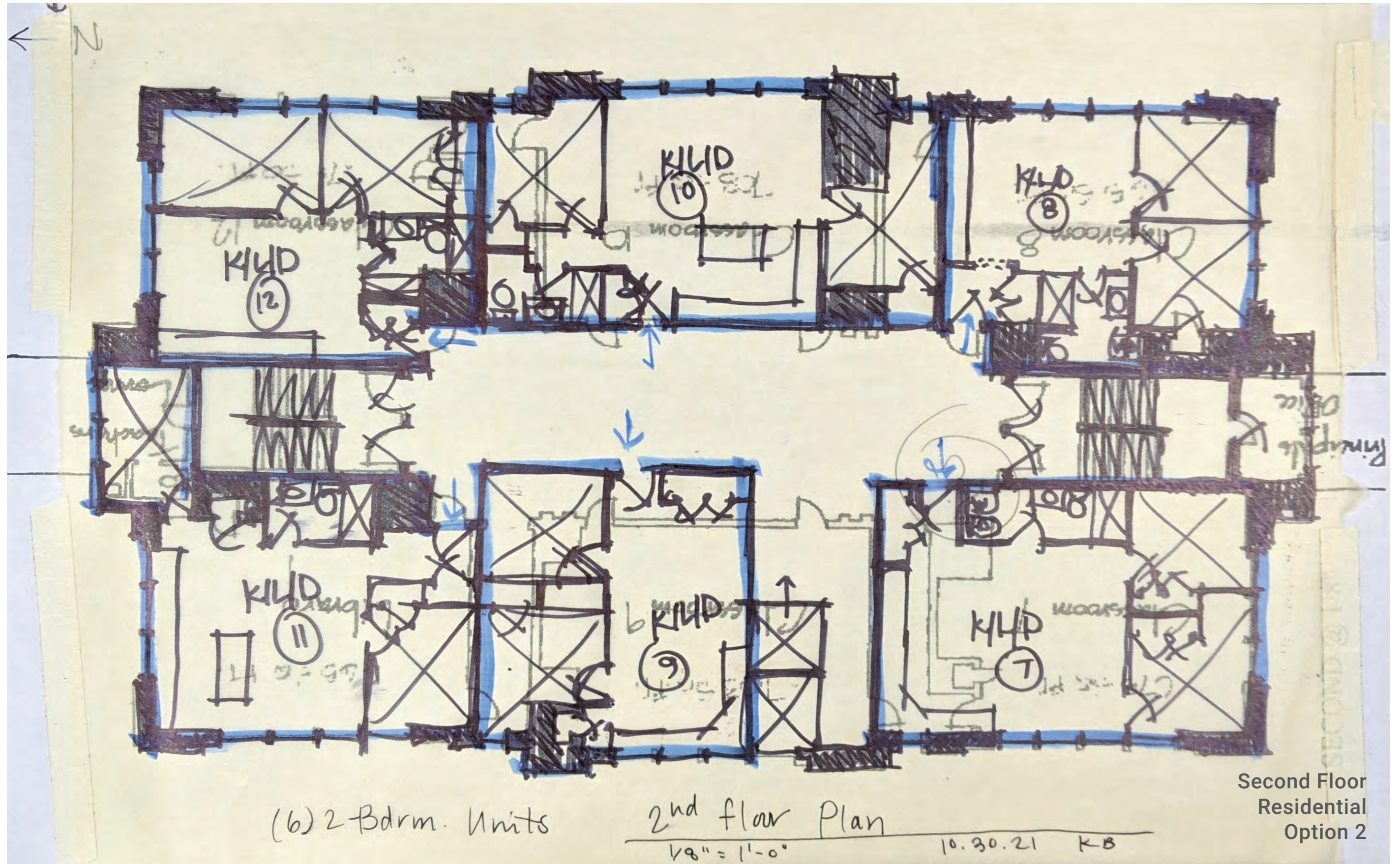




Basement Level
Public and Support

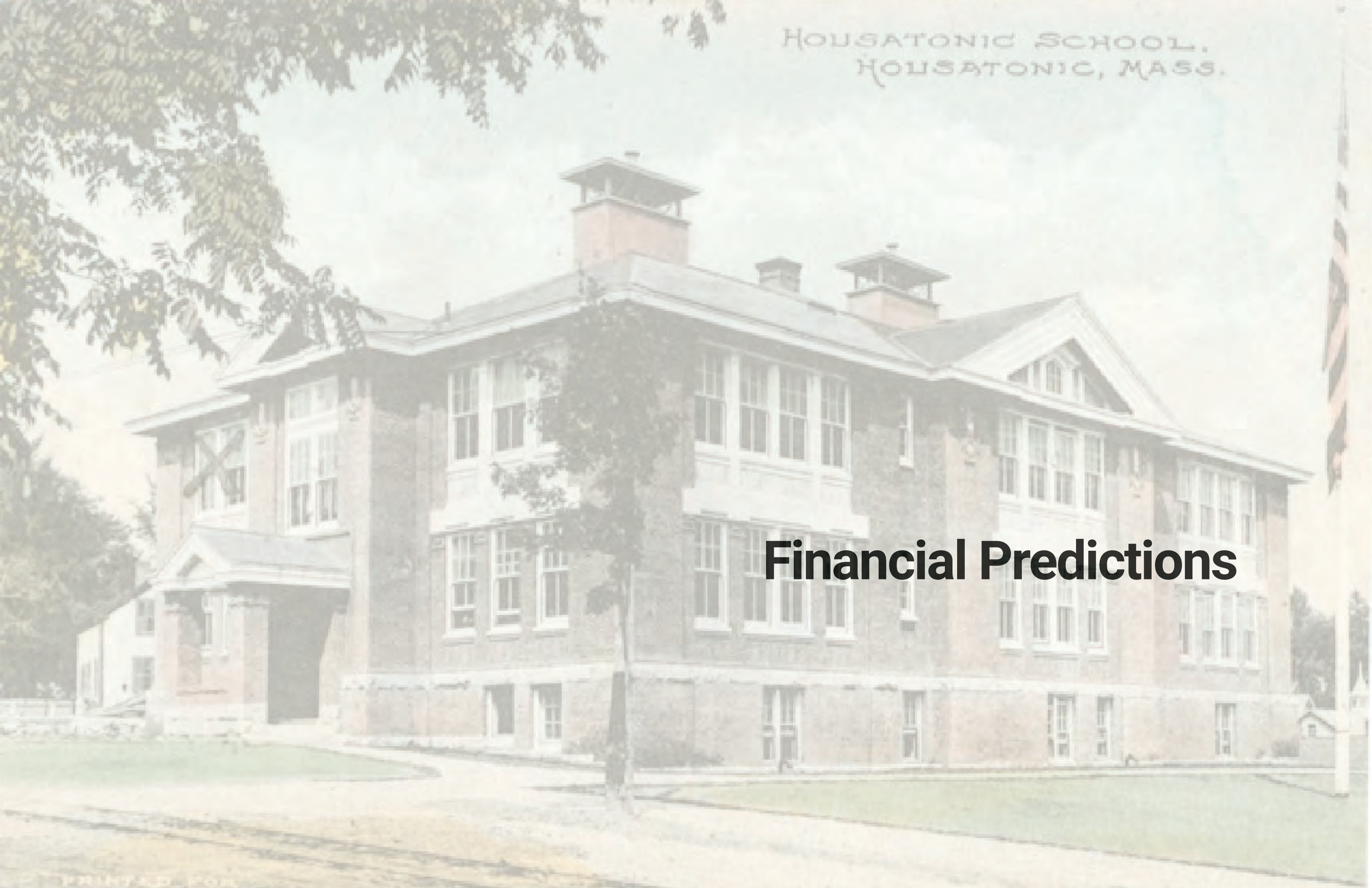






HOUSATONIC SCHOOL,
HOUSATONIC, MASS.

Financial Predictions



Financial Predictions

One of the main considerations is how the building could support debt associated with renovations. It is worth highlighting that there is \$600,000 in designated Town funds earmarked for the building's envelope. The Town is also the responsible party for mitigation of any hazardous materials (e.g., asbestos, lead paint, and similar). There may be other funds which can be secured through grants or other sources like Community Development Block Grants, Community Impact Funds, the Community Preservation Act, and American Rescue Plan Act funding. The Town could also appropriate funds or use general capital funds.

If the Town were to borrow the funds to renovate the building, the interest rate would be 2%. To make financial predictions, we used the interest rate of 2% amortized over 30 years for various investment levels from \$2M to \$7M.

Borrowed Amount	Interest Rate	Debt Service per Month
\$2,000,000	2%	\$7,493
\$3,000,000	2%	\$11,089
\$4,000,000	2%	\$14,583
\$5,000,000	2%	\$18,480
\$6,000,000	2%	\$22,177
\$7,000,000	2%	\$25,873

Residential Housing: For discussion purposes, we projected residential rental revenues by using rental rates at 80% of the 2021 Area Median Income (AMI) for Great Barrington as shown in the highlighted row in the chart below.

- In the Option 1 floor plan with four 2-bedroom apartments, three 1-bedroom apartments, and one studio apartment, and with only one person living in each space, the rents per month equal \$9,400. If there were a mix of 1, 2, 3, or 4 persons renting the units, the gross rentals would be higher.
- In the Option 2 floorplan, there are six 2-bedroom apartments. The rents per month equal \$7,050 with only one person living in the spaces or \$9,060 with three persons living in an apartment.

The conservative estimate of income from residential rentals is \$7,050 to \$9,060.

Area Median Income for Great Barrington, MA
Calendar Year 2021

Household Size								
	1 person	2 people	3 people	4 people	5 people	6 people	7 people	8 people
100% of AMI	\$58,730	\$67,120	\$75,510	\$83,900	\$90,612	\$97,324	\$104,036	\$110,748
80% of AMI	\$46,984	\$53,696	\$60,408	\$67,120	\$72,490	\$77,859	\$83,229	\$88,598
60% of AMI	\$35,238	\$40,272	\$45,306	\$50,340	\$54,367	\$58,394	\$62,422	\$66,449
50% of AMI	\$29,365	\$33,560	\$37,755	\$41,950	\$45,306	\$48,662	\$52,018	\$55,374
30% of AMI	\$17,619	\$20,136	\$22,653	\$25,170	\$27,184	\$29,197	\$31,211	\$33,224
Monthly Incomes								
	1 person	2 people	3 people	4 people	5 people	6 people	7 people	8 people
100% of AMI	\$4,894	\$5,593	\$6,293	\$6,992	\$7,551	\$8,110	\$8,670	\$9,229
80% of AMI	\$3,915	\$4,475	\$5,034	\$5,593	\$6,041	\$6,488	\$6,936	\$7,383
60% of AMI	\$2,937	\$3,356	\$3,776	\$4,195	\$4,531	\$4,866	\$5,202	\$5,537
50% of AMI	\$2,447	\$2,797	\$3,146	\$3,496	\$3,776	\$4,055	\$4,335	\$4,615
30% of AMI	\$1,468	\$1,678	\$1,888	\$2,098	\$2,265	\$2,433	\$2,601	\$2,769
Affordable Monthly Housing Costs for those households (i.e., 30% of their monthly income)								
	1 person	2 people	3 people	4 people	5 people	6 people	7 people	8 people
100% of AMI	\$1,468	\$1,678	\$1,888	\$2,098	\$2,265	\$2,433	\$2,601	\$2,769
80% of AMI	\$1,175	\$1,342	\$1,510	\$1,678	\$1,812	\$1,946	\$2,081	\$2,215
60% of AMI	\$881	\$1,007	\$1,133	\$1,259	\$1,359	\$1,460	\$1,561	\$1,661
50% of AMI	\$734	\$839	\$944	\$1,049	\$1,133	\$1,217	\$1,300	\$1,384
30% of AMI	\$440	\$503	\$566	\$629	\$680	\$730	\$780	\$831

<https://www.huduser.gov/portal/datasets/il.html>
Berkshire County, MA (part) HUD Metro FMR Area

Financial Predictions

For retail and office space rents proposed for the first floor, we relied on a recent study of commercial real estate rentals compiled for prime retail space in Great Barrington center, and adjusted the rents downward. The appropriate rents for Housatonic range from \$12 to \$15 per square foot for office or healthcare space and \$10 to \$15 per square foot for retail space. In the following projections we have optimistically used the upper end of the range for each space for a total of an estimated \$5,795 per month in rental income:

First Floor Space	Square Footage	Annual Rent per Square Foot	Annual Rent	Monthly Rent
Classroom 3 - Meeting	703	\$15	\$10,545	\$878.75
Classroom 1 - Office	675	\$15	\$10,125	\$843.75
Classroom 6 - Gallery	675	\$15	\$10,125	\$843.75
Classroom 2 - Training	665	\$15	\$9,975	\$831.25
Classroom 5 - Studio	665	\$15	\$9,975	\$831.25
Basement Office	400	\$15	\$6,000	\$500.00
Maker's Space (4 @ 400sqft each)	1600	\$8	\$12,800	\$1066.00
Total Rent				\$5,794.75
Kitchen		TBD		

The space on the ground level has the possibility of generating rental income as well, except for the mechanical rooms and public restrooms. Those spaces include a kitchen, a 400 square foot space, and tenants' space which could be rented as workshops or storage. At this point, we do not have income projections for these spaces.

The proposed plan for the first floor leaves five classrooms intact as potential commercial rentals. They are shown with different purposes on the plan. The space on the ground level has the possibility of generating rental income as well, except for the mechanical rooms and public restrooms. Those spaces include a kitchen, a 400 square foot space, and tenants' space which could be rented as four workshops of 400 square feet each. We do not have projections for the rental rates for the kitchen.

The projected rental income for the whole building, conservatively, is between \$12,845 and \$14,855 per month.

There are about 21,000 square feet in the building or approximately 7,000 square feet per floor with an estimated \$350 per square foot renovation cost. We estimate that with architectural fees, project management fees, and the costs of bringing the building up to current building codes, the renovation costs are likely to be over \$7,000,000.

HOUSATONIC SCHOOL,
HOUSATONIC, MASS.



**Recommendations &
Path Forward**

Recommendations & Path Forward

Recommendations

- We recommend that the Select Board require, through the RFP language and/or deed restrictions, that the adaptive reuse of the school building include public community space.
- We recommend that the RFP reflects the design charrette and keeps the historic footprint of the building, to the best extent possible.
- We recommend that the Select Board acts proactively to promote the availability of the building, both prior to and during the RFP Process.

Path Forward

- Phase II environmental work will begin as soon as a scope and funds are available.
- The Town will actively identify and pursue potential grant funding for the renovation of the building.
- The Town will move forward with securing the roof with tarps and board the windows to prevent any further damage.
- In the event that there is not a favorable response to the RFP the Select Board will bring the project back to the HIC prior to demolition.

Notes

- The Selectboard has established that the lot lines for the school are not to be moved and there will not be any encroachment on the sledding hill, or any other part of the park during the redevelopment project.
- A parking study has been done by the Town and while it is outside of the scope of this report, we believe that adequate parking for all likely uses of the school building is feasible.





Not in our County (NIOC) – Berkshires Pledge

History:

In 2017, in response to a concern over a number of racist incidents in our local schools, targeted acts against religious groups, and concern for our immigrant community in light of changes in the political climate, BRIDGE decided to join the National “Not in our Town” movement (<https://www.niot.org/about-us>) and decided that we didn’t want to pick one specific town but enter this movement as a Berkshire county. Acts of hate and violence continue to occur in our county and this movement gives a way to organize to identify and respond to any hateful actions, while also proactively sharing a message of inclusion in the community that can, through symbols and activism, spread a message of safety to oppressed and threatened members of the community. Through the symbol depicted above, the NIOC movement endeavors to spread a message of tolerance and inclusion, and through the actions of those that take the pledge below and who commit deeply to that pledge, staying regularly active, we endeavor to have this movement of solidarity spread and grow throughout our county.

Link to the BRIDGE NIOC website where there are links to take the pledge:

<https://www.multiculturalbridge.org/not-in-our-county---berkshires.html>

The pledge itself:

“I commit to working together with my neighbors to create safer, more integrated communities for all residents in Berkshire County. I do not stay silent in the face of intolerance or hate based on race, religion, sexual preference, gender identity, ethnicity, country of origin, ability or any other factor. I work to acknowledge and heal all forms of hate, bigotry and bullying. I pledge to renew my commitment to this work every day.”

BRIDGE volunteers and the BRIDGE organization are asking the selectboard members to consider taking the NIOC pledge and becoming or staying active in the movement to improve the lives of all the Berkshire County residents through actions that right injustices and inequity and hate and violence in our community. Some selectboard members may have taken this pledge in the past and can use this opportunity to renew their commitment to this work.

Read more about Not in Our County - Berkshires and the NIOT movement:

- [Moving as an Anti-Racist: Acknowledge, Align, Amplify, Ask, Activate by Gwendolyn VanSant](#), reproduced on the Not in Our Town blog Gwendolyn VanSant, published on the Not in Our Town blog
- [Overcoming White Supremacy with Love and Action](#) by Gwendolyn VanSant
- [Students Lead the Way to Foster Inclusion at Berkshire High School](#) by Claudia Maurino and Lucy Doren
- [NIOT in Massachusetts: Dialogue on Inclusive Communities](#)