

City of Waltham, Massachusetts

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended June 30, 2020

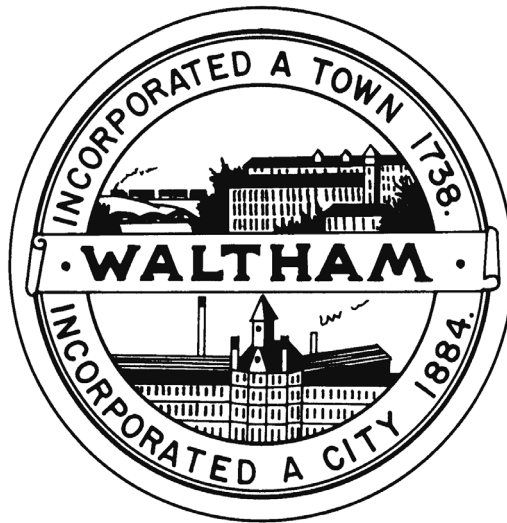


City Hall

CITY OF WALTHAM, MASSACHUSETTS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended June 30, 2020



Prepared by:

City Auditor's Office

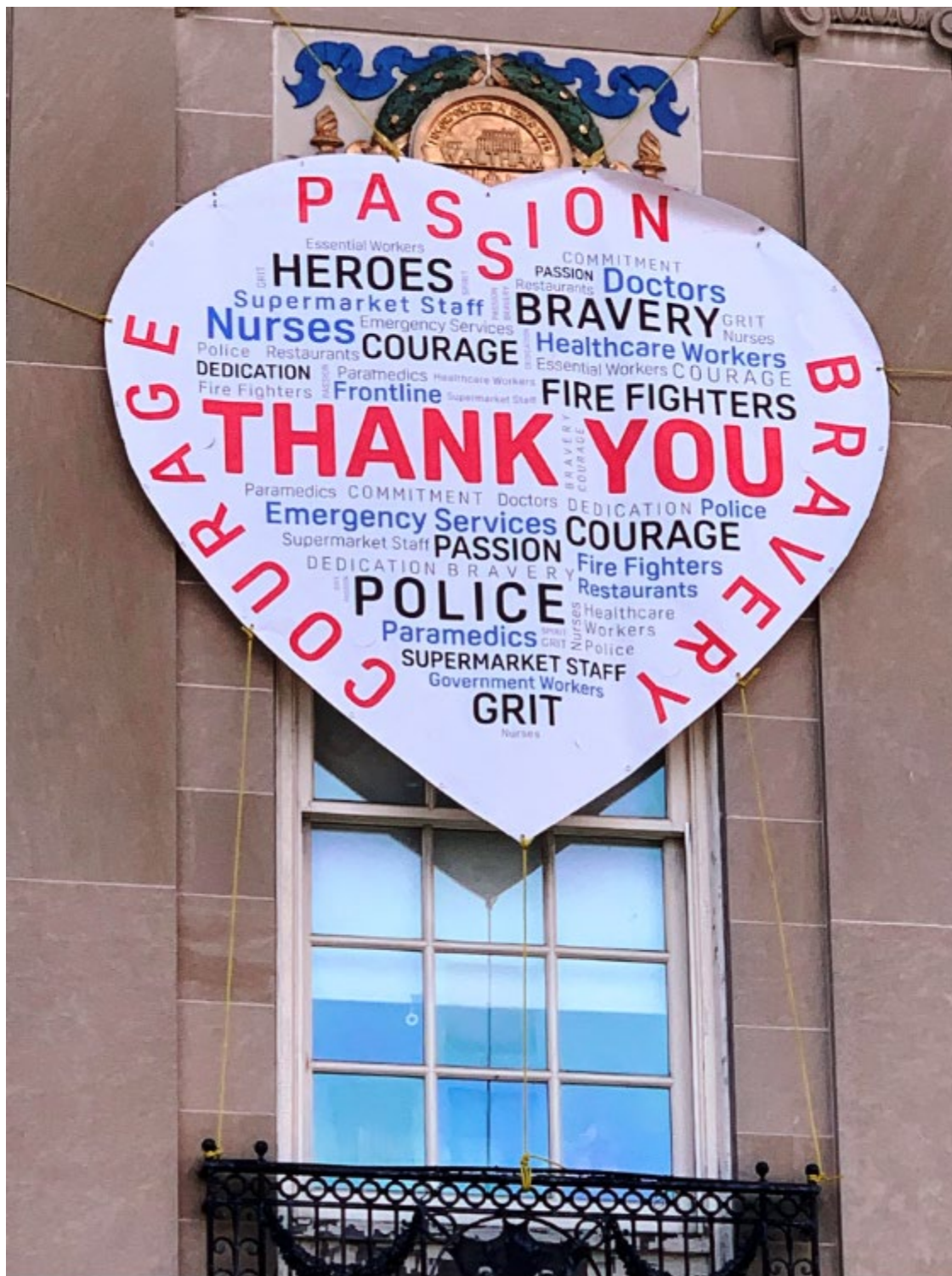
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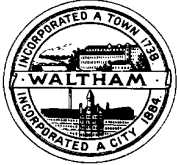
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Introductory Section





Paul G. Centofanti
City Auditor

CITY OF WALTHAM

Commonwealth of Massachusetts

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Letter of Transmittal

January 29, 2021

To the Honorable Mayor, Members of the City Council and Citizens of the City of Waltham, Massachusetts:

At the close of each fiscal year, state law requires the City of Waltham to publish a complete set of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP), and that are audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report (CAFR) of the City of Waltham, Massachusetts, for the fiscal year ended June 30, 2020 for your review.

This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements for the fiscal year ended June 30, 2020 are fairly presented in conformity with GAAP.

The City of Waltham's financial statements have been audited by CliftonLarsonAllen LLP, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City for the fiscal year ended June 30, 2020, is free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used, significant estimates made by management and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended June 30, 2020 are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

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

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

Profile of the City

Settled in 1630 and incorporated as a Town in 1738, Waltham was chartered as a City in 1884. Located in Middlesex County, 9 miles west of Boston, the City is bordered by the Towns of Belmont, Lexington, Lincoln, Newton, Watertown and Weston. The City encompasses approximately 12.7 square miles and according to the 2010 federal census, has a population of 60,632.

Subject to local legislative decisions made by a fifteen (15) member City Council elected for two-year terms, a Mayor, who is elected for a four-year term on an at-large basis, generally administers the affairs of the City. As chief executive officer, the Mayor appoints, subject to approval by the City Council, all the other principal executive officers of the City other than the City Clerk. The Mayor is responsible for the administration of the fiscal and other affairs of the City with the exception of local school affairs, which are administered by the School Committee.

The City Council annually elects its own President, who presides over all Council meetings and appoints all standing committees of the Council. Actions of the Council are generally subject to veto by the Mayor, but such action may be overridden by a two-thirds vote of the Council members.

The School Committee, whose members are elected for four-year terms, has exclusive jurisdiction over the City's public school system and appoints a Superintendent to administer the day-to-day affairs of the system.

The City provides general governmental services for the territory within its boundaries, including police and fire protection, curbside collection and disposal of trash and recyclable materials, public education in grades kindergarten through twelve, water and sewer services, street maintenance, parks and recreation. The Massachusetts Bay Transportation Authority provides bus coverage throughout the City with connections to the metropolitan Boston area as well as commuter rail service between the City and Boston. The Massachusetts Water Resources Authority provides water and sewerage disposal services to the City. The Waltham Housing Authority, a separate legal entity, provides public housing for eligible low-income families, the elderly and the handicapped.

Within 170 days after the annual organization of the City government (which is ordinarily in early January), the Mayor is required to submit a budget of proposed expenditures for the fiscal year beginning on the next July 1. The City Council may make appropriations for the recommended purposes and may reduce or reject any item. Without a recommendation of the Mayor, the Council may not make any appropriation for a purpose not included in the proposed budget, except by a two-thirds vote in the case of the failure of the Mayor to recommend an appropriation for such a purpose within 7 days after a request from the Council. The Council may not increase any item without the recommendation of the Mayor (except as provided by legislation, recommendation of the school committee or regional district school committee and by two-thirds vote of the Council, provided that such increase does not cause the total annual budget to exceed the property tax limitations). If the Council fails to act on any item of the proposed budget within 45 days, that item takes effect.

If the Mayor does not make a timely budget submission, the Council makes provision for preparation of a budget. Provision is also made for supplementary appropriations upon recommendation of the Mayor. Water and sewer department expenditures are included in the budgets adopted by City Council.

The City manages its risk through a combination of self-insured programs and premium based coverage with commercial insurance carriers. Healthcare and workers compensation are self-insured plans. The City is exposed to various risks of loss related to general liability, property and casualty, workers' compensation and unemployment compensation claims. Buildings and property are insured against fire, theft and natural disaster to the extent that losses exceed the City's deductible per incident. These deductibles vary by type of incident, none of which exceeds \$25,000.

Financial Planning and Policies

Financial planning and policy goals are broad, fairly timeless statements of the financial position the City of Waltham seeks to attain. The financial goals for the City of Waltham are:

- To provide full value to the residents and commercial owners of Waltham for each tax dollar by delivering quality services efficiently and on a cost-effective basis.
- To preserve the quality of life of the City's citizens by providing and maintaining adequate financial resources necessary to sustain a sufficient level of municipal services and to respond to changes in the economy or other changes that may affect our financial status.
- To improve or at a minimum maintain our AA+ and Aa1 bond rating.
- To advise City policy makers on management and financial decisions which have a significant fiscal impact.
- To utilize operating principles that minimizes the cost of government and financial risk.
- To develop fair and balanced revenue approaches that provide for adequate funding for desired programs.
- To maintain appropriate financial capacity for current and future needs.
- To promote sound financial management by providing accurate and timely information on the City's financial condition.
- To ensure the legal use of financial resources through an effective system of internal control.

To achieve these goals, the City of Waltham has adopted formal policies for the following areas:

- Operating Budget Policy
- Revenue Policy
- Expenditure/Expense Policy
- Reserve Policy
- Capital Budgeting and Planning Policy
- Debt Management Policy
- Protection of Credit Rating Policy

Factors Affecting Economic Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Waltham operates.

The City is a mature residential community with significant commercial and industrial activity, a good part of which is in the technology, bio-tech, pharmaceutical, communication, education, consulting services and manufacturing, is concentrated along Interstate 95 (Route 128). Retail trade is concentrated in the City's downtown central business district. Several nationally known companies have chosen to locate in the City. In addition to its commercial base, the City is home to both Bentley University and Brandeis University.

The City continues to manage its financial affairs in a prudent, fiscally responsible manner as is demonstrated by its excellent Moody's bond rating of Aa1 and Standard & Poor's bond rating of AA+, even with the limitations of state aid funds from the Commonwealth of Massachusetts and the current overall economy. The City's financial actions are generally guided by long range planning tools such as a five-year Capital Improvement Program; prioritizing spending plans and identifying discretionary spending; pay-as-you go financing strategies; long-term planning for all liabilities including pension and insurance reserves and municipal best practices, which are reviewed annually at the beginning of each budget development cycle. Additionally, the City has enhanced its revenue flexibility by establishing enterprise funds and many other user supported programs. This has allowed the City to shift the operating costs of certain services to the users so that little or no tax support subsidizes these services.

The City maintains a strong industrial and commercial tax base. In fiscal year 2020, the combined assessed value of these properties represented 33.5% of the total City value. In terms of tax burden, the same industrial and commercial tax base bore 58.6% of the fiscal year 2020 tax levy. The appreciation of residential values, while keeping property taxes comparatively low, serves as an attraction to the City. The City's close proximity to Boston and major highways, its quality of life, the affordable delivery of services to its residents and dedication to public education personifies the community's popular reputation.

Quarterly tax billings and excellent collection rates have eliminated the need to borrow on a short-term basis to maintain operating cash flow. The City's investment options are governed by Massachusetts General Laws and focus on safety, liquidity and yield.

At the State level, the economic outlook for the Commonwealth has been generally stable. It is hopeful that state aid will see moderate increases in the following years. Optimistically, this will place the City in a position of having a lesser degree of reliance on property taxes to cover the increasing cost of providing services.

The City is currently managing approximately \$116.3 million in long and short term debt. The long term indebtedness consists of \$94.6 million of general obligation bonds for the general fund and \$21.7 million which is self-supporting through enterprise fund revenues. During 2020, the City issued \$30.9 million in new long term debt; \$30.4 million for the general fund and \$0.5 million for the self-supporting enterprise funds. Under the school building assistance program, the City built new and/or renovated two middle schools and six elementary schools. The City was approved for a state grant representing 90% reimbursement of eligible costs incurred in the construction of the eight new school facilities and received \$124.8 million of such assistance. \$24.7 million was received in fiscal year 2005, \$44.4 million in fiscal year 2006, \$29.8 million in fiscal year 2007, \$24.6 million in fiscal year 2008 and the final payment of \$1.3 million was received in fiscal year 2010. The City has outstanding bonds totaling \$19.3 million with maturity dates of 2025 and 2028 that provided the remainder of the cost for the school building project. During September 2019, the City authorized \$374.6 million for the construction of a new Waltham High School. Under the school building assistance program, the City has been approved for a state grant estimated at \$122.3 million, representing 65.71% reimbursement of eligible costs incurred for the project.

The City has authorized and unissued debt for the new high school project, water/sewer infrastructure improvements, street improvements, recreation land development and other various projects totaling \$381 million as of June 30, 2020. The authorized and unissued debt includes \$3.6 million for water/sewer infrastructure improvements.

The City of Waltham contributes to the Waltham Contributory Retirement System (the System), a cost sharing, defined benefit pension plan administered by the Waltham Contributory Retirement Board (Board). Each year, an independent actuary engaged by the Board calculates the amount of the annual contribution that the City of Waltham must make to the pension plan to ensure that the plan will be able to fully meet its obligations to retired employees on a timely basis. As required by law, the City of Waltham fully funds each year's annual required contribution to the pension plan as determined by the actuary. As of January 1, 2019, the latest actuarial valuation date, the System had succeeded in funding (actuarially) 56.8% of the present value of the projected benefits earned by employees. The remaining unfunded amount is being systematically funded over the remaining 13 years as part of the annual required contribution as calculated by the actuary.

The City of Waltham also provides post retirement health care benefits for certain retirees and their dependents. Currently, there are 1,943 retired employees receiving these benefits, which are financed on a pay-as-you-go basis. GAAP requires the City to conduct an actuarial valuation to determine the unfunded liability and to recognize the annual cost of reducing this liability in addition to the current year benefits. The City completed this actuarial valuation effective June 30, 2020, with a reported total OPEB liability of \$744.5 million under GASB 74 & 75. The City established and maintains an OPEB Trust Fund (not considered a trust for GASB reporting purposes) with a market value balance of \$14.9 million as of June 30, 2020. Of this balance, \$1.6 million is attributable to employee contributions paid during 2017, 2018, 2019, and 2020 under an ongoing provision of the collective bargaining agreements between the City and its unions. Non-union employees are also required to contribute to the OPEB Trust Fund.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2019. This was the sixteenth consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City had to publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable legal requirements.

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

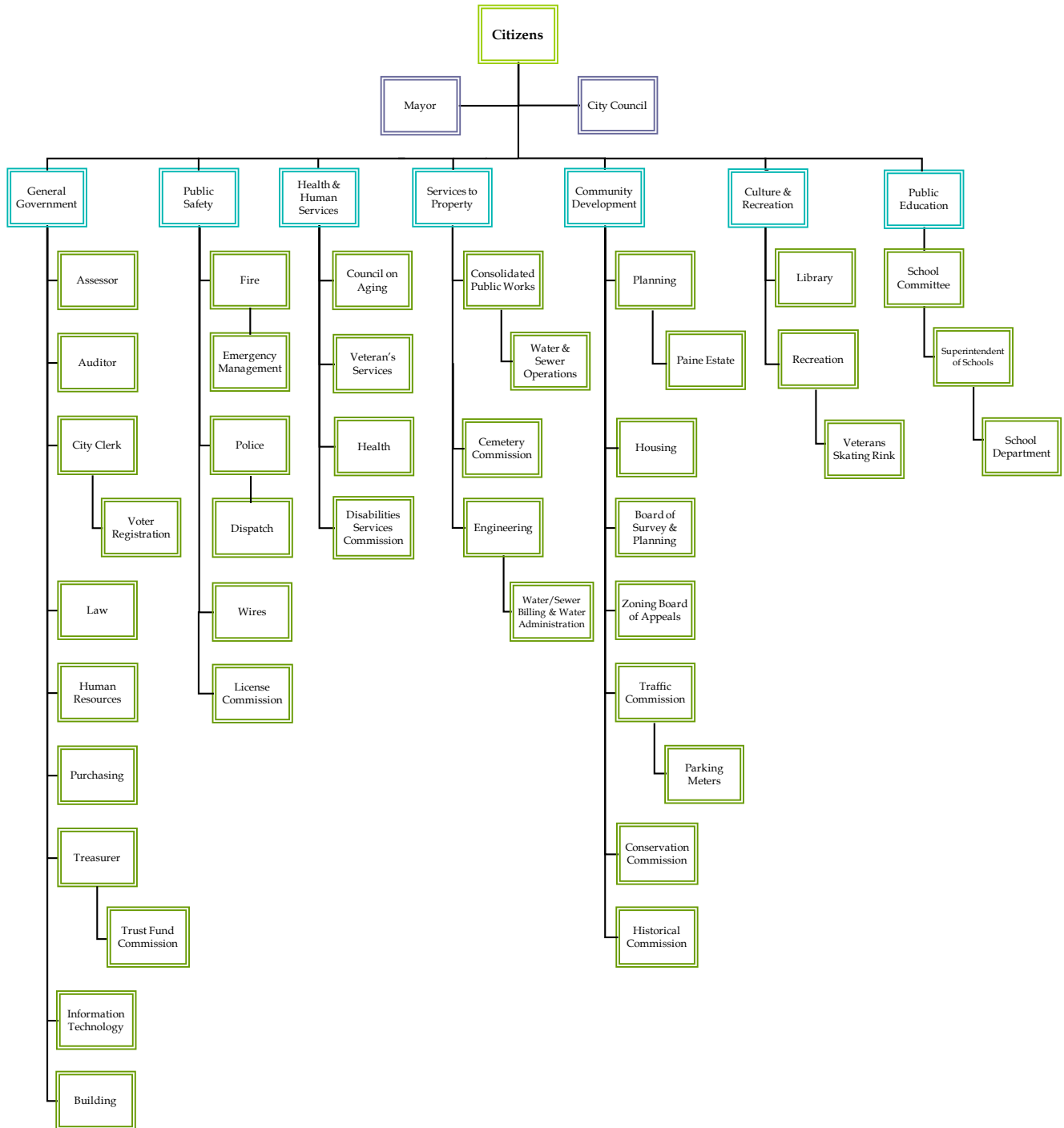
The preparation of this report would not have been possible without the dedication and commitment to excellence by the staff of the Auditing Department. We would like to express our appreciation to the members of all the departments who assisted and contributed to the preparation of this report. We would also like to acknowledge and give credit to the Mayor, the Finance Committee and the City Council for their consistent support to uphold the highest standards of professionalism in the management of the City of Waltham's finances.

Respectfully submitted,

Paul G. Centofanti

Paul G. Centofanti
City Auditor

City of Waltham, Massachusetts Organizational Chart



CITY OF WALTHAM, MASSACHUSETTS

PRINCIPAL CITY OFFICIALS

ELECTED OFFICIALS

Mayor

Jeannette A. McCarthy

City Council

Councillors-at-Large

Paul J. Brasco, Council President

Randall J. LeBlanc

Kathleen B. McMenimen, Council Vice President

Patrick O'Brien

Thomas M. Stanley

Carlos A. Vidal

Ward Councillors

Anthony LaFauci

Caren Dunn

George A. Darcy III

John J. McLaughlin

Joseph P. LaCava

Sean Durkee

Kristine A. Mackin

Cathyann Harris

Jonathan Paz

School Committee

Jeannette A. McCarthy, Mayor, Chairperson

Dr. Brian Reagan, Superintendent of Schools

Elizabeth Aljammal

Margaret Donnelly

John A. Frassica, II

Jane Gately

Stephen Rando, Jr.

Edmund Tarallo

PRINCIPAL EXECUTIVE OFFICERS

City Auditor

Paul G. Centofanti

City Treasurer/Collector

Thomas J. Magno

City Clerk

Robert J. Waddick



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Waltham
Massachusetts**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morill

Executive Director/CEO

Financial Section



Cornelia Warren Field



INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and City Council
City of Waltham, Massachusetts

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Waltham, Massachusetts, as of and for the year ended June 30, 2020 (except for the Waltham Contributory Retirement System, which is as of and for the year ended December 31, 2019), and the related notes to the financial statements, which collectively comprise the City of Waltham, 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.

Auditors' Responsibility

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

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

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

Opinions

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (located on pages 14 through 24) and general fund and community preservation fund budgetary comparisons and certain pension and other postemployment benefits information (located on pages 82 through 105) 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 City of Waltham, Massachusetts' basic financial statements. The introductory section, combining and individual fund statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund statements 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 combining and individual fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 26, 2021, on our consideration of the City of Waltham, Massachusetts' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Waltham, Massachusetts' internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

CliftonLarsonAllen

Boston, Massachusetts
January 26, 2021

Management's Discussion and Analysis

As management of the City of Waltham, Massachusetts (City), we offer readers of these financial statements this narrative overview and analysis of the City's financial activities for the fiscal year ended June 30, 2020.

Significant Financial Results

- The current liabilities of \$49,260,193, noncurrent liabilities of \$1,015,663,713 and deferred inflows of \$33,476,807 exceeded its current assets of \$184,007,117, noncurrent assets of \$318,776,179 and deferred outflows of \$123,614,495 at the close of the most recent fiscal year by \$472,002,922 (net deficit). The City's governmental activities had an unrestricted net deficit totaling (\$769,522,771) and \$18,300,174 in unrestricted net position for its business-type activities.
- The City's total net position decreased \$52,078,887.
- As of the close of the fiscal year, the City's governmental funds reported combined ending fund balances totaling \$124,697,756, an increase of \$11,112,205, in comparison with the prior year. \$32,864,958 represents unassigned fund balance.
- At the end of the fiscal year, unassigned fund balance for the general fund totaled \$35,230,828 or 13.5% of total general fund expenditures and transfers out.
- The City's total long-term debt increased by \$20,682,905 (20.2%) during fiscal year 2020, which includes \$30,845,000 of new debt issued.

Overview of the Basic Financial Statements

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

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

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

Government-wide financial statements

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

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

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

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*).

Governmental activities include general government, public safety, education, public works, health and human services, culture and recreation, community development and debt service (interest). Business-type activities include the sewer, water and Veterans Memorial Rink operations.

The government-wide financial statements can be found on pages 26-28 of this report.

Fund financial statements

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

1. Governmental funds
2. Proprietary funds
3. Fiduciary funds

Governmental Funds

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

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

The City maintains 24 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the general and community preservation (special revenue) funds, each of which are considered to be major funds. Data from the other 22 governmental funds are combined into a single, aggregated presentation titled *nonmajor governmental funds*. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements on pages 106-116 of this report.

The basic governmental funds financial statements can be found on pages 29-32 of this report.

Proprietary funds

The City maintains two types of proprietary funds.

Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses an enterprise fund to account for its sewer, water and Veterans Memorial Rink operations, for which sewer and water are considered to be major funds.

Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses an internal service fund to account for employee health insurance activities.

Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements but are combined into a single, aggregated presentation in the proprietary funds financial statements.

The basic proprietary funds financial statements can be found on pages 33-35 of this report.

Fiduciary funds

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

The fiduciary funds provide separate information for the City's pension trust fund. Private-purpose trust funds and agency funds are reported and combined into a single, aggregate presentation in the fiduciary fund financial statements under the captions "private purpose trust funds" and "agency funds", respectively. Individual fund data for private-purpose trust funds and agency funds are provided in the form of combining statements on pages 118-120 and pages 121-122 of this report.

The basic fiduciary funds financial statements can be found on pages 36-37 of this report.

Notes to the basic financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 38-80 of this report.

Required Supplementary and Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information regarding the budget comparison for the general fund and community preservation fund and certain pension and other postemployment benefits information. Such information can be located on pages 82-105 of this report.

The combining statements previously referred to are presented immediately following the required supplementary information.

Government-Wide Financial Analysis

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

Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The City's liabilities exceeded assets by \$472,002,922 at the close of the fiscal year and are summarized as follows:

	<i>Governmental Activities</i>		<i>Business-Type Activities</i>		<i>Total</i>	
	2020	2019	2020	2019	2020	2019
Assets and Deferred Outflows of Resources						
Current Assets.....	\$ 147,793,186	\$ 137,305,507	\$ 36,213,931	\$ 45,286,330	\$ 184,007,117	\$ 182,591,837
Noncurrent Assets (Excluding Capital Assets).....	1,925,188	1,941,126	-	-	1,925,188	1,941,126
Capital Assets (Net).....	272,241,200	254,093,346	44,609,791	40,028,064	316,850,991	294,121,410
Total Assets.....	<u>421,959,574</u>	<u>393,339,979</u>	<u>80,823,722</u>	<u>85,314,394</u>	<u>502,783,296</u>	<u>478,654,373</u>
Deferred Outflows of Resources.....	<u>121,503,263</u>	<u>46,336,780</u>	<u>2,111,232</u>	<u>1,642,141</u>	<u>123,614,495</u>	<u>47,978,921</u>
Liabilities and Deferred Inflows of Resources						
Current Liabilities (Excluding Debt).....	34,885,344	33,532,178	1,357,481	1,772,159	36,242,825	35,304,337
Noncurrent Liabilities (Excluding Debt).....	889,529,760	790,089,068	16,118,983	17,797,902	905,648,743	807,886,970
Current Debt.....	9,864,575	8,965,737	3,152,793	3,255,335	13,017,368	12,221,072
Noncurrent Debt.....	89,768,084	67,253,709	20,246,886	22,874,652	110,014,970	90,128,361
Total Liabilities.....	<u>1,024,047,763</u>	<u>899,840,692</u>	<u>40,876,143</u>	<u>45,700,048</u>	<u>1,064,923,906</u>	<u>945,540,740</u>
Deferred Inflows of Resources.....	<u>32,870,842</u>	<u>1,014,493</u>	<u>605,965</u>	<u>2,096</u>	<u>33,476,807</u>	<u>1,016,589</u>
Net Position						
Net Investment in Capital Assets.....	180,225,872	178,888,539	23,050,075	16,553,781	203,275,947	195,442,320
Restricted.....	75,841,131	74,186,256	102,597	-	75,943,728	74,186,256
Unrestricted.....	(769,522,771)	(714,253,221)	18,300,174	24,700,610	(751,222,597)	(689,552,611)
Total Net Position.....	<u>\$ (513,455,768)</u>	<u>\$ (461,178,426)</u>	<u>\$ 41,452,846</u>	<u>\$ 41,254,391</u>	<u>\$ (472,002,922)</u>	<u>\$ (419,924,035)</u>

The largest portion of the City's net position (\$203,275,947) reflects its net investment in capital assets (e.g., land, construction in progress, land improvements, buildings and improvements, equipment, infrastructure and library books); less any related outstanding debt used to acquire those assets. These capital assets are used to provide services to citizens; consequently, these assets are not available for future spending. Although the investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position (\$75,943,728) represents resources that are subject to external restrictions on how they may be used.

Unrestricted net position of \$18,300,174 may be used to support business-type activities. The City has no unrestricted net position available for the support of governmental activities. Such resources have been consumed with the recognition of net pension and other post employment benefits liabilities.

Changes in Net Position

For the fiscal year ended June 30, 2020, the City's total net position decreased by \$52,078,887, compared to a decrease of \$15,707,007 in the prior fiscal year. These amounts are summarized as follows:

	<i>Governmental Activities</i>		<i>Business-Type Activities</i>		<i>Total</i>	
	2020	2019	2020	2019	2020	2019
Revenues						
<i>Program Revenues:</i>						
Charges for Services.....	\$ 12,738,137	\$ 20,304,139	\$ 31,373,915	\$ 33,844,311	\$ 44,112,052	\$ 54,148,450
Operating Grants and Contributions.....	52,619,262	48,259,161	-	-	52,619,262	48,259,161
Capital Grants and Contributions.....	4,164,815	1,029,053	-	2,994,024	4,164,815	4,023,077
<i>General Revenues:</i>						
Real Estate and Personal Property Taxes.....	190,015,100	184,981,077	-	-	190,015,100	184,981,077
Motor Vehicle and Other Excise Taxes.....	8,342,442	8,520,782	-	-	8,342,442	8,520,782
Hotel/Motel Taxes.....	4,520,811	5,060,931	-	-	4,520,811	5,060,931
Meals Tax.....	1,544,989	1,681,619	-	-	1,544,989	1,681,619
Penalties and Interest on Taxes.....	463,740	611,087	-	-	463,740	611,087
Payments in Lieu of Taxes.....	-	71,633	-	-	-	71,633
Community Preservation Taxes.....	3,189,538	3,010,079	-	-	3,189,538	3,010,079
Grants and Contributions Not Restricted						
to Specific Programs.....	10,971,726	10,712,304	-	-	10,971,726	10,712,304
Unrestricted Investment Income.....	2,318,193	4,316,038	501,196	675,040	2,819,389	4,991,078
Gain on Sale of Capital Assets.....	52,118	70,997	-	-	52,118	70,997
Total Revenues.....	<u>290,940,871</u>	<u>288,628,900</u>	<u>31,875,111</u>	<u>37,513,375</u>	<u>322,815,982</u>	<u>326,142,275</u>
Expenses						
General Government.....	18,958,539	15,631,195	-	-	18,958,539	15,631,195
Public Safety.....	85,932,607	79,161,282	-	-	85,932,607	79,161,282
Education.....	186,615,509	166,594,428	-	-	186,615,509	166,594,428
Public Works.....	23,366,870	22,672,980	-	-	23,366,870	22,672,980
Health and Human Services.....	5,294,051	4,991,002	-	-	5,294,051	4,991,002
Culture and Recreation.....	9,262,123	8,545,246	-	-	9,262,123	8,545,246
Community Development.....	11,648,785	8,162,491	-	-	11,648,785	8,162,491
Debt Service - Interest.....	1,921,450	2,168,991	-	-	1,921,450	2,168,991
Sewer.....	-	-	17,747,942	18,925,793	17,747,942	18,925,793
Water.....	-	-	13,485,001	14,432,176	13,485,001	14,432,176
Veterans Memorial Rink.....	-	-	661,992	563,698	661,992	563,698
Total Expenses.....	<u>342,999,934</u>	<u>307,927,615</u>	<u>31,894,935</u>	<u>33,921,667</u>	<u>374,894,869</u>	<u>341,849,282</u>
Change in Net Position Before Transfers.....	(52,059,063)	(19,298,715)	(19,824)	3,591,708	(52,078,887)	(15,707,007)
Transfers, Net.....	<u>(218,279)</u>	<u>(100,000)</u>	<u>218,279</u>	<u>100,000</u>	<u>-</u>	<u>-</u>
Change in Net Position.....	(52,277,342)	(19,398,715)	198,455	3,691,708	(52,078,887)	(15,707,007)
Net position - Beginning of Year.....	<u>(461,178,426)</u>	<u>(441,779,711)</u>	<u>41,254,391</u>	<u>37,562,683</u>	<u>(419,924,035)</u>	<u>(404,217,028)</u>
Net Position - End of Year.....	<u>\$ (513,455,768)</u>	<u>\$ (461,178,426)</u>	<u>\$ 41,452,846</u>	<u>\$ 41,254,391</u>	<u>\$ (472,002,922)</u>	<u>\$ (419,924,035)</u>

Governmental activities decreased the City's net position by \$52,277,342. In the prior year, governmental activities decreased the City's net position by \$19,398,715. The key element of this change is an increase in postemployment benefit expenses.

Business-type activities increased the City's net position by \$198,455. In the prior year, business-type activities decreased the City's net position by \$3,691,708. The key element of this change is a decrease in capital contributions and investment income.

Fund Financial Statement Analysis

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

Governmental funds

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

At the end of the current fiscal year, the governmental funds reported combined ending fund balances totaling \$124,697,756, an increase of \$11,112,205 in comparison with the prior year. \$32,864,958 represents unassigned fund balance. The remainder of fund balance includes the following constraints:

- Nonspendable - \$2,573,322
- Restricted - \$76,118,291
- Committed - \$6,928,901
- Assigned - \$6,212,284

The general fund is the primary operating fund of the City. At the end of the current fiscal year, the general fund's unassigned fund balance totaled \$35,230,828, while total fund balance was \$64,210,666. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures and transfers out. Unassigned fund balance represents 13.5% of total general fund expenditures and transfers out, while total fund balance represents 24.6% of that same amount.

The balance of the City's general fund increased by \$9,272,194 during fiscal year 2020. The City recognized a budgetary surplus of \$18,513,596 (excluding encumbrances and continuing appropriations), and anticipated utilizing reserves and continuing appropriations of approximately \$10,722,914 to fund fiscal year 2020 operations.

Some of the significant increases to the balance of the general fund were the positive variances in intergovernmental revenue - \$881,000 and tax lien collections - \$451,000. Additionally, there was an overall net positive variance to operating expenditures of \$8,648,000 including the following programs: Education - \$2,765,000; Public Safety - \$1,518,000; General Government - \$1,470,000; Public Works - \$1,361,000; Community Development - \$555,000; and Recreation - \$390,000 all primarily due to staffing vacancies and to a lesser extent reduced operating expenses.

Financial highlights of the City's other major governmental fund is as follows:

The fund balance of the community preservation fund (special revenue) increased by \$1,570,164 during the current fiscal year. The fund recognized \$3,173,921 of community preservation taxes, \$3,688 of penalties and interest on taxes, \$720,146 of intergovernmental revenues, and \$732,707 of investment income and market appreciation. Expenditures incurred totaled \$3,060,298.

Proprietary funds

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

Unrestricted net position of the sewer, water and Veterans Memorial Rink enterprise funds at the end of the year amounted to \$7,647,879, \$11,400,287 and (\$747,992), respectively. The sewer and water enterprise funds had increases in net position for the year of \$129,189 and \$117,979, respectively, and Veterans Memorial Rink enterprise fund had a decrease in net position of \$48,713. Other factors concerning the finances of the fund have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Results

The original general fund budget of \$247,658,539 increased by \$7,390,961 (3.0%) during the fiscal year. The following table summarizes the increase:

Purpose of Increase	Amount	Funding Source
Mayor - Land Acquisition (UMASS Field).....	\$ 2,817,637	Sale of City Owned Land Special Revenue
Transfers Out - Stabilization Fund.....	1,000,000	Unassigned Fund Balance
Mayor - Land Acquisition (UMASS Field).....	602,363	Unassigned Fund Balance
Police - Marked Cruisers.....	535,000	Stabilization Fund (Police)
Housing - Emergency COVID Relief.....	270,000	Unassigned Fund Balance
Fire - Moody St Fire Station (Rehab Project).....	237,904	Unassigned Fund Balance
Engineering - Drain Improve (Lowell/ Ash Streets).....	220,000	Stabilization Fund
Planning - Emergency COVID Relief.....	200,000	Unassigned Fund Balance
IT - Desktop Computers.....	169,922	Unassigned Fund Balance
Engineering - Design (Summit Avenue).....	164,120	Unassigned Fund Balance
Purchasing - Electric Vehicle & Charging Station.....	131,703	Unassigned Fund Balance
IT - Email Upgrade.....	130,000	Stabilization Fund
IT - Backup/Disaster Recovery System.....	125,000	Stabilization Fund
Fire - SUV Vehicle/Pickup Truck.....	110,732	Stabilization Fund
Fire - SCBA Filling Machine.....	88,860	Stabilization Fund
Building - Boiler (14 Church Street).....	75,500	Unassigned Fund Balance
Planning - MVP (Grant Match Funds).....	72,562	Unassigned Fund Balance
Building - Major Repairs (Various City Buildings).....	66,945	Unassigned Fund Balance
Police - Mobile Computers.....	60,000	Stabilization Fund (Police)
Fire - SCBA Units (Grant Match Funds).....	59,682	Stabilization Fund
Police - Motorcycles.....	52,000	Stabilization Fund (Police)
Mayor - Design (92 Felton Street).....	37,460	Stabilization Fund
Mayor - Environmental Services (UMass Field).....	32,390	Stabilization Fund
Police - Body Armor.....	32,348	Unassigned Fund Balance
Library - Educational Supplies.....	20,000	State Aid Grant
CPW - Gas Pump Upgrades.....	16,000	Unassigned Fund Balance
CPW - Design (Mary Early Footbridge).....	15,000	Stabilization Fund
Planning - WTMA Dues.....	10,000	Unassigned Fund Balance
Building - Environmental Services (Arrigo Farm Bldg).....	9,800	Stabilization Fund
Mayor - Environmental Services (UMass Field).....	9,500	Stabilization Fund
Police - Body Armor.....	7,100	Stabilization Fund (Police)
Mayor - Appraisal (1335 Main Street)	4,500	Unassigned Fund Balance
Health - Pest Control.....	3,600	Unassigned Fund Balance
Planning - WTMA Dues.....	3,333	Stabilization Fund
Total Increase	\$ 7,390,961	

During the year, general fund revenues exceeded budgetary estimates, and expenditures, encumbrances and continuing appropriations were less than budgetary estimates, resulting in a positive overall budget to actual variance of approximately \$18,514,000. Encumbrances and continuing appropriations totaled \$12,076,940 at year-end.

Some of the significant revenue items that exceeded budgetary estimates were the following: intergovernmental revenues - \$881,000 and tax lien collections - \$451,000. Some of the programs that expended less than budgetary estimates were the following: Education - \$2,765,000; Public Safety - \$1,518,000; General Government - \$1,470,000; Public Works - \$1,361,000; Community Development - \$555,000; and Recreation - \$390,000 all primarily due to staffing vacancies and to a lesser extent reduced operating expenses.

Capital Asset and Debt Administration

Capital assets

The City's investment in capital assets for its governmental and business type activities at the end of the fiscal year totaled \$316,850,991 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings and improvements, machinery and equipment, infrastructure and library books. The total increase in the investment in capital assets for the current fiscal year totaled 7.7%.

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

- Land Purchase – 554 Lexington Street (\$11,010,175)
- Playground Improvements – Cornelia Warren (\$2,292,226)
- Playground Improvements – Bobby Connors (\$1,523,635)
- Land Improvements – Mt. Feake (\$1,440,132)
- Sewer Infrastructure (\$4,415,832)
- Water Infrastructure (\$2,167,920)

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

	<i>Governmental Activities</i>		<i>Business-Type Activities</i>		<i>Total</i>	
	2020	2019	2020	2019	2020	2019
Land.....	\$ 59,276,418	\$ 48,266,243	\$ 38,550	\$ 38,550	\$ 59,314,968	\$ 48,304,793
Land Improvements.....	21,589,919	17,794,272	-	-	21,589,919	17,794,272
Buildings and Improvements.....	148,198,630	146,565,222	1,212,250	1,272,263	149,410,880	147,837,485
Machinery and Equipment.....	8,822,607	8,731,673	2,135,375	2,331,214	10,957,982	11,062,887
Infrastructure.....	33,509,182	31,590,189	40,950,841	35,696,722	74,460,023	67,286,911
Construction in Progress.....	-	350,832	272,775	689,315	272,775	1,040,147
Library Books.....	844,444	794,915	-	-	844,444	794,915
Total Capital Assets.....	\$ 272,241,200	\$ 254,093,346	\$ 44,609,791	\$ 40,028,064	\$ 316,850,991	\$ 294,121,410

Additional information on the City's capital assets can be found in Note 5 on pages 56-58 of this report.

Long-Term Debt

At the end of the current fiscal year, total long-term debt and unamortized premiums outstanding was \$123,032,338, which is backed by the full faith and credit of the City, and is summarized as follows:

	<i>Governmental Activities</i>		<i>Business-Type Activities</i>		<i>Total</i>	
	2020	2019	2020	2019	2020	2019
General Obligation Bonds..... \$	99,632,659	\$ 76,219,446	\$ 17,026,901	\$ 18,512,562	\$ 116,659,560	\$ 94,732,008
MWRA.....	-	-	5,063,931	6,159,901	5,063,931	6,159,901
MCWT.....	-	-	1,308,847	1,457,524	1,308,847	1,457,524
Total Bonds and Notes and Unamortized Premiums..... \$	99,632,659	\$ 76,219,446	\$ 23,399,679	\$ 26,129,987	\$ 123,032,338	\$ 102,349,433

The City's total long-term debt increased \$20,682,905 (20.2%) during fiscal year 2020, which includes \$30,845,000 of new debt issued.

The City received an AA+ bond rating from Standard & Poor's for the general obligation bonds issued on June 13, 2020.

Additional information on the City's long-term debt can be found in Note 10 on pages 61-65 of this report.

Economic Factors and Next Year's Budgets and Rates

Waltham is one of the primary economic engines of metropolitan Boston. An increase in Waltham's commercial and industrial tax base from \$4.2 billion in FY2019 to \$4.6 billion in fiscal year 2020 makes it one of the most highly valued business centers in the state. Interstate 95 passes through the western part of the City and access to the Massachusetts Turnpike is close-by. Growing industries focused on information technology, bio-tech, pharmaceutical, communication, education, consulting services and manufacturing have chosen to locate in Waltham. During fiscal year 2020, the estimated cost of construction resulting from the issuance of building permits totaled in excess of \$358.7 million. Waltham homeowners consequently enjoy a significant benefit from a relatively high tax contribution from business properties of approximately sixty cents (\$0.60) of every property tax dollar, including tax policies which shift the burden away from the residential property.

Because of the pandemic and its projected impact on the fiscal year 2021 budget, the City took a methodical approach to estimating the revenue stream and building the expenditure side of the fiscal year 2021 budget. Based upon historical trends from prior recessionary periods, the initial estimate of state aid was reduced by 20%. Local receipts, which include significant revenues generated from the local occupancy tax on hotels and the local meals tax, were reduced by 25%. To offset the estimated reductions in state and local revenues, property taxes were increased by \$7.2 million and a planned use of \$4.5 million of reserves was applied. Subsequently after the FY2021 budget was adopted, the state restored its aid to FY2020 levels and the increase in property taxes was lessened by \$3 million and the use of reserves was reduced by \$2 million.

The Waltham City Council approved the fiscal year 2021 operating budget totaling \$277.8 million during June 2020. This represents a \$174,000 decrease, or a 0.06% decrease from the fiscal year 2020 approved budget. The City was able to accomplish this through increased funding for only mandatory items of debt service, health insurance, pensions and other contractual obligations. Departmental operating expense accounts were reduced and the staffing of vacant positions was put on hold and not funded. The approved fiscal year 2021 budget includes \$92.1 million for education, \$38.1 million for public safety, \$35.8 million for the water/sewer/rink enterprise funds, \$13 million for public works, \$66.1 million for employee and retiree health/pension benefits, \$12.5 million for debt service and \$200,000 towards funding the OPEB liability.

Of the \$277.8 million fiscal year 2021 operating budget, the revenues budgeted to balance it are from property taxes – 69.8%, local receipts – 7.1%, state aid – 9.3 %, the enterprise funds user charges – 12.8% and the use of reserves – 0.9%.

The average owner-occupied single-family home has an assessed value of \$612,500. After applying the 35% residential exemption of \$230,450, the annual property tax bill for the average owner-occupied single-family home is \$4,324. This represents an increase of about \$72 from fiscal year 2020.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City Auditor, City Hall, 610 Main Street, Waltham, Massachusetts 02452.

Basic Financial Statements

CITY OF WALTHAM, MASSACHUSETTS
STATEMENT OF NET POSITION
JUNE 30, 2020

	Primary Government		
	Governmental	Business-Type	Total
	Activities	Activities	
ASSETS			
Current Assets:			
Cash and Cash Equivalents.....	\$ 47,693,337	\$ 29,698,551	\$ 77,391,888
Restricted Cash and Cash Equivalents.....	69,820,049	2,278,858	72,098,907
Restricted Investments.....	20,600,074	-	20,600,074
Receivables, Net of Allowance for Uncollectible Amounts:			
Real Estate and Personal Property Taxes.....	2,356,158	-	2,356,158
Tax and Utility Liens.....	870,651	151,550	1,022,201
Motor Vehicle and Other Excise Taxes.....	1,517,603	-	1,517,603
Community Preservation Taxes.....	71,900	-	71,900
Water.....	-	1,676,872	1,676,872
Sewer.....	-	2,408,100	2,408,100
Special Assessments.....	2,748	-	2,748
Departmental and Other.....	763,989	-	763,989
Intergovernmental.....	4,096,677	-	4,096,677
Total Current Assets.....	<u>147,793,186</u>	<u>36,213,931</u>	<u>184,007,117</u>
Noncurrent Assets:			
Receivables, Net of Allowance for Uncollectible Amounts:			
Real Estate Tax Deferrals.....	283,892	-	283,892
Special Assessments.....	4,552	-	4,552
Loans.....	1,636,744	-	1,636,744
Capital Assets not being Depreciated.....	59,276,418	311,325	59,587,743
Capital Assets, Net of Accumulated Depreciation.....	212,964,782	44,298,466	257,263,248
Total Noncurrent Assets.....	<u>274,166,388</u>	<u>44,609,791</u>	<u>318,776,179</u>
Total Assets.....	<u>421,959,574</u>	<u>80,823,722</u>	<u>502,783,296</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension Related.....	19,005,450	594,428	19,599,878
OPEB Related.....	102,497,813	1,516,804	104,014,617
Total Deferred Outflows of Resources.....	<u>121,503,263</u>	<u>2,111,232</u>	<u>123,614,495</u>
LIABILITIES			
Current Liabilities:			
Warrants Payable.....	2,566,807	496,884	3,063,691
Accrued Payroll.....	1,474,086	58,577	1,532,663
Tax Refunds Payable.....	998,606	-	998,606
Other Liabilities.....	-	160,664	160,664
Accrued Interest.....	397,168	140,775	537,943
Accrued Health Claims Payable.....	2,740,875	-	2,740,875
Workers' Compensation Claims.....	480,922	-	480,922
Total OPEB Liability.....	21,829,466	323,041	22,152,507
Compensated Absences.....	4,397,414	177,540	4,574,954
Long-Term Bonds and Notes Payable.....	9,864,575	3,152,793	13,017,368
Total Current Liabilities.....	<u>44,749,919</u>	<u>4,510,274</u>	<u>49,260,193</u>
Noncurrent Liabilities:			
Compensated Absences.....	5,348,129	194,840	5,542,969
Total OPEB Liability.....	711,853,640	10,534,292	722,387,932
Net Pension Liability.....	172,327,991	5,389,851	177,717,842
Long-Term Bonds and Notes Payable.....	89,768,084	20,246,886	110,014,970
Total Noncurrent Liabilities.....	<u>979,297,844</u>	<u>36,365,869</u>	<u>1,015,663,713</u>
Total Liabilities.....	<u>1,024,047,763</u>	<u>40,876,143</u>	<u>1,064,923,906</u>
DEFERRED INFLOWS OF RESOURCES			
Pension Related.....	7,448,459	232,963	7,681,422
OPEB Related.....	25,205,605	373,002	25,578,607
Taxes Collected in Advance.....	216,778	-	216,778
Total Deferred Inflows of Resources.....	<u>32,870,842</u>	<u>605,965</u>	<u>33,476,807</u>
NET POSITION			
Net Investment in Capital Assets.....	180,225,872	23,050,075	203,275,947
Restricted for:			
OPEB.....	14,929,268	-	14,929,268
Loans.....	1,636,744	-	1,636,744
Community Preservation.....	27,252,562	-	27,252,562
Debt Service.....	342,698	102,597	445,295
Permanent Funds:			
Expendable.....	394,610	-	394,610
Nonexpendable.....	2,573,322	-	2,573,322
Revolving Funds.....	4,996,750	-	4,996,750
Traffic Impact.....	5,804,843	-	5,804,843
Parking Meters.....	2,250,294	-	2,250,294
Housing Trust.....	1,543,317	-	1,543,317
Public Safety.....	7,234,589	-	7,234,589
School Lunch.....	1,072,115	-	1,072,115
Other Specific Purposes.....	5,810,019	-	5,810,019
Unrestricted.....	<u>(769,522,771)</u>	<u>18,300,174</u>	<u>(751,222,597)</u>
Total Net Position.....	<u>\$ (513,455,768)</u>	<u>\$ 41,452,846</u>	<u>\$ (472,002,922)</u>

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

**CITY OF WALTHAM, MASSACHUSETTS
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2020**

Functions/Programs	Expenses	Program Revenues			
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense)/ Revenue
Primary Government:					
Governmental Activities:					
General Government.....	\$ 18,958,539	\$ 6,654,782	\$ 223,379	\$ -	\$ (12,080,378)
Public Safety.....	85,932,607	3,369,626	1,893,202	-	(80,669,779)
Education.....	186,615,509	1,533,817	47,571,491	-	(137,510,201)
Public Works.....	23,366,870	427,635	196,735	2,910,193	(19,832,307)
Health and Human Services.....	5,294,051	487,067	444,453	-	(4,362,531)
Culture and Recreation.....	9,262,123	194,848	160,267	-	(8,907,008)
Community Development.....	11,648,785	70,362	2,129,735	1,254,622	(8,194,066)
Debt Service-Interest.....	1,921,450	-	-	-	(1,921,450)
Total Governmental Activities.....	342,999,934	12,738,137	52,619,262	4,164,815	(273,477,720)
Business-Type Activities:					
Sewer.....	17,747,942	17,674,713	-	-	(73,229)
Water.....	13,485,001	13,304,202	-	-	(180,799)
Veterans Memorial Rink.....	661,992	395,000	-	-	(266,992)
Total Business-Type Activities.....	31,894,935	31,373,915	-	-	(521,020)
Total Primary Government.....	\$ 374,894,869	\$ 44,112,052	\$ 52,619,262	\$ 4,164,815	\$ (273,998,740)

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

**CITY OF WALTHAM, MASSACHUSETTS
STATEMENT OF ACTIVITIES (CONTINUED)
YEAR ENDED JUNE 30, 2020**

	Primary Government		
	Governmental Activities	Business-type Activities	Total
CHANGES IN NET POSITION			
Net (Expense) Revenue (From Previous Page).....	\$ (273,477,720)	\$ (521,020)	\$ (273,998,740)
General Revenues:			
Real Estate and Personal Property Taxes.....	190,015,100	-	190,015,100
Motor Vehicle and Other Excise Taxes.....	8,342,442	-	8,342,442
Hotel/Motel Taxes.....	4,520,811	-	4,520,811
Meals Tax.....	1,544,989	-	1,544,989
Penalties and Interest on Taxes.....	463,740	-	463,740
Community Preservation Taxes.....	3,189,538	-	3,189,538
Grants and Contributions not Restricted to Specific Programs.....	10,971,726	-	10,971,726
Unrestricted Investment Income.....	2,318,193	501,196	2,819,389
Gain on Sale of Capital Assets.....	52,118	-	52,118
Transfers, Net.....	(218,279)	218,279	-
Total General Revenues and Transfers.....	221,200,378	719,475	221,919,853
CHANGE IN NET POSITION	(52,277,342)	198,455	(52,078,887)
Net Position - Beginning of Year.....	(461,178,426)	41,254,391	(419,924,035)
NET POSITION - END OF YEAR	\$ (513,455,768)	\$ 41,452,846	\$ (472,002,922)

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

**CITY OF WALTHAM, MASSACHUSETTS
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2020**

ASSETS	General	Community Preservation	Nonmajor Governmental Funds	Total Governmental Funds
Cash and Cash Equivalents.....	\$ 47,693,337	\$ -	\$ -	\$ 47,693,337
Restricted Cash and Cash Equivalents.....	1,202,660	22,984,503	35,018,136	59,205,299
Restricted Investments.....	14,635,693	3,397,256	2,567,125	20,600,074
Receivables, Net of Allowance for Uncollectible Amounts:				
Real Estate and Personal Property Taxes.....	2,356,158	-	-	2,356,158
Real Estate Tax Deferrals.....	283,892	-	-	283,892
Tax Liens.....	870,651	-	-	870,651
Motor Vehicle and Other Excise taxes.....	1,517,603	-	-	1,517,603
Community Preservation Taxes.....	-	71,900	-	71,900
Special Assessments.....	7,300	-	-	7,300
Departmental and Other.....	249,388	-	239,703	489,091
Intergovernmental.....	1,633,845	912,883	1,549,949	4,096,677
Loans.....	-	-	1,636,744	1,636,744
Due from Other Funds.....	2,634,039	-	-	2,634,039
Total Assets.....	<u>\$ 73,084,566</u>	<u>\$ 27,366,542</u>	<u>\$ 41,011,657</u>	<u>\$ 141,462,765</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Warrants Payable.....	\$ 1,343,697	\$ 109,447	\$ 1,113,663	\$ 2,566,807
Accrued Payroll.....	1,430,318	1,097	42,671	1,474,086
Tax Refunds Payable.....	998,606	-	-	998,606
Due to Other Funds.....	-	-	2,634,039	2,634,039
Total Liabilities.....	<u>3,772,621</u>	<u>110,544</u>	<u>3,790,373</u>	<u>7,673,538</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue.....	4,887,937	984,783	3,001,973	8,874,693
Taxes Collected in Advance.....	213,342	3,436	-	216,778
Total Deferred Inflows of Resources.....	<u>5,101,279</u>	<u>988,219</u>	<u>3,001,973</u>	<u>9,091,471</u>
FUND BALANCES				
Nonspendable.....	-	-	2,573,322	2,573,322
Restricted.....	15,838,653	26,267,779	34,011,859	76,118,291
Committed.....	6,928,901	-	-	6,928,901
Assigned.....	6,212,284	-	-	6,212,284
Unassigned.....	35,230,828	-	(2,365,870)	32,864,958
Total Fund Balances.....	<u>64,210,666</u>	<u>26,267,779</u>	<u>34,219,311</u>	<u>124,697,756</u>
Fund Balances.....	<u>\$ 73,084,566</u>	<u>\$ 27,366,542</u>	<u>\$ 41,011,657</u>	<u>\$ 141,462,765</u>

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

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

Total Governmental Fund Balances (Page 29).....	\$ 124,697,756
Capital assets (net of accumulated depreciation) used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.....	272,241,200
Other assets are not available to pay for current period expenditures and, therefore, are reported as deferred inflows of resources in the governmental funds.....	8,874,693
In the statement of net position, interest is accrued on outstanding long-term debt, whereas in the governmental funds interest is not reported until due.....	(397,168)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.	
Bonds and Notes Payable.....	(99,632,659)
Workers' Compensation Claims.....	(480,922)
Compensated Absences.....	(9,745,543)
Total OPEB Liability, Net of Deferred Outflows and Inflows of Resources.....	(656,390,898)
Net Pension Liability, Net of Deferred Outflows and Inflows of Resources.....	(160,771,000)
Internal service funds are used by management to account for health insurance activities. The assets and liabilities of the internal service fund is reported as governmental activities in the statement of net position.....	<u>8,148,773</u>
Net Position of Governmental Activities (Page 26).....	<u>\$ (513,455,768)</u>

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

**CITY OF WALTHAM, MASSACHUSETTS
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2020**

	General	Community Preservation	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES				
Real Estate and Personal Property Taxes.....	\$ 190,380,885	\$ -	\$ -	\$ 190,380,885
Motor Vehicle and Other Excise Taxes.....	7,896,205	-	-	7,896,205
Hotel/Motel Tax.....	4,520,811	-	-	4,520,811
Meals Tax.....	1,544,989	-	-	1,544,989
Tax Liens.....	451,444	-	-	451,444
Community Preservation Taxes.....	-	3,173,921	-	3,173,921
Charges for Services.....	-	-	2,776,885	2,776,885
Intergovernmental.....	51,219,620	720,146	12,676,369	64,616,135
Special Assessments.....	5,026	-	-	5,026
Penalties and Interest on Taxes.....	460,052	3,688	-	463,740
Licenses and Permits.....	6,325,289	-	-	6,325,289
Fines and Forfeitures.....	346,529	-	50,804	397,333
Departmental and Other.....	1,695,119	-	1,623,931	3,319,050
Contributions.....	-	-	605,689	605,689
Investment Income.....	1,595,895	732,707	296,238	2,624,840
Total Revenues.....	<u>266,441,864</u>	<u>4,630,462</u>	<u>18,029,916</u>	<u>289,102,242</u>
EXPENDITURES				
Current:				
General Government.....	10,830,496	-	1,567,102	12,397,598
Public Safety.....	38,383,015	-	10,332,200	48,715,215
Education.....	113,011,473	-	20,484,185	133,495,658
Public Works.....	13,326,826	-	5,824,770	19,151,596
Health and Human Services.....	1,898,052	-	253,994	2,152,046
Culture and Recreation.....	4,253,121	-	4,762,291	9,015,412
Community Development.....	1,162,112	3,060,298	3,177,055	7,399,465
Pension Benefits.....	17,322,476	-	-	17,322,476
Employee Benefits.....	47,540,619	-	-	47,540,619
State and County Charges.....	2,046,392	-	-	2,046,392
Debt Service:				
Principal.....	8,641,044	-	-	8,641,044
Interest.....	2,325,305	-	-	2,325,305
Total Expenditures.....	<u>260,740,931</u>	<u>3,060,298</u>	<u>46,401,597</u>	<u>310,202,826</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES.....				
	<u>5,700,933</u>	<u>1,570,164</u>	<u>(28,371,681)</u>	<u>(21,100,584)</u>
OTHER FINANCING SOURCES (USES)				
Issuance of Bonds and Notes.....	-	-	30,364,169	30,364,169
Premium from Issuance of Bonds and Notes.....	-	-	2,014,781	2,014,781
Sale of Capital Assets.....	52,118	-	-	52,118
Transfers In.....	3,747,422	-	10,000	3,757,422
Transfers Out.....	(228,279)	-	(3,747,422)	(3,975,701)
Total Other Financing Sources (Uses).....	<u>3,571,261</u>	<u>-</u>	<u>28,641,528</u>	<u>32,212,789</u>
NET CHANGE IN FUND BALANCES.....	<u>9,272,194</u>	<u>1,570,164</u>	<u>269,847</u>	<u>11,112,205</u>
Fund Balances - Beginning of Year.....	<u>54,938,472</u>	<u>24,697,615</u>	<u>33,949,464</u>	<u>113,585,551</u>
FUND BALANCES - END OF YEAR.....	<u>\$ 64,210,666</u>	<u>\$ 26,267,779</u>	<u>\$ 34,219,311</u>	<u>\$ 124,697,756</u>

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

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

Net Change in Fund Balances - Total Governmental Funds (Page 31).....	\$ 11,112,205
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. These amounts represent the related activity of the current period.</p>	
Capital Outlays.....	31,941,993
Depreciation.....	(13,794,139)
<p>Revenues in the statement of activities that do not provide current financial resources are reported as deferred inflows of resources in the governmental funds. Therefore, the recognition of revenue for various types of accounts receivable (i.e., real estate and personal property, motor vehicle excise, etc.) differ between the two statements.</p>	
This amount represents the net change in deferred inflows of resources.....	1,158,996
<p>The issuance of long-term debt (e.g., bonds and leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the financial resources of governmental funds. Neither transaction, however, has any impact on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. These amounts represent the related activity of the current period.</p>	
Issuance of Bonds and Notes	(30,364,169)
Premiums from Issuance of Bonds and Notes	(2,014,781)
Bond Maturities.....	8,641,044
Amortization of Bond Premiums.....	324,693
<p>In the statement of activities, interest is accrued on outstanding long-term debt, whereas in the governmental funds interest is not reported until due. This amount represents the net change in accrued interest payable.....</p>	
	79,162
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported in the governmental funds. These amounts represent the net changes:</p>	
Workers' Compensation.....	(36,924)
Compensated Absences.....	(848,645)
Total OPEB Liability, Net	(48,504,590)
Net Pension Liability, Net.....	(9,429,625)
<p>Internal service funds are used by management to account for health insurance activities. The net activity of the internal service fund is reported with governmental activities.....</p>	
	(542,562)
Changes in Net Position of Governmental Activities (Page 28).....	\$ <u>(52,277,342)</u>

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

**CITY OF WALTHAM, MASSACHUSETTS
PROPRIETARY FUNDS
STATEMENT OF FUND NET POSITION
JUNE 30, 2020**

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Sewer	Water	Nonmajor Veterans Memorial Rink	Total	
ASSETS					
Current Assets:					
Cash and Cash Equivalents.....	\$ 10,709,686	\$ 18,785,707	\$ 203,158	\$ 29,698,551	\$ -
Restricted Cash and Cash Equivalents.....	1,387,506	853,315	38,037	2,278,858	10,614,750
Receivables, Net of Allowance for Uncollectible Amounts:					
User Charges.....	2,408,100	1,676,872	-	4,084,972	-
Utility Liens.....	86,235	65,315	-	151,550	-
Departmental and Other.....	-	-	-	-	274,898
Total Current Assets.....	<u>14,591,527</u>	<u>21,381,209</u>	<u>241,195</u>	<u>36,213,931</u>	<u>10,889,648</u>
Noncurrent Assets:					
Capital Assets Not Being Depreciated.....	251,044	60,281	-	311,325	-
Capital Assets, Net of Accumulated Depreciation.....	29,677,987	13,990,520	629,959	44,298,466	-
Total Noncurrent Assets.....	<u>29,929,031</u>	<u>14,050,801</u>	<u>629,959</u>	<u>44,609,791</u>	<u>-</u>
Total Assets.....	<u>44,520,558</u>	<u>35,432,010</u>	<u>871,154</u>	<u>80,823,722</u>	<u>10,889,648</u>
DEFERRED OUTFLOWS OF RESOURCES					
Pension Related.....	203,912	378,694	11,822	594,428	-
OPEB Related.....	509,931	883,633	123,240	1,516,804	-
Total Deferred Outflows of Resources.....	<u>713,843</u>	<u>1,262,327</u>	<u>135,062</u>	<u>2,111,232</u>	<u>-</u>
LIABILITIES					
Current Liabilities:					
Warrants Payable.....	323,605	161,846	11,433	496,884	-
Accrued Payroll.....	14,995	40,468	3,114	58,577	-
Other Liabilities.....	160,664	-	-	160,664	-
Accrued Interest.....	93,616	37,073	10,086	140,775	-
Accrued Health Claims Payable.....	-	-	-	-	2,740,875
Total OPEB Liability.....	108,602	188,192	26,247	323,041	-
Compensated Absences.....	62,785	95,980	18,775	177,540	-
Long-Term Bonds and Notes Payable.....	1,791,445	1,226,823	134,525	3,152,793	-
Total Current Liabilities.....	<u>2,555,712</u>	<u>1,750,382</u>	<u>204,180</u>	<u>4,510,274</u>	<u>2,740,875</u>
Noncurrent Liabilities:					
Compensated Absences.....	110,973	59,662	24,205	194,840	-
Total OPEB Liability.....	3,541,499	6,136,885	855,908	10,534,292	-
Net Pension Liability.....	1,848,928	3,433,731	107,192	5,389,851	-
Long-Term Bonds and Notes Payable.....	13,080,543	6,772,768	393,575	20,246,886	-
Total Noncurrent Liabilities.....	<u>18,581,943</u>	<u>16,403,046</u>	<u>1,380,880</u>	<u>36,365,869</u>	<u>-</u>
Total Liabilities.....	<u>21,137,655</u>	<u>18,153,428</u>	<u>1,585,060</u>	<u>40,876,143</u>	<u>2,740,875</u>
DEFERRED INFLOWS OF RESOURCES					
Pension Related.....	79,915	148,415	4,633	232,963	-
OPEB Related.....	125,399	217,297	30,306	373,002	-
Total Deferred Inflows of Resources.....	<u>205,314</u>	<u>365,712</u>	<u>34,939</u>	<u>605,965</u>	<u>-</u>
FUND NET POSITION					
Net Investment in Capital Assets.....	16,207,678	6,708,188	134,209	23,050,075	-
Restricted for:					
Debt Service.....	35,875	66,722	-	102,597	-
Unrestricted.....	7,647,879	11,400,287	(747,992)	18,300,174	8,148,773
Total Net Position.....	<u>\$ 23,891,432</u>	<u>\$ 18,175,197</u>	<u>\$ (613,783)</u>	<u>\$ 41,452,846</u>	<u>\$ 8,148,773</u>

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

**CITY OF WALTHAM, MASSACHUSETTS
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
YEAR ENDED JUNE 30, 2020**

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Sewer	Water	Nonmajor Veterans Memorial Rink	Total	
OPERATING REVENUES					
Charges for Services.....	\$ 17,674,713	\$ 13,304,202	\$ 395,000	\$ 31,373,915	\$ -
Employer Contributions.....	-	-	-	-	45,384,342
Employee Contributions.....	-	-	-	-	5,835,343
Total Operating Revenues.....	<u>17,674,713</u>	<u>13,304,202</u>	<u>395,000</u>	<u>31,373,915</u>	<u>51,219,685</u>
OPERATING EXPENSES					
Cost of Service and Administration.....	2,692,928	3,222,663	382,258	6,297,849	-
MWRA Assessment.....	13,938,769	9,619,353	-	23,558,122	-
Depreciation.....	1,058,468	634,219	50,089	1,742,776	-
Employee Benefits.....	(287,100)	(103,448)	210,805	(179,743)	51,969,258
Total Operating Expenses.....	<u>17,403,065</u>	<u>13,372,787</u>	<u>643,152</u>	<u>31,419,004</u>	<u>51,969,258</u>
OPERATING INCOME (LOSS).....	<u>271,648</u>	<u>(68,585)</u>	<u>(248,152)</u>	<u>(45,089)</u>	<u>(749,573)</u>
NONOPERATING REVENUES (EXPENSES)					
Investment Income.....	202,418	298,778	-	501,196	207,011
Interest Expense.....	(344,877)	(112,214)	(18,840)	(475,931)	-
Total Nonoperating Revenues (Expenses), Net.....	<u>(142,459)</u>	<u>186,564</u>	<u>(18,840)</u>	<u>25,265</u>	<u>207,011</u>
INCOME (LOSS) BEFORE TRANSFERS	<u>129,189</u>	<u>117,979</u>	<u>(266,992)</u>	<u>(19,824)</u>	<u>(542,562)</u>
Transfers In.....	-	-	218,279	218,279	-
Total Transfers.....	<u>-</u>	<u>-</u>	<u>218,279</u>	<u>218,279</u>	<u>-</u>
CHANGE IN FUND NET POSITION.....	<u>129,189</u>	<u>117,979</u>	<u>(48,713)</u>	<u>198,455</u>	<u>(542,562)</u>
Fund Net Position - Beginning of Year.....	<u>23,762,243</u>	<u>18,057,218</u>	<u>(565,070)</u>	<u>41,254,391</u>	<u>8,691,335</u>
FUND NET POSITION - END OF YEAR.....	<u>\$ 23,891,432</u>	<u>\$ 18,175,197</u>	<u>\$ (613,783)</u>	<u>\$ 41,452,846</u>	<u>\$ 8,148,773</u>

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

**CITY OF WALTHAM, MASSACHUSETTS
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2020**

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Sewer	Water	Nonmajor Veterans Memorial Rink	Total	
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from Customers and Users.....	\$ 17,866,101	\$ 13,310,954	\$ 395,000	\$ 31,572,055	\$ 5,835,343
Receipts from Interfund Services Provided.....	-	-	-	-	45,734,874
Payments to Vendors.....	(15,852,148)	(11,882,727)	(237,894)	(27,972,769)	-
Payments to Employees.....	(1,364,504)	(2,145,796)	(203,772)	(3,714,072)	-
Payments for Interfund Services Used.....	-	-	-	-	(52,172,466)
Net Cash Provided (Used) by Operating Activities.....	<u>649,449</u>	<u>(717,569)</u>	<u>(46,666)</u>	<u>(114,786)</u>	<u>(602,249)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers In.....	-	-	218,279	218,279	-
Net Cash Provided by Noncapital Financing Activities.....	<u>-</u>	<u>-</u>	<u>218,279</u>	<u>218,279</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Proceeds from the Issuance of Bonds and Notes.....	75,750	405,081	-	480,831	-
Premium from the Issuance of Bonds and Notes.....	8,170	36,027	-	44,197	-
Acquisition and Construction of Capital Assets.....	(4,263,319)	(2,005,231)	-	(6,268,550)	-
Principal Payments on Bonds and Notes.....	(1,918,368)	(1,202,443)	(134,525)	(3,255,336)	-
Interest Paid.....	(355,027)	(116,309)	(8,754)	(480,090)	-
Net Cash Used by Capital and Related Financing Activities.....	<u>(6,452,794)</u>	<u>(2,882,875)</u>	<u>(143,279)</u>	<u>(9,478,948)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment Income.....	<u>202,418</u>	<u>298,778</u>	<u>-</u>	<u>501,196</u>	<u>207,011</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS.....	(5,600,927)	(3,301,666)	28,334	(8,874,259)	(395,238)
Cash and Cash Equivalents - Beginning of Year (Includes \$5,189,488, \$2,363,202 and \$38,037 Reported as Restricted in the Sewer, Water and Nonmajor Enterprise Funds, Respectively).....	<u>17,698,119</u>	<u>22,940,688</u>	<u>212,861</u>	<u>40,851,668</u>	<u>11,009,988</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR (Includes \$1,387,506, \$853,315 and \$38,037 Reported as Restricted in the Sewer, Water and Nonmajor Enterprise Funds, Respectively).....	<u>\$ 12,097,192</u>	<u>\$ 19,639,022</u>	<u>\$ 241,195</u>	<u>\$ 31,977,409</u>	<u>\$ 10,614,750</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES					
Operating Income (Loss).....	\$ 271,648	\$ (68,585)	\$ (248,152)	\$ (45,089)	\$ (749,573)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Changes in Assets and Liabilities not Requiring Current Cash Flows:					
Depreciation.....	1,058,468	634,219	50,089	1,742,776	-
Change in Total OPEB Liability.....	(342,389)	(30,301)	237,642	(135,048)	-
Change in Net Pension Liability.....	(442,974)	(1,150,073)	(20,574)	(1,613,621)	-
Change in Deferred Outflows - Pension	333,482	696,095	18,136	1,047,713	-
Change in Deferred Inflows - Pension	79,229	147,043	4,595	230,867	-
Change in Deferred Outflows - OPEB	(509,931)	(883,633)	(123,240)	(1,516,804)	-
Change in Deferred Inflows - OPEB	125,399	217,297	30,306	373,002	-
Effect of Changes in Operating Assets and Liabilities:					
Utility Liens.....	(13,268)	6,752	-	(6,516)	-
User Charges.....	201,836	-	-	201,836	-
Departmental and Other.....	-	-	-	-	350,532
Intergovernmental	2,820	-	-	2,820	-
Warrants Payable.....	(198,241)	(321,267)	(178)	(519,686)	(208,981)
Accrued Payroll.....	3,038	9,626	(453)	12,211	-
Other Liabilities.....	56,569	-	-	56,569	-
Accrued Health Claims Payable.....	-	-	-	-	5,773
Compensated Absences.....	23,763	25,258	5,163	54,184	-
Total Adjustments.....	<u>377,801</u>	<u>(648,984)</u>	<u>201,486</u>	<u>(69,697)</u>	<u>147,324</u>
Net Cash Provided (Used) by Operating Activities.....	<u>\$ 649,449</u>	<u>\$ (717,569)</u>	<u>\$ (46,666)</u>	<u>\$ (114,786)</u>	<u>\$ (602,249)</u>

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

**CITY OF WALTHAM, MASSACHUSETTS
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2020**

ASSETS	Pension Trust Fund (As of 12/31/19)	Private Purpose Trust Funds	Agency Funds
Cash and Cash Equivalents.....	\$ 116,280	\$ 71,971	\$ 1,005,407
Investments:			
Equities and Equity Mutual Funds.....	150,031,057	-	-
Fixed Income Mutual Funds.....	60,249,942	-	-
US Treasuries and Agencies.....	-	3,105,092	-
Real Estate Funds.....	81,161	-	-
Private Equity.....	332,217	-	-
External Investment Pool (PRIT).....	63,205,352	-	-
Receivables, Net of Allowance for Uncollectible Amounts:			
Departmental and Other.....	2,504	-	-
Intergovernmental.....	-	-	5,042
Loans.....	-	108,515	-
Total Assets.....	<u>274,018,513</u>	<u>3,285,578</u>	<u>1,010,449</u>
LIABILITIES			
Warrants Payable.....	133,853	-	29,945
Accrued Payroll.....	-	-	7,529
Liabilities Due Depositors.....	-	-	972,975
Total Liabilities.....	<u>133,853</u>	<u>-</u>	<u>\$ 1,010,449</u>
NET POSITION			
Restricted for Pensions and Other Purposes.....	<u>\$ 273,884,660</u>	<u>\$ 3,285,578</u>	

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

**CITY OF WALTHAM, MASSACHUSETTS
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
YEAR ENDED JUNE 30, 2020**

	Pension Trust Fund (For the Year Ended 12/31/19)	Private Purpose Trust Funds
ADDITIONS		
Contributions:		
Employer.....	\$ 18,335,000	\$ -
Plan Members.....	7,074,391	-
Private Donations.....	-	20,543
Total Contributions.....	<u>25,409,391</u>	<u>20,543</u>
Net Investment Income (Loss):		
Net Change in Fair Value of Investments.....	37,370,029	167,112
Interest.....	12,548	-
Dividends.....	7,117,537	-
Total Investment Income.....	<u>44,500,114</u>	<u>167,112</u>
Less: Investment Expense.....	<u>(1,380,031)</u>	<u>-</u>
NET INVESTMENT INCOME.....	<u>43,120,083</u>	<u>167,112</u>
Intergovernmental.....	<u>356,815</u>	<u>-</u>
Transfers from Other Systems.....	<u>307,379</u>	<u>-</u>
Total Additions.....	<u>69,193,668</u>	<u>187,655</u>
DEDUCTIONS		
Administration.....	564,797	-
Retirement Benefits and Refunds.....	28,009,743	-
Scholarships Awarded.....	-	132,115
Total Deductions.....	<u>28,574,540</u>	<u>132,115</u>
CHANGE IN NET POSITION.....	40,619,128	55,540
Net Position - Beginning of Year.....	<u>233,265,532</u>	<u>3,230,038</u>
NET POSITION - END OF YEAR.....	<u><u>\$ 273,884,660</u></u>	<u><u>\$ 3,285,578</u></u>

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**A. General**

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

B. Reporting Entity

The City of Waltham, Massachusetts (City) is a municipal corporation with a Mayor-Council form of government. The Mayor is elected at large for a four-year term. The City Council is comprised of fifteen members elected for two-year terms from nine election districts and six at large.

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

The City has also considered all potential component units for which it is financially accountable as well as other organizations for which the nature and/or significance of their relationship with the City are such that exclusion would cause the City's basic financial statements to be misleading or incomplete. As required by GAAP, these basic financial statements present the City (primary government) and its component units.

The City has included one entity as a component unit (fiduciary fund) in the reporting entity because of the significance of its operational and financial relationship with the City. Component units are entities that are legally separate from the City, but are so related that they are, in substance, the same as the City or entities providing services entirely or almost entirely for the benefit of the City.

Fiduciary Fund Component Unit

The Waltham Contributory Retirement System (System) was established to provide retirement benefits to City employees, the Waltham Housing Authority employees, and their beneficiaries. The System is governed by a five-member board comprised of the City Auditor (ex-officio), two members elected by the System's participants, one member appointed by the Mayor and one member appointed by the other board members. The System is presented using the accrual basis of accounting and is reported as a pension trust fund in the fiduciary funds financial statements.

The System did not issue a separate audited financial statement. The System issues a publicly available unaudited financial report in accordance with guidelines established by the Commonwealth of Massachusetts' (Commonwealth) Public Employee Retirement Administration Commission (PERAC). That report may be obtained by contacting the System located at 25 Lexington Street, Waltham, Massachusetts 02452.

C. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The government-wide financial statements (statement of net position and the statement of activities) report information on all 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 primarily supported by user fees.

Fund Financial Statements

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

Internal service funds and fiduciary funds are reported by fund type.

D. Measurement Focus, Basis of Accounting and Basis of Presentation

Government-Wide Financial Statements

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

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

Program revenues include the following:

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

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

Except for charges between the general fund and enterprise funds, the effect of interfund activity has been eliminated from the government-wide financial statements. Elimination of these charges would distort the direct costs and program revenues reported for the functions affected.

Fund Financial Statements

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

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

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

The following major governmental funds are reported:

The *General Fund* is used to account for and report all financial resources not accounted for and reported in another fund.

The *Community Preservation* fund is a special revenue fund used to account for the 2% local real estate tax on nonexempt property (and state trust fund distribution) that can be used for open space, historic resource and affordable housing purposes. Property exempt from the tax consists of the first \$100,000 of all residential property and also property owned by low income seniors with a low or moderate income as defined by Massachusetts Department of Revenue (DOR) guidelines. Disbursements from this fund must originate from the Community Preservation Committee and be approved by the City Council.

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

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

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

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

Proprietary funds financial statements are reported using the flow of economic resources measurement focus and use the accrual basis of accounting, whereby revenues are recorded when earned and expenses are recorded when the liabilities are incurred.

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

The following major proprietary funds are reported:

The *sewer enterprise fund* is used to account for the City's sewer activities.

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

The following nonmajor proprietary fund is reported:

The *Veterans Memorial Rink enterprise fund* is used to account for the City's rink activities.

Additionally, the following proprietary fund type is reported:

The *internal service fund* is used to account for the financing of services provided by one department to other departments or governmental units. This fund is used to account for risk financing activities related to active employees' and retirees' health insurance.

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

The following fiduciary fund types are reported:

The *pension trust fund* is used to account for the activities of the System, which accumulates resources to provide pension benefits to eligible retirees and their beneficiaries.

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

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

E. Deposits and Investments

Government-Wide and Fund Financial Statements

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

Investments are carried at fair value, net asset value (NAV) or amortized cost, as further described in Note 3.

F. Accounts Receivable**Government-Wide and Fund Financial Statements**

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

Real Estate Taxes, Personal Property Taxes and Tax Liens

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

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

Motor Vehicle Excise Taxes

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

Community Preservation Taxes

Community preservation taxes are levied annually at a rate of 2% of residents' real estate tax bills with exemptions for the first \$100,000 of residential property and property owned by qualified persons with low income and seniors with low or moderate income as defined by DOR guidelines. The tax is due with the real estate tax on a quarterly basis each August 1st, November 1st, February 1st, and May 1st and are subject to penalties and interest if they are not paid by the respective due date. Overdue taxes are included on the tax liens processed on delinquent real estate taxes. Taxes are recorded as receivables in the fiscal year of the levy.

Water and Sewer User Charges and Utility Liens

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

Departmental and Other

Departmental and other receivables primarily consist of parking ticket fines and police and fire details and are recorded as receivables in the fiscal year accrued.

Special Assessments

Special assessments consist of street and sidewalk betterments and are recorded as receivables in the fiscal year accrued.

Intergovernmental

Various state and federal operating and capital grants 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.

Loans

The Planning/Housing Department administers loan programs that provide housing assistance to residents and capital needs for small businesses. Loans are recorded as receivables upon issuance.

G. Allowance for Uncollectible Amounts

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

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

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

- Real estate taxes and tax liens
- Community preservation taxes
- Water and sewer user charges and liens
- Special assessments
- Loans

Intergovernmental receivables are considered 100% collectible.

H. Inventories**Government-Wide and Fund Financial Statements**

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

I. Restricted Assets**Government-Wide and Fund Financial Statements**

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

J. Capital Assets**Government-Wide and Proprietary Funds Financial Statements**

Capital assets, which consist of land, land improvements, buildings and improvements, equipment, infrastructure (e.g., roads, water mains, sewer mains, and similar items) and library books are reported in the applicable governmental or business-type activities column of the government-wide financial statements and the proprietary funds' financial statements.

Capital assets are recorded at historical cost or at estimated historical cost if actual historical cost is not available. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at the acquisition value. Construction period interest is not capitalized on constructed capital assets.

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

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

Capital Asset Type	Estimated Useful Life (in years)
Land Improvements.....	10-50
Buildings and Improvements.....	5-40
Equipment.....	3-20
Infrastructure.....	10-50
Library books.....	5

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

Governmental Funds Financial Statements

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

K. Interfund Receivables and Payables

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

Government-Wide Financial Statements

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

Fund Financial Statements

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

L. Interfund Transfers

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

Government-Wide Financial Statements

Transfers between 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”.

Fund Financial Statements

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

M. Deferred Outflows of Resources

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

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

N. Deferred Inflows of Resources

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(s) and so will not be recognized as an inflow of resources (revenue) until that time.

The City has three items that qualify for reporting in this category. Unavailable revenue is reported in the governmental funds balance sheet and taxes collected in advance is reported in both the statement of net position and governmental funds balance. Unavailable revenue represents billed receivables that do not meet the available criterion in accordance with the current financial resources measurement focus and the modified accrual basis of accounting. Taxes collected in advance represents amount collected related to the fiscal year 2021 levy.

The third type of deferred inflows of resources reported are related to pensions and OPEB and are reported in the government-wide and enterprise funds’ statements of net position.

O. Net Position and Fund Balances

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

Net position represents the residual difference between assets and deferred outflows less liabilities and deferred inflows.

Net position is reported as restricted when amounts are restricted by outside parties for a specific future use. Net position has been “restricted” for the following:

“OPEB” represents amounts restricted for retiree health insurance benefits pursuant to special legislation enacted in 2002.

“Loans” represents amounts outstanding for community development block grant program loans receivable.

“Community preservation” represents amounts restricted for the purpose of acquiring land for conservation, recreational, historic preservation, and affordable housing projects.

“Debt Service” represents amounts restricted for debt service payments.

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

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

“Revolving funds” represents amounts restricted for various activities that require a user charge.

“Traffic impact” represents amounts restricted for traffic improvements required by special permit.

“Parking meters” represents amounts restricted for parking meter and off-street parking lot improvements.

“Housing Trust” represents amounts provided for the creation and preservation of affordable housing in the City.

“Public safety” represents amounts restricted for public safety purposes.

“School lunch” represents amounts restricted for education purposes.

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

Governmental Funds Financial Statements (Fund Balances)

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

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

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

Committed – represents amounts that can be used only for specific purposes imposed by a formal action (vote) of City Council, which is the highest level of decision-making authority for the City. Committed amounts may be established, modified, or rescinded only through “Council Orders” voted and approved by City Council.

Assigned – represents amounts that do not meet the criteria to be classified as restricted or committed but are intended to be used for specific purposes. Under the City’s structure, only authorized assignments for non-contractual encumbrances can be made by individual department heads.

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

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

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

P. Long-term Debt

Government-Wide and Proprietary Fund Financial Statements

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

Governmental Fund Financial Statements

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

Q. Investment Income

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

Investment income from permanent, proprietary and fiduciary funds is retained by the respective funds.

R. Compensated Absences

Employees are granted vacation and sick leave in varying amounts based on collective bargaining agreements, state laws and executive policies.

Government-Wide and Proprietary Fund Financial Statements

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

Governmental Fund Financial Statements

Vested or accumulated vacation and sick leave, which will be liquidated with expendable available financial resources, are reported as expenditures and fund liabilities upon employee retirements and resignations.

S. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Waltham Contributory Retirement System (System) and additions to/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 in accordance with the benefit terms. Investments are reported at fair value.

T. Other Postemployment Benefits

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

U. Use of Estimates**Government-Wide and Fund Financial Statements**

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

V. Total Column**Government-Wide Financial Statements**

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

Fund Financial Statements

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

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**A. Budgetary Information**

Within 170 days after the annual organization of the City government (which is ordinarily in early January), the Mayor is required to submit a budget of proposed expenditures for the fiscal year beginning on the next July 1. The City Council may make appropriations for the recommended purposes and may reduce or reject any item. Without a recommendation of the Mayor, the Council may not make any appropriation for a purpose not included in the proposed budget, except by a two-thirds vote in the case of the failure of the Mayor to recommend an appropriation for such a purpose within 7 days after a request from the Council. The Council may not increase any item without the recommendation of the Mayor (except as provided by legislation, recommendation of the school committee or regional district school committee and by two-thirds vote of the Council, provided that such increase does not cause the total annual budget to exceed the property tax limitations). If the Council fails to act on any item of the proposed budget within 45 days, that item takes effect.

City department heads are generally required to submit their budget requests to the Mayor by the end of February. This does not apply to the school department, which must submit its request in time for the Mayor to include them in the submission to the Council.

If the Mayor does not make a timely budget submission, provision is made for preparation of a budget by the Council. Provision is also made for supplementary appropriations upon recommendation of the Mayor. Water and Sewer Department expenditures are included in the budgets adopted by City Council.

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

Generally, expenditures may not exceed the level of spending (personnel, general, equipment/unusual, capital improvement and special) authorized for an appropriation account. However, the City is statutorily required to pay debt service and certain other obligations, regardless of whether such amounts are appropriated.

An annual budget is adopted for the general fund and community preservation fund in conformity with the guidelines described above. The original fiscal year 2020 approved budget for the general fund authorized \$247,658,539 in appropriations. During fiscal year 2020 supplemental appropriations totaling \$7,390,961 were authorized. The original fiscal year 2020 approved budget for the community preservation fund authorized \$160,049 in appropriations. During fiscal year 2020, supplemental appropriations totaling \$16,461,419 were authorized.

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

B. Fund Deficits

At June 30, 2020, the following governmental fund deficits exist:

Fund	Amount	Funding Source
Governmental Funds:		
COVID Relief.....	\$ 1,625,741	Federal Grant
School Capital Projects.....	355,199	Available Funds
Police and Fire Detail.....	319,180	User Charges and Available Funds
City Federal Grants.....	64,846	Federal Grant
Community Development.....	904	Federal Grant
Total.....	\$ <u>2,365,870</u>	

NOTE 3 - DEPOSITS AND INVESTMENTS*City (excluding the Pension Trust Fund)*

The municipal finance laws of the Commonwealth authorize the City to invest temporarily idle cash in bank term deposits and certificates of deposits, and U.S. Treasury and Agency obligations, with maturities of one year or less; U.S. Treasury or Agency repurchase agreements with maturities of not more than 90 days; money market accounts; and the state treasurer's investment pool – the Massachusetts Municipal Depository Trust (MMDT). The Treasurer also has expanded investment powers as it relates to certain trust funds (as defined by the Commonwealth), permanent funds and fiduciary funds, which permits investments in equity and other securities.

The MMDT is an external investment pool that meets the criteria established under GASB 79 to report its investments at amortized cost. As such, the City reports its investments in MMDT at amortized cost which approximates the net asset value of \$1.00 per share.

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

Deposits - Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of a bank failure, the City's deposits may not be recovered. The City's policy allows unlimited deposits, for up to one year, in bank accounts or CD's that are fully collateralized through a third party agreement in banking institutions that do not receive the highest bank rating as determined by a recognized bank rating firm. For banking institutions receiving the highest rating no collateralization is required. The City's policy also allows unlimited investments in money market funds, which are allowed by statute and are considered to be liquid funds.

As of June 30, 2020, \$825,948 of the City's bank balance of \$137,502,875 was uninsured, uncollateralized and exposed to custodial credit risk. The carrying value of the City's deposits totaled \$134,827,168 at June 30, 2020.

Investments Summary

The City's investments at June 30, 2020 are presented below. All investments are presented by investment type, with debt securities presented by maturity.

Investment Type	Total Amount	Investment Maturities (in Years)		
		Less Than 1	1 - 5	6 - 10
<u>Debt Securities:</u>				
U.S. Treasuries.....	\$ 3,248,464	\$ 75,230	\$ 1,998,748	\$ 1,174,486
U.S. Agencies.....	3,600,517	453,720	2,495,622	651,175
Corporate Bonds.....	2,137,466	303,522	1,248,597	585,347
Municipal Bonds.....	212,164	212,164	-	-
Money Market Mutual Funds.....	14,460,318	14,460,318	-	-
Fixed Income Mutual Funds.....	1,978,926	1,978,926	-	-
External Investment Pool (MMDT).....	1,190,256	1,190,256	-	-
Total Investments.....	26,828,111	\$ 18,674,136	\$ 5,742,967	\$ 2,411,008
<u>Other Investments:</u>				
Equity Securities.....	12,527,629			
Total Investments.....	\$ 39,355,740			

Investments - Interest Rate Risk of Debt Securities

Interest rate risk for debt securities is the risk that changes in interest rates of debt securities will adversely affect the fair value of an investment. The City's investment policy limits maturities to one year, except for the trust funds, which are not limited, as a means of managing its exposure to fair value losses arising from increasing interest rates.

Investments - Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City does not have a policy for custodial credit risk of investments. As of June 30, 2020, the City was not exposed to custodial credit risk.

Investments - Credit Risk of Debt Securities

Credit risk for debt securities is the risk that an issuer or other counterparty to a debt security will not fulfill its obligations. The City's policy is to limit investments in debt securities to government agencies and government sponsored enterprises, with the exception of the trust funds, which are not limited, as means of limiting credit risk. As of June 30, 2020, the credit quality ratings of the City's debt securities are as follows:

Investment Type	Total Amount	Quality Ratings *						
		AAA	AA+	A+	A-	BBB+	BBB	Unrated
U.S. Agencies.....	\$ 3,600,517	\$ 3,600,517	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Corporate Bonds.....	2,137,466	-	-	427,918	964,384	300,413	444,751	-
Money Market Mutual Funds.....	14,460,318	-	-	-	-	-	-	14,460,318
Municipal Bonds.....	212,164	-	212,164	-	-	-	-	-
Fixed Income Mutual Funds.....	1,978,926	-	1,978,926	-	-	-	-	-
External Investment Pools (MMDT).....	1,190,256	-	-	-	-	-	-	1,190,256
Total.....	\$ 23,579,647	\$ 3,600,517	\$ 2,191,090	\$ 427,918	\$ 964,384	\$ 300,413	\$ 444,751	\$ 15,650,574

* Per the rating scale of Standard and Poor's (a national credit rating organization)

Investments - Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer. The City does not have a policy for concentration of credit risk. As of June 30, 2020, the City's exposure to concentration of credit risk was as follows:

Issuer	Fair Value	Percentage of Total Investments
Federal National Mortgage Association.....	\$ 2,939,216	7.5%

Investments - Fair Value Measurements

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

Investment Type	Fair Value	Investment Maturities		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value Level:				
U.S. Treasuries.....	\$ 3,248,464	\$ 3,248,464	\$ -	\$ -
U.S. Agencies.....	3,600,517	3,600,517	-	-
Equity Securities.....	12,527,629	12,527,629	-	-
Money Market Mutual Funds.....	14,460,318	14,460,318	-	-
Municipal Bonds.....	212,164	-	212,164	-
Fixed Income Mutual Funds.....	1,978,926	1,978,926	-	-
Corporate Bonds.....	2,137,466	-	2,137,466	-
Total Investments at Fair Value....	38,165,484	\$ 35,815,854	\$ 2,349,630	\$ -
Investments measured at Amortized Cost:				
External Investment Pool (MMDT).....	1,190,256			
Total Investments.....	\$ 39,355,740			

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

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

Pension Trust Fund (The System)

The System has expanded investment powers, including the ability to invest in real estate and private equity investments. The investment policy objective states that the assets are to be invested in accordance with sound investment practices that emphasize long-term investment fundamentals. This is accomplished through the retention of investment managers that adhere to M.G.L. Chapter 32, Section 23 (3), the Prudent Person rule.

The System has retained an investment consultant to work as a non-discretionary advisor to the Board. The consultant will assist in the development and periodic review of the Investment Policy Statement and the Plan's asset allocations, conduct manager searches when necessary, monitor the performance of the funds, and communicate other matters related to the oversight of the Plan.

The System participates in the Pension Reserve Investment Trust (PRIT), which meets the criteria of an external investment pool and operates in accordance with applicable state laws and regulations. The Treasurer of the Commonwealth serves as Trustee and provides regulatory oversight. The System does not have the ability to control any of the investment decisions related to its funds in PRIT.

Deposits - Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of a bank failure, the System's deposits may not be recovered. The System does not have a policy for custodial credit risk of deposits. As of December 31, 2019, the System was not exposed to custodial credit risk. The System had no deposits at December 31, 2019.

Investments Summary

The System's investments at December 31, 2019 are presented below. All investments are presented by investment type with debt securities presented by maturity.

Investment Type	Total Amount	Investment Maturities (in Years) Less Than 1
<u>Debt Securities:</u>		
Money Market Mutual Funds.....	\$ 116,280	\$ 116,280
Fixed Income Mutual Funds.....	60,249,942	60,249,942
External Investment Pools (PRIT).....	63,205,352	63,205,352
Total Debt Securities.....	123,571,574	\$ 123,571,574
<u>Other Investments:</u>		
Equities and Equity Mutual Funds.....	\$ 150,031,057	
Real Estate Funds.....	81,161	
Private Equity Funds.....	332,217	
Total Other Investments.....	150,444,435	
Total Investments.....	\$ 274,016,009	

Investments - Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the System will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The System does not have a policy for custodial credit risk. As of December 31, 2019, the System's investments were not exposed to custodial credit risk.

Investments - Credit Risk of Debt Securities

Credit risk for debt securities is the risk that an issuer or other counterparty to a debt security will not fulfill its obligations. The System does not have a policy for credit risk of debt securities. As of December 31, 2019, the System's debt securities were unrated by a national credit rating organization.

Investments - Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the System's investment in a single issuer. The System does not have a policy for concentration of credit risk. As of December 31, 2019, the System was not exposed to concentration of credit risk.

Investments - Foreign Currency Risk

Foreign currency risk is the risk that fluctuations in exchange rates will adversely affect the fair value of an investment or a deposit. The System does not have a policy for foreign currency risk. As of December 31, 2019, the System had indirect exposure to foreign currency risk for certain equity mutual fund investments in the amount of \$53,943,279.

Investments – Fair Value Measurements

The System 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 System has the following recurring fair value measurements as of December 31, 2019:

Investment Type	Fair Value	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<u>Equity Securities:</u>				
Equities and Equity Mutual Funds.....	\$ 150,031,057	\$ 150,031,057	\$ -	\$ -
Total Equity Securities.....	<u>150,031,057</u>	<u>150,031,057</u>	<u>-</u>	<u>-</u>
<u>Debt Securities:</u>				
Money Market Mutual Funds.....	116,280	116,280	-	-
Fixed Income Mutual Funds.....	60,249,942	60,249,942	-	-
External Investment Pool (PRIT).....	63,205,352	-	63,205,352	-
Total Investments by Fair Value Level.....	<u>123,571,574</u>	\$ <u>210,397,279</u>	\$ <u>63,205,352</u>	\$ <u>-</u>
<u>Investments measured at the NAV:</u>				
Real Estate	81,161			
Private Equity.....	<u>332,217</u>			
Total Investments measured at the NAV.....	<u>413,378</u>			
Total Investments measured at Fair Value... \$	<u>274,016,009</u>			

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

The PRIT fund is an external investment pool (level 2) that is not registered with the Securities and Exchange Commission, but is subject to oversight provided by the Pension Reserves Investment Management Board (the PRIM Board). The PRIM Board was created by legislation to provide general supervision of the investments and management of PRIT. PRIT is not a rated fund. The fair value of the PRIT pooled fund is based on unit value as reported by management of the PRIT fund. The PRIT fund issues separately available audited financial statements. The Plan is required to provide a 30 day redemption notice for this investment.

The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) is presented in the following table:

	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Real Estate (1).....	\$ 81,161	\$ -	N/A	N/A
Private Equity (2).....	332,217	217,500	N/A	N/A
Total Investments Measured at the NAV..... \$	<u>413,378</u>			

- (1) Real Estate: This type includes a real estate fund that invests primarily in U.S. commercial real estate. The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the System's ownership interest in partners' capital. The investments can never be redeemed with the funds. Distributions from each of these funds will be received as the underlying investments of the funds are liquidated. It is expected that the underlying assets of the funds will be liquidated over the next 1 to 2 years.
- (2) Private Equity: This type includes 3 private equity funds that consist primarily of limited partnership interests in private equity and venture capital funds. The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the System's ownership interest in partners' capital. The remaining investments can never be redeemed with the funds. Distributions from each of these funds will be received as the underlying investments of the funds are liquidated. It is expected that the underlying assets of the funds will be liquidated over the next 1 to 2 years.

NOTE 4 - ACCOUNTS RECEIVABLE

At June 30, 2020, receivables for the individual major governmental funds and nonmajor governmental, internal service, and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, consist of the following:

	Gross Amount	Allowance for Uncollectibles	Net Amount
<u>Receivables:</u>			
Real Estate and Personal Property Taxes....	\$ 2,356,158	\$ -	\$ 2,356,158
Real Estate Tax Deferrals.....	283,892	-	283,892
Tax Liens.....	870,651	-	870,651
Motor Vehicle and Other Excise Taxes.....	2,888,949	(1,371,346)	1,517,603
Community Preservation Taxes.....	71,900	-	71,900
Special Assessments.....	7,300	-	7,300
Departmental and Other.....	1,234,583	(468,090)	766,493
Intergovernmental.....	4,101,719	-	4,101,719
Loans.....	1,745,259	-	1,745,259
	<u>\$ 13,560,411</u>	<u>\$ (1,839,436)</u>	<u>\$ 11,720,975</u>

At June 30, 2020, receivables for the water and sewer enterprise funds consist of the following:

	Gross Amount	Allowance for Uncollectibles	Net Amount
<u>Receivables:</u>			
User Charges.....	\$ 4,084,972	\$ -	\$ 4,084,972
Water and Sewer Liens.....	151,550	-	151,550
	<u>\$ 4,236,522</u>	<u>\$ -</u>	<u>\$ 4,236,522</u>

NOTE 5 - CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2020, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
<u>Capital Assets Not Being Depreciated:</u>				
Land.....	\$ 48,266,243	\$ 11,010,175	\$ -	\$ 59,276,418
Construction In Progress.....	350,832	-	(350,832)	-
Total Capital Assets Not Being Depreciated.....	<u>48,617,075</u>	<u>11,010,175</u>	<u>(350,832)</u>	<u>59,276,418</u>
<u>Capital Assets Being Depreciated:</u>				
Land Improvements.....	33,227,655	5,466,812	-	38,694,467
Buildings and Improvements.....	251,153,815	7,834,435	-	258,988,250
Equipment.....	33,358,743	2,030,528	(292,989)	35,096,282
Infrastructure.....	79,298,546	5,590,875	-	84,889,421
Library Books.....	1,497,989	360,000	(251,276)	1,606,713
Total Capital Assets Being Depreciated.....	<u>398,536,748</u>	<u>21,282,650</u>	<u>(544,265)</u>	<u>419,275,133</u>
<u>Less Accumulated Depreciation For:</u>				
Land Improvements.....	(15,433,384)	(1,671,164)	-	(17,104,548)
Buildings and Improvements.....	(104,588,593)	(6,201,027)	-	(110,789,620)
Equipment.....	(24,627,069)	(1,939,595)	292,989	(26,273,675)
Infrastructure.....	(47,708,357)	(3,671,882)	-	(51,380,239)
Library Books.....	(703,074)	(310,471)	251,276	(762,269)
Total Accumulated Depreciation.....	<u>(193,060,477)</u>	<u>(13,794,139)</u>	<u>544,265</u>	<u>(206,310,351)</u>
Total Capital Assets Being Depreciated, Net.....	<u>205,476,271</u>	<u>7,488,511</u>	<u>-</u>	<u>212,964,782</u>
Total Governmental Activities Capital Assets, Net.....	<u>\$ 254,093,346</u>	<u>\$ 18,498,686</u>	<u>\$ (350,832)</u>	<u>\$ 272,241,200</u>

	Beginning Balance	Increases	Decreases	Ending Balance
Sewer Enterprise Fund:				
<u>Capital Assets Not Being Depreciated:</u>				
Land.....	\$ 38,550	\$ -	\$ -	\$ 38,550
Construction In Progress.....	444,993	212,494	(444,993)	212,494
Total Capital Assets Not Being Depreciated.....	<u>483,543</u>	<u>212,494</u>	<u>(444,993)</u>	<u>251,044</u>
<u>Capital Assets Being Depreciated:</u>				
Buildings and Improvements.....	3,185,587	-	-	3,185,587
Equipment.....	2,287,840	79,986	-	2,367,826
Infrastructure.....	49,389,977	4,415,832	-	53,805,809
Total Capital Assets Being Depreciated.....	<u>54,863,404</u>	<u>4,495,818</u>	<u>-</u>	<u>59,359,222</u>
<u>Less Accumulated Depreciation For:</u>				
Buildings and Improvements.....	(1,965,993)	(53,735)	-	(2,019,728)
Equipment.....	(1,382,689)	(148,447)	-	(1,531,136)
Infrastructure.....	(25,274,085)	(856,286)	-	(26,130,371)
Total Accumulated Depreciation.....	<u>(28,622,767)</u>	<u>(1,058,468)</u>	<u>-</u>	<u>(29,681,235)</u>
Total Capital Assets Being Depreciated, Net.....	<u>26,240,637</u>	<u>3,437,350</u>	<u>-</u>	<u>29,677,987</u>
Total Sewer Enterprise Capital Assets, Net.....	<u>\$ 26,724,180</u>	<u>\$ 3,649,844</u>	<u>\$ (444,993)</u>	<u>\$ 29,929,031</u>
	Beginning Balance	Increases	Decreases	Ending Balance
Water Enterprise Fund:				
<u>Capital Assets Not Being Depreciated:</u>				
Construction in Progress.....	\$ 244,322	\$ 60,281	\$ (244,322)	\$ 60,281
<u>Capital Assets Being Depreciated:</u>				
Buildings and Improvements.....	1,104,422	-	-	1,104,422
Equipment.....	3,381,717	77,304	-	3,459,021
Infrastructure.....	25,868,288	2,167,920	-	28,036,208
Total Capital Assets Being Depreciated.....	<u>30,354,427</u>	<u>2,245,224</u>	<u>-</u>	<u>32,599,651</u>
<u>Less Accumulated Depreciation For:</u>				
Buildings and Improvements.....	(1,104,422)	-	-	(1,104,422)
Equipment.....	(2,583,033)	(160,871)	-	(2,743,904)
Infrastructure.....	(14,287,458)	(473,348)	-	(14,760,806)
Total Accumulated Depreciation.....	<u>(17,974,913)</u>	<u>(634,219)</u>	<u>-</u>	<u>(18,609,132)</u>
Total Capital Assets Being Depreciated, Net.....	<u>12,379,514</u>	<u>1,611,005</u>	<u>-</u>	<u>13,990,519</u>
Total Water Enterprise Capital Assets, Net.....	<u>\$ 12,623,836</u>	<u>\$ 1,671,286</u>	<u>\$ (244,322)</u>	<u>\$ 14,050,801</u>

	Beginning Balance	Increases	Decreases	Ending Balance
Veterans Memorial Rink Enterprise Fund:				
<u>Capital Assets Being Depreciated:</u>				
Buildings and Improvements.....	\$ 102,355	\$ -	\$ -	\$ 102,355
Equipment.....	770,939	-	-	770,939
Total Capital Assets Being Depreciated.....	<u>873,294</u>	<u>-</u>	<u>-</u>	<u>873,294</u>
<u>Less Accumulated Depreciation For:</u>				
Buildings and Improvements.....	(49,686)	(6,278)	-	(55,964)
Equipment.....	(143,560)	(43,811)	-	(187,371)
Total Accumulated Depreciation.....	<u>(193,246)</u>	<u>(50,089)</u>	<u>-</u>	<u>(243,335)</u>
Total Veterans Memorial Rink Enterprise Capital Assets, Net.....	<u>\$ 680,048</u>	<u>\$ (50,089)</u>	<u>\$ -</u>	<u>\$ 629,959</u>
Total Business-Type Activities Capital Assets, Net.....	<u>\$ 40,028,064</u>	<u>\$ 5,271,041</u>	<u>\$ (689,315)</u>	<u>\$ 44,609,791</u>

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

Governmental Activities:

General Government.....	\$ 355,111
Public Safety.....	1,405,100
Education.....	5,371,820
Public Works.....	3,613,534
Health and Human Services.....	67,198
Culture and Recreation.....	1,457,701
Community Development.....	<u>1,523,675</u>
Total Depreciation Expense - Governmental Activities.....	<u>\$ 13,794,139</u>

Business-Type Activities:

Sewer.....	\$ 1,058,468
Water.....	634,219
Veterans Memorial Rink.....	<u>50,089</u>
Total Depreciation Expense - Business-Type Activities.....	<u>\$ 1,742,776</u>

NOTE 6 - NET INVESTMENT IN CAPITAL ASSETS

The City's net investment in capital assets at June 30, 2020, is summarized as follows:

Governmental Activities

Capital Assets.....	\$ 478,551,551
Less Accumulated Depreciation.....	(206,310,351)
Less Outstanding Bonds and Notes Payable.....	(99,632,659)
Add Unspent Proceeds of Capital Related Debt...	<u>7,617,331</u>
Net Investment in Capital Assets.....	<u>\$ 180,225,872</u>

Business-Type Activities

Capital Assets.....	\$ 93,143,494
Less Accumulated Depreciation.....	(48,533,702)
Less Outstanding Bonds and Notes Payable.....	(23,399,679)
Add Unspent Proceeds of Capital Related Debt...	<u>1,839,962</u>
Net Investment in Capital Assets.....	<u>\$ 23,050,075</u>

NOTE 7 - INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Receivables and payables between funds at June 30, 2020 are summarized as follows:

Receivable Fund	Payable Fund	Amount
General Fund.....	City Public Safety Federal Grants Nonmajor Fund.....	\$ 1,651,340 (1)
General Fund.....	Capital Projects - School Nonmajor Fund.....	355,199 (1)
General Fund.....	Police and Fire Detail Nonmajor Fund.....	281,658 (1)
General Fund.....	School Federal Grants Nonmajor Fund.....	262,907 (1)
General Fund.....	City Federal Grants Nonmajor Fund.....	82,031 (1)
General Fund.....	Community Development Fund.....	<u>904 (1)</u>
		<u>\$ 2,634,039</u>

(1) Represents temporary cash advances to the respective funds.

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

Transfers Out:	Transfers In:				Total
	General Fund	Nonmajor Governmental Funds	Veterans Memorial Rink Enterprise Fund		
General Fund.....	\$ -	\$ 10,000	\$ 218,279	\$	228,279 (1)
Nonmajor Governmental Funds.....	<u>3,747,422</u>	<u>-</u>	<u>-</u>	\$	<u>3,747,422 (2)</u>
	<u>\$ 3,747,422</u>	<u>\$ 10,000</u>	<u>\$ 218,279</u>	\$	<u>3,975,701</u>

(1) Represents budgeted transfers to Veterans Memorial Rink fund (\$218,279), and budgeted transfers to the state grant special revenue funds (\$10,000).

(2) Represents budgeted and close out transfers from sale of city owned land (\$2,817,637), capital projects (\$909,385), library state aid (\$20,000), and insurance recovery (\$400).

NOTE 8 – SHORT-TERM FINANCING

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

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

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

There was no current year short-term debt activity related to the City.

NOTE 9 – LONG-TERM OBLIGATIONS

The following represents a summary of changes that occurred in long-term obligations during the fiscal year ended June 30, 2020:

	Balance June 30, 2019	Increases	Decreases	Balance June 30, 2020	Current Portion
Governmental Activities:					
Bonds and Notes Payable.....	\$ 72,386,984	\$ 30,364,169	\$ (8,641,044)	\$ 94,110,109	\$ 9,470,407
Unamortized Deferred Premium...	3,832,462	2,014,781	(324,693)	5,522,550	394,168
Bonds and Notes Payable, Gross..	76,219,446	32,378,950	(8,965,737)	99,632,659	9,864,575
Workers' Compensation Claims....	443,998	565,695	(528,771)	480,922	480,922
Compensated Absences.....	8,896,899	5,234,422	(4,385,778)	9,745,543	4,397,414
Total.....	<u>\$ 85,560,343</u>	<u>\$ 38,179,067</u>	<u>\$ (13,880,286)</u>	<u>\$ 109,859,124</u>	<u>\$ 14,742,911</u>
Business-Type Activities:					
Bonds and Notes Payable.....	\$ 24,761,820	\$ 480,831	\$ (3,112,242)	\$ 22,130,409	\$ 3,007,355
Unamortized Deferred Premium...	1,368,168	44,197	(143,095)	1,269,270	145,438
Bonds and Notes Payable, Gross..	26,129,988	525,028	(3,255,337)	23,399,679	3,152,793
Compensated Absences.....	318,196	200,717	(146,533)	372,380	177,540
Total.....	<u>\$ 26,448,184</u>	<u>\$ 725,745</u>	<u>\$ (3,401,870)</u>	<u>\$ 23,772,059</u>	<u>\$ 3,330,333</u>

The governmental activities long-term obligations are generally liquidated by the general fund.

NOTE 10 – LONG-TERM DEBT

Details related to the outstanding indebtedness at June 30, 2020, and the debt service requirements are as follows:

Bonds and Notes Payable – Governmental Funds

Project	Maturity Date	Interest Rate	Outstanding at June 30, 2019	Issued	Redeemed	Outstanding at June 30, 2020
Building Renovations (City).....	9/17/27	2.00 - 5.00%	\$ 551,000	\$ -	\$ (139,000)	\$ 412,000
School Construction (MSBA Project).....	9/15/28	2.00 - 5.00%	22,196,378	-	(2,926,638)	19,269,740
Land Development.....	9/15/23	2.00 - 5.00%	1,044,000	-	(386,000)	658,000
Land Acquisition.....	9/15/27	2.00 - 5.00%	2,235,000	-	(515,000)	1,720,000
Streets/Sidewalk Improvements.....	9/15/28	3.00 - 5.00%	410,000	-	(45,000)	365,000
Street Reconstruction.....	9/15/28	3.00 - 5.00%	100,000	-	(10,000)	90,000
Land Acquisition.....	2/1/32	3.00 - 5.00%	2,080,000	-	(160,000)	1,920,000
Building Renovations (City/School).....	2/1/32	3.00 - 5.00%	1,570,800	-	(147,600)	1,423,200
Equipment (City).....	2/1/21	3.00 - 5.00%	264,000	-	(167,000)	97,000
Land Development.....	2/1/27	3.00 - 5.00%	774,000	-	(108,000)	666,000
Incinerator Facility Removal.....	2/1/27	3.00 - 5.00%	475,000	-	(85,000)	390,000
City Yard Structures.....	2/1/27	3.00 - 5.00%	284,000	-	(36,000)	248,000
Design/Engineering (Recreation).....	2/1/25	3.00 - 5.00%	88,000	-	(16,000)	72,000
Building Renovations (School).....	2/1/33	2.00 - 4.25%	295,000	-	(25,000)	270,000
Equipment (School).....	2/1/22	2.00 - 4.00%	165,000	-	(55,000)	110,000
Building Renovations (City).....	2/1/28	2.00 - 4.00%	380,000	-	(50,000)	330,000
Equipment.....	2/1/22	2.00 - 4.00%	15,000	-	(5,000)	10,000
Land Development.....	2/1/27	2.00 - 4.00%	745,000	-	(95,000)	650,000
Street/Sidewalk Improvements.....	2/1/28	2.00 - 4.00%	930,000	-	(145,000)	785,000
Technology.....	2/1/22	2.00 - 4.00%	30,000	-	(10,000)	20,000
Land Acquisition.....	2/1/33	2.00 - 4.25%	675,000	-	(50,000)	625,000
Land Acquisition.....	2/1/22	2.00 - 4.00%	490,000	-	(180,000)	310,000
Design/Engineering (School).....	5/1/34	2.50 - 5.00%	110,000	-	(10,000)	100,000
Design/Engineering (School).....	5/1/30	2.50 - 5.00%	55,000	-	(5,000)	50,000
Building Renovations (City).....	5/1/24	3.00 - 5.00%	25,000	-	(5,000)	20,000
Street/Sidewalk Improvements.....	5/1/24	3.00 - 5.00%	1,050,000	-	(210,000)	840,000
Signals & Communications.....	5/1/24	3.00 - 5.00%	25,000	-	(5,000)	20,000
Revaluation (Assessor).....	5/1/24	3.00 - 5.00%	70,000	-	(15,000)	55,000
Street/Sidewalk Improvements.....	5/1/24	3.00 - 5.00%	125,000	-	(25,000)	100,000
Land Acquisition.....	5/1/34	2.50 - 5.00%	300,000	-	(20,000)	280,000
Equipment (School).....	6/15/20	4.00%	120,000	-	(120,000)	-
Equipment (School).....	6/15/22	4.00%	80,000	-	(30,000)	50,000
Land Acquisition.....	6/15/36	3.00 - 4.00%	895,000	-	(55,000)	840,000
Land Acquisition.....	6/15/36	3.00 - 4.00%	785,000	-	(45,000)	740,000
Building Renovations (City).....	6/15/27	4.00%	190,000	-	(25,000)	165,000
Sidewalks Main & Moody.....	6/15/27	4.00%	1,600,000	-	(200,000)	1,400,000
Sidewalks Main & Moody.....	6/15/27	4.00%	1,835,000	-	(230,000)	1,605,000
Street/Sidewalk Improvements.....	6/15/27	4.00%	2,400,000	-	(300,000)	2,100,000
Street/Sidewalk Improvements.....	6/15/27	4.00%	1,120,000	-	(140,000)	980,000
Street/Sidewalk Improvements.....	6/15/27	4.00%	800,000	-	(100,000)	700,000
Equipment (Public Works).....	6/15/20	4.00%	65,000	-	(65,000)	-
Equipment (Fire).....	6/15/22	4.00%	495,000	-	(165,000)	330,000
Equipment (Public Works).....	6/15/22	4.00%	320,000	-	(110,000)	210,000
Signals & Communications (Police).....	6/15/26	4.00%	35,000	-	(5,000)	30,000
Public Lighting Main & Moody.....	6/15/25	4.00%	750,000	-	(125,000)	625,000
Public Lighting Main & Moody.....	6/15/26	4.00%	865,000	-	(125,000)	740,000
Revaluation (Assessor).....	6/15/26	4.00%	105,000	-	(20,000)	85,000
Design/Engineering (Traffic).....	6/15/21	4.00%	10,000	-	(5,000)	5,000
Land Development (Recreation).....	6/15/30	4.00%	275,000	-	(25,000)	250,000
Land Development (Recreation).....	6/15/30	4.00%	605,000	-	(55,000)	550,000
Land Development (Recreation).....	6/15/32	4.00%	275,000	-	(25,000)	250,000
Land Development (Recreation).....	6/15/31	4.00%	960,000	-	(80,000)	880,000
Technology (Auditor).....	6/15/22	4.00%	20,000	-	(10,000)	10,000
Building Renovations (School).....	2/1/20	5.00%	79,445	-	(79,445)	-
Building Renovations (School).....	2/1/20	5.00%	59,500	-	(59,500)	-
Design/Engineering (Traffic).....	2/1/20	5.00%	40,000	-	(40,000)	-
Technology (Auditor).....	2/1/20	5.00%	25,000	-	(25,000)	-
Equipment (Fire).....	2/1/24	5.00%	196,840	-	(36,840)	160,000
Equipment (Fire).....	2/1/24	5.00%	579,500	-	(114,500)	465,000
Equipment (CPW).....	2/1/22	5.00%	15,000	-	(5,000)	10,000
Equipment (CPW).....	2/1/24	5.00%	993,000	-	(193,000)	800,000
Street/Sidewalk Improvements.....	2/1/24	5.00%	236,521	-	(51,521)	185,000
Land Acquisition (Stigmatine's).....	2/1/48	3.00 - 5.00%	18,000,000	-	(325,000)	17,675,000
Design/Engineering (Traffic).....	5/1/24	5.00%	-	266,000	-	266,000
Design/Engineering (Traffic).....	5/1/24	5.00%	-	78,000	-	78,000
Street/Sidewalk Improvements.....	5/1/21	5.00%	-	2,500	-	2,500
Technology (Auditor).....	5/1/23	5.00%	-	16,000	-	16,000
Street/Sidewalk Improvements.....	5/1/30	5.00%	-	195,000	-	195,000
Equipment (CPW).....	5/1/24	5.00%	-	22,250	-	22,250
Street/Sidewalk Improvements.....	5/1/30	5.00%	-	974,419	-	974,419
Street/Sidewalk Improvements.....	5/1/30	5.00%	-	425,000	-	425,000
Land Development (Recreation).....	5/1/34	3.375-5.00%	-	1,045,000	-	1,045,000
Building Construction (Fire).....	5/1/49	3.375-5.00%	-	10,000,000	-	10,000,000
Land Development (Recreation).....	5/1/34	3.375-5.00%	-	1,775,000	-	1,775,000
Street/Sidewalk Improvements.....	5/1/30	5.00%	-	1,250,000	-	1,250,000
Land Development (Recreation).....	5/1/34	5.00%	-	2,215,000	-	2,215,000
Street/Sidewalk Improvements.....	5/1/30	5.00%	-	1,100,000	-	1,100,000
Land Acquisition (Stigmatine's).....	5/1/49	3.375-5.00%	-	11,000,000	-	11,000,000
Sub-Total.....			72,386,984	30,364,169	(8,641,044)	94,110,109
Add: Unamortized Premium.....			3,832,462	2,014,781	(324,693)	5,522,550
Total Governmental Funds.....			\$ 76,219,446	\$ 32,378,950	\$ (8,965,737)	\$ 99,632,659

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

Fiscal Year	Principal	Interest	Total
2021.....	\$ 9,470,407	\$ 3,655,406	\$ 13,125,813
2022.....	9,321,238	3,159,804	12,481,042
2023.....	8,222,238	2,777,193	10,999,431
2024.....	8,102,238	2,447,436	10,549,674
2025.....	7,302,238	2,133,541	9,435,779
2026.....	6,148,238	1,848,207	7,996,445
2027.....	5,318,238	1,615,756	6,933,994
2028.....	3,593,238	1,409,040	5,002,278
2029.....	3,444,236	1,264,116	4,708,352
2030.....	2,597,600	1,127,088	3,724,688
2031.....	2,157,600	1,012,794	3,170,394
2032.....	2,102,600	925,840	3,028,440
2033.....	1,830,000	858,197	2,688,197
2034.....	1,795,000	798,693	2,593,693
2035.....	1,445,000	740,818	2,185,818
2036.....	1,465,000	694,788	2,159,788
2037.....	1,390,000	648,080	2,038,080
2038.....	1,420,000	603,532	2,023,532
2039.....	1,440,000	557,968	1,997,968
2040.....	1,470,000	511,731	1,981,731
2041.....	1,500,000	463,430	1,963,430
2042.....	1,530,000	414,082	1,944,082
2043.....	1,565,000	363,682	1,928,682
2044.....	1,595,000	312,057	1,907,057
2045.....	1,630,000	259,380	1,889,380
2046.....	1,660,000	205,480	1,865,480
2047.....	1,700,000	149,244	1,849,244
2048.....	1,740,000	91,556	1,831,556
2049.....	1,155,000	41,868	1,196,868
Total.....	\$ <u>94,110,109</u>	\$ <u>31,090,807</u>	\$ <u>125,200,916</u>

Bonds and Notes Payable – Enterprise Funds**Sewer Enterprise**

Project	Maturity Date	Interest Rate	Outstanding at June 30, 2019	Issued	Redeemed	Outstanding at June 30, 2020
Sewer Improvements.....	11/15/26	2.00 - 5.00%	\$ 1,505,000	\$ -	\$ (215,000)	\$ 1,290,000
Sewer Improvements.....	9/15/28	4.00%	350,000	-	(34,000)	316,000
Sewer Equipment.....	9/15/28	2.00 - 5.00%	120,000	-	(12,000)	108,000
Sewer Improvements (MCWT).....	7/8/30	2.00%	1,253,511	-	(136,053)	1,117,458
Sewer Improvements.....	2/1/32	3.00 - 5.00%	1,727,150	-	(133,550)	1,593,600
Sewer Improvements.....	2/1/32	3.00 - 5.00%	2,511,750	-	(193,750)	2,318,000
Traffic & Signal Improvements.....	2/1/22	3.00 - 5.00%	88,000	-	(41,000)	47,000
Sewer Improvements.....	2/1/33	2.00 - 4.25%	965,000	-	(75,000)	890,000
Sewer Improvements (MCWT).....	7/15/32	2.00%	204,013	-	(12,624)	191,389
Sewer Improvements (MWRA) (Cedarwood).....	2/15/25	0.00%	353,250	-	(58,875)	294,375
Sewer Improvements (MWRA) (Cedarwood).....	2/15/20	0.00%	133,540	-	(133,540)	-
Sewer Improvements.....	6/15/24	4.00%	25,000	-	(5,000)	20,000
Sewer Improvements.....	6/15/25	4.00%	520,000	-	(65,000)	455,000
Sewer Improvements.....	6/15/27	4.00%	280,000	-	(35,000)	245,000
Sewer Improvements.....	6/15/27	4.00%	665,000	-	(85,000)	580,000
Sewer Improvements.....	6/15/27	4.00%	950,000	-	(120,000)	830,000
Sewer Improvements.....	6/15/25	4.00%	600,000	-	(100,000)	500,000
Sewer Improvements.....	6/15/25	4.00%	110,000	-	(20,000)	90,000
Sewer Improvements.....	2/1/29	3.00 - 5.00%	2,267,694	-	(232,694)	2,035,000
Sewer Improvements (MWRA).....	5/15/29	0.00%	962,375	-	(96,238)	866,138
Sewer Improvements.....	5/1/35	3.375-5.00%	-	75,750	-	75,750
Sub-Total.....			15,591,283	75,750	(1,804,324)	13,862,710
Add: Unamortized Premium.....			1,115,153	8,170	(114,045)	1,009,278
Total Sewer Enterprise.....			\$ 16,706,436	\$ 83,920	\$ (1,918,369)	\$ 14,871,988

Debt service requirements for principal and interest for the sewer enterprise fund in future fiscal years are as follows:

Fiscal Year	Principal	Interest	Total
2021.....	\$ 1,676,857	\$ 456,500	\$ 2,133,356
2022.....	1,649,182	399,568	2,048,749
2023.....	1,641,321	337,312	1,978,633
2024.....	1,639,525	282,592	1,922,116
2025.....	1,642,793	227,781	1,870,573
2026.....	1,406,251	174,101	1,580,351
2027.....	1,229,653	129,678	1,359,330
2028.....	804,201	89,888	894,089
2029.....	798,935	62,838	861,773
2030.....	432,448	43,294	475,742
2031.....	433,212	29,774	462,986
2032.....	411,640	16,459	428,099
2033.....	86,696	3,437	90,133
2034.....	5,000	338	5,338
2035.....	5,000	168	5,168
Total.....	\$ 13,862,710	\$ 2,253,728	\$ 16,116,438

Water Enterprise

Project	Maturity Date	Interest Rate	Outstanding at June 30, 2019	Issued	Redeemed	Outstanding at June 30, 2020
Water Improvements.....	9/15/28	4.10 - 5.00%	\$ 125,000	\$ -	\$ (15,000)	\$ 110,000
Water Improvements.....	9/15/28	4.00%	860,000	-	(91,000)	769,000
Water Improvements (MWRA).....	11/15/21	0.00%	343,304	-	(171,652)	171,652
Water Improvements.....	2/1/32	3.00 - 5.00%	258,700	-	(19,900)	238,800
Water Improvements.....	2/1/32	3.00 - 5.00%	742,300	-	(57,100)	685,200
Water Improvements.....	2/1/32	3.00 - 5.00%	326,300	-	(25,100)	301,200
Water Improvements (MWRA).....	5/15/23	0.00%	862,580	-	(215,645)	646,935
Water Improvements.....	2/1/33	2.00 - 4.25%	660,000	-	(65,000)	595,000
Water Improvements.....	5/1/21	4.00 - 5.00%	10,000	-	(5,000)	5,000
Water Improvements.....	5/1/34	2.50 - 5.00%	150,000	-	(10,000)	140,000
Water Improvements (MWRA).....	8/15/24	0.00%	287,021	-	(47,837)	239,184
Water Improvements (MWRA).....	5/15/27	0.00%	2,016,000	-	(252,000)	1,764,000
Water Improvements.....	6/15/26	4.00%	35,000	-	(5,000)	30,000
Water Improvements.....	6/15/27	4.00%	315,000	-	(40,000)	275,000
Water Improvements.....	2/1/29	5.00%	362,500	-	(42,500)	320,000
Water Improvements (MWRA).....	11/15/28	0.00%	1,201,831	-	(120,184)	1,081,647
Water Improvements.....	5/1/40	3.50-5.00%	-	224,451	-	224,451
Water Improvements.....	5/1/24	3.50-5.00%	-	21,630	-	21,630
Water Improvements.....	5/1/40	3.50-5.00%	-	159,000	-	159,000
Sub-Total.....			8,555,536	405,081	(1,182,918)	7,777,699
Add: Unamortized Premium.....			205,390	36,027	(19,525)	221,892
Total Water Enterprise.....			\$ 8,760,926	\$ 441,108	\$ (1,202,443)	\$ 7,999,591

Debt service requirements for principal and interest for the water enterprise fund in future fiscal years are as follows:

Fiscal Year	Principal	Interest	Total
2021.....\$	1,205,498	\$ 146,813	\$ 1,352,311
2022.....	1,013,765	129,724	1,143,489
2023.....	1,008,765	113,027	1,121,792
2024.....	793,120	98,926	892,046
2025.....	778,119	84,965	863,084
2026.....	730,283	71,485	801,768
2027.....	720,283	57,807	778,090
2028.....	433,283	44,290	477,573
2029.....	383,283	33,172	416,455
2030.....	177,100	25,053	202,153
2031.....	177,100	18,776	195,876
2032.....	172,100	12,480	184,580
2033.....	70,000	6,668	76,668
2034.....	25,000	3,912	28,912
2035.....	15,000	3,056	18,056
2036.....	15,000	2,550	17,550
2037.....	15,000	2,044	17,044
2038.....	15,000	1,538	16,538
2039.....	15,000	1,031	16,031
2040.....	15,000	524	15,524
Total.....\$	\$ 7,777,699	\$ 857,841	\$ 8,635,540

Veteran's Rink Enterprise

Project	Maturity Date	Interest Rate	Outstanding at June 30, 2019	Issued	Redeemed	Outstanding at June 30, 2020
Veterans Rink Equipment.....	2/1/24	5.00%	\$ 615,000	\$	\$ (125,000)	\$ 490,000
Add: Unamortized Premium.....			47,625	-	(9,525)	38,100
Total Veteran's Rink Enterprise.....			<u>\$ 662,625</u>	<u>\$ -</u>	<u>\$ (134,525)</u>	<u>\$ 528,100</u>

Debt service requirements for principal and interest for the veteran's rink enterprise fund in future fiscal years are as follows:

Fiscal Year	Principal	Interest	Total
2021.....\$	125,000	\$ 24,500	\$ 149,500
2022.....	125,000	18,250	143,250
2023.....	120,000	12,000	132,000
2024.....	120,000	6,000	126,000
Total.....\$	<u>490,000</u>	<u>\$ 60,750</u>	<u>\$ 550,750</u>

The Massachusetts Water Resource Authority (MWRA) operates financial assistance programs for community owned collection systems. Financial assistance received from the MWRA consists of non-interest bearing loans (payable in five equal annual installments) and, in some instances, grants. MWRA bonds outstanding at June 30, 2020, totals \$1,160,513 and \$3,903,418 for sewer and water enterprise funds, respectively.

During fiscal year 2020, the City issued \$30,845,000 of general obligation bonds for land acquisition, departmental equipment, building renovations, water and sewer improvement projects.

Subsequent Event:

On October 15, 2020, the City issued General Obligation Bonds in the amount of \$143,950,000 for high school construction.

The City is subject to various debt limits by statute and may issue additional general obligation debt under the normal debt limit. At June 30, 2020, the City had the following authorized and unissued debt:

Purpose	Amount
High School Construction.....	\$ 374,567,386
Street & Traffic Improvements.....	1,897,977
Land Development.....	241,000
Sewer.....	2,798,746
Water.....	815,891
Design/Planning/Engineering.....	473,329
Equipment.....	274,750
Police Communication System.....	2,420
Disposal Facility Removal.....	1,000
Total.....	<u>\$ 381,072,499</u>

NOTE 11 – OTHER POST EMPLOYMENT BENEFITS

Plan Description – The City’s defined benefit OPEB plan provides health, dental and life insurance coverage for its retirees and their survivors (hereinafter referred to as the “Plan”) as a single-employer defined benefit Other Post Employment Benefit (OPEB) plan. Chapter 32B of the MGL assigns authority to establish and amend benefit provisions. Changes to plan design and contribution rates must be accomplished through the collective bargaining process. The Plan does not issue a stand-alone financial report.

The City established an Other Post-Employment Benefits trust fund under a special act through the Commonwealth of Massachusetts in 2002. However, the trust is not considered a qualifying trust for reporting purposes under GASB Statement No. 74 and 75. The City’s OPEB trust fund market value as of June 30, 2020 is approximately \$14.9 million. Of this balance, \$1.6 million is attributable to employee contributions received under an ongoing provision of the collective bargaining agreements between the City and its unions. Non-union employees are also required to contribute to the OPEB trust fund.

Benefits Provided – The City provides health, dental and life insurance coverage for its retirees and their survivors. The contribution requirements of Plan members and the City are established and may be amended by the City. The required health and dental insurance (including Medicare Part B) contribution rates of Plan members and the City are between 1.0% to 12.5% depending on the plan elected. The Plan members and the City each contribute 50% towards a \$5,000 term life insurance premium. The City currently contributes enough money to the Plan to satisfy current obligations on a pay-as-you-go basis. The costs of administering the Plan are paid by the City.

Employees covered by benefit terms – At June 30, 2020, the following employees were covered by the benefit terms.

Active Employees.....	1,610
Retirees and Survivors.....	1,943
Total.....	<u>3,553</u>

Total OPEB Liability

The City’s total OPEB liability of \$744,540,439 was measured as of June 30, 2020, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions – The total OPEB liability in the June 30, 2020 actuarial valuation and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate:	2.50%, net of investment expenses
Healthcare/Medical cost inflation rate:	4.5% for year 2020 and after
Age-based Morbidity:	Medical costs are adjusted to reflect expected cost increases related to age. The increase in the net costs assumed to be: 49 and below – 2.6%, 50-54 – 3.2%, 55-59 – 3.4%, 60-64 – 3.7%, 65-69 – 3.2%, 70-74 – 2.4%, 75-79 – 1.8%, 80 and over – 0.0%.

Mortality (Non-Teachers): It is assumed that both pre-retirement mortality and beneficiary mortality is represented by the RP-2014 Blue Collar Mortality with Scale MP-2014, fully generational. Mortality for retired members for Group 1 and 2 is represented by the RP-2014 Blue Collar Mortality Table set forward five years for males and 3 years for females, fully generational. Mortality for retired members for Group 4 is represented by the RP-2014 Blue Collar Mortality Table set forward three years for males, and six years for females, fully generational. Mortality for disabled members for Group 1 and 2 is represented by the RP-2000 Mortality Table set forward six years. Mortality for disabled members for Group 4 is represented by the RP-2000 Mortality Table set forward two years. Generational adjusting is based on Scale MP-2014.

Mortality (Teachers): It is assumed that pre-retirement mortality, retiree mortality and beneficiary mortality is represented by the RP-2014 Blue Collar Mortality with Scale MP-2017, fully generational. For the period after disability retirement, the RP-2000 Combined Healthy Table set forward 2 years is used.

Changes in Total OPEB Liability

	Total OPEB Liability
Balances at June 30, 2019..... \$	618,878,689
Changes for the year:	
Service cost.....	20,676,304
Interest.....	23,593,967
Changes of Assumptions.....	135,726,391
Experience (Gain) and Loss.....	(33,376,963)
Benefits payments.....	(20,957,949)
Net Changes.....	125,661,750
Balances at June 30, 2020..... \$	744,540,439

Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.5%) or 1-percentage-point higher (3.5%) than the current rate:

	1% Decrease (1.5%)	Current Discount Rate (2.5%)	1% Increase (3.5%)
Total OPEB Liability	\$ 888,286,319	\$ 744,540,439	\$ 632,784,460

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates – The following presents the total OPEB liability of the City, as well as what the City's total 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 trend rates:

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB Liability	\$ 624,198,184	\$ 744,540,439	\$ 903,507,845

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

For the year ended June 30, 2020, the City recognized OPEB expenses of \$68,183,689. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience.....	\$ -	\$ 25,578,607
Changes of Assumptions.....	<u>104,014,617</u>	<u>-</u>
Total	<u>\$ 104,014,617</u>	<u>\$ 25,578,607</u>

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

<u>Fiscal Year Ended June 30</u>	
2021.....	\$ 23,913,418
2022.....	23,913,418
2023.....	23,913,418
2024.....	<u>6,695,756</u>
Total	<u>\$ 78,436,010</u>

NOTE 12 – RISK FINANCING

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the City carries commercial insurance. In addition, the City is self-insured for damages not covered by commercial insurance. The amount of claim settlements has not exceeded insurance coverage in any of the previous three fiscal years.

The City participates in premium-based healthcare plans for its active employees and retirees, as well as being self-insured. These activities are accounted for in the City's internal service fund where revenues are recorded when earned and expenses are recorded when the liability is incurred.

The City is also self-insured for its workers' compensation and unemployment compensation activities.

A. Health Insurance

Health insurance claims are administered by a third party administrator and are funded from the City's internal service fund. The estimate of "Incurred But Not Reported (IBNR)" claims is based on approximately one month claims paid average. The City purchases individual stop loss insurance for claims in excess of the coverage provided by the City in the amount of \$300,000 per claim. At June 30, 2020, the amount of the liability for health insurance claims totaled \$2,740,875. Changes in the reported liability since July 1, 2018, are as follows:

	Balance at Beginning of Fiscal Year	Claims and Changes in Estimate	Claims Payments	Balance at Fiscal Year-end
Fiscal year 2019.....	\$ 2,500,000	\$ 51,708,961	\$ (51,473,859)	\$ 2,735,102
Fiscal year 2020.....	2,735,102	51,932,041	(51,926,268)	2,740,875

B. Workers' Compensation

Workers' compensation claims are administered by the City and are funded on a pay-as-you-go basis from annual appropriations. The estimated future liability is based on history and injury type.

The liability at June 30, 2020, totaled \$480,922. Changes in the reported liability since July 1, 2018, are as follows:

	Balance at Beginning of Fiscal Year	Current Year Claims and Changes in Estimate	Claims Payments	Balance at Fiscal Year-end
Fiscal year 2019.....	\$ 469,230	\$ 421,173	\$ (446,406)	\$ 443,997
Fiscal year 2020.....	443,997	565,695	(528,770)	480,922

NOTE 13 – FUND BALANCES

The constraints on fund balances as listed in aggregate in the Governmental Funds Balance Sheet are detailed as follows:

	General	Community Preservation	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:				
Permanent Fund Principal.....	\$ -	\$ -	\$ 2,573,322	\$ 2,573,322
Restricted:				
Debt Service.....	342,698	-	-	342,698
Community Preservation.....	-	26,267,779	-	26,267,779
OPEB.....	14,929,268	-	-	14,929,268
Revolving Funds.....	-	-	4,996,750	4,996,750
School Federal Grants.....	-	-	64,601	64,601
City State Grants.....	-	-	525,681	525,681
School State Grants.....	-	-	26,024	26,024
Insurance Recovery.....	-	-	70,462	70,462
Gifts.....	-	-	673,219	673,219
Sale of Lots/Graves.....	-	-	293,232	293,232
Revenue Reserve.....	-	-	2,759,614	2,759,614
School Lunch.....	-	-	1,072,115	1,072,115
Parking Meters.....	-	-	2,250,294	2,250,294
UDAG Nova Biomedical.....	-	-	15,460	15,460
Vocational School Reserve.....	-	-	16,496	16,496
Public Safety Funds.....	-	-	7,234,589	7,234,589
Traffic Impact Fund.....	-	-	5,804,843	5,804,843
Waltham Housing.....	-	-	1,543,317	1,543,317
City Capital Projects.....	566,687	-	6,268,780	6,835,467
Highway Projects.....	-	-	1,772	1,772
Cemetery Trust Funds.....	-	-	26,458	26,458
Other Permanent Funds.....	-	-	368,152	368,152
Sub-Total - Restricted.....	15,838,653	26,267,779	34,011,859	76,118,291
Committed:				
Debt Service.....	1,039,163	-	-	1,039,163
General Government.....	3,774,488	-	-	3,774,488
Public Safety.....	1,030,534	-	-	1,030,534
Education.....	184,788	-	-	184,788
Public Works.....	139,765	-	-	139,765
Culture and Recreation.....	91,358	-	-	91,358
Community Development.....	668,805	-	-	668,805
Sub-Total - Committed.....	6,928,901	-	-	6,928,901
Assigned:				
General Government.....	2,144,765	-	-	2,144,765
Public Safety.....	1,192,357	-	-	1,192,357
Education.....	1,753,118	-	-	1,753,118
Public Works.....	699,726	-	-	699,726
Health and Human Services.....	14,186	-	-	14,186
Culture and Recreation.....	48,269	-	-	48,269
Community Development.....	307,662	-	-	307,662
Other.....	52,201	-	-	52,201
Sub-Total - Assigned.....	6,212,284	-	-	6,212,284
Unassigned.....	35,230,828	-	(2,365,870)	32,864,958
	\$ 64,210,666	\$ 26,267,779	\$ 34,219,311	\$ 124,697,756

NOTE 14 - STABILIZATION FUNDS

The City maintains stabilization funds that were established under MGL Chapter 40, Section 5B. Appropriations into the stabilization funds require majority City Council approval, while transfers out require a two-thirds approval. Investment income is retained by the funds.

The balance of the general stabilization fund totals \$1,205,188 at June 30, 2020 and is reported in the general fund as unassigned fund balance. The balances of the debt service, historical preservation and fire stabilization funds total \$1,039,163, \$25,000, and \$85, respectively, at June 30, 2020. These funds require City Council approval to be used for the intended purposes and therefore are reported as committed fund balance in the general fund.

NOTE 15 - PENSION PLAN

General Information about the Pension Plan

Plan Description. The City contributes to the System, a cost-sharing multiple-employer defined benefit pension plan administered by the Waltham Contributory Retirement Board. Substantially all employees of the City are members of the System, except for public school teachers and certain administrators who are members of the Massachusetts Teachers Retirement System (See Note 16).

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

Active Members.....	937
Inactive Members.....	156
Disabled Members.....	100
Retirees and Beneficiaries currently receiving benefits.....	<u>677</u>
Total.....	<u><u>1,870</u></u>

As identified in Note 1, the System is reported as a pension trust fund in these financial statements. The System also issues a publicly available report in accordance with guidelines established by the Commonwealth’s Public Employee Retirement Administration Commission. That report may be obtained by contacting the System located at 25 Lexington Street, Waltham, Massachusetts 02452.

Benefits provided. Chapter 32 of the MGL assigns authority to establish and amend benefit provisions of the plan. The plan provides for retirement allowance benefits up to a maximum of 80% of a member's highest three-year average annual rate of regular compensation for those hired prior to April 2, 2012. For persons who became members on or after April 2, 2012, average salary is the average annual rate of regular compensation received during the five consecutive years that produce the highest average, or, if greater, during the last five years (whether or not consecutive) preceding retirement. Benefit payments are based upon a member’s age, length of creditable service, level of compensation, and group classification.

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

Members become vested after ten years of creditable service. A superannuation retirement allowance may be received upon the completion of 20 years of service or upon reaching the age of 55 with 10 years of service if hired after 1978 and if classified in groups 1 or 2. A person who became a member on or after April 2, 2012 is eligible for a superannuation retirement allowance upon reaching the age of 60 with 10 years of service if in group 1, 50 years of age with 10 years of service if in group 2, and 55 years of age if hired prior to 1978 or if classified in group 4. Normal retirement for most employees occurs at age 65 (except for certain hazardous duty and public safety positions, whose normal retirement is at age 55).

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

When a member's retirement becomes effective, their deductions and related interest are transferred to the Annuity Reserve Fund. Any cost-of-living adjustments granted between 1981 and 1997 and any increase in other benefits imposed by the Commonwealth of Massachusetts' 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 System and all costs are borne by the System.

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

Survivor benefits are extended to eligible beneficiaries of members whose death occurs prior to or following retirement.

Pursuant to MGL, Chapter 32, Section 3(8)(c), for members leaving a system to work for other Massachusetts governmental units, the System transfers their accumulated account balances and creditable service to the retirement system of their new employer. Other such retirement systems are in turn required to make comparable transfers to the System for employees coming to work for a participating employer. Liability for the service transfer is not calculated until the member's actual retirement date. Per statute, the actuary considers length of service as well as acceptance of military service credit and salary cap provisions (if applicable) in calculating the liability.

Contributions. Chapter 32 of MGL governs the contributions of plan members and the City. Plan members are required to contribute to the System at rates ranging from 5% to 9% of annual covered compensation. Members hired in 1979 or subsequent contribute an additional 2% of regular compensation in excess of \$30,000. The City is required to pay into the System its share of the system-wide actuarial determined contribution that is apportioned among the employers based on annual covered payroll.

Cost-of-living adjustments (COLA) must be granted by the Board and are the responsibility of the System. COLA cannot exceed 3% of the first \$12,000 in benefits, unless the System elects to increase the maximum base retirement allowance in multiples of \$1,000. The System has elected to increase the COLA base to \$14,000.

For the year ended December 31, 2019, active member contributions totaled \$7,074,391 and employer contributions totaled \$18,335,000. Contributions to the System from the City were \$17,864,266 for the year ended June 30, 2020.

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

The components of the net pension liability of the System at December 31, 2019, were as follows:

Total Pension Liability.....	\$ 456,285,472
Plan Fiduciary Net Position.....	(273,884,660)
Net Pension Liability.....	<u>\$ 182,400,812</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability.....	60.0%

At June 30, 2020, the City reported a liability of \$177,717,842 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. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2019, the City's proportion was 97.4326 percent, which was a decrease of 0.119 percent from its 97.5516 percent proportion measure as of December 31, 2018.

For the year ended June 30, 2020, the City recognized pension expense of \$27,605,991 and support provided by nonemployer contributing entities totaled \$647,141. At June 30, 2020, the City reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Actual Earnings on Pension Plan Investments.....		
.....	\$ -	\$ 7,510,296
Changes in Assumptions.....	12,362,705	-
Actual Experience.....	7,046,393	-
Changes in Proportion.....	190,780	171,126
Totals.....	<u>\$ 19,599,878</u>	<u>\$ 7,681,422</u>

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

Fiscal Year Ended June 30	
2020.....	\$ 6,130,296
2021.....	5,430,936
2022.....	5,278,716
2023.....	(4,921,492)
Total.....	<u>\$ 11,918,456</u>

Actuarial assumptions. The total pension liability was determined by an actuarial valuation performed of as January 1, 2019. The following actuarial methods and assumptions apply to all periods included in the measurement.

Actuarial Cost Method	Entry Age Normal Cost
Asset Valuation Method	Fair Value
<u>Assumptions:</u>	
Salary Increases	3.5% per year
Investment Rate of Return	7.75%
Cost of Living Adjustment	3.0% annually on the first \$14,000
Mortality	It is assumed that pre-retirement mortality is represented by the Pub-2010 Active General Mortality.
	Mortality for retired members for Group 1 and 2 is represented by the Pub-2010 Healthy General Mortality Table. Mortality for beneficiaries of members for Group 1 and 2 is represented by the Pub-2010 General Survivors Mortality Table.
	Mortality for disabled for Group 1 and 2 is represented by the Pub-2010 General Disability Mortality Table.
	It is assumed that pre-retirement mortality is represented by the Pub-2010 Active Public Safety Mortality. Mortality for retired members for Group 4 is represented by the Pub-2010 Healthy Public Safety Mortality Table. Mortality for beneficiaries of members for Group 4 is represented by the Pub-2010 Public Safety Survivors Mortality Table.
	Mortality for disabled for Group 4 is represented by the Pub-2010 General Disability Mortality Table.
	Generational adjusting is based on Scale MP-2018 and applied through 2025.
Retirement Rates	General Employees - 3.6% and 10.2% for males and females, respectively, beginning at age 50 ranging to 100.0% and 100.0% for males and females, respectively, ending at age 80.
	Police and Fire - 3.8% beginning at age 50 ranging to 100.0% at age 65.

Investment Policy and Rates of Return. Approximately 23% of the System's investments are in the Pension Reserve Investment Trust (PRIT), which was established by the Treasurer of the Commonwealth of Massachusetts, who serves as Trustee. PRIT is administered by the Pension Reserves Investment Management Board. The fair values of the positions in each investment Pool are the same as the value of each Pool's shares. The System does not have the ability to control any of the investment decisions relative to its funds in PRIT.

The System's remaining investments are in money market mutual funds, fixed income and equity mutual funds, real estate and private equity investments.

The System's annual money-weighted rate of return on pension plan investments was 28.40%. The money-weighted rate of return expresses investment performance, net of pension plan investment expense, adjusted for the changing amounts actually invested, measured monthly.

The pension plan's policy regarding the allocation of invested assets is established by the Retirement Board. Plan assets are managed on a total return basis with a long-term objective of achieving a fully funded status for the benefits provided through the pension plan.

The long-term expected rate of return on the system's investments was determined using average return of investments. The target allocation for each major asset class are summarized in the following table:

Asset Class	Target Allocation
US Large Cap.....	6.3%
S&P 500 Index.....	14.1%
US Small/Mid Cap Equity.....	2.8%
US Small/Mid Cap Index.....	4.0%
World Equity ex-US.....	15.3%
Emerging Markets Equity.....	4.3%
US High Yield.....	5.8%
Emerging Markets Debt.....	5.3%
Dynamic Asset Allocation.....	2.6%
Core Fixed Income.....	15.2%
U.S Private Equity.....	5.0%
Moderate Volatility Hedge.....	6.5%
Structured Credit.....	1.4%
Private Real Estate.....	10.0%
Timber.....	1.4%
Totals	100.0%

Discount rate. The discount rate used to measure the total pension liability was 7.75 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from employers will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the System calculated using the discount rate of 7.75%, as well as what the System's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75%) or 1-percentage-point higher (8.75%) than the current rate:

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
System's Net Pension Liability.....	\$ 231,004,166	\$ 182,400,812	\$ 140,993,403

The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.75 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75 percent) or 1-percentage-point higher (8.75 percent) than the current rate:

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Pension Liability.....	\$ 225,073,350	\$ 177,717,842	\$ 137,373,529

Legally Required Reserve Accounts. The balance in the System's legally required reserves as of December 31, 2019 are as follows:

Description	Amount	Purpose
Annuity Savings Fund.....\$	74,824,379	Active members' contribution balance
Annuity Reserve Fund.....	17,705,400	Retired members' contribution account
Pension Fund.....	16,246,705	Amounts appropriated to fund future retirement
Pension Reserve Fund.....	165,108,176	Remaining Net Position
Total.....\$	<u>273,884,660</u>	

All reserve accounts are funded at levels required by state law.

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in this financial report.

NOTE 16 - MASSACHUSETTS TEACHERS RETIREMENT SYSTEM

General Information about the Pension Plan

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

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

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

Contributions. The MTRS' funding policies have been established by Chapter 32 of the MGL. The Legislature has the authority to amend these policies. The annuity portion of the MTRS retirement allowance is funded by employees, who contribute a percentage of their regular compensation. Member contributions for MTRS vary depending on the most recent date of membership, ranging from 5-9% of regular compensation. Members hired in 1979 or subsequent contribute an additional 2% of regular compensation in excess of \$30,000.

The Commonwealth is a nonemployer contributor and is required by statute to make all actuarially determined employer contributions on behalf of the member employers. Therefore, the City is considered to be in a special funding situation as defined by GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and the Commonwealth is a nonemployer contributing entity in MTRS.

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

Since the City does not contribute directly to MTRS, the City does not report a proportionate share of the net pension liability of the MTRS at June 30, 2020. The Commonwealth's net pension liability associated with the City was \$197,047,109.

The MTRS' net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2019 rolled forward to June 30, 2019.

For the year ended June 30, 2020, the City recognized pension expense of \$23,895,382 associated with MTRS and revenue of the same amount for support provided by the Commonwealth.

Actuarial assumptions. The MTRS' total pension liability for the June 30, 2019 measurement date was determined by an actuarial valuation as of January 1, 2019 rolled forward to June 30, 2019. This valuation used the following assumptions:

Investment rate of return - 7.25%

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

Mortality Rates - Pre-retirement reflects RP-2014 White Collar Employees Table projected generationally with Scale MP-2016 (gender distinct). Post-retirement reflects RP-2014 White Collar Healthy Annuitant Table projected generationally with Scale MP-2016 (gender distinct). Disability reflects RP-2014 White Collar Healthy Annuitant table projected generationally with Scale MP-2016.

Other - 3.5% interest rate credited to the annuity savings fund and 3.0% cost of living increase per year.

Investment assets of the MTRS are with the Pension Reserves Investment Trust (PRIT) Fund. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage. Best estimates of geometric rates of return for each major asset class included in the PRIT Fund's target asset allocation as of June 30, 2019 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity.....	39.0%	4.9%
Portfolio Completion Strategies.....	11.0%	3.9%
Core Fixed Income.....	15.0%	1.3%
Private Equity.....	13.0%	8.2%
Real Estate.....	10.0%	3.6%
Value Added Fixed Income.....	8.0%	4.7%
Timber/Natural Resources.....	4.0%	4.1%
Totals.....	100.0%	

Discount rate. The discount rate used to measure the MTRS' total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rates and the Commonwealth's contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rates. Based on those assumptions, the net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

NOTE 17 - COMMITMENTS

The City has entered into, or is planning to enter into, contracts totaling approximately \$426,397,739 for land purchases, equipment, street and sidewalks, buildings and improvements, and water and sewer infrastructure in accordance with its five-year capital improvement plan.

Other significant commitments include the encumbrances and continuing appropriations outstanding for the general fund, which totaled \$12,076,940 at June 30, 2020.

NOTE 18 – CONTINGENCIES

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

The City participates in a number of federal award programs. Although the grant programs have been audited in accordance with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) through June 30, 2020, these programs are still subject to financial and compliance audits. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

NOTE 19 – FUTURE IMPLEMENTATION OF GASB PRONOUNCEMENTS

The GASB has issued the following statements:

- Statement No. 84, *Fiduciary Activities*, which is required to be implemented during fiscal year 2021. Management is evaluating the Statement's future impact on the basic financial statements.
- Statement No. 87, *Leases*, which is required to be implemented during fiscal year 2022. Management is evaluating the Statement's future impact on the basic financial statements.
- Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, which is required to be implemented during fiscal year 2022. Management is evaluating the Statement's future impact on the basic financial statements.
- Statement No. 90, *Majority Equity Interests – an amendment of GASB Statements No. 14 and No. 61*, which is required to be implemented during fiscal year 2021. Management is evaluating the Statement's future impact on the basic financial statements.
- Statement No. 91, *Conduit Debt Obligations*, which is required to be implemented during fiscal year 2023. Management is evaluating the Statement's future impact on the basic financial statements.
- Statement No. 92, *Omnibus 2020*, which is required to be implemented during fiscal year 2023. Management is evaluating the Statement's future impact on the basic financial statements.
- Statement No. 93, *Replacement of Interbank Offered Rates*, which is required to be implemented during fiscal year 2022. Management is evaluating the Statement's future impact on the basic financial statements.
- Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, which is required to be implemented during fiscal year 2023. Management is evaluating the Statement's future impact on the basic financial statements.

- Statement No. 96, Subscription-Based Information Technology Arrangements, which is required to be implemented during fiscal year 2024. Management is evaluating the Statement's future impact on the basic financial statements.
- 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 suppression of GASB Statement No. 32, which is required to be implemented during fiscal year 2022. Management is evaluating the Statement's future impact on the basic financial statements.

These pronouncements will be implemented by their respective implementation dates.

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Required Supplementary Information

**CITY OF WALTHAM, MASSACHUSETTS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
(NON-GAAP BUDGETARY BASIS)
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2020**

	Prior Year Encumbrances and Continuing Appropriations	Original Budget	Supplemental Appropriations and Transfers	Final Budget
REVENUES				
Real estate and personal property taxes..... \$	-	\$ 191,667,486	\$ -	\$ 191,667,486
Motor vehicle and other excise taxes.....	-	8,424,000	-	8,424,000
Hotel/motel tax.....	-	5,050,000	-	5,050,000
Meals taxes.....	-	1,681,000	-	1,681,000
Tax liens.....	-	-	-	-
Payments in lieu of taxes.....	-	71,500	-	71,500
Intergovernmental	-	26,443,209	-	26,443,209
Special assessments.....	-	1,300	-	1,300
Penalties and interest on taxes.....	-	606,000	-	606,000
Licenses and permits.....	-	6,167,744	-	6,167,744
Fines and forfeitures.....	-	470,000	-	470,000
Departmental and other.....	-	1,601,300	-	1,601,300
Investment income.....	-	1,200,000	-	1,200,000
TOTAL REVENUES.....	-	243,383,539	-	243,383,539
EXPENDITURES				
GENERAL GOVERNMENT				
City Council				
Personnel.....	-	312,294	-	312,294
General.....	205	72,000	-	72,205
Equipment/Unusual.....	9,500	10,250	-	19,750
Capital Improvement.....	13,464	-	-	13,464
Total.....	23,169	394,544	-	417,713
Mayor's Office				
Personnel.....	-	341,566	-	341,566
General.....	-	25,550	-	25,550
Equipment/Unusual.....	159,119	390,725	46,390	596,234
Capital Improvement.....	19,400	-	3,457,460	3,476,860
Total.....	178,519	757,841	3,503,850	4,440,210
Auditors				
Personnel.....	-	621,125	-	621,125
General.....	-	5,395	-	5,395
Equipment/Unusual.....	167,989	1,350,000	-	1,517,989
Capital Improvement.....	806	-	-	806
Total.....	168,795	1,976,520	-	2,145,315
Treasurer and Collector				
Personnel.....	-	954,124	-	954,124
General.....	15,366	335,100	-	350,466
Equipment/Unusual.....	-	7,500	-	7,500
Capital Improvement.....	6,090	-	-	6,090
Total.....	21,456	1,296,724	-	1,318,180
Assessors				
Personnel.....	-	537,006	-	537,006
General.....	7,600	116,120	-	123,720
Capital Improvement.....	35,455	-	-	35,455
Total.....	43,055	653,126	-	696,181
Certification and Interest on Refunds*.....	-	20,000	(20,000)	-

* Budgeted amount voted by City Council as part of debt service - interest.

Actual	Encumbrances and Continuing Appropriations	Actual and Encumbrances and Continuing Appropriations	Variance Positive/ (Negative)
\$ 189,756,875	\$ -	\$ 189,756,875	\$ (1,910,611)
7,896,205	-	7,896,205	(527,795)
4,520,811	-	4,520,811	(529,189)
1,544,989	-	1,544,989	(136,011)
451,444	-	451,444	451,444
-	-	-	(71,500)
27,324,236	-	27,324,236	881,027
5,026	-	5,026	3,726
460,052	-	460,052	(145,948)
6,325,289	-	6,325,289	157,545
346,529	-	346,529	(123,471)
1,223,172	-	1,223,172	(378,128)
856,597	-	856,597	(343,403)
<u>240,711,225</u>	<u>-</u>	<u>240,711,225</u>	<u>(2,672,314)</u>
312,294	-	312,294	-
61,113	468	61,581	10,624
-	2,500	2,500	17,250
-	13,464	13,464	-
<u>373,407</u>	<u>16,432</u>	<u>389,839</u>	<u>27,874</u>
282,043	-	282,043	59,523
24,225	97	24,322	1,228
375,654	189,355	565,009	31,225
12,060	3,460,800	3,472,860	4,000
<u>693,982</u>	<u>3,650,252</u>	<u>4,344,234</u>	<u>95,976</u>
615,797	-	615,797	5,328
4,715	289	5,004	391
33	1,517,956	1,517,989	-
-	806	806	-
<u>620,545</u>	<u>1,519,051</u>	<u>2,139,596</u>	<u>5,719</u>
920,859	-	920,859	33,265
246,493	13,503	259,996	90,470
2,895	-	2,895	4,605
-	6,090	6,090	-
<u>1,170,247</u>	<u>19,593</u>	<u>1,189,840</u>	<u>128,340</u>
516,839	-	516,839	20,167
106,553	14,500	121,053	2,667
30,684	2,782	33,466	1,989
<u>654,076</u>	<u>17,282</u>	<u>671,358</u>	<u>24,823</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

(continued)

**CITY OF WALTHAM, MASSACHUSETTS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
(NON-GAAP BUDGETARY BASIS)
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2020**

	Prior Year Encumbrances and Continuing Appropriations	Original Budget	Supplemental Appropriations and Transfers	Final Budget
Purchasing				
Personnel.....	-	256,757	-	256,757
General.....	-	11,925	-	11,925
Special.....	-	391,300	-	391,300
Capital Improvement.....	380,135	-	131,703	511,838
Total.....	380,135	659,982	131,703	1,171,820
Trust Funds				
Personnel.....	-	4,000	-	4,000
Law Department				
Personnel.....	-	1,050,981	-	1,050,981
General.....	21,547	169,650	-	191,197
Equipment/Unusual.....	125,348	100,000	-	225,348
Capital Improvement.....	17,363	-	-	17,363
Total.....	164,258	1,320,631	-	1,484,889
Building				
Personnel.....	-	2,040,358	-	2,040,358
General.....	38,390	552,900	-	591,290
Equipment/Unusual.....	-	-	9,800	9,800
Capital Improvement.....	146,045	-	142,445	288,490
Total.....	184,435	2,593,258	152,245	2,929,938
Utilities				
General.....	64,130	1,200,700	-	1,264,830
Central Telephone Service				
Personnel.....	-	28,538	-	28,538
General.....	5,922	190,000	-	195,922
Total.....	5,922	218,538	-	224,460
Human Resources				
Personnel.....	-	418,456	-	418,456
General.....	1,923	10,450	-	12,373
Equipment/Unusual.....	1,827	38,000	-	39,827
Total.....	3,750	466,906	-	470,656
Work Study				
General.....	-	6,000	-	6,000
City Clerk				
Personnel.....	-	367,244	-	367,244
General.....	2,733	101,425	-	104,158
Equipment/Unusual.....	-	2,100	-	2,100
Capital Improvement.....	32,130	-	-	32,130
Total.....	34,863	470,769	-	505,632
Information Technology				
Personnel.....	-	1,107,985	-	1,107,985
General.....	15,458	355,731	-	371,189
Equipment/Unusual.....	3,075	30,000	255,000	288,075
Capital Improvement.....	9,462	-	169,922	179,384
Total.....	27,995	1,493,716	424,922	1,946,633

Actual	Encumbrances and Continuing Appropriations	Actual and Encumbrances and Continuing Appropriations	Variance Positive/ (Negative)
248,705	-	248,705	8,052
6,543	-	6,543	5,382
280,480	-	280,480	110,820
387,925	123,913	511,838	-
923,653	123,913	1,047,566	124,254
2,600	-	2,600	1,400
873,857	-	873,857	177,124
89,197	6,619	95,816	95,381
102,362	65,291	167,653	57,695
15,839	1,524	17,363	-
1,081,255	73,434	1,154,689	330,200
1,747,282	27,780	1,775,062	265,296
459,477	92,611	552,088	39,202
6,600	3,200	9,800	-
166,280	122,210	288,490	-
2,379,639	245,801	2,625,440	304,498
1,036,431	66,409	1,102,840	161,990
22,884	-	22,884	5,654
190,943	3,771	194,714	1,208
213,827	3,771	217,598	6,862
295,399	-	295,399	123,057
5,025	30	5,055	7,318
19,956	675	20,631	19,196
320,380	705	321,085	149,571
-	-	-	6,000
366,729	-	366,729	515
83,105	5,087	88,192	15,966
244	-	244	1,856
3,990	28,140	32,130	-
454,068	33,227	487,295	18,337
1,091,958	9,988	1,101,946	6,039
359,293	1,743	361,036	10,153
162,150	119,945	282,095	5,980
168,489	10,895	179,384	-
1,781,890	142,571	1,924,461	22,172

(continued)

**CITY OF WALTHAM, MASSACHUSETTS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
(NON-GAAP BUDGETARY BASIS)
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2020**

	Prior Year Encumbrances and Continuing Appropriations	Original Budget	Supplemental Appropriations and Transfers	Final Budget
Voter Registration				
Personnel.....	-	211,280	-	211,280
General.....	-	181,600	-	181,600
Capital Improvement.....	119,664	-	-	119,664
Total.....	119,664	392,880	-	512,544
TOTAL GENERAL GOVERNMENT.....	1,420,146	13,926,135	4,192,720	19,539,001
PUBLIC SAFETY				
Police and Animal Control				
Personnel.....	111,309	17,464,230	(30,000)	17,545,539
General.....	55,676	314,100	-	369,776
Equipment/Unusual.....	24,556	223,368	-	247,924
Special.....	26,665	252,175	-	278,840
Capital Improvement.....	21,096	-	686,448	707,544
Total.....	239,302	18,253,873	656,448	19,149,623
Dispatch				
Personnel.....	-	1,961,487	30,000	1,991,487
General.....	180	39,941	-	40,121
Special.....	3,152	15,400	-	18,552
Total.....	3,332	2,016,828	30,000	2,050,160
Fire				
Personnel.....	783,634	16,767,590	-	17,551,224
General.....	68,569	607,925	-	676,494
Equipment/Unusual.....	21,824	115,000	-	136,824
Special.....	50,689	253,454	-	304,143
Capital Improvement.....	301,922	-	497,178	799,100
Total.....	1,226,638	17,743,969	497,178	19,467,785
Emergency Management				
Personnel.....	-	78,985	-	78,985
General.....	133	4,300	-	4,433
Equipment/Unusual.....	-	6,400	-	6,400
Special.....	-	400	-	400
Capital Improvement.....	25,140	-	-	25,140
Total.....	25,273	90,085	-	115,358
Wires				
Personnel.....	-	847,574	6,000	853,574
General.....	22,750	323,290	(6,000)	340,040
Equipment/Unusual.....	-	27,500	-	27,500
Capital Improvement.....	100,000	-	-	100,000
Total.....	122,750	1,198,364	-	1,321,114
Licensing				
Personnel.....	-	15,600	-	15,600
General.....	-	3,875	-	3,875
Total.....	-	19,475	-	19,475
TOTAL PUBLIC SAFETY.....	1,617,295	39,322,594	1,183,626	42,123,515

Actual	Encumbrances and Continuing Appropriations	Actual and Encumbrances and Continuing Appropriations	Variance Positive/ (Negative)
166,610	2,709	169,319	41,961
161,516	240	161,756	19,844
115,799	3,865	119,664	-
443,925	6,814	450,739	61,805
12,149,925	5,919,255	18,069,180	1,469,821
16,992,723	32,599	17,025,322	520,217
252,846	84,696	337,542	32,234
101,338	23,761	125,099	122,825
213,930	1,780	215,710	63,130
112,204	594,356	706,560	984
17,673,041	737,192	18,410,233	739,390
1,756,767	-	1,756,767	234,720
28,290	99	28,389	11,732
12,257	-	12,257	6,295
1,797,314	99	1,797,413	252,747
16,265,698	812,215	17,077,913	473,311
537,119	131,810	668,929	7,565
103,757	27,623	131,380	5,444
229,855	71,164	301,019	3,124
469,826	308,174	778,000	21,100
17,606,255	1,350,986	18,957,241	510,544
78,429	-	78,429	556
2,324	1,130	3,454	979
3,423	478	3,901	2,499
400	-	400	-
-	25,140	25,140	-
84,576	26,748	111,324	4,034
850,829	2,745	853,574	-
326,718	5,018	331,736	8,304
26,039	18	26,057	1,443
-	100,000	100,000	-
1,203,586	107,781	1,311,367	9,747
15,600	-	15,600	-
2,643	-	2,643	1,232
18,243	-	18,243	1,232
38,383,015	2,222,806	40,605,821	1,517,694

(continued)

**CITY OF WALTHAM, MASSACHUSETTS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
(NON-GAAP BUDGETARY BASIS)
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2020**

	Prior Year Encumbrances and Continuing Appropriations	Original Budget	Supplemental Appropriations and Transfers	Final Budget
EDUCATION				
Personnel.....	162,982	74,296,654	-	74,459,636
General.....	569,988	11,869,405	(434,282)	12,005,111
Equipment/Unusual.....	532,743	360,974	552,680	1,446,397
Special.....	240,416	4,271,598	(118,398)	4,393,616
Capital Improvement.....	1,514,702	-	-	1,514,702
TOTAL EDUCATION.....	3,020,831	90,798,631	-	93,819,462
PUBLIC WORKS				
Consolidated Public Works				
Personnel.....	-	5,052,821	(112,200)	4,940,621
General.....	21,802	1,177,270	-	1,199,072
Equipment/Unusual.....	176,813	530,000	-	706,813
Capital Improvement.....	399,846	-	31,000	430,846
Total.....	598,461	6,760,091	(81,200)	7,277,352
Snow and Ice Removal				
Personnel.....	-	137,000	47,200	184,200
General.....	-	1,759,945	-	1,759,945
Total.....	-	1,896,945	47,200	1,944,145
Street Lighting				
General.....	32,812	530,000	-	562,812
Capital Improvement.....	2,779	-	-	2,779
Total.....	35,591	530,000	-	565,591
Collection and Disposal of Rubbish				
Equipment/Unusual.....	368,698	5,440,000	65,000	5,873,698
Cemetery Commission				
Personnel.....	-	3,000	-	3,000
TOTAL PUBLIC WORKS.....	1,002,750	14,630,036	31,000	15,663,786
COMMUNITY DEVELOPMENT				
Planning				
Personnel.....	-	326,045	-	326,045
General.....	-	3,000	-	3,000
Equipment/Unusual.....	21,146	10,000	213,333	244,479
Capital Improvement.....	18,192	-	72,562	90,754
Total.....	39,338	339,045	285,895	664,278
Housing				
Personnel.....	-	360,020	-	360,020
General.....	4,087	101,550	-	105,637
Equipment/Unusual.....	-	100,000	270,000	370,000
Total.....	4,087	561,570	270,000	835,657
Board of Survey and Planning				
Personnel.....	-	17,000	-	17,000
General.....	-	4,900	-	4,900
Total.....	-	21,900	-	21,900
Zoning Board of Appeals				
Personnel.....	-	25,500	-	25,500
General.....	-	36,500	-	36,500
Capital Improvement.....	1,814	-	-	1,814
Total.....	1,814	62,000	-	63,814

Actual	Encumbrances and Continuing Appropriations	Actual and Encumbrances and Continuing Appropriations	Variance Positive/ (Negative)
72,817,545	130,914	72,948,459	1,511,177
9,748,425	843,220	10,591,645	1,413,466
773,036	632,498	1,405,534	40,863
4,447,170	146,486	4,593,656	(200,040)
1,329,914	184,788	1,514,702	-
89,116,090	1,937,906	91,053,996	2,765,466
4,347,445	29,609	4,377,054	563,567
1,088,880	30,506	1,119,386	79,686
274,807	256,728	531,535	175,278
291,081	139,765	430,846	-
6,002,213	456,608	6,458,821	818,531
184,110	-	184,110	90
1,424,213	4,190	1,428,403	331,542
1,608,323	4,190	1,612,513	331,632
338,609	44,434	383,043	179,769
-	2,779	2,779	-
338,609	47,213	385,822	179,769
5,512,022	331,481	5,843,503	30,195
1,800	-	1,800	1,200
13,462,967	839,492	14,302,459	1,361,327
238,476	-	238,476	87,569
2,783	-	2,783	217
34,657	209,782	244,439	40
-	90,754	90,754	-
275,916	300,536	576,452	87,826
337,015	-	337,015	23,005
76,205	7,007	83,212	22,425
102,112	55,072	157,184	212,816
515,332	62,079	577,411	258,246
7,300	-	7,300	9,700
1,847	-	1,847	3,053
9,147	-	9,147	12,753
23,600	-	23,600	1,900
25,174	3,168	28,342	8,158
900	914	1,814	-
49,674	4,082	53,756	10,058

(continued)

**CITY OF WALTHAM, MASSACHUSETTS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
(NON-GAAP BUDGETARY BASIS)
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2020**

	Prior Year Encumbrances and Continuing Appropriations	Original Budget	Supplemental Appropriations and Transfers	Final Budget
Traffic Engineering				
Personnel.....	-	429,563	-	429,563
General.....	1,974	69,766	-	71,740
Equipment/Unusual.....	28,895	75,000	-	103,895
Capital Improvement.....	8,250	-	-	8,250
Total.....	39,119	574,329	-	613,448
Conservation Commission				
Personnel.....	-	43,598	-	43,598
General.....	-	2,164	-	2,164
Equipment/Unusual.....	6,910	-	-	6,910
Capital Improvement.....	53,915	-	-	53,915
Total.....	60,825	45,762	-	106,587
Historical Commission				
Personnel.....	-	7,000	-	7,000
General.....	195	6,180	-	6,375
Equipment/Unusual.....	5,140	12,500	-	17,640
Total.....	5,335	25,680	-	31,015
Paine Estate				
Personnel.....	-	127,143	-	127,143
General.....	1,758	34,750	-	36,508
Total.....	1,758	161,893	-	163,651
Engineering				
Personnel.....	-	557,307	(3,350)	553,957
General.....	2,287	18,900	3,350	24,537
Capital Improvement.....	108,602	-	384,120	492,722
Total.....	110,889	576,207	384,120	1,071,216
TOTAL COMMUNITY DEVELOPMENT.....	263,165	2,368,386	940,015	3,571,566
HEALTH AND HUMAN SERVICES				
Health				
Personnel.....	-	798,416	-	798,416
General.....	1,000	73,619	3,600	78,219
Equipment/Unusual.....	466	100,600	-	101,066
Total.....	1,466	972,635	3,600	977,701
Veterans				
Personnel.....	-	196,053	-	196,053
General.....	-	192,675	-	192,675
Total.....	-	388,728	-	388,728
Council on Aging				
Personnel.....	-	557,655	-	557,655
General.....	21,350	312,059	-	333,409
Total.....	21,350	869,714	-	891,064
Celebration of Holidays				
General.....	10,450	11,000	-	21,450

Actual	Encumbrances and Continuing Appropriations	Actual and Encumbrances and Continuing Appropriations	Variance Positive/ (Negative)
396,304	-	396,304	33,259
35,299	4,217	39,516	32,224
95,447	8,448	103,895	-
2,750	5,500	8,250	-
529,800	18,165	547,965	65,483
38,741	-	38,741	4,857
1,674	-	1,674	490
1,242	5,500	6,742	168
-	53,915	53,915	-
41,657	59,415	101,072	5,515
6,100	-	6,100	900
3,141	825	3,966	2,409
12,350	2,625	14,975	2,665
21,591	3,450	25,041	5,974
127,064	-	127,064	79
17,479	5,929	23,408	13,100
144,543	5,929	150,472	13,179
457,879	3,749	461,628	92,329
19,696	1,340	21,036	3,501
-	492,722	492,722	-
477,575	497,811	975,386	95,830
2,065,235	951,467	3,016,702	554,864
702,952	4,645	707,597	90,819
66,041	9,100	75,141	3,078
100,466	441	100,907	159
869,459	14,186	883,645	94,056
196,053	-	196,053	-
147,022	-	147,022	45,653
343,075	-	343,075	45,653
437,732	-	437,732	119,923
232,335	-	232,335	101,074
670,067	-	670,067	220,997
10,450	-	10,450	11,000

(continued)

**CITY OF WALTHAM, MASSACHUSETTS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
(NON-GAAP BUDGETARY BASIS)
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2020**

	Encumbrances and Continuing Appropriations	Original Budget	Supplemental Appropriations and Transfers	Final Budget
Disabilities Services Commission				
Personnel.....	-	7,000	-	7,000
General.....	-	200	-	200
Total.....	-	7,200	-	7,200
TOTAL HEALTH AND HUMAN SERVICES.....	33,266	2,249,277	3,600	2,286,143
CULTURE AND RECREATION				
Library				
Personnel.....	-	2,543,252	-	2,543,252
General.....	1,164	428,995	20,000	450,159
Equipment/Unusual.....	7,827	77,823	-	85,650
Other Charges.....	-	3,000	-	3,000
Capital Improvement.....	38,546	-	-	38,546
Total.....	47,537	3,053,070	20,000	3,120,607
Recreation				
Personnel.....	-	982,335	-	982,335
General.....	216	20,125	-	20,341
Equipment/Unusual.....	-	47,000	-	47,000
Capital Improvement.....	198,541	-	-	198,541
Total.....	198,757	1,049,460	-	1,248,217
Playgrounds				
Personnel.....	-	69,000	-	69,000
General.....	-	126,000	-	126,000
Equipment/Unusual.....	-	3,500	-	3,500
Total.....	-	198,500	-	198,500
Summer Fun				
Personnel.....	-	77,500	-	77,500
General.....	980	12,800	-	13,780
Total.....	980	90,300	-	91,280
Support of Recreation Activities				
General.....	6,320	107,000	-	113,320
Equipment/Unusual.....	-	10,500	-	10,500
Total.....	6,320	117,500	-	123,820
TOTAL CULTURE AND RECREATION.....	253,594	4,508,830	20,000	4,782,424
PENSION BENEFITS				
Contributory Retirement System.....	-	17,898,639	-	17,898,639
Non-Contributory Pension Benefits.....	-	600	-	600
TOTAL PENSION BENEFITS.....	-	17,899,239	-	17,899,239
EMPLOYEE BENEFITS				
Worker's Compensation.....	49,649	520,000	-	569,649
Optional Medical Extension.....	-	5,000,000	-	5,000,000
Hospital and Medical Insurance.....	-	42,866,000	30,000	42,896,000
Group Life Insurance.....	-	127,750	-	127,750
Social Security.....	-	15,000	-	15,000
Unemployment.....	4,752	20,000	-	24,752
TOTAL EMPLOYEE BENEFITS.....	54,401	48,548,750	30,000	48,633,151

Actual	Encumbrances and Continuing Appropriations	Actual and Encumbrances and Continuing Appropriations	Variance Positive/ (Negative)
5,000	-	5,000	2,000
-	-	-	200
5,000	-	5,000	2,200
1,898,051	14,186	1,912,237	373,906
2,317,023	35,800	2,352,823	190,429
417,224	9,497	426,721	23,438
85,528	-	85,528	122
607	-	607	2,393
35,074	3,472	38,546	-
2,855,456	48,769	2,904,225	216,382
941,132	-	941,132	41,203
16,627	-	16,627	3,714
32,547	-	32,547	14,453
110,654	87,887	198,541	-
1,100,960	87,887	1,188,847	59,370
63,963	-	63,963	5,037
94,571	800	95,371	30,629
2,608	-	2,608	892
161,142	800	161,942	36,558
58,636	-	58,636	18,864
6,694	-	6,694	7,086
65,330	-	65,330	25,950
64,498	-	64,498	48,822
5,733	2,171	7,904	2,596
70,231	2,171	72,402	51,418
4,253,119	139,627	4,392,746	389,678
17,864,266	-	17,864,266	34,373
-	-	-	600
17,864,266	-	17,864,266	34,973
533,763	35,886	569,649	-
5,000,000	-	5,000,000	-
42,884,546	-	42,884,546	11,454
122,092	5,658	127,750	-
10,968	-	10,968	4,032
14,095	10,657	24,752	-
48,565,464	52,201	48,617,665	15,486

(continued)

**CITY OF WALTHAM, MASSACHUSETTS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
(NON-GAAP BUDGETARY BASIS)
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2020**

	Prior Year Encumbrances and Continuing Appropriations	Original Budget	Supplemental Appropriations and Transfers	Final Budget
STATE AND COUNTY CHARGES.....	-	2,011,661	-	2,011,661
DEBT SERVICE				
Principal.....	-	8,700,000	-	8,700,000
Interest.....	-	2,620,000	(10,000)	2,610,000
TOTAL DEBT SERVICE.....	-	11,320,000	(10,000)	11,310,000
TOTAL EXPENDITURES.....	7,665,448	247,583,539	6,390,961	261,639,948
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES.....	(7,665,448)	(4,200,000)	(6,390,961)	(18,256,409)
OTHER FINANCING SOURCES (USES):				
Sale of Capital Assets.....	-	-	-	-
Transfers in.....	-	4,275,000	4,333,495	8,608,495
Transfers out.....	-	(75,000)	(1,000,000)	(1,075,000)
Total Other Financing Sources (Uses).....	-	4,200,000	3,333,495	7,533,495
NET CHANGE IN FUND BALANCE.....	(7,665,448)	-	(3,057,466)	(10,722,914)
FUND BALANCE AT BEGINNING OF YEAR.....	39,481,799	39,481,799	39,481,799	39,481,799
FUND BALANCE AT END OF YEAR..... \$	<u>31,816,351</u>	<u>39,481,799</u>	<u>36,424,333</u>	<u>28,758,885</u> \$

See accompanying notes to required supplementary information.

Actual	Encumbrances and Continuing Appropriations	Actual and Encumbrances and Continuing Appropriations	Variance Positive/ (Negative)
2,046,392	-	2,046,392	(34,731)
8,766,044	-	8,766,044	(66,044)
2,343,584	-	2,343,584	266,416
11,109,628	-	11,109,628	200,372
240,914,152	12,076,940	252,991,092	8,648,856
(202,927)	(12,076,940)	(12,279,867)	5,976,542
52,118	-	52,118	52,118
9,016,491	-	9,016,491	407,996
(1,075,000)	-	(1,075,000)	-
7,993,609	-	7,993,609	460,114
7,790,682	(12,076,940)	(4,286,258)	6,436,656
39,481,799	-	39,481,799	-
47,272,481	(12,076,940)	35,195,541	6,436,656

(concluded)

**CITY OF WALTHAM, MASSACHUSETTS
COMMUNITY PRESERVATION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
(NON-GAAP BUDGETARY BASIS)
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2020**

	Prior Year Encumbrances and Continuing Appropriations	Original Budget	Supplemental Appropriations and Transfers	Final Budget
REVENUES				
Community preservation taxes.....	\$ -	\$ 3,000,000	\$ -	\$ 3,000,000
Intergovernmental	-	423,407	-	423,407
Penalties and interest on taxes.....	-	-	-	-
Investment income.....	-	630,000	-	630,000
TOTAL REVENUES.....	-	4,053,407	-	4,053,407
EXPENDITURES				
Personnel.....	-	39,549	-	39,549
General.....	-	15,500	-	15,500
Equipment/Unusual.....	-	105,000	-	105,000
Capital Improvement.....	7,210,292	-	16,461,419	23,671,712
TOTAL EXPENDITURES.....	7,210,292	160,049	16,461,419	23,831,761
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES.....	(7,210,292)	3,893,358	(16,461,419)	(19,778,354)
FUND BALANCE AT BEGINNING OF YEAR.....	23,929,751	23,929,751	23,929,751	23,929,751
FUND BALANCE AT END OF YEAR.....	\$ 16,719,459	\$ 27,823,109	\$ 7,468,332	\$ 4,151,397

See accompanying notes to required supplementary information.

Actual	Encumbrances and Continuing Appropriations	Actual and Encumbrances and Continuing Appropriations	Variance Positive/ (Negative)
\$ 3,163,816	\$ -	\$ 3,163,816	\$ 163,816
720,146	-	720,146	296,739
3,688	-	3,688	3,688
1,541,430	-	1,541,430	911,430
<u>5,429,080</u>	<u>-</u>	<u>5,429,080</u>	<u>1,375,673</u>
37,244	-	37,244	2,305
9,205	-	9,205	6,295
3,118	30,000	33,118	71,882
<u>3,279,798</u>	<u>20,391,914</u>	<u>23,671,712</u>	<u>-</u>
<u>3,329,365</u>	<u>20,421,914</u>	<u>23,751,279</u>	<u>80,482</u>
2,099,715	(20,421,914)	(18,322,199)	1,456,155
<u>23,929,751</u>	<u>-</u>	<u>23,929,751</u>	<u>-</u>
\$ <u><u>26,029,466</u></u>	\$ <u><u>(20,421,914)</u></u>	\$ <u><u>5,607,552</u></u>	\$ <u><u>1,456,155</u></u>
-			

**CITY OF WALTHAM, MASSACHUSETTS
REQUIRED SUPPLEMENTARY INFORMATION
LAST TEN FISCAL YEARS**

PENSION PLAN SCHEDULES

**SCHEDULE OF CHANGES IN EMPLOYERS' NET PENSION LIABILITY
AND RELATED RATIOS (SYSTEM) (1)**

	December 31, 2019	December 31, 2018	December 31, 2017	December 31, 2016	December 31, 2015	December 31, 2014
<u>Total Pension Liability</u>						
Service Cost	\$ 7,426,672	\$ 7,175,529	\$ 6,880,955	\$ 6,676,993	\$ 5,761,367	\$ 7,040,834
Interest	33,844,783	30,409,457	29,614,028	28,355,410	28,290,238	27,535,037
Benefit Payments, including refunds of member contributions	(28,009,743)	(27,473,481)	(25,613,137)	(24,612,183)	(24,341,534)	(23,951,108)
Change in Assumptions	-	22,640,210	-	-	6,596,806	-
Experience Loss	-	11,587,047	-	6,107,195	5,888,647	-
Net Change in Total Pension Liability	13,261,712	44,338,762	10,881,846	16,527,415	22,195,524	10,624,763
Total Pension Liability - Beginning	443,023,760	398,684,998	387,803,152	371,275,737	349,080,213	338,455,450
Total Pension Liability - Ending (a)	<u>\$ 456,285,472</u>	<u>\$ 443,023,760</u>	<u>\$ 398,684,998</u>	<u>\$ 387,803,152</u>	<u>\$ 371,275,737</u>	<u>\$ 349,080,213</u>
<u>Plan Fiduciary Net Position</u>						
Contributions - Employer	\$ 18,335,000	\$ 17,785,000	\$ 17,233,644	\$ 16,733,644	\$ 16,233,644	\$ 15,728,477
Contributions - Member	7,074,391	6,887,148	6,553,300	6,251,685	6,444,960	5,222,151
Other Additions	664,194	694,215	712,117	743,196	751,646	1,118,908
Net Investment Income	43,120,083	(12,447,176)	33,104,714	15,709,913	1,689,685	15,528,118
Benefit Payments and Transfers to Other Systems	(28,009,743)	(27,473,481)	(25,613,137)	(24,612,182)	(24,341,535)	(23,951,107)
Administrative Expense	(564,797)	(510,532)	(582,872)	(614,396)	(519,094)	(521,690)
Net Change in Plan Fiduciary Net Position	40,619,128	(15,064,826)	31,407,766	14,211,860	259,306	13,124,857
Plan Fiduciary Net Position - Beginning	233,265,532	248,330,358	216,922,592	202,710,732	202,451,426	189,326,569
Plan Fiduciary Net Position - Ending (b)	<u>\$ 273,884,660</u>	<u>\$ 233,265,532</u>	<u>\$ 248,330,358</u>	<u>\$ 216,922,592</u>	<u>\$ 202,710,732</u>	<u>\$ 202,451,426</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 182,400,812</u>	<u>\$ 209,758,228</u>	<u>\$ 150,354,640</u>	<u>\$ 170,880,560</u>	<u>\$ 168,565,005</u>	<u>\$ 146,628,787</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	60.0%	52.7%	62.3%	55.9%	54.6%	58.0%
Covered Payroll	\$ 68,649,274	\$ 66,327,801	\$ 64,099,533	\$ 61,634,166	\$ 59,292,926	\$ 55,578,341
Net Pension Liability as a Percentage of Covered Payroll	265.7%	316.2%	234.6%	277.2%	284.3%	263.8%

(1) Data is being accumulated annually to present 10 years of the reported information

**CITY OF WALTHAM, MASSACHUSETTS
REQUIRED SUPPLEMENTARY INFORMATION
LAST TEN FISCAL YEARS**

SCHEDULE OF EMPLOYER CONTRIBUTIONS (SYSTEM)

	2019	2018	2017	2016	2015
Actuarially Determined Contribution	\$ 18,335,000	\$ 17,785,000	\$ 17,233,644	\$ 16,733,644	\$ 16,233,644
Contributions in Relation to the Actuarially Determined Contribution	<u>18,335,000</u>	<u>17,785,000</u>	<u>17,233,644</u>	<u>16,733,644</u>	<u>16,233,644</u>
Contribution Deficiency (Excess)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Covered Payroll	\$ 68,649,274	\$ 66,327,801	\$ 64,099,533	\$ 61,634,166	\$ 59,292,926
Contributions as a Percentage of Covered Payroll	26.71%	26.81%	26.89%	27.15%	27.38%
	2014	2013	2012	2011	2010
Actuarially Determined Contribution	\$ 15,728,477	\$ 14,735,293	\$ 14,289,286	\$ 14,133,617	\$ 14,106,542
Contributions in Relation to the Actuarially Determined Contribution	<u>15,728,477</u>	<u>14,735,293</u>	<u>14,289,286</u>	<u>14,133,617</u>	<u>14,106,542</u>
Contribution Deficiency (Excess)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Covered Payroll	\$ 55,578,341	\$ 50,696,522	\$ 50,696,522	\$ 48,493,764	\$ 48,493,764
Contributions as a Percentage of Covered Payroll	28.30%	29.07%	28.19%	29.15%	29.09%

(Concluded)

SCHEDULE OF INVESTMENT RETURNS (SYSTEM) (1)

	2019	2018	2017	2016	2015	2014
Annual money-weighted rate of return, net of investment expense	28.40%	-5.08%	15.75%	7.78%	0.84%	9.07%

(1) Data is being accumulated annually to present 10 years of the reported information

**CITY OF WALTHAM, MASSACHUSETTS
REQUIRED SUPPLEMENTARY INFORMATION
LAST TEN FISCAL YEARS**

**SCHEDULE OF THE CITY'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY (1)(2)**

	2020	2019	2018	2017	2016	2015
City's Proportion of the Net Pension Liability	97.4330%	97.5516%	97.3771%	97.2903%	97.4128%	97.2096%
City's Proportionate Share of the Net Pension Liability	\$ 177,717,842	\$ 204,622,472	\$ 146,411,061	\$ 166,250,288	\$ 164,203,870	\$ 142,537,299
City's Covered Payroll	\$ 64,640,023	\$ 62,695,385	\$ 60,608,378	\$ 60,208,016	\$ 61,485,840	\$ 51,878,853
City's proportionate share of the net pension liability as a percentage of its covered payroll	274.93%	326.38%	241.57%	276.13%	267.06%	274.75%
Plan fiduciary net position as a percentage of the total pension liability	60.0%	52.7%	62.3%	55.9%	54.6%	58.0%

(1) Amounts presented were determined as of December 31

(2) Data is being accumulated annually to present 10 years of the reported information

SCHEDULE OF CITY CONTRIBUTIONS (1)

	2020	2019	2018	2017	2016
Actuarially Required Contribution	\$ 17,864,266	\$ 17,349,549	\$ 16,781,631	\$ 16,280,220	\$ 15,813,645
Contributions in Relation to the Actuarially Required Contribution	17,864,266	17,349,549	16,781,631	16,280,220	15,813,645
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
City's Covered Payroll	\$ 64,640,023	\$ 63,728,971	\$ 62,211,345	\$ 59,447,775	\$ 65,900,611
Contributions as a Percentage of Covered Payroll	27.64%	27.22%	26.98%	27.39%	24.00%

(Continued)

	2015	2014	2013	2012	2011
Actuarially Required Contribution	\$ 15,289,594	\$ 14,303,117	\$ 13,857,860	\$ 13,738,814	\$ 13,720,343
Contributions in Relation to the Actuarially Required Contribution	15,289,594	14,303,117	13,857,860	13,738,814	13,720,343
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
City's Covered Payroll	\$ 53,155,130	\$ 51,057,010	\$ 51,013,250	\$ 48,157,186	\$ 49,063,562
Contributions as a Percentage of Covered Payroll	28.76%	28.01%	27.17%	28.53%	27.96%

(Concluded)

(1) Amounts presented were determined as of fiscal years ended June 30

**CITY OF WALTHAM, MASSACHUSETTS
REQUIRED SUPPLEMENTARY INFORMATION
LAST TEN FISCAL YEARS**

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

	2020	2019	2018	2017	2016	2015
City's Share of Net Pension Liability	\$ 197,047,109	\$ 195,469,540	\$ 170,927,597	\$ 160,484,933	\$ 147,219,461	\$ 110,096,513
Commonwealth's Share of City's Net Pension Liability	197,047,109	195,469,540	170,927,597	160,484,933	147,219,461	110,096,513
City's Net Pension Liability	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Expense and Revenue Recognized for the Commonwealth's Support	\$ 23,895,382	\$ 19,808,007	\$ 17,840,211	\$ 16,370,515	\$ 11,940,809	\$ 7,648,933
Plan Fiduciary Net Position as a Percentage of Total Net Pension Liability	53.95%	54.84%	54.25%	52.73%	55.38%	61.64%

- (1) Amounts presented were determined as of June 30 of the prior year
(2) Data is being accumulated annually to present 10 years of the reported information

**CITY OF WALTHAM, MASSACHUSETTS
REQUIRED SUPPLEMENTARY INFORMATION
LAST TEN FISCAL YEARS**

OTHER POSTEMPLOYMENT BENEFITS SCHEDULE

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

	2020	2019	2018
Total OPEB Liability			
Service Cost	\$ 20,676,304	\$ 19,785,937	\$ 18,933,911
Interest on Liability and Service Cost	23,593,967	22,721,494	21,868,248
Changes of Assumptions	135,726,391	-	-
Experience (Gain) and Loss	(33,376,963)	-	-
Benefits Payments	<u>(20,957,949)</u>	<u>(19,320,796)</u>	<u>(18,488,800)</u>
Change in Total OPEB Liability	125,661,750	23,186,635	22,313,359
Total OPEB Liability - Beginning	<u>618,878,689</u>	<u>595,692,054</u>	<u>573,378,695</u>
Total OPEB Liability - Ending	<u><u>\$ 744,540,439</u></u>	<u><u>\$ 618,878,689</u></u>	<u><u>\$ 595,692,054</u></u>
Covered Employee Payroll	117,607,472	113,763,189	109,916,125
Total OPEB Liability as a Percentage of Covered Employee Payroll	633.1%	544.0%	542.0%

(1) Data is being accumulated annually to present 10 years of the reported information

NOTE A - BUDGETARY - GAAP RECONCILIATION

For budgetary financial reporting purposes, the Uniform Massachusetts Accounting System basis of accounting (established by the Commonwealth) is followed, which differs from the GAAP basis of accounting. A reconciliation of budgetary-basis to GAAP-basis results for the general fund and community preservation fund for the fiscal year ended June 30, 2020, is presented below:

General Fund

	Revenues	Expenditures	Other Financing Sources (Uses)	Fund Balance
Budgetary basis as reported on the schedule of revenues, expenditures and changes in fund balance - budget and actual.....	\$ 240,711,225	\$ 252,991,092	\$ 7,993,609	\$ 35,195,541
<u>Adjustments and Reclassifications</u>				
Net change in recording 60-day receipts.....	715,664	-	-	951,429
Net change in recording tax refunds payable.....	(820,106)	-	-	(998,606)
Net change in recording other revenues.....	779,071	-	-	(213,342)
To record MTRS on-behalf payments.....	23,895,382	23,895,382	-	-
Net change in recording other expenditures.....	-	(125,000)	(125,000)	-
To allocate indirect costs to functional line items.....	-	(3,773,211)	(3,773,211)	-
To record encumbrances and continuing appropriations.....	-	(12,076,940)	-	12,076,940
To reclassify the stabilization funds to the general fund.....	32,536	-	(505,858)	2,269,436
To reclassify the other postemployment benefit fund to the general fund.....	1,128,092	(152,113)	-	14,929,268
GAAP basis as reported on the statement of revenues, expenditures and changes in fund balances.....	<u>\$ 266,441,864</u>	<u>\$ 260,759,210</u>	<u>\$ 3,589,540</u>	<u>\$ 64,210,666</u>

Community Preservation Fund

	Revenues	Expenditures	Fund Balance
Budgetary basis as reported on the schedule of revenues, expenditures and changes in fund balance - budget and actual.....	\$ 5,429,080	\$ 23,751,279	\$ 5,607,552
<u>Adjustments</u>			
Net change in recording revenues.....	(798,618)	-	320,077
Net change in recording other expenditures.....	-	(269,067)	(81,764)
To record encumbrances and continuing appropriations.....	-	(20,421,914)	20,421,914
GAAP basis as reported on the statement of revenues, expenditures and changes in fund balances.....	<u>\$ 4,630,462</u>	<u>\$ 3,060,298</u>	<u>\$ 26,267,779</u>

NOTE B - SCHEDULE OF EMPLOYER CONTRIBUTIONS (PENSION PLAN)

The following methods and assumptions from the January 1, 2019 valuation were used to determine the most recent actuarially determined contribution rates:

Methods:

Actuarial Cost Method
Asset Valuation Method

Entry Age Normal Cost
Fair Value

Assumptions:

Salary Increases

3.5% per year

Investment Rate of Return

7.75%

Cost of Living Adjustment

3.0% annually on the first \$14,000

Mortality

Pre-Retirement & Beneficiary - The RP-2014 Blue Collar mortality with scale MP-2014, fully generational.

Post-Retirement Group 1 & 2 - The RP-2000 mortality table set forward five years for males and three years for females, fully generational.

Post-Retirement Group 4 - The RP-2000 mortality table set forward three years for males and six years for females, fully generational.

Disabled Retirees Group 1 & 2 - The RP-2000 mortality table set forward six years.

Disabled Retirees Group 4 - The RP-2000 mortality table set forward two years.

Generational adjusting is based on scale MP-2014.

Retirement Rates

General Employees - 3.6% and 10.2% for males and females, respectively, beginning at age 50 ranging to 100.0% and 100.0% for males and females, respectively, ending at age 80.

Police and Fire - 3.8% beginning at age 50 ranging to 100.0% at age 65.

Combining and Individual Fund Statements

Nonmajor Governmental Funds

Narrative

Special Revenue Funds

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The special revenue funds are grouped into the following categories:

Other Special Revenue Fund – This fund is used to account for receipts reserved for appropriation.

City Federal Grants – This fund is used to account for programs specifically financed by federal grants which are designated for specific programs.

School Federal Grants – This fund is used to account for the educational programs specifically financed by federal grants which are designated for specific programs.

City State Grants Fund – This fund is used to account for programs specifically financed by state grants which are designated for specific programs.

School State Grants Fund – This fund is used to account for the educational programs specifically financed by state grants which are designated for specific programs.

Insurance Recovery Fund – This fund is used to account for insurance reimbursements.

Gifts Fund – This fund is used to account for gifts which have been accepted by the City to be used for the purpose specified by the donor.

Sale of Lots/Graves Fund – This fund is used to account for the proceeds from the sale of cemetery lots and graves for cemetery improvements.

School Revenue Reserve Fund – This fund is used to account for school receipts reserved for appropriation.

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

Parking Meters Fund – This fund is used to account for parking meter and off-street parking lot proceeds.

UDAG Nova Biomedical Fund – This fund is used to account for special programs under community development block grant guidelines.

Vocational School Reserve Fund – This fund is used to account for the proceeds from outside services provided by vocational students.

Public Safety – This fund is used to account for drug forfeiture and other law enforcement activities.

Traffic Impact Fund – This fund is used to account for traffic improvements required by special permit.

Police and Fire Detail Fund – This fund is used to account for police and fire detail activities.

Special Revenue Funds (continued)

Waltham Housing Fund – This fund is used to account for the City’s affordable housing program.

Capital Projects Funds

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

School Capital Projects – This fund is used to account for the construction and renovation to the City’s Schools. These projects will be funded through the issuance of long-term bonds and notes and other available funds.

City Capital Projects – This fund is used to account for the construction and renovation in the City. These projects will be funded through the issuance of long-term bonds and notes and other available funds.

Highway Projects – This fund is used to account for the construction and renovation to the City’s Highways. These projects will be funded through the issuance of long-term bonds and notes and other available funds.

Permanent Funds

Permanent funds are used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the government’s programs and benefit the government or its citizenry. The permanent funds are grouped into the following categories:

Cemetery Trust Funds – This fund is used to account for various contributions and activities associated with maintenance of the City’s cemeteries.

Other Permanent Funds – This fund is used to account for various contributions associated with governmental programs.

**CITY OF WALTHAM, MASSACHUSETTS
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2020**

<i>Special Revenue Funds</i>								
ASSETS	Other Special Revenue	City Federal Grants	School Federal Grants	City State Grants	School State Grants	Insurance Recovery	Gifts	
Restricted Cash and Cash Equivalents.....	\$ 5,002,187	\$ -	\$ 15,909	\$ 562,281	\$ 42,256	\$ 154,393	\$ 739,107	
Restricted Investments.....	-	-	-	-	-	-	-	
Receivables, Net of Uncollectibles:								
Departmental and Other.....	-	-	-	-	-	-	-	
Intergovernmental.....	-	1,220,345	326,801	1,903	900	-	-	
Loans.....	-	1,636,744	-	-	-	-	-	
TOTAL ASSETS.....	\$ 5,002,187	\$ 2,857,089	\$ 342,710	\$ 564,184	\$ 43,156	\$ 154,393	\$ 739,107	
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES								
LIABILITIES:								
Warrants Payable.....	\$ 5,015	\$ 52,035	\$ 15,202	\$ 38,503	\$ 17,132	\$ 83,931	\$ 65,888	
Accrued Payroll.....	422	-	-	-	-	-	-	
Due to Other Funds.....	-	1,734,275	262,907	-	-	-	-	
TOTAL LIABILITIES.....	5,437	1,786,310	278,109	38,503	17,132	83,931	65,888	
DEFERRED INFLOWS OF RESOURCES:								
Unavailable Revenue.....	-	2,762,270	-	-	-	-	-	
FUND BALANCES:								
Nonspendable.....	-	-	-	-	-	-	-	
Restricted.....	4,996,750	-	64,601	525,681	26,024	70,462	673,219	
Unassigned.....	-	(1,691,491)	-	-	-	-	-	
TOTAL FUND BALANCES.....	4,996,750	(1,691,491)	64,601	525,681	26,024	70,462	673,219	
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES.....	\$ 5,002,187	\$ 2,857,089	\$ 342,710	\$ 564,184	\$ 43,156	\$ 154,393	\$ 739,107	

Special Revenue Funds

<u>Sale of Lots/Graves</u>	<u>School Revenue Reserve</u>	<u>School Lunch</u>	<u>Parking Meters</u>	<u>UDAG Nova Biomedical</u>	<u>Vocational School Reserve</u>
\$ 297,933	\$ 2,762,029	\$ 1,078,567	\$ 2,274,461	\$ 15,460	\$ 16,496
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 297,933</u>	<u>\$ 2,762,029</u>	<u>\$ 1,078,567</u>	<u>\$ 2,274,461</u>	<u>\$ 15,460</u>	<u>\$ 16,496</u>
\$ 4,701	\$ 2,415	\$ 6,452	\$ 19,440	\$ -	\$ -
-	-	-	4,727	-	-
-	-	-	-	-	-
<u>4,701</u>	<u>2,415</u>	<u>6,452</u>	<u>24,167</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
293,232	2,759,614	1,072,115	2,250,294	15,460	16,496
-	-	-	-	-	-
<u>293,232</u>	<u>2,759,614</u>	<u>1,072,115</u>	<u>2,250,294</u>	<u>15,460</u>	<u>16,496</u>
<u>\$ 297,933</u>	<u>\$ 2,762,029</u>	<u>\$ 1,078,567</u>	<u>\$ 2,274,461</u>	<u>\$ 15,460</u>	<u>\$ 16,496</u>

(continued)

**CITY OF WALTHAM, MASSACHUSETTS
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2020**

<i>Special Revenue Funds</i>					
ASSETS	Public Safety	Traffic Impact Fund	Police and Fire Detail	Waltham Housing	Sub-total
Restricted Cash and Cash Equivalents.....	\$ 7,244,976	\$ 5,805,254	\$ -	\$ 1,543,317	\$ 27,554,626
Restricted Investments.....	-	-	-	-	-
Receivables, net of uncollectibles:					
Departmental and Other.....	-	-	239,703	-	239,703
Intergovernmental.....	-	-	-	-	1,549,949
Loans.....	-	-	-	-	1,636,744
TOTAL ASSETS.....	\$ 7,244,976	\$ 5,805,254	\$ 239,703	\$ 1,543,317	\$ 30,981,022
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES:					
Warrants Payable.....	\$ 10,387	\$ 411	\$ -	\$ -	\$ 321,512
Accrued Payroll.....	-	-	37,522	-	42,671
Due to Other Funds.....	-	-	281,658	-	2,278,840
TOTAL LIABILITIES.....	10,387	411	319,180	-	2,643,023
DEFERRED INFLOWS OF RESOURCES:					
Unavailable Revenue.....	-	-	239,703	-	3,001,973
FUND BALANCES:					
Nonspendable.....	-	-	-	-	-
Restricted.....	7,234,589	5,804,843	-	1,543,317	27,346,697
Unassigned.....	-	-	(319,180)	-	(2,010,671)
TOTAL FUND BALANCES.....	7,234,589	5,804,843	(319,180)	1,543,317	25,336,026
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES.....	\$ 7,244,976	\$ 5,805,254	\$ 239,703	\$ 1,543,317	\$ 30,981,022

<i>Capital Projects</i>				<i>Permanent Funds</i>			Total
City Capital Projects	School Capital Projects	Highway Projects	Sub-total	Cemetery Trust Funds	Other Permanent Funds	Sub-total	Nonmajor Governmental Funds
\$ 7,060,931	\$ -	\$ 1,772	\$ 7,062,703	\$ 236,277	\$ 164,530	\$ 400,807	\$ 35,018,136
-	-	-	-	2,112,680	454,445	2,567,125	2,567,125
-	-	-	-	-	-	-	239,703
-	-	-	-	-	-	-	1,549,949
-	-	-	-	-	-	-	1,636,744
<u>\$ 7,060,931</u>	<u>\$ -</u>	<u>\$ 1,772</u>	<u>\$ 7,062,703</u>	<u>\$ 2,348,957</u>	<u>\$ 618,975</u>	<u>\$ 2,967,932</u>	<u>\$ 41,011,657</u>
\$ 792,151	\$ -	\$ -	\$ 792,151	\$ -	\$ -	\$ -	\$ 1,113,663
-	-	-	-	-	-	-	42,671
-	355,199	-	355,199	-	-	-	2,634,039
<u>792,151</u>	<u>355,199</u>	<u>-</u>	<u>1,147,350</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,790,373</u>
-	-	-	-	-	-	-	3,001,973
-	-	-	-	2,322,499	250,823	2,573,322	2,573,322
6,268,780	-	1,772	6,270,552	26,458	368,152	394,610	34,011,859
-	(355,199)	-	(355,199)	-	-	-	(2,365,870)
<u>6,268,780</u>	<u>(355,199)</u>	<u>1,772</u>	<u>5,915,353</u>	<u>2,348,957</u>	<u>618,975</u>	<u>2,967,932</u>	<u>34,219,311</u>
<u>\$ 7,060,931</u>	<u>\$ -</u>	<u>\$ 1,772</u>	<u>\$ 7,062,703</u>	<u>\$ 2,348,957</u>	<u>\$ 618,975</u>	<u>\$ 2,967,932</u>	<u>\$ 41,011,657</u>

(concluded)

**CITY OF WALTHAM, MASSACHUSETTS
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2020**

	<i>Special Revenue Funds</i>						
	Other Special Revenue	City Federal Grants	School Federal Grants	City State Grants	School State Grants	Insurance Recovery	Gifts
REVENUES							
Charges for Services.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	77,766	1,474,562	2,881,497	639,639	136,847	-	-
Fines and Forfeitures.....	23,883	-	-	-	-	-	-
Departmental and Other.....	515,219	53,835	-	-	-	88,752	-
Contributions.....	-	-	-	20,000	-	-	426,698
Investment Income.....	-	-	-	553	-	-	1,172
TOTAL REVENUES.....	<u>616,868</u>	<u>1,528,397</u>	<u>2,881,497</u>	<u>660,192</u>	<u>136,847</u>	<u>88,752</u>	<u>427,870</u>
EXPENDITURES							
Current:							
General Government.....	57,532	14,690	-	89,277	-	89,790	12,955
Public Safety.....	-	1,036,406	-	297,185	-	16,002	58,290
Education.....	16,656	83,933	2,870,633	-	157,803	-	697,400
Public Works.....	-	6,341	-	1,988	-	-	-
Health and Human Services.....	48,883	355	-	152,222	-	-	13,997
Culture and Recreation.....	321,817	11,052	-	-	-	-	529
Community Development.....	44,105	2,068,724	-	181,095	-	-	27,304
TOTAL EXPENDITURES.....	<u>488,993</u>	<u>3,221,501</u>	<u>2,870,633</u>	<u>721,767</u>	<u>157,803</u>	<u>105,792</u>	<u>810,475</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	<u>127,875</u>	<u>(1,693,104)</u>	<u>10,864</u>	<u>(61,575)</u>	<u>(20,956)</u>	<u>(17,040)</u>	<u>(382,605)</u>
OTHER FINANCING SOURCES (USES)							
Issuance of bonds and notes.....	-	-	-	-	-	-	-
Premium from issuance of bonds and notes.....	-	-	-	-	-	-	-
Transfers In.....	-	-	-	10,000	-	-	-
Transfers Out.....	(2,837,637)	-	-	-	-	(400)	-
TOTAL OTHER FINANCING SOURCES (USES).....	<u>(2,837,637)</u>	<u>-</u>	<u>-</u>	<u>10,000</u>	<u>-</u>	<u>(400)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES.....	<u>(2,709,762)</u>	<u>(1,693,104)</u>	<u>10,864</u>	<u>(51,575)</u>	<u>(20,956)</u>	<u>(17,440)</u>	<u>(382,605)</u>
FUND BALANCES AT BEGINNING OF YEAR.....	<u>7,706,512</u>	<u>1,613</u>	<u>53,737</u>	<u>577,256</u>	<u>46,980</u>	<u>87,902</u>	<u>1,055,824</u>
FUND BALANCES AT END OF YEAR.....	<u>\$ 4,996,750</u>	<u>\$ (1,691,491)</u>	<u>\$ 64,601</u>	<u>\$ 525,681</u>	<u>\$ 26,024</u>	<u>\$ 70,462</u>	<u>\$ 673,219</u>

Special Revenue Funds

Sale of Lots/Graves	School Revenue Reserve	School Lunch	Parking Meters	UDAG Nova Biomedical	Vocational School Reserve
\$ -	\$ 165,950	\$ 562,728	\$ -	\$ -	\$ -
-	2,397,109	1,736,800	-	-	-
-	-	-	26,921	-	-
100,675	387,991	-	409,764	-	28,810
-	119,716	500	-	-	-
-	719	1,115	-	78	-
<u>100,675</u>	<u>3,071,485</u>	<u>2,301,143</u>	<u>436,685</u>	<u>78</u>	<u>28,810</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	2,560,497	2,600,922	-	-	24,943
91,413	-	-	26,381	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	362,256	895	-
<u>91,413</u>	<u>2,560,497</u>	<u>2,600,922</u>	<u>388,637</u>	<u>895</u>	<u>24,943</u>
-	-	-	-	-	-
9,262	510,988	(299,779)	48,048	(817)	3,867
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
9,262	510,988	(299,779)	48,048	(817)	3,867
283,970	2,248,626	1,371,894	2,202,246	16,277	12,629
<u>\$ 293,232</u>	<u>\$ 2,759,614</u>	<u>\$ 1,072,115</u>	<u>\$ 2,250,294</u>	<u>\$ 15,460</u>	<u>\$ 16,496</u>

(continued)

**CITY OF WALTHAM, MASSACHUSETTS
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2020**

	<i>Special Revenue Funds</i>				
	Public Safety	Traffic Impact Fund	Police and Fire Detail	Waltham Housing	Sub-total
REVENUES					
Charges for Services.....	\$ -	\$ -	\$ 2,048,207	\$ -	\$ 2,776,885
Intergovernmental	421,956	-	-	-	9,766,176
Fines and Forfeitures.....	-	-	-	-	50,804
Departmental and Other.....	-	38,885	-	-	1,623,931
Contributions.....	-	-	-	-	566,914
Investment Income.....	119,992	10,197	-	22,116	155,942
TOTAL REVENUES.....	<u>541,948</u>	<u>49,082</u>	<u>2,048,207</u>	<u>22,116</u>	<u>14,940,652</u>
EXPENDITURES					
Current:					
General Government.....	-	-	-	-	264,244
Public Safety.....	675,858	-	1,999,901	-	4,083,642
Education.....	-	-	-	-	9,012,787
Public Works.....	-	-	-	-	126,123
Health and Human Services.....	-	-	-	-	215,457
Culture and Recreation.....	-	-	-	-	333,398
Community Development.....	-	241,106	-	27,741	2,953,226
TOTAL EXPENDITURES.....	<u>675,858</u>	<u>241,106</u>	<u>1,999,901</u>	<u>27,741</u>	<u>16,988,877</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	<u>(133,910)</u>	<u>(192,024)</u>	<u>48,306</u>	<u>(5,625)</u>	<u>(2,048,225)</u>
OTHER FINANCING SOURCES (USES)					
Issuance of bonds and notes.....	-	-	-	-	-
Premium from issuance of bonds and notes.....	-	-	-	-	-
Transfers In.....	-	-	-	-	10,000
Transfers Out.....	-	-	-	-	(2,838,037)
TOTAL OTHER FINANCING SOURCES (USES)....	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,828,037)</u>
NET CHANGE IN FUND BALANCES.....	(133,910)	(192,024)	48,306	(5,625)	(4,876,262)
FUND BALANCES AT BEGINNING OF YEAR.....	<u>7,368,499</u>	<u>5,996,867</u>	<u>(367,486)</u>	<u>1,548,942</u>	<u>30,212,288</u>
FUND BALANCES AT END OF YEAR.....	<u>\$ 7,234,589</u>	<u>\$ 5,804,843</u>	<u>\$ (319,180)</u>	<u>\$ 1,543,317</u>	<u>\$ 25,336,026</u>

<i>Capital Projects</i>				<i>Permanent Funds</i>			Total
City Capital Projects	School Capital Projects	Highway Projects	Sub-total	Cemetery Trust Funds	Other Permanent Funds	Sub-total	Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,776,885
-	-	2,910,193	2,910,193	-	-	-	12,676,369
-	-	-	-	-	-	-	50,804
-	-	-	-	-	-	-	1,623,931
-	-	-	-	38,775	-	38,775	605,689
-	-	-	-	114,312	25,984	140,296	296,238
-	-	2,910,193	2,910,193	153,087	25,984	179,071	18,029,916
1,301,164	-	-	1,301,164	-	1,694	1,694	1,567,102
6,248,558	-	-	6,248,558	-	-	-	10,332,200
11,121,781	349,617	-	11,471,398	-	-	-	20,484,185
2,721,567	-	2,908,421	5,629,988	68,659	-	68,659	5,824,770
38,537	-	-	38,537	-	-	-	253,994
4,428,078	-	-	4,428,078	-	815	815	4,762,291
223,829	-	-	223,829	-	-	-	3,177,055
26,083,514	349,617	2,908,421	29,341,552	68,659	2,509	71,168	46,401,597
(26,083,514)	(349,617)	1,772	(26,431,359)	84,428	23,475	107,903	(28,371,681)
30,364,169	-	-	30,364,169	-	-	-	30,364,169
2,014,781	-	-	2,014,781	-	-	-	2,014,781
(27,775)	27,775	-	-	-	-	-	10,000
(891,614)	(17,771)	-	(909,385)	-	-	-	(3,747,422)
31,459,561	10,004	-	31,469,565	-	-	-	28,641,528
5,376,047	(339,613)	1,772	5,038,206	84,428	23,475	107,903	269,847
892,733	(15,586)	-	877,147	2,264,529	595,500	2,860,029	33,949,464
\$ 6,268,780	\$ (355,199)	\$ 1,772	\$ 5,915,353	\$ 2,348,957	\$ 618,975	\$ 2,967,932	\$ 34,219,311

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CITY OF WALTHAM, MASSACHUSETTS
PRIVATE PURPOSE TRUST FUNDS
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2020

Private Purpose Trust Funds

Narrative

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

Scholarship Trust Fund – This fund is used to account for scholarships held by the City to benefit individuals.

**CITY OF WALTHAM, MASSACHUSETTS
PRIVATE PURPOSE TRUST FUNDS
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2020**

	<u>Scholarship Trust Funds</u>
ASSETS	
Cash and Cash Equivalents.....	\$ 71,971
Investments:	
U.S. Treasuries and Agencies.....	3,105,092
Receivables, Net of Allowance for Uncollectibles:	
Loans.....	<u>108,515</u>
Total Assets.....	<u>3,285,578</u>
NET POSITION	
Restricted for Other Purposes.....	\$ <u><u>3,285,578</u></u>

**CITY OF WALTHAM, MASSACHUSETTS
PRIVATE PURPOSE TRUST FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
YEAR ENDED JUNE 30, 2020**

	<u>Scholarship Trust Funds</u>
ADDITIONS	
Contributions:	
Private Donations.....	\$ 20,543
Net Investment Income (Loss):	
Net Change in Fair Value of Investments.....	<u>167,112</u>
TOTAL ADDITIONS.....	187,655
DEDUCTIONS	
Educational Scholarships & Awards.....	<u>132,116</u>
CHANGE IN NET POSITION.....	55,539
NET POSITION AT BEGINNING OF YEAR.....	<u>3,230,039</u>
NET POSITION AT END OF YEAR.....	\$ <u><u>3,285,578</u></u>

Agency Funds

Narrative

The agency fund is a fiduciary fund used to account for assets held in a custodial capacity. The City uses this fund to account for confiscated police property and security deposits.

**CITY OF WALTHAM, MASSACHUSETTS
AGENCY FUNDS
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
YEAR ENDED JUNE 30, 2020**

	Balance at July 1, 2019	Additions	Deletions	Balance at June 30, 2020
ASSETS				
Cash and Cash Equivalents.....	\$ 1,003,352	\$ 2,156,979	\$ (2,154,924)	\$ 1,005,407
Receivables, net of allowance for uncollectibles:				
Intergovernmental.....	-	5,042	-	5,042
TOTAL ASSETS.....	\$ 1,003,352	\$ 2,162,021	\$ (2,154,924)	\$ 1,010,449
LIABILITIES				
Warrants Payable.....	\$ 42,990	\$ 29,945	\$ (42,990)	\$ 29,945
Accrued Payroll.....	6,402	7,529	(6,402)	7,529
Liabilities Due Depositors.....	953,960	620,863	(601,848)	972,975
TOTAL LIABILITIES.....	\$ 1,003,352	\$ 658,337	\$ (651,240)	\$ 1,010,449

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Statistical Section



Bobby Connors Playground

Statistical Section

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

Financial Trends (pages 126-129)

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

Revenue Capacity (pages 130-131)

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

Debt Capacity (pages 132 – 135)

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

Demographic and Economic Information (pages 136 – 138)

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

Operating Information (pages 139 – 140)

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

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

**CITY OF WALTHAM, MASSACHUSETTS
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental Activities										
Net Investment in Capital Assets.....	\$ 169,551,297	\$ 167,006,050	\$ 165,312,712	\$ 164,015,843	\$ 168,907,226	\$ 171,191,593	\$ 169,703,666	\$ 172,230,570	\$ 178,888,539	\$ 180,225,872
Restricted.....	30,065,242	40,566,045	46,282,436	52,842,407	49,579,791	60,636,230	66,881,349	71,414,954	74,186,256	75,841,131
Unrestricted.....	(10,932,512)	(35,115,909)	(49,699,586)	(67,714,757)	(214,483,584)	(238,015,782)	(246,403,435)	(685,425,235)	(714,253,221)	(769,522,771)
Total Governmental Activities Net Position.....	\$ 188,684,027	\$ 172,456,186	\$ 161,895,562	\$ 149,143,493	\$ 4,003,433	\$ (6,187,959)	\$ (9,818,420)	\$ (441,779,711)	\$ (461,178,426)	\$ (513,455,768)
Business-Type Activities										
Net Investment in Capital Assets.....	\$ 12,188,286	\$ 11,726,473	\$ 9,399,319	\$ 10,482,833	\$ 14,092,537	\$ 14,911,934	\$ 15,409,731	\$ 17,705,732	\$ 16,553,781	\$ 23,050,075
Restricted.....	-	-	-	-	-	-	-	-	-	102,597
Unrestricted.....	17,253,879	16,365,651	23,952,132	27,383,479	23,759,048	27,252,829	30,230,369	19,856,951	24,700,610	18,300,174
Total Business-Type Activities Net Position.....	\$ 29,442,165	\$ 28,092,124	\$ 33,351,451	\$ 37,866,312	\$ 37,851,585	\$ 42,164,763	\$ 45,640,100	\$ 37,562,683	\$ 41,254,391	\$ 41,452,846
Primary Government										
Net Investment in Capital Assets.....	\$ 181,739,583	\$ 178,732,523	\$ 174,712,031	\$ 174,498,676	\$ 182,999,763	\$ 186,103,527	\$ 185,113,397	\$ 189,936,302	\$ 195,442,320	\$ 203,275,947
Restricted.....	30,065,242	40,566,045	46,282,436	52,842,407	49,579,791	60,636,230	66,881,349	71,414,954	74,186,256	75,943,728
Unrestricted.....	6,321,367	(18,750,258)	(25,747,454)	(40,331,278)	(190,724,536)	(210,762,953)	(216,173,066)	(665,568,284)	(689,552,611)	(751,222,597)
Total Primary Government Net Position.....	\$ 218,126,192	\$ 200,548,310	\$ 195,247,013	\$ 187,009,805	\$ 41,855,018	\$ 35,976,804	\$ 35,821,680	\$ (404,217,028)	\$ (419,924,035)	\$ (472,002,922)

CITY OF WALTHAM, MASSACHUSETTS

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Expenses										
Governmental Activities:										
General Government.....	\$ 12,409,747	\$ 12,839,887	\$ 14,431,751	\$ 14,141,084	\$ 14,516,477	\$ 17,458,090	\$ 21,059,212	\$ 17,997,394	\$ 15,631,195	\$ 18,958,539
Public Safety.....	54,681,748	54,892,255	56,396,153	60,787,241	59,675,967	71,565,431	64,099,037	69,526,941	79,161,282	85,932,607
Education.....	119,839,129	125,803,368	127,632,730	133,882,547	127,306,510	134,376,754	146,366,944	156,449,749	166,594,428	186,615,509
Public Works.....	17,944,889	17,620,280	19,107,437	21,990,015	19,928,652	18,232,857	19,786,558	23,034,003	22,672,980	23,366,870
Community Development.....	5,425,862	3,921,262	4,332,865	4,198,865	4,399,974	4,562,345	3,334,231	7,834,851	8,162,491	11,648,785
Health and Human Services.....	2,756,414	4,043,942	6,327,318	6,532,446	4,022,919	4,435,415	4,304,882	4,596,271	4,991,002	5,294,051
Culture and Recreation.....	5,258,378	6,019,224	-	3,902,190	6,843,362	7,426,345	7,111,347	6,705,870	8,545,246	9,262,123
Interest.....	2,523,695	2,631,033	2,581,037	2,550,610	2,450,774	2,283,883	2,089,864	2,136,465	2,168,991	1,921,450
Total Government Activities Expenses.....	<u>220,839,862</u>	<u>227,771,251</u>	<u>234,852,093</u>	<u>247,984,998</u>	<u>239,144,635</u>	<u>260,341,120</u>	<u>268,152,075</u>	<u>288,281,544</u>	<u>307,927,615</u>	<u>342,999,934</u>
Business-Type Activities:										
Sewer.....	16,776,463	17,381,941	17,382,177	17,537,836	17,792,313	17,602,663	17,483,370	18,492,326	18,925,793	17,747,942
Water.....	11,787,043	11,796,251	11,995,289	12,161,194	12,623,659	13,000,651	13,605,238	14,137,215	14,432,176	13,485,001
Veterans Memorial Rink.....	414,329	397,385	457,608	503,830	563,324	556,318	643,626	517,819	563,698	661,992
Total Business-Type Activities Expenses.....	<u>28,977,835</u>	<u>29,575,577</u>	<u>29,835,074</u>	<u>30,202,860</u>	<u>30,979,296</u>	<u>31,159,632</u>	<u>31,732,234</u>	<u>33,147,360</u>	<u>33,921,667</u>	<u>31,894,935</u>
Total Primary Government Expenses.....	<u>\$ 249,817,697</u>	<u>\$ 257,346,828</u>	<u>\$ 264,687,167</u>	<u>\$ 278,187,858</u>	<u>\$ 270,123,931</u>	<u>\$ 291,500,752</u>	<u>\$ 299,884,309</u>	<u>\$ 321,428,904</u>	<u>\$ 341,849,282</u>	<u>\$ 374,894,869</u>
Program Revenues										
Governmental Activities:										
General Government Charges for Services.....	\$ 3,934,076	\$ 2,450,923	\$ 4,225,256	\$ 5,679,098	\$ 6,540,791	\$ 9,035,348	\$ 6,393,016	\$ 6,758,302	\$ 11,938,027	\$ 6,654,782
Public Safety Charges for Services.....	3,493,485	4,071,301	3,910,093	3,966,696	4,049,827	3,925,311	4,197,435	4,613,820	4,735,733	3,369,626
Education Charges for Services.....	4,567,355	1,434,279	1,217,100	1,442,388	1,486,402	1,696,229	1,907,330	2,132,585	2,099,518	1,533,817
Public Works Charges for Services.....	714,008	333,956	448,072	318,133	380,549	408,997	444,297	407,767	446,749	427,635
Other Charges for Services.....	1,678,380	1,757,353	2,105,916	1,821,190	2,004,880	1,452,619	1,062,741	924,079	1,084,112	752,277
Operating Grants and Contributions.....	37,611,357	33,232,551	33,044,593	36,885,652	28,018,652	34,465,615	42,829,194	50,811,292	48,259,161	52,619,262
Capital Grants and Contributions.....	2,213,768	(2,404,439)	2,820,119	1,955,479	1,786,940	2,030,654	3,395,633	1,221,305	1,029,053	4,164,815
Total Government Activities Program Revenues.....	<u>54,212,429</u>	<u>40,875,924</u>	<u>47,771,149</u>	<u>52,068,636</u>	<u>44,268,041</u>	<u>53,014,773</u>	<u>60,229,646</u>	<u>66,869,150</u>	<u>69,592,353</u>	<u>69,522,214</u>
Business-Type Activities:										
Sewer Charges for Services.....	18,222,159	15,854,586	19,582,834	19,389,533	19,615,814	19,481,088	19,128,368	17,956,502	19,160,248	17,674,713
Water Charges for Services.....	13,175,501	11,864,008	14,875,449	14,687,995	15,102,116	15,039,936	15,430,310	13,723,487	14,286,491	13,304,202
Veterans Memorial Rink Charges for Services.....	381,936	398,769	385,832	397,985	390,878	441,329	432,188	410,428	397,572	395,000
Operating Grants and Contributions.....	-	33,173	124,881	43,857	101,988	104,867	-	2,619	-	-
Capital Grants and Contributions.....	1,370,700	-	-	22,901	2,320,501	-	-	35,330	2,994,024	-
Total Business-Type Activities Program Revenues.....	<u>33,150,296</u>	<u>28,150,536</u>	<u>34,968,996</u>	<u>34,542,271</u>	<u>37,531,297</u>	<u>35,067,220</u>	<u>34,990,866</u>	<u>32,128,366</u>	<u>36,838,335</u>	<u>31,373,915</u>
Total Primary Government Program Revenues.....	<u>\$ 87,362,725</u>	<u>\$ 69,026,460</u>	<u>\$ 82,740,145</u>	<u>\$ 86,610,907</u>	<u>\$ 81,799,338</u>	<u>\$ 88,081,993</u>	<u>\$ 95,220,512</u>	<u>\$ 98,997,516</u>	<u>\$ 106,430,688</u>	<u>\$ 100,896,129</u>
Net (Expense)/Revenue										
Governmental Activities.....	\$ (166,627,433)	\$ (186,895,327)	\$ (187,080,944)	\$ (195,916,362)	\$ (194,876,594)	\$ (207,326,347)	\$ (207,922,429)	\$ (221,412,394)	\$ (238,335,262)	\$ (273,477,720)
Business-Type Activities.....	4,172,461	(1,425,041)	5,133,922	4,339,411	6,552,001	3,907,588	3,258,632	(1,018,994)	2,916,668	(521,020)
Total Primary Government Net Expense.....	<u>\$ (162,454,972)</u>	<u>\$ (188,320,368)</u>	<u>\$ (181,947,022)</u>	<u>\$ (191,576,951)</u>	<u>\$ (188,324,593)</u>	<u>\$ (203,418,759)</u>	<u>\$ (204,663,797)</u>	<u>\$ (222,431,388)</u>	<u>\$ (235,418,594)</u>	<u>\$ (273,998,740)</u>
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Real Estate and Personal Property Taxes,										
Net of Tax Refunds Payable.....	\$ 144,687,551	\$ 147,941,835	\$ 153,272,077	\$ 159,052,033	\$ 161,059,057	\$ 165,603,012	\$ 174,279,026	\$ 178,305,767	\$ 184,981,077	\$ 190,015,100
Motor Vehicle and Other Excise Taxes.....	6,233,152	6,372,776	6,650,738	7,002,622	7,588,970	8,240,497	8,300,679	8,463,994	8,520,782	8,342,442
Hotel/Motel Tax.....	2,665,704	3,061,233	3,298,311	3,535,326	3,837,715	4,382,145	4,270,443	4,292,785	5,060,931	4,520,811
Community Preservation Tax.....	2,319,559	2,393,595	1,167,324	1,195,490	3,365,262	2,695,476	2,801,619	2,894,647	3,010,079	3,189,538
Meals Tax.....	862,461	1,128,180	702,090	705,407	1,278,394	1,451,906	1,546,042	1,612,669	1,681,619	1,544,989
Penalties and Interest on Taxes.....	481,134	518,982	54,812	43,151	687,747	722,464	623,172	707,197	611,087	463,740
Payments in Lieu of Taxes.....	46,350	53,905	2,475,978	2,535,235	58,763	46,849	58,579	77,740	71,633	-
Grants and Contributions Not Restricted to										
Specific Programs.....	8,357,186	9,147,352	8,835,809	9,064,858	9,557,090	9,745,521	10,110,325	10,392,962	10,712,304	10,971,726
Unrestricted Investment Income.....	277,404	124,628	135,838	181,321	491,842	2,055,791	1,333,587	713,990	4,316,038	2,318,193
Gain on Sale of Capital Assets.....	-	-	52,748	24,300	-	1,164,887	1,053,296	-	70,997	52,118
Transfers, Net.....	(116,154)	(75,000)	(125,405)	(175,450)	(184,205)	(405,590)	(84,800)	(159,000)	(100,000)	(218,279)
Total Governmental Activities.....	<u>165,814,347</u>	<u>170,667,486</u>	<u>176,520,320</u>	<u>183,164,293</u>	<u>187,740,635</u>	<u>195,702,958</u>	<u>204,291,968</u>	<u>207,302,751</u>	<u>218,936,547</u>	<u>221,200,378</u>
Business-Type Activities:										
Unrestricted Investment Income.....	40,938	-	-	-	-	-	-	356,943	675,040	501,196
Transfers, Net.....	116,154	75,000	125,405	175,450	184,205	405,590	84,800	159,000	100,000	218,279
Total Business-Type Activities.....	<u>157,092</u>	<u>75,000</u>	<u>125,405</u>	<u>175,450</u>	<u>184,205</u>	<u>405,590</u>	<u>84,800</u>	<u>515,943</u>	<u>775,040</u>	<u>719,475</u>
Total Primary Government.....	<u>\$ 165,971,439</u>	<u>\$ 170,742,486</u>	<u>\$ 176,645,725</u>	<u>\$ 183,339,743</u>	<u>\$ 187,924,840</u>	<u>\$ 196,108,548</u>	<u>\$ 204,376,768</u>	<u>\$ 207,818,694</u>	<u>\$ 219,711,587</u>	<u>\$ 221,919,853</u>
Changes in Net Position										
Governmental Activities.....	\$ (813,086)	\$ (16,227,841)	\$ (10,560,624)	\$ (12,752,069)	\$ (7,135,959)	\$ (11,623,389)	\$ (3,630,461)	\$ (14,109,643)	\$ (19,398,715)	\$ (52,277,342)
Business-Type Activities.....	4,329,553	(1,350,041)	5,239,327	4,514,861	6,736,206	4,313,178	3,343,432	(503,051)	3,691,708	198,455
Total Primary Government.....	<u>\$ 3,516,467</u>	<u>\$ (17,577,882)</u>	<u>\$ (5,301,297)</u>	<u>\$ (8,237,208)</u>	<u>\$ (399,753)</u>	<u>\$ (7,310,211)</u>	<u>\$ (287,029)</u>	<u>\$ (14,612,694)</u>	<u>\$ (15,707,007)</u>	<u>\$ (52,078,887)</u>

**CITY OF WALTHAM, MASSACHUSETTS
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Fund										
Restricted.....	\$ -	\$ 135,799	\$ 8,132,094	\$ 8,351,922	\$ 8,845,058	\$ 9,967,384	\$ 11,008,339	\$ 11,615,214	\$ 13,649,064	\$ 15,838,653
Committed.....	-	3,198,284	4,804,214	1,492,937	8,132,421	7,198,929	5,577,677	5,412,452	5,291,707	6,928,901
Assigned.....	6,852,796	850,771	1,677,650	4,378,117	9,145,765	3,675,694	4,484,428	4,414,699	4,044,691	6,212,284
Unassigned.....	<u>18,459,773</u>	<u>30,818,389</u>	<u>29,196,820</u>	<u>34,984,665</u>	<u>26,208,145</u>	<u>27,363,382</u>	<u>30,949,096</u>	<u>26,865,693</u>	<u>31,953,010</u>	<u>35,230,828</u>
Total General Fund.....	<u>\$ 25,312,569</u>	<u>\$ 35,003,243</u>	<u>\$ 43,810,778</u>	<u>\$ 49,207,641</u>	<u>\$ 52,331,389</u>	<u>\$ 48,205,389</u>	<u>\$ 52,019,540</u>	<u>\$ 48,308,058</u>	<u>\$ 54,938,472</u>	<u>\$ 64,210,666</u>
All Other Governmental Funds										
Nonspendable.....	\$ 1,797,623	\$ 2,034,590	\$ 2,047,898	\$ 2,150,692	\$ 2,228,014	\$ 2,376,974	\$ 2,397,259	\$ 2,384,500	\$ 2,489,317	\$ 2,573,322
Restricted.....	28,267,619	32,807,347	38,252,137	37,642,538	39,592,873	45,888,506	55,195,752	54,837,132	56,540,834	60,279,638
Unassigned.....	<u>(8,951,524)</u>	<u>(963,267)</u>	<u>(543,674)</u>	<u>(1,372,518)</u>	<u>(6,588,749)</u>	<u>(9,416,767)</u>	<u>(486,530)</u>	<u>(569,406)</u>	<u>(383,072)</u>	<u>(2,365,870)</u>
Total All Other Governmental Funds.....	<u>\$ 21,113,718</u>	<u>\$ 33,878,670</u>	<u>\$ 39,756,361</u>	<u>\$ 38,420,712</u>	<u>\$ 35,232,138</u>	<u>\$ 38,848,713</u>	<u>\$ 57,106,481</u>	<u>\$ 56,652,226</u>	<u>\$ 58,647,079</u>	<u>\$ 60,487,090</u>

**CITY OF WALTHAM, MASSACHUSETTS
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**

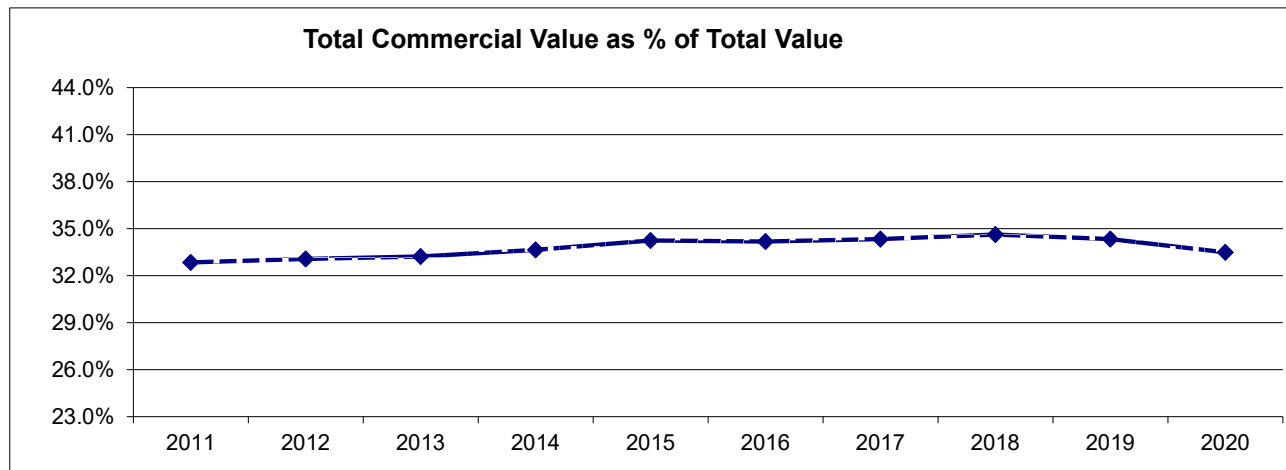
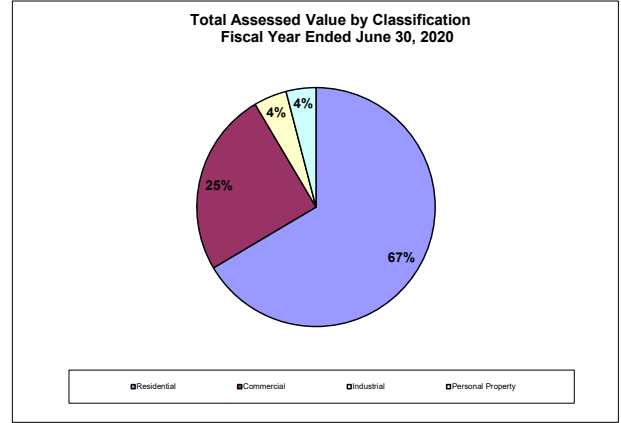
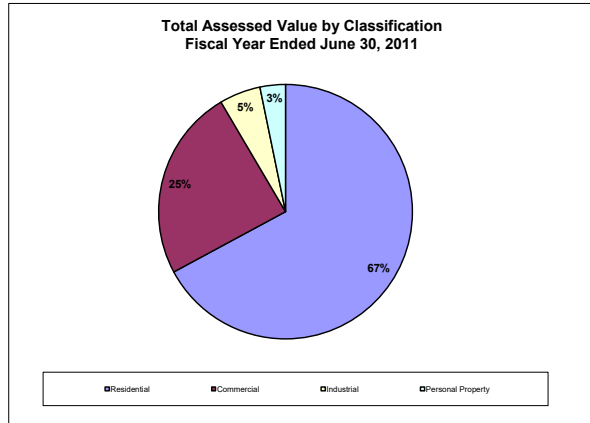
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues:										
Real Estate and Personal Property Taxes,										
Net of Tax Refunds.....	\$ 143,866,481	\$ 146,798,161	\$ 152,293,138	\$ 158,221,522	\$ 160,422,604	\$ 164,931,064	\$ 173,582,264	\$ 177,170,045	\$ 184,190,588	\$ 190,380,885
Tax Liens.....	760,070	645,263	1,203,258	1,010,349	1,143,807	674,676	903,353	792,606	597,724	451,444
Motor Vehicle and Other Excise Taxes.....	6,295,833	6,233,321	6,567,957	7,127,054	7,535,378	7,990,210	8,197,977	8,617,711	8,420,840	7,896,205
Community Preservation Tax.....	2,319,559	2,386,680	2,469,122	2,534,651	2,604,317	2,691,518	2,803,700	2,899,487	3,008,465	3,173,921
Hotel/Motel Tax.....	2,665,704	3,061,233	3,298,311	3,535,326	3,837,715	4,382,145	4,270,443	4,292,785	5,060,931	4,520,811
Meals Tax.....	862,461	1,128,180	1,167,324	1,195,490	1,278,394	1,451,906	1,546,042	1,612,669	1,681,619	1,544,989
Charges for Services.....	496,126	3,244,260	3,036,615	3,312,082	3,337,900	3,213,857	3,499,681	3,411,670	4,098,488	2,776,885
Penalties and Interest on Taxes.....	481,134	518,981	702,090	705,407	687,746	722,465	623,171	707,195	611,087	463,740
Fees and Rentals (A).....	2,036,252	-	-	-	-	-	-	-	-	-
Payment in Lieu of Taxes.....	46,350	53,905	54,812	43,151	58,763	46,849	58,579	77,740	71,633	-
Licenses and Permits.....	4,082,752	2,546,547	4,259,773	5,830,674	6,548,176	8,640,647	6,005,613	6,520,040	11,531,814	6,325,289
Fines and Forfeitures.....	900,391	845,065	828,483	752,024	629,143	664,299	570,862	592,877	535,185	397,333
Intergovernmental.....	43,814,540	44,625,132	43,539,794	45,280,990	29,750,004	45,432,282	53,962,488	58,446,102	56,268,836	64,616,135
Departmental and Other.....	1,427,206	3,245,342	3,666,098	3,510,429	4,376,307	4,048,454	4,262,969	6,765,383	5,737,350	3,319,050
Special Assessments.....	150,294	124,392	130,820	96,635	88,261	66,861	55,573	2,858	1,380	5,026
Contributions.....	667,361	689,869	652,141	637,428	1,148,063	789,891	943,828	1,272,257	1,264,012	605,689
Investment Income.....	244,587	228,116	132,533	324,485	575,822	2,252,256	1,453,223	776,175	4,798,036	2,624,840
Miscellaneous (B).....	2,479,952	-	-	-	-	-	-	-	-	-
Total Revenue.....	<u>213,597,053</u>	<u>216,374,447</u>	<u>224,002,269</u>	<u>234,117,697</u>	<u>224,022,400</u>	<u>247,979,380</u>	<u>262,739,766</u>	<u>273,957,600</u>	<u>287,877,988</u>	<u>289,102,242</u>
Expenditures:										
General Government.....	9,929,386	8,722,040	9,202,807	11,733,712	11,290,176	11,933,370	16,013,588	13,088,925	11,304,614	12,397,604
Public Safety.....	33,719,409	32,018,623	32,623,739	35,972,040	34,350,115	43,217,251	39,504,974	43,075,736	43,030,000	48,715,215
Education.....	84,383,623	76,313,058	73,395,683	79,102,762	82,125,372	96,940,045	105,011,285	111,957,159	135,331,585	133,495,658
Public Works.....	14,344,728	12,889,605	13,786,096	16,951,921	19,472,720	17,566,377	21,046,731	17,846,746	17,732,647	19,151,596
Community Development.....	5,742,353	3,345,993	4,617,505	4,069,878	6,612,450	3,889,074	2,373,854	8,436,392	8,833,559	7,399,464
Health and Human Services.....	1,747,913	1,982,168	1,900,486	1,872,328	1,749,666	2,025,346	1,940,832	2,718,946	2,441,126	2,152,041
Culture and Recreation.....	3,553,233	3,879,349	5,326,138	4,625,983	4,602,862	5,793,517	4,596,281	4,184,137	5,043,369	9,015,412
Pension Benefits.....	13,152,472	29,490,180	30,328,370	31,040,342	14,577,088	15,168,439	15,677,027	16,179,125	16,755,738	17,322,476
Employee Benefits.....	37,191,542	35,823,260	35,055,370	37,367,643	37,023,287	43,488,817	47,150,295	48,131,846	47,456,831	47,540,619
Claims and Judgments.....	-	-	-	-	193,000	-	-	-	-	-
State and County Charges.....	1,560,299	1,524,202	1,597,185	1,763,919	1,708,001	1,833,755	1,877,795	1,815,848	1,985,334	2,046,392
Debt Service.....	-	-	-	-	-	-	-	-	-	-
Principal.....	7,128,638	6,623,638	9,346,738	7,745,398	7,634,498	7,425,238	7,197,238	8,501,238	8,251,238	8,641,044
Interest.....	2,885,832	2,542,952	2,772,464	2,603,692	2,669,154	2,481,308	2,315,202	2,508,405	2,671,122	2,325,305
Total Expenditures.....	<u>215,339,428</u>	<u>215,155,068</u>	<u>219,952,581</u>	<u>234,849,618</u>	<u>224,008,389</u>	<u>251,762,537</u>	<u>264,705,102</u>	<u>278,444,503</u>	<u>300,837,163</u>	<u>310,202,826</u>
Excess of Revenues Over (Under) Expenditures.....	<u>(1,742,375)</u>	<u>1,219,379</u>	<u>4,049,688</u>	<u>(731,921)</u>	<u>14,011</u>	<u>(3,783,157)</u>	<u>(1,965,336)</u>	<u>(4,486,903)</u>	<u>(12,959,175)</u>	<u>(21,100,584)</u>
Other Financing Sources (Uses)										
Issuance of Bonds and Notes.....	-	13,638,500	8,603,460	4,567,760	-	-	18,749,000	-	20,224,806	30,364,169
Premium from Issuance of Bonds and Notes.....	226,581	1,413,931	362,232	376,525	105,368	159,010	2,199,212	19,036	1,388,639	2,014,781
Proceeds of Refunding Bonds.....	-	-	1,615,200	-	-	-	-	-	-	-
Premium from Issuance of Refunding Bonds.....	-	-	127,303	-	-	-	-	-	-	-
Sale of Capital Assets.....	-	-	52,748	24,300	-	3,520,312	3,173,843	461,130	70,997	52,118
Transfers In.....	248,365	252,236	88,406	162,666	1,588,958	3,709,537	42,975	56,013	1,400,400	3,757,422
Transfers Out.....	(364,519)	(327,236)	(213,811)	(338,116)	(1,773,163)	(4,115,127)	(127,775)	(215,013)	(1,500,400)	(3,975,701)
Total Other Financing Sources (Uses).....	<u>110,427</u>	<u>14,977,431</u>	<u>10,635,538</u>	<u>4,793,135</u>	<u>(78,837)</u>	<u>3,273,732</u>	<u>24,037,255</u>	<u>321,166</u>	<u>21,584,442</u>	<u>32,212,789</u>
Net Change in Fund Balance.....	<u>\$ (1,631,948)</u>	<u>\$ 16,196,810</u>	<u>\$ 14,685,226</u>	<u>\$ 4,061,214</u>	<u>\$ (64,826)</u>	<u>\$ (509,425)</u>	<u>\$ 22,071,919</u>	<u>\$ (4,165,737)</u>	<u>\$ 8,625,267</u>	<u>\$ 11,112,205</u>
Capitalized Capital Outlay Expenditures.....	\$ 8,941,471	\$ 8,475,915	\$ 7,891,233	\$ 11,710,679	\$ 14,673,377	\$ 11,384,102	\$ 16,573,455	\$ 10,424,024	\$ 31,352,225	\$ 35,954,152
Debt Service as a Percentage of Noncapital Expenditures.....	5.10%	4.64%	6.06%	4.86%	5.18%	4.30%	3.99%	4.28%	4.22%	4.17%

(A) In fiscal year 2012, amounts previously reported as fees and rentals have been re-distributed to charges for services and departmental and other revenue

(B) In fiscal year 2012, miscellaneous revenue was further segregated into other revenue categories

**CITY OF WALTHAM, MASSACHUSETTS
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
BY CLASSIFICATION AND TAX RATES
LAST TEN FISCAL YEARS**

Fiscal Year	Assessed and Actual Values and Tax Rates								Total Assessed Value
	Residential Value	Residential Tax Rate	Commercial Value	Industrial Value	Personal Property	Total Commercial Value	Commercial Tax Rate	Total Direct Rate	
2011	\$5,635,369,835	\$13.09	\$2,045,047,523	\$440,775,576	\$271,782,840	\$2,757,605,939	\$30.40	\$18.78	\$8,392,975,774
2012	\$5,650,931,885	\$13.35	\$2,024,520,793	\$469,845,956	\$297,481,600	\$2,791,848,349	\$23.21	\$16.61	\$8,442,780,234
2013 (1)	\$5,697,874,745	\$13.49	\$2,054,231,833	\$462,439,256	\$317,744,640	\$2,834,415,729	\$31.77	\$19.56	\$8,532,290,474
2014	\$5,772,320,361	\$13.43	\$2,127,776,189	\$461,112,274	\$336,977,250	\$2,925,865,713	\$31.97	\$19.67	\$8,698,186,074
2015	\$5,900,062,585	\$13.13	\$2,220,696,817	\$471,070,238	\$380,479,990	\$3,072,247,045	\$31.79	\$19.52	\$8,972,309,630
2016 (1)	\$6,546,761,667	\$12.24	\$2,429,262,190	\$514,728,349	\$455,541,880	\$3,399,532,419	\$29.53	\$18.15	\$9,946,294,086
2017	\$6,891,358,240	\$12.56	\$2,578,505,792	\$528,610,108	\$494,998,700	\$3,602,114,600	\$29.04	\$18.22	\$10,493,472,840
2018	\$7,333,851,274	\$12.61	\$2,834,882,520	\$519,990,970	\$529,381,920	\$3,884,255,410	\$27.97	\$17.93	\$11,218,106,684
2019 (1)	\$8,034,063,638	\$12.66	\$3,084,647,258	\$551,234,728	\$566,733,810	\$4,202,615,796	\$26.45	\$17.40	\$12,236,679,434
2020	\$9,151,568,461	\$11.95	\$3,436,933,873	\$617,118,550	\$556,640,900	\$4,610,693,323	\$24.36	\$16.11	\$13,762,261,784



(1) Revaluation year.

Source: Assessor's Department, City of Waltham

All property in the Commonwealth of Massachusetts is assessed at 100% of fair cash value.

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

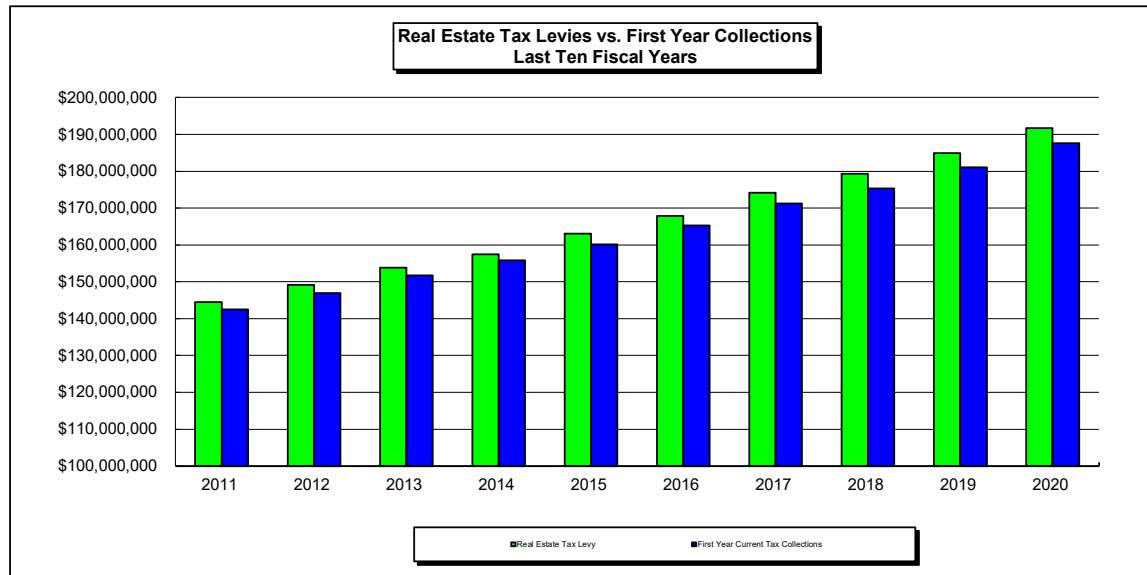
**CITY OF WALTHAM, MASSACHUSETTS
PRINCIPAL TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO**

		2020			2011		
		Total-all locations		Percentage of Total Taxable			Percentage of Total Taxable
Name	Nature of Business	Assessed Valuation	Rank	Assessed Value	Assessed Valuation	Rank	Assessed Value
Boston Properties BP Reservoir Place, LLC Bay Colony Property LLC (20 parcels total)	Office	\$787,682,900	1	9.28%	\$150,512,710	1	1.76%
					\$74,584,300	4	0.87%
Hobbs Brook 404 Wyman Street 279 Wyman Street 275 Wyman Street (17 parcels total)	Office	\$353,722,100	2	4.17%	\$58,221,340	7	0.68%
Davis Companies DMP RE II LLC PD Winter Trust (5 parcels total)	Office	\$245,283,400	3	2.89%			
					\$56,407,300	8	0.66%
ARE-MA/ Alexandria Real Estate (9 parcels total)	Office	\$201,903,600	4	2.38%			
Duffy Brothers (10 parcels total)	Office	\$201,197,900	5	2.37%			
NSTAR	Utility	\$188,561,270	6	2.22%	\$74,946,750	3	0.88%
NWALP (7 parcels total)	Office	\$140,851,000	7	1.66%			
AstraZeneca	Office	\$128,294,350	8	1.51%	\$95,614,400	2	1.12%
HealthPeak -200 Smith St	Office	\$127,468,300	9	1.50%			
PPF OFF 828-830 Winter St LLC	Office	\$120,363,500	10	1.42%			
HILCO (3 parcels)	Office	\$101,727,500		1.20%			
ASN MASS Holding (Avalon)	Apartments	\$82,118,000		0.97%			
Windsor Village					\$62,629,440	5	0.73%
MMS Lot & MMS Winter St LLC (860-870 Winter St)	Office				\$59,111,040	6	0.69%
Longview Place, LLC	Apartments				\$54,495,300	9	0.64%
Gardencrest Apartments	Apartments				\$54,180,000	10	0.60%
	Totals	\$2,679,173,820		31.57%	\$740,702,580		8.63%

Source: Assessor's Department, City of Waltham
FY20 includes all property locations owned

**CITY OF WALTHAM, MASSACHUSETTS
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Fiscal Year		Total Tax Levy	Less Abatements & Exemptions	Net Tax Levy	Net as % of Total	First Year Current Tax Collections	Percent of Net Levy Collected	Delinquent Tax Collections	Total Tax Collections
2011		\$ 145,976,141	\$ 1,467,306	\$ 144,508,835	98.99%	\$ 142,459,955	98.58%	\$ 1,458,173	\$ 143,918,129
2012		\$ 150,870,993	\$ 1,728,254	\$ 149,142,739	98.85%	\$ 146,918,672	98.51%	\$ 1,353,980	\$ 148,272,652
2013	(1)	\$ 154,887,838	\$ 1,098,748	\$ 153,789,090	99.29%	\$ 151,681,456	98.63%	\$ 1,948,314	\$ 153,629,770
2014		\$ 158,922,344	\$ 1,454,831	\$ 157,467,513	99.08%	\$ 155,789,875	98.93%	\$ 2,058,441	\$ 157,848,316
2015		\$ 163,000,697	\$ 1,221,598	\$ 161,779,099	99.25%	\$ 160,147,707	98.99%	\$ 2,065,561	\$ 162,213,268
2016	(1)	\$ 167,901,732	\$ 951,026	\$ 166,950,706	99.43%	\$ 165,282,149	99.00%	\$ 1,183,650	\$ 166,465,799
2017		\$ 174,137,000	\$ 830,395	\$ 173,306,605	99.52%	\$ 171,242,977	98.81%	\$ 1,346,066	\$ 172,589,043
2018		\$ 179,334,620	\$ 875,236	\$ 178,459,384	99.51%	\$ 175,333,537	98.25%	\$ 1,870,836	\$ 177,204,373
2019	(1)	\$ 184,954,321	\$ 571,878	\$ 184,382,443	99.69%	\$ 181,032,818	98.18%	\$ 1,688,059	\$ 182,720,877
2020		\$ 191,667,486	\$ 992,467	\$ 190,675,019	99.48%	\$ 187,595,770	98.39%	\$ 2,393,460	\$ 189,989,230



(1) Revaluation year.

Source: Assessor's Department City of Waltham

CITY OF WALTHAM, MASSACHUSETTS
RATIOS OF OUTSTANDING DEBT AND GENERAL BONDED DEBT
LAST TEN FISCAL YEARS

Fiscal Year	U. S. Census Population	Personal Income	Assessed Value	Governmental Activities Debt				
				General Obligation Bonds	Capital Leases	Per Capita	Percentage of Personal Income	Percentage of Assessed Value
2011	60,605	\$1,819,410,000	\$8,392,975,774	\$67,718,482	\$0	\$1,117	3.72%	0.81%
2012	60,632	\$1,819,410,000	\$8,442,780,234	\$74,728,344	\$0	\$1,232	4.11%	0.89%
2013	60,632	\$1,650,776,000	\$8,532,290,474	\$75,600,266	\$0	\$1,247	4.58%	0.89%
2014	60,632	\$1,720,850,000	\$8,698,186,074	\$72,689,629	\$0	\$1,199	4.22%	0.84%
2015	60,632	\$1,823,593,000	\$8,972,309,630	\$66,032,614	\$0	\$1,089	3.62%	0.74%
2016	63,378	\$2,228,433,858	\$9,946,294,086	\$58,480,367	\$0	\$923	2.62%	0.59%
2017	63,149	\$1,992,543,000	\$10,493,472,840	\$68,914,654	\$0	\$1,091	3.46%	0.66%
2018	63,149	\$2,094,061,000	\$11,218,106,684	\$60,413,416	\$0	\$957	2.88%	0.54%
2019	63,378	\$2,230,717,000	\$12,236,679,434	\$72,386,981	\$0	\$1,142	3.25%	0.59%
2020	63,378	\$2,310,541,000	\$13,762,261,784	\$94,110,109	\$0	\$1,485	4.07%	0.68%

Fiscal Year	Business-type Activities (1)		Total Primary Government			
	General Obligation Bonds	Capital Leases	Total Debt Outstanding	Per Capita	Percentage of Personal Income	Percentage of Assessed Value
2011	\$14,511,230	\$0	\$82,229,712	\$1,357	4.52%	0.98%
2012	\$22,114,746	\$0	\$96,843,090	\$1,597	5.32%	1.15%
2013	\$24,665,033	\$0	\$100,265,299	\$1,654	6.07%	1.18%
2014	\$22,519,950	\$0	\$95,209,579	\$1,570	5.53%	1.09%
2015	\$22,718,219	\$0	\$88,750,833	\$1,464	4.87%	0.99%
2016	\$20,344,280	\$0	\$78,824,647	\$1,244	3.54%	0.79%
2017	\$24,742,032	\$0	\$93,656,686	\$1,483	4.70%	0.89%
2018	\$22,049,972	\$0	\$82,463,388	\$1,306	3.94%	0.74%
2019	\$24,761,819	\$0	\$97,148,804	\$1,533	4.36%	0.79%
2020	\$22,130,410	\$0	\$116,240,519	\$1,834	5.03%	0.84%

(1) Sewer, Water and Veterans Memorial Rink Funds

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

**CITY OF WALTHAM, MASSACHUSETTS
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2020**

<u>City of Waltham, Massachusetts</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable (1)</u>	<u>Estimated Share of Overlapping Debt</u>	<u>Current Year Assessment for Operations and Debt Service</u>
Debt Repaid with Property Taxes and User Charges				
MWRA Water.....	\$ 1,982,967,000	3.748%	\$ 74,321,603	\$ 5,669,405
MWRA Sewer.....	3,227,492,000	2.730%	88,110,532	8,951,566
MBTA.....	5,478,860,000	0.818%	<u>44,817,075</u>	<u>1,435,534</u>
SubTotal.....			207,249,210	<u>\$ 16,056,505</u>
City Direct Debt.....			<u>60,413,416</u>	
Total Direct and Overlapping Debt.....			<u>\$ 267,662,626</u>	

Source: Official Statement for Sale of Bonds

(1) The percentage of total overlapping debt is derived from the City's share of capital charges divided by the debt at fiscal year end.

**CITY OF WALTHAM, MASSACHUSETTS
COMPUTATION OF LEGAL DEBT MARGIN
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Equalized Valuation.....	\$ 9,212,986,100	\$ 9,279,182,000	\$ 9,729,182,000	\$ 9,539,477,600	\$ 9,539,477,600	\$ 9,539,477,600	\$ 10,593,326,800	\$ 10,593,326,800	\$ 12,407,269,700	\$ 12,407,269,700
Debt Limit -5% of Equalized Valuation.....	460,649,305	463,959,100	486,459,100	476,973,880	476,973,880	476,973,880	529,666,340	529,666,340	620,363,485	620,363,485
Less:										
Outstanding Debt Applicable to Limit.....	77,849,194	89,831,227	91,143,839	86,351,769	78,707,154	69,755,692	84,139,014	74,028,949	88,223,268	108,065,070
Authorized and Unissued Debt.....	30,413,485	14,962,927	16,953,434	17,742,434	25,835,956	14,983,746	29,612,946	30,272,946	21,443,636	381,072,499
Legal Debt Margin.....	<u>\$ 352,386,626</u>	<u>\$ 359,164,946</u>	<u>\$ 378,361,827</u>	<u>\$ 372,879,677</u>	<u>\$ 372,430,770</u>	<u>\$ 392,234,442</u>	<u>\$ 415,914,380</u>	<u>\$ 425,364,445</u>	<u>\$ 510,696,581</u>	<u>\$ 131,225,916</u>
Total Debt Applicable to the Limit as a Percentage of Debt Limit.....	23.50%	22.59%	22.22%	21.82%	21.92%	17.77%	21.48%	19.69%	17.68%	78.85%

Source: City Auditor's Office, City of Waltham

**CITY OF WALTHAM, MASSACHUSETTS
PRINCIPAL EMPLOYERS (EXCLUDING CITY)
CURRENT YEAR AND TEN YEARS AGO**

Employer	Nature of Business	2020		2011	
		Employees	Rank	Employees	Rank
Brandeis University	Higher Education	1,000-4,999	1	1512	1
Bentley University	Higher Education	1,000-4,999	2	800	2
Fresenius Medical Care	Pharmaceuticals	1,000-4,999	3		
National Grid	Utility	1,000-4,999	4		
Novell, Inc	Software	1,000-4,999	5		
ADP Waltham	Payroll Services	500-999	6	420	10
AM-FM Cleaning Corporation	Janitorial Contracting	500-999	7	600	5
Children's Hospital	Medical	500-999	8		
Constant Contact, Inc	Software	500-999	9		
Education Development Ctr	Educational Software	500-999	10		
Jfc Home Health Agency	Home Health Services	500-999	11		
Nova Biomedical Corporation	Biotech Research	500-999	12	600	6
Glaxosmithkline	Pharmaceutical	500-999	13		13
Massachusetts Medical Society	Medical Journal & Assoc			401	11
Bank of America	Financial Services			660	3
Keyspan	Utility			650	4
Raytheon Corporation	Electronics			587	7
Verizon	Communications			520	8
Parexel International Corporation	R&D Consultant			500	9
Astra-Zeneca	Pharmaceutical			400	12

Source: Massachusetts Department of Employment and Training

Source: Exec Office Labor & Workforce Development (EOLWD) 2020 Largest Employers

**CITY OF WALTHAM, MASSACHUSETTS
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Fiscal Year	Population Estimates	Personal Income	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate	
2011	60,605	1,819,410,000	\$30,021	34.2	4,796	5.7%	
2012	60,632	1,819,410,000	\$30,007	34.2	4,997	5.2%	
2013	60,632	1,650,776,000	\$27,226	33.9	5,183	5.0%	
2014	61,918	1,823,593,000	\$29,452	33.9	5,271	5.0%	
2015	62,227	1,904,528,000	\$30,606	34.0	5,281	3.6%	
2016	63,378	2,228,433,858	\$35,161	34.2	5,380	2.9%	
2017	63,149	1,992,543,000	\$31,553	34.2	5,461	2.8%	
2018	63,149	2,094,061,000	\$33,161	33.7	5,639	3.0%	
2019	63,378	2,230,717,000	\$35,197	34.2	5,647	2.5%	
2020	63,378	2,310,541,000	\$36,457	33.9	5,738	13.0%	*

Source: U. S. Census, Division of Local Services

Median age is based on most recent census data

2011 to 2020 population/personal income obtained from the Division of Local Services

*Note: Impact of COVID-19

**CITY OF WALTHAM, MASSACHUSETTS
FULL-TIME EQUIVALENT CITY EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS**

Fiscal Year

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Function:										
General Government.....	96	93	94	94	99	99	99	99	100	102
Public Safety.....	355	350	354	355	376	380	383	384	396	396
Education.....	927	932	896	904	930	941	964	994	1,021	1,054
Consolidated Public Works.....	60	61	61	61	62	64	67	68	69	69
Community Development.....	25	23	22	22	22	24	24	24	24	24
Health and Human Services.....	18	16	15	16	17	17	17	17	17	17
Culture and Recreation.....	25	26	37	38	56	59	61	63	64	65
Water/Sewer.....	27	28	28	28	33	33	33	32	32	32
Total	<u>1,533</u>	<u>1,529</u>	<u>1,507</u>	<u>1,518</u>	<u>1,595</u>	<u>1,617</u>	<u>1,648</u>	<u>1,681</u>	<u>1,721</u>	<u>1,759</u>

Source: City records.

**CITY OF WALTHAM, MASSACHUSETTS
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

Function/Program	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Government										
Cash flow (millions).....	580	600	620	640	660	680	700	720	740	760
Accounts payable invoices processed.....	36,000	36,000	36,000	36,000	36,000	36,000	36,000	35,360	35,880	36,400
Payroll checks processed.....	72,000	72,000	72,000	72,000	73,000	73,500	74,000	74,100	77,338	78,919
Police										
Arrests.....	1,097	1,049	928	912	800	828	852	689	650	512
Traffic citations.....	11,260	8,067	8,698	7,243	6,000	11,750	12,250	11,288	10,479	2,456
Parking violations.....	4,546	4,947	3,837	3,500	2,800	3,538	4,150	2,244	2,260	1,468
Service calls.....	35,000	35,000	35,000	35,000	35,500	36,000	41,465	40,592	41,000	40,694
Major investigations.....	1,607	1,607	1,495	1,450	1,850	1,750	1,700	1,472	1,751	1,749
Fire										
Inspections - schools/nursing homes/hospitals.....	100	100	100	100	110	110	180	179	174	190
Inspections - commercial/industrial.....	550	550	550	550	550	600	600	1,285	785	1,435
Emergency responses - box alarms.....	1,800	1,900	1,900	1,900	2,000	2,000	2,000			
Emergency responses - still alarms.....	6,500	6,300	6,300	6,600	6,700	6,500	7,000			
Emergency responses - false alarms.....	200	150	150	150	150	170	180			
Total Company Responses.....								14,658	14,297	15,000
Water										
Consumption in gallons (billions/year).....	2.8	3	3	2.4	2.5	3.1	2.6	3.0	2.3	2.29
Leak detection (miles).....	165	165	150	340	256	340	170	170	300	310
Service repairs.....	100	100	115	121	107	140	152	177	130	155
Sewer										
Service repairs.....	30	29	29	54	40	38	36	59	34	40
Stoppages - mains.....	72	92	124	120	159	69	90	111	66	70
Stoppages - services.....	175	253	281	270	343	222	296	201	144	150
Health and Human Services										
Permits - public health.....	850	831	780	772	920	957	925	1,038	1,231	1,231
Senior citizen programs.....	26	26	26	27	29	29	29	30	50	51
Senior citizen programs - participants.....	2,615	2,650	2,822	2,653	2,735	2,863	3,067	3,171	3,175	4,033
Senior-meals served annually.....	10,400	10,400	22,260	22,265	24,968	25,219	29,442	29,962	34,414	41,600
Recreation activities.....	230	230	227	230	325	325	345	350	664	450
Recreation activities - participants.....	14,225	19,670	26,249	27,275	22,050	24,942	25,123	32,245	34,000	28,000
Veterans cases.....	1,050	1,065	1,065	1,080	1,080	2,000	2,000	2,000	2,000	2,000
Cemetery burials.....	200	210	200	210	214	215	210	203	178	185
Libraries										
Items circulated.....	507,500	513,041	463,251	425,000	424,500	430,000	442,000	474,253	500,844	495,000
Registered borrowers.....	28,900	28,223	27,418	27,000	27,500	27,500	27,500	27,271	30,238	28,000

Source: Various City Departments

**CITY OF WALTHAM, MASSACHUSETTS
CAPITAL ASSETS EXPENDITURES BY PURPOSE
LAST TEN FISCAL YEARS**

<u>Function/Program</u>	<u>Fiscal Year</u>									
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Equipment/Technology										
General Government..... \$	124,693	\$ 195,221	\$ 250,223	\$ 373,285	\$ 81,159	\$ 224,524	\$ 152,778	\$ 108,450	\$ 479,110	\$ 1,648,674
Public Safety.....	2,254,088	562,315	595,314	1,455,397	1,203,638	134,082	1,286,830	2,093,308	793,159	338,167
Public Works.....	315,172	230,381	80,463	498,127	213,149	89,990	525,044	1,366,063	637,497	213,936
Community Development.....	-	58,470	32,421	80,978	-	-	2,001,500	32,965	274,883	197,894
Recreation.....	-	118,000	1,500	295,521	273	19,010	108	-	6,462	4,055
Building Renovations										
General Government.....	63,478	16,988	58,470	-	92,880	-	55,844	270,009	99,538	302,914
Public Safety.....	380,308	301,061	214,925	64,283	-	11,523	358,836	61,914	476,695	6,492,421
Public Works.....	118,726	-	-	43,780	-	-	-	-	81,236	4,473
Community Development.....	1,534,836	1,005,517	856,123	3,061,442	932,666	168,155	364,400	2,262,662	1,032,773	515,638
Recreation.....	753,045	346,397	459,969	840,826	312,716	331,152	29,597	4,875	1,447,820	-
Street / Sidewalk										
Street Reconstruction.....	1,649,017	1,202,350	144,168	821,253	2,021,084	4,060,227	5,031,619	890,360	569,227	2,795,495
Street Resurfacing (Chapter 90).....	64,825	1,767,309	1,531,475	488,393	1,357,983	1,876,733	2,955,943	603,211	605,647	2,908,421
Parking Lot Construction.....	-	-	-	-	-	-	-	542,450	122,874	41,914
Water & Sewer										
Infrastructure/Equipment.....	2,127,031	4,575,043	3,776,168	2,096,853	4,052,744	5,069,207	3,025,819	5,693,071	3,231,477	6,756,270
School										
Construction/Renovations/Equipment...	261,273	2,382,632	290,912	1,110,824	485,866	68,042	1,472,383	845,092	855,881	1,972,861
Land Acquisition										
Recreation.....	4,400	949,919	514,695	-	4,169,775	1,009,621	899,783	-	-	-
Open Space.....	-	-	-	-	-	-	-	3,302,547	88,000	-
Education.....	-	-	-	-	-	-	-	-	18,000,000	11,000,000
Land Development										
Recreation.....	339,711	695,815	1,861,581	1,434,819	1,113,229	1,427,084	1,990,816	882,895	3,738,111	7,269,362
Planning.....	-	-	-	-	-	-	-	257,460	194,691	30,634
Education.....	-	-	-	-	-	-	-	-	256,583	-
Public Works.....	-	-	-	-	-	-	-	-	1,356,917	23,581
Signals / Communications										
Community Development.....	499,722	216,479	401,136	804,916	343,425	585,149	115,017	45,042	18,240	193,713
Grand Total..... \$	<u>10,490,325</u>	<u>\$ 14,623,897</u>	<u>\$ 11,069,543</u>	<u>\$ 13,470,697</u>	<u>\$ 16,380,587</u>	<u>\$ 15,074,497</u>	<u>\$ 20,266,316</u>	<u>\$ 19,262,374</u>	<u>\$ 34,366,821</u>	<u>\$ 42,710,422</u>

Source: Auditor's Department