

FINAL OFFICIAL STATEMENT DATED JANUARY 7, 2026

In the opinion of Hinckley, Allen & Snyder LLP, Bond Counsel, based upon an analysis of existing law and assuming, among other matters, compliance with certain covenants, interest on the Bonds is excluded from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the “Code”). Interest on the Bonds is not a specific preference item for purposes of the federal alternative minimum tax, although Bond Counsel observes that such interest will be taken into account in computing the alternative minimum tax imposed on certain corporations. Under existing law, interest on the Bonds is exempt from Massachusetts personal income taxes, and the Bonds are exempt from Massachusetts personal property taxes. **The Bonds are NOT “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code.** Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Bonds. See “Tax Exemption” herein.

\$73,170,000
TOWN OF NORTH ATTLEBOROUGH
Massachusetts

GENERAL OBLIGATION MUNICIPAL PURPOSE LOAN OF 2026 BONDS**Dated: January 21, 2026****Due: March 15, 2027-2055****Maturities on following page**

Principal of the General Obligation Municipal Purpose Loan of 2026 Bonds (the “Bonds”) will be payable on March 15 of the years in which the Bonds mature. Interest from the date of the Bonds will be payable on September 15, 2026 and semi-annually thereafter on each March 15 and September 15, until the final maturity of the Bonds or redemption prior to maturity. The Bonds are subject to redemption prior to their stated dates of maturity as described herein.

The Bonds are issuable in fully registered form without coupons, and, when issued, will be registered in the name of Cede & Co., as Bondowner and nominee for The Depository Trust Company (“DTC”), New York, New York. DTC will act as securities depository for the Bonds. Purchases of the Bonds will be made in book-entry form, in the denomination of \$5,000 or any integral multiple thereof. (See “Book-Entry Transfer System” herein.)

The legality of the Bonds will be approved by Hinckley, Allen & Snyder LLP, of Boston, Massachusetts, Bond Counsel to the Town. UniBank Fiscal Advisory Services, Inc., Whitinsville, Massachusetts serves as Municipal Advisor to the Town. It is expected that the Bonds, in definitive form, will be delivered to DTC, or the offices of its custodial agent, on or about January 21, 2026 against payment in Federal Reserve funds.



MATURITIES

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Price/ Yield</u>	<u>CUSIP 657339</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Price/ Yield</u>	<u>CUSIP 657339</u>
2027	\$1,100,000	5.000%	2.100%	X85	2038	\$2,220,000	4.000%	3.050%	Z34
2028	1,545,000	5.000	2.070	X93	2039	2,295,000	4.000	3.200	Z42
2029	1,605,000	5.000	2.020	Y27	2040	2,410,000	4.000	3.400	Z59
2030	1,670,000	5.000	2.040	Y35	2041	2,470,000	4.000	3.600	Z67
2031	1,690,000	5.000	2.070	Y43	2042	2,560,000	4.000	3.700	Z75
2032	1,760,000	5.000	2.130	Y50	2043	2,655,000	4.000	3.800	Z83
2033	1,835,000	5.000	2.250	Y68	2046	2,960,000	4.000	4.100	2B2
2034	1,915,000	5.000	2.290	Y76	2047	2,895,000	4.000	4.150	2C0
2035	1,995,000	5.000	2.380	Y84	2048	3,010,000	4.000	4.200	2D8
2036	2,085,000	5.000	2.490	Y92	2049	3,130,000	4.000	4.250	2E6
2037	2,185,000	4.000	2.850	Z26					

\$5,615,000 Term Bonds maturing March 15, 2045 at 4.000% per annum, at 4.000% yield. 2A4

\$10,180,000 Term Bonds maturing March 15, 2052 at 4.125% per annum, at 4.300% yield. 2H9

\$11,385,000 Term Bonds maturing March 15, 2055 at 4.125% per annum, at 4.350% yield. 2L0

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The information and expressions of opinion in this Official Statement are subject to change without notice. Neither the delivery of this Official Statement nor any sale of the Bonds shall, under any circumstances, create any implication that there has been no material change in the affairs of the Town since the date of this Official Statement.

ISSUE SUMMARY STATEMENT

Issuer: Town of North Attleborough, Massachusetts

Date of Sale: Wednesday, January 7, 2026 until 11:00 a.m. (Eastern Standard Time)

Method of Sale: Electronic Bids via Parity

Location of Sale: UniBank Fiscal Advisory Services, Inc., 49 Church St., Whitinsville, MA.

Issue: \$73,170,000 General Obligation Municipal Purpose Loan of 2026 Bonds, Book-Entry Only (See “Book-Entry Transfer System”, herein.)

Purpose: North Attleborough High School construction and water/sewer projects (See “THE BONDS-Authorization and Use of Proceeds” herein.)

Minimum Bid: **Par plus a premium of no less than \$213,450.**

Dated Date of Bonds: January 21, 2026

Maturity Date of Bonds: Serially on March 15, 2027 through 2055, herein.

Interest Payable: March 15 and September 15, commencing September 15, 2026.

Credit Rating: S&P Global Ratings has assigned an AA+ rating to the Bonds.

Redemption: The Bonds are subject to redemption prior to their stated dates of maturity as described herein.

Security: The Bonds are valid general obligations of the Town of North Attleborough, Massachusetts and the principal of and interest on the Bonds are payable from ad valorem taxes which may be levied upon all property in the Town without limitation as to rate or amount, except as provided under Chapter 44, Section 20 of the Massachusetts General Laws, with respect to that portion of the principal (\$70,000,000*) and interest payments that the Town has voted to exempt from the limit imposed by Chapter 59, Section 21C of the General Laws, and subject to the limit imposed by Chapter 59, Section 21C of the Massachusetts General Laws with respect to that portion of the principal (\$4,595,000*) and interest payments that the Town has not voted to exempt from that limit.

Basis of Award: Lowest true interest cost (TIC) as of the dated date of the Bonds.

Tax Exemption: Refer to Tax Exemption and Appendix C – “Proposed Form of Legal Opinion” herein.

Continuing Disclosure: Refer to Continuing Disclosure and Appendix D – “Proposed Form of Continuing Disclosure Certificate” herein.

Bank Qualification: The Bonds will **NOT** be designated as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

Paying Agent: U.S. Bank Trust Company National Association, Boston, Massachusetts

Legal Opinion: Hinckley, Allen & Snyder LLP, Boston, Massachusetts.

Delivery and Payment: It is expected that the Bonds will be delivered to DTC, or the offices of its custodial agent, against payment to the account of the Town in Federal Reserve funds on or about January 21, 2026.

Issue Contacts: Christopher L. Sweet, Treasurer, Town of North Attleborough, Massachusetts
Tel. # (508) 699-0114
Lynne A. Foster-Welsh, Vice President, UniBank Fiscal Advisory Services, Inc.,
Tel. # (508) 849-4223
Kris A. Moussette, Esq., Hinckley, Allen & Snyder LLP, Boston, MA
Tel. # (617) 378-4194

Additional Information: Refer to the Preliminary Official Statement herein dated December 30, 2025.

NOTICE OF SALE

TOWN OF NORTH ATTLEBOROUGH Massachusetts

\$74,595,000*

GENERAL OBLIGATION MUNICIPAL PURPOSE LOAN OF 2026 BONDS

The Town of North Attleborough, Massachusetts (the “Town”), will receive electronic proposals until 11:00 a.m. (Eastern Standard Time), on Wednesday, January 7, 2026, at UniBank Fiscal Advisory Services, Inc., Whitinsville, Massachusetts, for the purchase of the following described Bonds:

\$74,595,000* **GENERAL OBLIGATION MUNICIPAL PURPOSE LOAN OF 2026 BONDS** payable March 15 of the years and in the amounts as follows:

<u>Due</u> <u>March 15</u>	<u>Principal</u> <u>Amount*</u>	<u>Due</u> <u>March 15</u>	<u>Principal</u> <u>Amount*</u>
2027	\$1,150,000	2042	\$2,585,000
2028	1,620,000	2043	2,685,000
2029	1,680,000	2044	2,785,000
2030	1,735,000	2045	2,895,000
2031	1,750,000	2046	3,010,000
2032	1,815,000	2047	2,935,000
2033	1,880,000	2048	3,060,000
2034	1,950,000	2049	3,190,000
2035	2,020,000	2050	3,325,000
2036	2,100,000	2051	3,470,000
2037	2,135,000	2052	3,615,000
2038	2,220,000	2053	3,770,000
2039	2,305,000	2054	3,930,000
2040	2,395,000	2055	4,095,000
2041	2,490,000		

**Preliminary, subject to change.*

Details of the Bonds

The Bonds will be dated January 21, 2026. Interest from the date of the Bonds will be payable on September 15, 2026, and semi-annually thereafter on each March 15 and September 15, until the final maturity of the Bonds or redemption prior to maturity. Principal of and interest on the Bonds will be paid as described below.

The Bonds will be issued by means of a book-entry system with no physical distribution of the Bonds made to the public. One certificate for each maturity of the Bonds will be issued to The Depository Trust Company, New York, New York (DTC), and immobilized in its custody. A book-entry system will be employed, evidencing ownership of the Bonds in principal amounts of \$5,000 or any integral multiple thereof, with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures adopted by DTC and its participants. The winning bidder, as a condition to delivery of the Bonds, shall be required to deposit the Bonds with DTC, registered in the name of Cede & Co. Principal of and interest on the Bonds will be payable to DTC or its nominee as registered owner of the Bonds. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC; transfer of principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. Neither the Town nor the Paying Agent will be responsible or liable for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

Bank Qualification

The Bonds will **not** be designated “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

Optional Redemption of the Bonds

The Bonds maturing in the years 2026 through 2033, inclusive, are not subject to redemption prior to their stated dates of maturity. Bonds maturing on and after March 15, 2034, are subject to redemption prior to maturity, at the option of the Town, on and after March 15, 2033, either in whole or in part at any time, and if in part, by lot within a maturity, at par plus accrued interest to the date set for redemption.

Term Bonds

For Bonds maturing on and after March 15, 2034, bidders may specify that all of the principal amount of such Bonds having two or more consecutive maturities, may in lieu of having separate maturity dates, be combined to comprise one or more term bonds, and shall be subject to mandatory redemption or mature at par as described above, in each of the years and in the principal amounts specified in the foregoing maturity schedule (which schedule is subject to change as described herein). Each mandatory redemption shall be allocated to the payment of the term bond having the nearest subsequent maturity date.

Term bonds, if any, shall be subject to mandatory redemption on March 15 in the year or years immediately prior to the stated maturity of such term bond (the particular Bonds of such maturity to be redeemed to be selected by lot), as indicated in the foregoing maturity schedule (which schedule is subject to change as described herein) at the principal amount thereof plus accrued interest to the redemption date, without premium.

Form of Bid and Basis of Award

Proposals must be submitted electronically through *i-Deal*®. If any provisions in this Notice of Sale conflict with information provided by *i-Deal*®, this Notice of Sale shall control. Further information about *i-Deal*®, including any fees charged, may be obtained from *i-Deal*® at (212) 849-5000. The Town assumes no responsibility or liability for bids submitted through *i-Deal*®. An electronic bid made in accordance with this Notice of Sale shall be deemed an irrevocable offer to purchase the Bonds in accordance with the terms provided in this Notice of Sale and shall be binding upon the bidder as if made by a signed and sealed written bid delivered to the Town.

A good faith deposit is not required.

Bidders shall state the rate or rates of interest per annum which the Bonds are to bear in a multiple of 1/8th or 1/20th of 1% but shall not state (a) more than one interest rate for any Bonds having a like maturity, and (b) any interest rate which exceeds the interest rate stated for any other Bonds by more than 3%.

Minimum bid of par plus a premium of no less than \$213,450.

As between proposals which comply with this Notice of Sale, the award will be to the bidder who offers to purchase all the Bonds at the lowest net effective interest rate to the Town. Such interest rate shall be determined on a true interest cost (TIC) basis, which shall mean that rate which, as of January 21, 2026, discounts semi-annually all future payments on account of principal and interest to the price bid, not including interest accrued to January 21, 2026, if any, which accrued interest shall be paid by the successful bidder. The award of the Bonds to the winning bidder will not be effective until the bid has been approved by the Treasurer and Town Manager. In the event that two or more bidders submit the same lowest true interest cost for the Bonds, the Town Treasurer shall determine the winning bidder by lot from among all such proposals.

Bond Insurance

The Town has not contracted for the issuance of any policy of municipal bond insurance for the Bonds. If the Bonds qualify for issuance of any such policy or commitment therefor, any purchase of such insurance or commitment shall be at the sole option and expense of the bidder. Proposals shall not be conditioned upon the issuance of any such policy or commitment. Any failure of the Bonds to be so insured or of any such policy or commitment to be issued shall not in any way relieve the purchaser of the contractual obligations arising from the acceptance of a proposal for the purchase of the Bonds. Should the successful bidder purchase municipal bond insurance, all expenses associated with such policy or commitment will be borne by the bidder, except for the fee paid to S&P Global Ratings for the rating of the Bonds. Any such fee paid to S&P Global Ratings would be borne by the Town.

Par Amount Subject to Change

Within the limits set forth herein, the Town reserves the right to adjust the aggregate principal amount of the Bonds, and to adjust the principal amount of individual maturities of the Bonds, even if the aggregate principal amount is unchanged. The purpose of such adjustments, if any, will be to limit the amount of bond proceeds, including premium, to the amount needed to fund the capital improvements being made in the Town, and to pay the costs of issuance and to do so without an over-issuance of Bonds as well as to maintain level debt service on an annual basis on the School Bonds. Any adjustment in either the aggregate principal amount or the individual maturities of the Bonds will be in an amount of \$5,000 or an integral multiple thereof and will be made to comply with the Town's objectives and to comply with the amortization requirements imposed by state law. **Bidders should be advised that bidding with a large premium could result in a reduction in the par amount of the Bonds.**

Immediately following the opening of the bids, the Town, acting through its Municipal Advisor, will contact the apparent successful bidder by telephone to obtain the initial reoffering prices of each maturity of the Bonds, the premium to be paid on account of bond insurance, if any, and other information relevant to the sale of the Bonds. The apparent successful bidder shall then immediately deliver to the Town written confirmation by email as to such reoffering prices and bond insurance premium, if any. Upon being supplied with such initial reoffering prices and bond insurance premiums, if any, the Town will determine the need to reduce the principal amount of bonds or otherwise re-allocate the principal maturities of the Bonds. The Town expects to advise the successful bidder as soon as possible, but no later than 3:00 p.m., Eastern Standard Time, on the date of the sale of the amount, if any, of any changes in either the aggregate principal amount (which changes will be allocated among several maturities of the Bonds in a manner to be specified by the Town) or individual maturities (assuming no changes in the aggregate principal amount of the Bonds).

The dollar amount bid by the successful bidder will be adjusted to reflect any adjustment in the aggregate principal amount of the Bonds to be issued. The adjusted bid price will reflect changes in the dollar amount of the underwriter's discount and original issue discount/premium, if any, but will not change the per-bond underwriter's discount as calculated from the bid and reoffering prices required to be delivered to the Town as stated herein. The successful bidder may not withdraw its bid or change the interest rates bid or initial reoffering prices as a result of any changes made to the principal amounts within these limits.

Establishment of Issue Price

The successful bidder shall assist the Town in establishing the issue price of the Bonds and shall execute and deliver to the Town on the Closing Date an "issue price" or similar certificate, in the applicable form set forth in Exhibit 1 to this Notice of Sale, setting forth the reasonably expected initial offering prices to the public or the sales price of the Bonds together with the supporting pricing wires or equivalent communications, or, if applicable, the amount bid, with such modifications as may be appropriate or necessary, in the reasonable judgment of the successful bidder, the Town and Bond Counsel. All actions to be taken by the Town under this Notice of Sale to establish the issue price of the Bonds may be taken on behalf of the Town by UniBank Fiscal Advisory Services, Inc. (the "Municipal Advisor") and any notice or report to be provided to the Town may be provided to the Municipal Advisor.

Competitive Sale Requirements. If the competitive sale requirements (“competitive sale requirements”) set forth in Treasury Regulation § 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Bonds) have been satisfied, the Town will furnish to the successful bidder on the Closing Date a certificate of the Municipal Advisor, which will certify each of the following conditions to be true:

1. the Town has disseminated this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
2. all bidders had an equal opportunity to bid;
3. the Town received bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
4. the Town awarded the sale of the Bonds to the bidder who submitted a firm offer to purchase the Bonds at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Bonds, as specified in the bid. Unless a bidder notifies the Town prior to submitting its bid via Parity or email to the Municipal Advisor (lynne.welsh@unibank.com), that it will not be an “underwriter” (as defined herein) of the Bonds, by submitting its bid, each bidder shall be deemed to confirm that it has an established industry reputation for underwriting new issuances of municipal bonds. Unless the bidder has notified the Town that it will not be an “underwriter” (as defined herein) of the Bonds, in submitting a bid, each bidder is deemed to acknowledge that it is an “underwriter” that intends to reoffer the Bonds to the public.

In the event that the competitive sale requirements are not satisfied, the Town shall so advise the successful bidder.

Failure to Meet the Competitive Sale Requirements – Option A – The Successful Bidder Intends to Reoffer the Bonds to the Public and the 10% Test to Apply. If the competitive sale requirements are not satisfied and the successful bidder intends to reoffer the Bonds to the public, the successful bidder may, at its option, use the first price at which 10% of a maturity of the Bonds (the “10% test”) is sold to the public as the issue price of that maturity, applied on a maturity-by-maturity basis, of the Bonds. The successful bidder shall advise the Municipal Advisor if any maturity of the Bonds satisfies the 10% test as of the date and time of the award of the Bonds. The Town will not require bidders to comply with the “hold-the-offering-price rule” set forth in the applicable Treasury Regulations and therefore does not intend to use the initial offering price to the public as of the Sale Date of any maturity of the Bonds as the issue price of that maturity, if the competitive sale requirements are not met.

If the competitive sale requirements are not satisfied, then until the 10% test has been satisfied as to each maturity of the Bonds or all of the Bonds are sold to the public, the successful bidder agrees to promptly report to the Municipal Advisor the prices at which the unsold Bonds of each maturity have been sold to the public, which reporting obligation shall continue, whether or not the Closing Date has occurred, until the 10% test has been satisfied for each maturity of the Bonds or until all the Bonds of a maturity have been sold. The successful bidder shall be obligated to report each sale of Bonds to the Municipal Advisor until notified in writing by the Town or the Municipal Advisor that it no longer needs to do so. If the Successful Bidder uses Option A, the Successful Bidder shall provide to the Town on or before the closing date the certificate attached to this Notice of Sale as Exhibit 1-Option A.

By submitting a bid and if the competitive sale requirements are not met, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, to report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the successful bidder that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public, if and for so long as directed by the successful bidder and as set forth in the related pricing wires and (ii) any agreement among underwriters relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to report the

prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the successful bidder or such underwriter that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public if and for so long as directed by the successful bidder or such underwriter and as set forth in the related pricing wires.

Sales of any Bonds to any person that is a related party to an underwriter shall not constitute sales to the public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

“public” means any person other than an underwriter or a related party,

“underwriter” means (A) any person, including the Successful Bidder, that agrees pursuant to a written contract with the Town (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the public), and

“related party” – a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

Failure to Meet the Competitive Sale Requirements – Option B – The Successful Bidder Intends to Reoffer the Bonds to the Public and Agrees to Hold the Price of Maturities of Bonds for Which the 10% Test in Option A Is Not Met as of the Sale Date. The successful bidder may, at its option, notify the Municipal Advisor in writing, which may be by email (the “Hold the Price Notice”), not later than 4:00 p.m. (Eastern Standard Time) on the Sale Date, that it has not sold 10% of the maturities of the Bonds listed in the Hold the Price Notice (the “Unsold Maturities”) and that the successful bidder will not offer the Unsold Maturities to any person at a price that is higher than the initial offering price to the public during the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date or (ii) the date on which the successful bidder has sold at least 10% of the applicable Unsold Maturity to the public at a price that is no higher than the initial offering price to the public. If the successful bidder delivers a Hold the Price Notice to the Municipal Advisor, the successful bidder must provide to the Issuer on or before the Closing Date, in addition to the certification described in Option A above, evidence that each underwriter of the Bonds, including underwriters in an underwriting syndicate or selling group, has agreed in writing to hold the price of the Unsold Maturities in the manner described in the preceding sentence.

Failure to Meet the Competitive Sale Requirements and/or the Successful Bidder Does Not Intend to Reoffer the Bonds to the Public – Option C. If the successful bidder has purchased the Bonds for its own account and will not distribute, reoffer or resell the Bonds to the public, then, whether or not the competitive sale requirements were met, the reoffering price certificate will recite such facts and identify the price or prices at which the purchase of the Bonds was made.

Legal Opinion

The legality of the Bonds will be approved by Hinckley, Allen & Snyder LLP, Boston, Massachusetts, whose opinion will be furnished to the purchaser without charge.

The scope of engagement of Bond Counsel does not extend to passing upon or assuming responsibility for the accuracy or adequacy of any statements made in this Official Statement other than matters expressly set forth as their opinion and they make no representation that they have independently verified the same.

Documents to be Delivered at Closing

It shall be a condition to the obligation of the successful bidder to accept delivery of and pay for the Bonds that the bidder shall be furnished, without cost, with (a) the approving opinion of the firm of Hinckley, Allen & Snyder LLP, Boston, Massachusetts, substantially in the form presented in Appendix C of the Preliminary Official Statement dated December 30, 2025, included herein, (b) a certificate in form satisfactory to said firm dated as of January 21, 2026, the delivery date of the Bonds and receipt of payment therefor, to the effect that there is no litigation pending or, to the knowledge of the signers thereof, threatened affecting the validity of the Bonds or the power of the Town to levy and collect taxes to pay them, (c) a certificate of the Town Treasurer to the effect that, to the best of his knowledge and belief, the Preliminary Official Statement did not, as of its date and the date of sale, and the Final Official Statement referred to below, did not as of its date and does not as of the date of delivery of the Bonds, contain any untrue statement of a material fact and does not omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading; and (d) a Continuing Disclosure Certificate substantially in the form presented in Appendix D of the Preliminary Official Statement dated December 30, 2025, included herein.

CUSIP Identification Numbers

It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bond, nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the Bonds. The Town assumes no responsibility for any CUSIP Service Bureau or other charge that may be imposed for the assignment of such numbers.

Continuing Disclosure

In order to assist bidders in complying with Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission, the Town will undertake to provide annual reports and notices of certain significant events. A description of this undertaking is set forth in the Preliminary Official Statement.

Delivery

The Bonds, in definitive form, will be delivered to the purchaser at DTC, or the offices of its custodial agent, on or about January 21, 2026, against payment in federal reserve funds.

Additional Information and Copies of the Official Statement

Additional information concerning the Town and the Bonds is contained in the Preliminary Official Statement dated December 30, 2025, to which prospective bidders are directed. The Preliminary Official Statement is provided for informational purposes only and is not a part of this Notice of Sale. Such Preliminary Official Statement is deemed final by the Town as of its date for purposes of SEC Rule 15c2-12(b)(1). Copies of the Preliminary Official Statement may be obtained from Lynne A. Foster-Welsh, Vice President, UniBank Fiscal Advisory Services, Inc., 49 Church Street, Whitinsville, Massachusetts 01588, telephone (508) 849-4223. Within seven (7) business days following award of the Bonds in accordance herewith, up to ten (10) copies of a Final Official Statement will be furnished to the successful bidder. Additional copies may be obtained at the purchaser's expense.

The right is reserved to reject any or all bids and to reject any bid not complying with this Notice of Sale and, so far as permitted by law, to waive any irregularity with respect to any proposal.

**TOWN OF NORTH ATTLEBOROUGH,
MASSACHUSETTS**

/s/ Christopher L. Sweet
Treasurer

Dated: December 30, 2025

[Issue Price Certificate for Use If the Competitive Sale Requirements Are Met]

Town of North Attleborough Massachusetts
\$74,595,000* General Obligation Municipal Purpose Loan of 2026 Bonds
Dated- January 21, 2026

ISSUE PRICE CERTIFICATE AND RECEIPT

The undersigned, on behalf of _____ (the “Successful Bidder”), hereby certifies as set forth below with respect to the sale of the above-captioned obligations (the “Bonds”) of the Town of North Attleborough, Massachusetts (the “Issuer”).

1. Reasonably Expected Initial Offering Prices.

(a) As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by the Successful Bidder are the prices listed in Schedule A (the “Expected Offering Prices”). The Expected Offering Prices are the prices for the Maturities of the Bonds used by the Successful Bidder in formulating its bid to purchase the Bonds. Attached as Schedule B is a true and correct copy of the bid provided by the Successful Bidder to purchase the Bonds.

(b) The Successful Bidder was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by the Successful Bidder constituted a firm offer to purchase the Bonds.

2. Defined Terms.

(a) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(b) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(c) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is January 7, 2026.

(d) *Underwriter* means (i) any person, including the Successful Bidder, that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

3. Receipt. The Successful Bidder hereby acknowledges receipt of the Bonds and further acknowledges receipt of all certificates, opinions, and other documents required to be delivered to the Successful Bidder, before or simultaneously with the Bonds, which certificates, opinions, and other documents are satisfactory to the Successful Bidder.

**Preliminary, subject to change.*

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Successful Bidders interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Hinckley, Allen & Snyder LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

Dated: _____, 2026

NAME OF SUCCESSFUL BIDDER

By: _____

Name:

Title:

SCHEDULE A
EXPECTED OFFERING PRICES
(To Be Attached)

SCHEDULE B
COPY OF SUCCESSFUL BIDDER'S BID
(To Be Attached)

**[Issue Price Certificate for Use If the Competitive Sale Requirements Are
Not Met and the 10% Test is Used]**

**Town of North Attleborough, Massachusetts
\$74,595,000* General Obligation Municipal Purpose Loan of 2026 Bonds
Dated -January 21, 2026**

ISSUE PRICE CERTIFICATE AND RECEIPT

The undersigned, on behalf of _____, (the “[Successful Bidder][Representative]”), on behalf of itself [and [NAMES OF OTHER UNDERWRITERS]] hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Bonds”) of the Town of North Attleborough, Massachusetts (the “Issuer”).

1. Sale of the Bonds. As of the date of this certificate, [except as set forth in following paragraph,] for each Maturity of the Bonds, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in Schedule A.

[Only use the next paragraph if the 10% test has not been met or all of the Bonds have not been sold for one or more Maturities of Bonds as of the Closing Date.]

For each Maturity of the Bonds as to which no price is listed in Schedule A, as set forth in the Notice of Sale for the Bonds, until at least 10% of each such Maturity of the Bonds is sold to the Public (the “10% test”) or all of the Bonds are sold to the Public, the [Successful Bidder][Representative] agrees to promptly report to the Issuer’s Municipal Advisor, UniBank Fiscal Advisory Services, Inc. (the “Municipal Advisor”) the prices at which the unsold Bonds of each Maturity have been sold to the Public, which reporting obligation shall continue after the date hereof until the 10% test has been satisfied for each Maturity of the Bonds or until all the Bonds of a Maturity have been sold. The [Successful Bidder][Representative] shall continue to report each sale of Bonds to the Municipal Advisor until notified by email or in writing by the Issuer or the Municipal Advisor that it no longer needs to do so.

2. Defined Terms.

(a) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(b) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(c) *Underwriter* means (i) any person, including the [Successful Bidder][Representative], that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

3. Receipt. The [Successful Bidder][Representative] hereby acknowledges receipt of the Bonds and further acknowledges receipt of all certificates, opinions, and other documents required to be delivered to the [Successful Bidder][Representative], before or simultaneously with the Bonds, which certificates, opinions, and other documents are satisfactory to the [Successful Bidder][Representative].

* Preliminary, subject to change.

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the [Successful Bidder's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Hinckley, Allen & Snyder LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

Dated: _____, 2026

SUCCESSFUL BIDDER

By: _____

Name:

Title:

SALE PRICES
(To be Attached)

SCHEDULE A

**Issue Price Certificate for Use If the Competitive Sale Requirements Are
Not Met and the Hold the Price Rule Is To Apply**

**Town of North Attleborough, Massachusetts
\$74,595,000* General Obligation Municipal Purpose Loan of 2026 Bonds
Dated – January 21, 2026**

ISSUE PRICE CERTIFICATE AND RECEIPT

The undersigned, on behalf of _____ (the (“Successful Bidder”), on behalf of itself [and [NAMES OF OTHER UNDERWRITERS]] hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Bonds”) of the Town of North Attleborough, Massachusetts (the “Issuer”).

1. Sale of the Bonds. As of the date of this certificate, [except as set forth in following paragraph,] for each Maturity of the Bonds, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in Schedule A.

[Only use the next paragraph if the 10% test has not been met as of the Sale Date.]

For each Maturity of the Bonds as to which no price is listed in Schedule A (the “Unsold Maturities”), as set forth in the Notice of Sale for the Bonds, the Successful Bidder and any other Underwriter did not [and will not] reoffer the Unsold Maturities to any person at a price that is higher than the initial offering price to the public until the earlier of (i) _____, 2026 or (ii) the date on which the Successful Bidder or any other Underwriter sold at least 10% of each Unsold Maturity at a price that is no higher than the initial offering price to the Public.

2. Defined Terms.

(a) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(b) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(c) *Underwriter* means (i) any person, including the [Successful Bidder][Representative], that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

3. Receipt. The Successful Bidder hereby acknowledges receipt of the Bonds and further acknowledges receipt of all certificates, opinion and other documents required to be delivered to the Successful Bidder, before or simultaneously with the delivery of the Bonds, which certificates, opinions and other documents are satisfactory to the Successful Bidder.

**Preliminary, subject to change.*

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Successful Bidder's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Hinckley, Allen & Snyder LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

Dated: _____, 2026

SUCCESSFUL BIDDER

By: _____

Name:

Title:

SCHEDULE A

SALE PRICES

(To be Attached)

OFFICIAL STATEMENT

**TOWN OF NORTH ATTLEBOROUGH
MASSACHUSETTS**

\$73,170,000

GENERAL OBLIGATION MUNICIPAL PURPOSE LOAN OF 2026 BONDS

INTRODUCTION

This Official Statement is provided for the purpose of presenting certain information relating to the Town of North Attleborough, Massachusetts (the “Town”) in connection with the sale of \$73,170,000 General Obligation Municipal Purpose Loan of 2026 Bonds dated January 21, 2026 (the “Bonds”).

The Bonds are being offered for sale at public bidding and a Notice of Sale dated December 30, 2025, has been furnished to prospective bidders. Reference is hereby made to the Notice of Sale for the terms and conditions of bidding.

The Bonds will be general obligations of the Town for which its full faith and credit are pledged. They are not guaranteed by The Commonwealth of Massachusetts (the “Commonwealth”) or any other entity. The security for the Bonds is more fully described under the caption Security and Remedies herein. See also the caption Opinion of Bond Counsel.

Questions regarding information contained in this Official Statement or other matters should be directed to the following: Christopher L. Sweet, Treasurer, Town of North Attleborough, Massachusetts (508) 699-0114; Lynne A. Foster-Welsh, Vice President, UniBank Fiscal Advisory Services, Inc., (508) 849-4223; or Kris A. Moussette, Esq., Hinckley, Allen & Snyder LLP (617) 378-4194.

The information contained herein has been obtained from the sources indicated or from the Town.

PART I

THE BONDS

DESCRIPTION OF THE BONDS

The Bonds will be dated January 21, 2026 and will mature on March 15 of the years and in the principal amounts as follows:

<u>Due</u> <u>March 15</u>	<u>Principal</u> <u>Amount</u>	<u>Due</u> <u>March 15</u>	<u>Principal</u> <u>Amount</u>
2027	\$1,100,000	2038	\$2,220,000
2028	1,545,000	2039	2,295,000
2029	1,605,000	2040	2,410,000
2030	1,670,000	2041	2,470,000
2031	1,690,000	2042	2,560,000
2032	1,760,000	2043	2,655,000
2033	1,835,000	2046	2,960,000
2034	1,915,000	2047	2,895,000
2035	1,995,000	2048	3,010,000
2036	2,085,000	2049	3,130,000
2037	2,185,000		

\$5,615,000 Term Bonds maturing March 15, 2045 at 4.000% per annum, at 4.000% yield. 2A4
\$10,180,000 Term Bonds maturing March 15, 2052 at 4.125% per annum, at 4.300% yield. 2H9
\$11,385,000 Term Bonds maturing March 15, 2055 at 4.125% per annum, at 4.350% yield. 2L0

The Bonds will bear interest at the rate or rates per annum specified by the successful bidder. The Bonds are subject to redemption prior to maturity as described herein.

Principal and semi-annual interest will be paid by U.S. Bank Trust Company, National Association, Boston, Massachusetts, or its successor acting as paying agent (the "Paying Agent") for the Town. Interest from the date of the Bonds will be payable on September 15, 2026, and semi-annually thereafter on each March 15 and September 15 until maturity or redemption prior to maturity. So long as DTC or its nominee, Cede & Co., is the Bondowner, such payments of principal of and interest on the Bonds will be made directly to such Bondowner. Disbursement of such payments to the DTC Participants is the responsibility of DTC and disbursement of such payments to the Beneficial Owners is the responsibility of the DTC Participants and Indirect Participants, as more fully described herein.

The Bonds are issuable only in fully registered form without coupons, and, when issued, will be registered in the name of Cede & Co., as Bondowner and nominee for DTC. DTC will act as securities depository for the Bonds. Purchases of the Bonds will be made in book-entry form, in the denomination of \$5,000 or any integral multiple thereof. Purchasers will not receive certificates representing their interest in Bonds purchased. So long as Cede & Co. is the Bondowner, as nominee of DTC, references herein to the Bondowners or registered owner shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners (as defined herein) of the Bonds. (See "Book-Entry Transfer System" herein.)

RECORD DATE

The record date for each payment of interest on the Bonds (the "Record Date") is the last business day of the month preceding the interest payment date, provided that, under certain circumstances, the Paying Agent may establish a special record date. The special record date may not be more than twenty (20) days before the date set for payment. The Paying Agent will mail notice of a special record date to the bondholders at least ten (10) days before the special record date.

BOOK-ENTRY TRANSFER SYSTEM

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One-fully registered certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has an S&P Global Ratings rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of securities deposited with DTC must be made by or through Direct Participants, which will receive a credit for such securities on DTC's records. The ownership interest of each actual purchaser of each security deposited with ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in securities deposited with DTC are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in securities deposited with DTC, except in the event that use of the book-entry system for such securities is discontinued.

To facilitate subsequent transfers, all securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as requested by an authorized representative of DTC. The deposit of securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the securities deposited with DTC; DTC's records reflect only the identity of the Direct Participants to whose accounts such securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices for the Bonds shall be sent to DTC. If less than all of a maturity is being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent to vote with respect to securities held by DTC unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the issuer of securities or its paying agent as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts such securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on securities deposited with DTC will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the issuer of such securities or its paying agent, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC (nor its nominee), the issuer of such securities or its paying agent, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the issuer of such securities or its paying agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the Town or its paying agent. Under such circumstances, in the event that a successor depository is not obtained, physical certificates are required to be printed and delivered to the Beneficial Owners.

The Town may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, physical certificates will be printed and delivered to Beneficial Owners.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Town believes to be reliable, but the Town takes no responsibility for the accuracy thereof.

DTC PRACTICES

The Town can make no assurances that DTC, Direct Participants, Indirect Participants or other nominees of the Beneficial Owners of the Bonds will act in a manner described in this Official Statement. DTC is required to act according to rules and procedures established by DTC and its participants which are on file with the Securities and Exchange Commission.

AUTHORIZATION AND USE OF PROCEEDS

The Bonds consist of the following amounts and authorizations:

\$68,880,000 par amount of the Bonds is authorized under Chapter 44, Section 7(1) and 70B, of the Massachusetts General Laws, as amended, and a vote of the Town Council on June 23, 2025 (Measure 2025-100) and vote of the Town on June 3, 2025 (Question 1) for the construction of a new North Attleborough High School. The total authorization is for \$287,861,098. The Town expects to receive a Massachusetts School Building Authority grant for 62.54% of eligible project cost. To date, the Town has received MSBA grants in the amount of \$1,682,719. **The Town has voted to exclude the debt service on the Bonds from the provisions of Proposition 2 ½;**

\$1,405,000 par amount of the Bonds is authorized under Chapter 44, Section 7(1), of the Massachusetts General Laws, as amended, and a vote of the Town Council passed on June 9, 2025 (Measure 2025-074) for the Sewer Department's main building roof replacement;

\$1,125,000 par amount of the Bonds is authorized under Chapter 44, Section 7(1), of the Massachusetts General Laws, as amended, and a vote of the Town Council passed on June 9, 2025 (Measure 2025-074) for the Sewer Department's sludge thickening system;

\$360,000 par amount of the Bonds is authorized under Chapter 44, Section 8(14), of the Massachusetts General Laws, as amended, and a vote of the Town Council passed on June 9, 2025 (Measure 2025-074) for the Sewer Department's pump station rehabilitation program;

\$120,000 par amount of the Bonds is authorized under Chapter 44, Section 8(14) of the Massachusetts General Laws, as amended, and a vote of the Town Council passed on June 9, 2025 (Measure 2025-074) for the Sewer Department's sewer plant water pump relocation project;

\$80,000 par amount of the Bonds is authorized under Chapter 44, Section 7(1), of the Massachusetts General Laws, as amended, and a vote of the Town Council passed on June 9, 2025 (Measure 2025-074) for a Sewer Department vehicle;

\$840,000 par amount of the Bonds is authorized under Chapter 44, Section 8(5), of the Massachusetts General Laws, as amended, and a vote of the Town Council passed on June 9, 2025 (Measure 2025-073) for water main replacements, and

\$360,000 par amount of the Bonds is authorized under Chapter 44, Section 8(4), of the Massachusetts General Laws, as amended, and a vote of the Town Council passed on June 9, 2025 (Measure 2025-073) for the McKeon greensand filter media replacement.

All sewer and water debt is expected to be paid from rates and charges.

Bond proceeds may be transferred or re-appropriated to other capital projects or otherwise as permitted by Chapter 44 of the General Laws and applicable federal tax law.

OPTIONAL REDEMPTION

The Bonds maturing in the years 2026 through 2033, inclusive, are not subject to redemption prior to their stated dates of maturity. The Bonds maturing on and after March 15, 2034, are subject to redemption prior to their stated dates of maturity, at the option of the Town, on and after March 15, 2033, either in whole or in part at any time, and if in part, by lot within a maturity, at par plus accrued interest to the date set for redemption.

MANDATORY REDEMPTION

The Bonds maturing on March 15, 2045, 2052, and 2055, the “Term Bonds”, will be subject to mandatory redemption on March 15 in each year or years immediately prior to the stated maturity of such Term Bonds (the particular portion of the Term Bonds of such maturity to be redeemed to be selected by lot) as indicated herein.

The Bonds maturing on March 15, 2045 are subject to mandatory redemption or mature on March 15 in each of the years 2044 and 2045, inclusive, at the price of par, plus accrued interest to the redemption date, in the principal amounts as follows:

<u>Year</u>	<u>Principal Amount</u>
2044	\$2,755,000
2045 [†]	2,860,000

The Bonds maturing on March 15, 2052 are subject to mandatory redemption or mature on March 15 in each of the years 2050, 2051, and 2052, inclusive, at the price of par, plus accrued interest to the redemption date, in the principal amounts as follows:

<u>Year</u>	<u>Principal Amount</u>
2050	\$3,260,000
2051	3,390,000
2052 [†]	3,530,000

The Bonds maturing on March 15, 2055 are subject to mandatory redemption or mature on March 15 in each of the years 2053, 2054, and 2055, inclusive, at the price of par, plus accrued interest to the redemption date, in the principal amounts as follows:

<u>Year</u>	<u>Principal Amount</u>
2053	\$3,670,000
2054	3,830,000
2055 [†]	3,885,000

[†] Denotes final maturity.

NOTICE OF REDEMPTION

So long as DTC is the registered owner of the Bonds, notice of any redemption of Bonds, prior to their maturities, specifying the Bonds (or portions thereof) to be redeemed shall be mailed to DTC or sent in such manner acceptable to DTC, not more than 60 days nor less than 30 days prior to the redemption date. Any failure on the part of DTC to notify the DTC Participants of the redemption or failure on the part of the DTC Participants or of a nominee of a Beneficial Owner (having received notice from a DTC Participant or otherwise) to notify the Beneficial Owner shall not affect the validity of the redemption. If moneys for the redemption are held by the Paying Agent on the redemption date and if notice of the redemption shall have been duly mailed, then from and after the redemption date interest on the Bonds (or portions thereof) called for redemption shall cease to accrue.

SECURITY AND REMEDIES

Full Faith and Credit. General obligation bonds and notes of a Massachusetts city or town constitute a pledge of its full faith and credit, and nothing shall exempt a city or town from its liability to pay debts contracted for purposes for which it may lawfully expend money. Payment is not limited to a particular fund or revenue source. Except for “qualified bonds” as described below (see “INDEBTEDNESS - Types of Obligations – General Obligations - *Serial Bonds and Notes*”) and setoffs of state distributions as described below (see “State Distributions” herein), no provision is made by the Massachusetts statutes for priorities among bonds and notes and other general obligations, although the use of certain moneys may be restricted as described below (see “Restricted Funds” herein).

Tax Levy. The Massachusetts statutes direct the municipal assessors to include annually in the tax levy for the next fiscal year “all debt and interest charges matured and maturing during the next fiscal year and not otherwise provided for [and] all amounts necessary to satisfy final judgments.” Specific provision is also made for including in the next tax levy payment of rebate amounts not otherwise provided for and payment of notes in anticipation of federal or state aid if the aid is no longer forthcoming.

The total amount of a tax levy is limited by statute. However, the voters in each municipality may vote to exclude from the limitation any amounts required to pay debt service on specific bond issues. (See “PROPERTY TAXATION - Tax Limitations” herein.)

No Lien. Except for taxes on the increased value of certain property in designated development districts which may be pledged for the payment of debt service on bonds issued to finance economic development projects within such districts, no provision is made for a lien on any portion of the tax levy or any other funds of the Town to secure particular bonds or notes or bonds and notes generally (or judgments on bonds or notes) in priority to other claims. Provision is made, however, for borrowing to pay judgments, subject to the General Debt Limit (see “Debt Limits” herein). Subject to the approval of the State Director of Accounts for judgments above \$10,000, judgments may also be paid from available funds without appropriation and included in the next tax levy unless other provision is made.

Court Proceedings. Massachusetts cities and towns are subject to suit on their general obligation bonds and notes and courts of competent jurisdiction have power in appropriate proceedings to order payment of a judgment on the bonds or notes from lawfully available funds or, if necessary, to order the city or town to take lawful action to obtain the required money, including the raising of it in the next annual tax levy, within the limits prescribed by law. In exercising their discretion as to whether to enter such an order, the courts could take into account all relevant factors including the current operating needs of the city or town and the availability and adequacy of other remedies. The Massachusetts Supreme Judicial Court has stated in the past that a judgment against a municipality can be enforced by the taking and sale of the property of any inhabitant. However, there has been no judicial determination as to whether this remedy is constitutional under current due process and equal protection standards.

Restricted Funds. Massachusetts statutes also provide that certain water, gas and electric, community antenna television system, telecommunications, sewer, parking meter, passenger ferry, affordable housing, ambulance, recreational facility, handicap parking and cable television receipts may be used only for costs related to those respective purposes; accordingly, moneys derived from these sources may be unavailable to pay general obligation bonds and notes issued for other purposes. A city or town that accepts certain other statutory provisions may establish an enterprise fund for a utility, cable television public access, health care, recreation or transportation facility; under those provisions any surplus in the fund is restricted to use for capital expenditures or reduction of user charges. In addition, subject to certain limits, a city or town may annually authorize the establishment of one or more revolving funds in connection with use of certain revenues for programs that produce those

revenues; interest earned on a revolving fund is treated as general fund revenue. A city or town may also establish an energy revolving loan fund to provide loans to owners of privately-held property in the city or town for certain energy conservation and renewable energy projects, and may borrow to establish such a fund. The loan repayments and interest earned on the investment of amounts in the fund shall be credited to the fund. Also, the annual allowance for depreciation of a gas and electric plant or a community antenna television and telecommunications system is restricted to use for plant or system renewals and improvements, for nuclear decommissioning costs, and costs of contractual commitments, or, with the approval of the State Department of Public Utilities, to pay debt incurred for plant or system reconstruction or renewals. If a city or town has adopted the Community Preservation Act (the “CPA”), revenues from the surcharge on the real property tax, state matching funds and other amounts dedicated or received for deposit in the community preservation fund may only be expended or reserved for community preservation purposes permitted by that Act. (See “PROPERTY TAXATION – Community Preservation Act” herein.) In addition, property tax revenues generated from increased property value in certain development districts established by a city or town may be dedicated to a development program fund to pay costs related to projects within the development district. (See “FINANCES – Tax Increment Financing for Development Districts” below.) Grants or gifts of funds to a city or town may only be expended for the purposes of such grants or gifts. Revenue bonds and notes issued in anticipation of them may be secured by a prior lien on specific revenues. (See “INDEBTEDNESS – Types of Obligations – Revenue Bonds” herein.) Receipts from industrial users in connection with industrial revenue financings are also not available for general municipal purposes.

State Distributions. State grants and distributions may in some circumstances be unavailable to pay general obligation bonds and notes of a city or town in that the State Treasurer is empowered to deduct from such grants and distributions the amount of any debt service paid on “qualified bonds” (see “INDEBTEDNESS – Types of Obligations – General Obligations - Serial Bonds and Notes” herein) and any other sums due and payable by the city or town to the Commonwealth or certain other public entities, including any unpaid assessments for costs of any public transportation authority (such as the Massachusetts Bay Transportation Authority or a regional transit authority) of which it is a member, for costs of the Massachusetts Water Resources Authority if the city or town is within the territory served by the Authority, for any amount due to the Massachusetts School Building Authority, or for charges necessary to meet obligations issued to the Massachusetts Clean Water Trust, including obligations issued by another local governmental unit that provides wastewater collection or treatment services or drinking water services to the city or town.

If a city or town is (or is likely to be) unable to pay principal or interest on its bonds or notes when due, it is required to notify the State Commissioner of Revenue. The Commissioner shall in turn, after verifying the inability, certify the inability to the State Treasurer. The State Treasurer shall pay the due or overdue amount to the paying agent for the bonds or notes, in trust, within three days after the certification or one business day prior to the due date (whichever is later). This payment is limited, however, to the estimated amount otherwise distributable by the Commonwealth to the city or town during the remainder of the fiscal year (after the deductions mentioned in the foregoing paragraph). If for any reason any portion of the certified sum has not been paid at the end of the fiscal year, the State Treasurer shall pay it as soon as practicable in the next fiscal year to the extent of the estimated distributions for that fiscal year. The sums so paid shall be charged (with interest and administrative costs) against the distributions to the city or town.

The foregoing does not constitute a pledge of the faith and credit of the Commonwealth. The Commonwealth has not agreed to maintain existing levels of state distributions, and the direction to use estimated distributions to pay debt service may be subject to repeal by future legislation. Moreover, adoption of the annual appropriation act has sometimes been delayed beyond the beginning of the fiscal year and estimated distributions which are subject to appropriation may be unavailable to pay local debt service until they are appropriated.

Bankruptcy. Enforcement of a claim for payment of principal or interest on general obligation bonds or notes would be subject to the applicable provisions of federal bankruptcy laws and to the provisions of other statutes, if any, hereafter enacted by the Congress or the Massachusetts legislature extending the time for payment or imposing other constraints upon enforcement insofar as the same may be constitutionally applied. Massachusetts municipalities are not generally authorized by the Massachusetts General Laws to file a petition for bankruptcy under federal bankruptcy laws. In cases involving significant financial difficulties faced by a single city or town, however, the Commonwealth has enacted special legislation to permit the appointment of a fiscal overseer, finance control board or, in the most extreme cases, a state receiver. In a limited number of these situations, such special legislation has also authorized the filing of federal bankruptcy proceedings, with the prior approval of the Commonwealth. In each case where such authority was granted, it expired at the termination of the Commonwealth’s oversight of the financially distressed city or town. To date, no such filings under federal bankruptcy laws have been approved or made.

OPINION OF BOND COUNSEL

A copy of the legal opinion of the firm of Hinckley, Allen & Snyder LLP, of Boston, Massachusetts (see Appendix C), will be furnished to the successful bidder. The opinion will be dated and given on and will speak only as of the date of original delivery of the Bonds.

The scope of engagement of Bond Counsel does not extend to passing upon or assuming responsibility for the accuracy or adequacy of any statements made in this Official Statement other than matters expressly set forth as their opinion and they make no representation that they have independently verified the same.

TAX EXEMPTION

In the opinion of Hinckley, Allen & Snyder LLP, Bond Counsel to the Town (“Bond Counsel”), based upon an analysis of existing laws, regulations, rulings, and court decisions, and assuming, among other matters, compliance with certain covenants, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”). Bond Counsel is of the further opinion that interest on the Bonds is not a specific preference item for purposes of the federal alternative minimum tax, although Bond Counsel observes that under Section 56A of the Code such interest will be included in the computation of “adjusted financial statement income” of applicable corporations (as defined in Section 59(k) of the Code) and accordingly will be taken into account in the computation of the alternative minimum tax applicable to such corporations. Bond Counsel expresses no opinion regarding any other federal tax consequences arising with respect to the ownership or disposition of, or the accrual or receipt of interest on, the Bonds. The Bonds are **not** designated as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code.

The Code imposes various requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Bonds. Failure to comply with these requirements may result in interest on the Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Bonds. The Town has covenanted to comply with such requirements to ensure that interest on the Bonds will not be included in federal gross income. The opinion of Bond Counsel assumes compliance with these requirements.

Bond Counsel is also of the opinion that, under existing law, interest on the Bonds is exempt from Massachusetts personal income taxes, and the Bonds are exempt from Massachusetts personal property taxes. Bond Counsel has not opined as to other Massachusetts tax consequences arising with respect to the Bonds. Prospective Bondholders should be aware, however, that the Bonds are included in the measure of Massachusetts estate and inheritance taxes, and the Bonds and the interest thereon are included in the measure of certain Massachusetts corporate excise and franchise taxes. Bond Counsel expresses no opinion as to the taxability of the Bonds or the income therefrom or any other tax consequences arising with respect to the Bonds under the laws of any state other than Massachusetts.

To the extent the issue price of any maturity of the Bonds is less than the amount to be paid at maturity of such Bonds (excluding amounts stated to be interest and payable at least annually over the term of such Bonds), the difference constitutes “original issue discount,” the accrual of which, to the extent properly allocable to each owner thereof, is treated as interest on the Bonds which is excluded from gross income for federal income tax purposes and is exempt from Massachusetts personal income taxes. In general, the issue price of a particular maturity of the Bonds is the first price at which a substantial amount of such maturity of the Bonds is sold to the public. The original issue discount with respect to any maturity of the Bonds accrues daily over the term to maturity of such Bonds on the basis of a constant interest rate compounded semi-annually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Bonds to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Bonds. Bondholders should consult their own tax advisors with respect to the tax consequences of ownership of Bonds with original issue discount, including the treatment of purchasers who do not purchase such Bonds in the original offering to the public at the issue price established therefor.

Bonds purchased, whether at original issuance or otherwise, for an amount greater than the stated principal amount to be paid at maturity of such Bonds, or, in some cases, at the earlier redemption date of such Bonds (“Premium Bonds”), will be treated as having amortizable bond premium for federal income tax purposes and Massachusetts personal income tax purposes. No deduction is allowable for the amortizable bond premium in the case of obligations, such as the Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, a Bondholder’s basis in a Premium Bond will be reduced by the amount of amortizable bond premium properly allocable to such Bondholder. Holders of Premium Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Bonds may adversely affect the value of, or the tax status of interest on, the Bonds.

Prospective Bondholders should be aware that from time to time legislation is or may be proposed which, if enacted into law, could result in interest on the Bonds being subject directly or indirectly to federal income taxation, or otherwise prevent Bondholders from realizing the full benefit provided under current federal tax law of the exclusion of interest on the Bonds from gross income. To date, no such legislation has been enacted into law. However, it is not possible to predict whether any such legislation will be enacted into law in the future. Further, no assurance can be given that any pending or future legislation, including amendments to the Code, if enacted into law, or any proposed legislation, including amendments to the Code, or any future judicial, regulatory or administrative interpretation or development with respect to existing law, will not adversely affect the market value and marketability of, or the tax status of interest on, the Bonds. Prospective Bondholders are urged to consult their own tax advisors with respect to any such legislation, interpretation or development.

Although Bond Counsel is of the opinion that interest on the Bonds is excluded from gross income for federal income tax purposes and is exempt from Massachusetts personal income taxes, the ownership or disposition of, or the accrual or receipt of interest on, the Bonds may otherwise affect the federal or state tax liability of a Bondholder. Among other possible consequences of ownership or disposition of, or the accrual or receipt of interest on, the Bonds, the Code requires recipients of certain social security and certain railroad retirement benefits to take into account receipts or accruals of interest on the Bonds in determining the portion of such benefits that are included in gross income. The nature and extent of these other tax consequences will depend upon the particular tax status of the Bondholder or the Bondholder’s other items of income, deduction or exclusion. Bond Counsel expresses no opinion regarding any such other consequences, and Bondholders should consult with their own tax advisors with respect to such consequences.

RATING

S&P Global Ratings has assigned an AA+ rating on the Bonds. The rating reflects only the view of the rating agency and will be subject to revision or withdrawal, which could affect the market price of the Bonds.

CONTINUING DISCLOSURE

In order to assist the Underwriter(s) in complying with Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission (the “Rule”), the Town will covenant for the benefit of owners of the Bonds to provide certain financial information and operating data relating to the Town by not later than 270 days after the end of each fiscal year, and to provide notices of the occurrence of certain enumerated events. The covenants will be contained in a Continuing Disclosure Certificate, the proposed form of which is provided in Appendix D. The Continuing Disclosure Certificate will be executed by the signers of the Bonds, and incorporated by reference in the Bonds. The Town is the only “obligated person” with respect to the Bonds within the meaning of the Rule.

During the last five years, the Town believes that it has complied in all material respects, with its previous undertakings to provide financial information or notices of significant events in accordance with the Rule.

PART II

TOWN OF NORTH ATTLEBOROUGH

The Town of North Attleborough, Massachusetts was incorporated in 1887 and is located in Bristol County. Prior to this date, the Town was part of what is now, the City of Attleboro. Both communities have a rich history in the manufacturing sector, particularly jewelry manufacturing. In 1855, the Town boasted 24 establishments making approximately \$1,000,000 annually in jewelry. The major contributor to this success was brought about by the Civil War and the Army's request for badges and medals. Today, North Attleborough is a predominantly residential community.

On April 1, 2019, the voters adopted a new Charter, effective July 1, 2019, that changed the form of government from a selectmen-representative town meeting to a council-manager form of government. The Town elected 9 council members at-large serving two-year terms. The positions of Clerk, Treasurer and Collector became appointed positions.

The High School's official team mascot is the Red Rocketeers, which derives its name from the unique red rocks found only in northern Bristol County and Cumberland, RI.

CONSTITUTIONAL STATUS AND FORM OF GOVERNMENT

Massachusetts cities and towns are subject to the plenary legislative power of the Commonwealth. As stated by the Supreme Judicial Court:

A town is not an independent sovereignty. It is merely a subordinate agency of the State Government. It is a creature of the Commonwealth, from which are derived all its powers and those of its voters and officers.

Cities and towns provide general governmental services at the local level. Municipalities were traditionally authorized to exercise only those powers granted by the State legislature, but Massachusetts adopted a Home Rule Amendment to its Constitution in 1966, under which a city or town may exercise by ordinance or by-law any power which the State legislature could confer upon it, provided that the ordinance or by-law is consistent with the laws enacted by the State legislature. Certain powers are excluded from home rule and may still be exercised only when authorized by State law; these powers include the power to levy taxes, the power to borrow money, and the power to enact private or civil law governing civil relationships except as an incident to the exercise of an independent municipal power. Under the Home Rule Amendment, the State legislature may enact general laws relating to a class of two or more municipalities but (except in limited circumstances) may enact a special law relating to a particular city or town only on request of the city or town or on recommendation of the Governor and passage by a two-thirds vote of both houses of the legislature.

An amendment to the State Constitution provides that any law imposing additional costs on two or more cities or towns by regulating aspects of municipal employment will not be effective within a city or town until the city council or town meeting accepts the law. Local acceptance will not be required if the legislature has either passed the law by a two-thirds vote or provided that the additional costs would be assumed by the State.

Cities and towns may change their form of government by adopting home rule charters or amending existing charters. A town of less than 12,000 population may not change to a city form of government and a town of less than 6,000 inhabitants may not change from the open town meeting form of government to a limited or representative town meeting form.

Cities are generally governed by a city council and an elected mayor who has the power to veto council actions; the council may override a mayoral veto by a two-thirds vote of the councilors. Some cities are governed by a city council and an appointed city manager who has no power to veto council actions; some municipalities, although still called "towns," have adopted a similar city form of government with a town council and town manager or administrator. Provision is often made for a referendum on council actions, and for initiation of measures, upon petition of a sufficient number of voters.

Most towns are governed by open town meetings in which any voter may participate. Others have an elected representative town meeting, often with public officers serving as ex officio members of the town meeting. Provision is usually made for a referendum on actions of the representative town meeting upon petition of a sufficient number of voters. Administrative affairs are generally managed by a board of three or more selectmen, sometimes with the assistance of a town manager or executive secretary.

School affairs of cities and towns are administered by an elected school committee, except in those towns whose educational functions are carried out entirely through a regional school district.

GOVERNING BODIES AND OFFICERS

All legislative powers of the Town are exercised by the Town Council. The administration of all Town fiscal, business and municipal affairs are vested in the Town Manager. Appointments made by the Town Manager of department heads and members of multiple boards are subject to confirmation by the Town Council. Town elections are held the first Tuesday in April.

Local school affairs are administered by a school committee of seven persons while local taxes are assessed by a board of three assessors all elected on an at-large basis for staggered three-year terms.

The Board of Public Works, which is responsible for water and sewer services as well as the Board of Electric Light Commissioners each consist of three members elected for staggered three-year terms, on an at-large basis.

The following is a list of the principal executive officers:

<u>Office</u>	<u>Name</u>	<u>Manner of Selection</u>	<u>Term Expires</u>
Councilors	Justin Paré, President	Elected/President	2027
	John D. Simmons	Elected/Vice-President	2027
	Keith P. Lapointe, Vice-President	Elected/Member	2027
	Mark Gould, Esq.	Elected/Member	2027
	John Costello	Elected/Member	2027
	Daniel Donovan	Elected/Member	2027
	Kevin McCarthy	Elected/Member	2027
	Andrea Slobogan	Elected/Member	2027
	Laura Wagner	Elected/Member	2027
Town Manager	Michael Borg	Appointed by Town Council	2031
Town Accountant	Stacy Blaisdell	Appointed by Town Manager	Indefinite
Treasurer/ Collector	Christopher L. Sweet	Appointed by Town Manager	Indefinite
Town Clerk	Patricia McNielly	Appointed by Town Manager	Indefinite
Town Counsel	KP Law P.C.	Appointed by Town Manager	2026

SERVICES

The Town provides general governmental services for the territory within its boundaries including police and fire protection, disposal of garbage and rubbish, public education in grades kindergarten through twelve, a library, water and sewer services, electric services, streets, parks and recreation.

The Tri-County Regional Vocational Technical School District provides vocational-technical education in grades nine through twelve while the North Attleborough Housing Authority provides public housing for eligible low-income families, the elderly and the handicapped.

CYBERSECURITY

The Town has procedures in place regarding cyber security as well as training for Town employees.

AUTHORIZATION OF GENERAL OBLIGATION BONDS AND NOTES

Generally, serial bonds and notes are authorized by a two-thirds vote of the Town Council and are subject to a referendum period. Borrowings for some purposes require State administrative approval.

When serial bonds or notes have been authorized, bond anticipation notes may be issued by the officers authorized to issue the serial bonds or notes. Temporary loans in anticipation of the revenues of the current fiscal year in which the debt is incurred, or in anticipation of state and federal grants for any purpose for which the Town may incur debt for a term of five years or longer, generally may be incurred by the Treasurer with the approval of the Town Manager.

DEBT LIMITS

General Debt Limit. The normal debt limit is 5 percent of the valuation of taxable property as last equalized by the State Department of Revenue. Cities and Towns may authorize debt up to this amount without State approval. Municipalities may authorize debt up to twice this amount (the double debt limit) with the approval of the State Municipal Finance Oversight Board composed of the State Treasurer, the State Auditor, the Attorney General and the Director of Accounts.

There are many categories of general obligation debt which are exempt from and do not count against the general debt limit. Among others, these exempt categories include: revenue anticipation notes and grant anticipation notes, emergency loans, loans exempted by special laws, certain school bonds, sewer bonds, water bonds, bonds for electric, gas, and telecommunications systems, solid waste disposal facility bonds and economic development bonds supported by tax increment financings. and subject to special debt limits, including bonds for housing, urban renewal and economic development (subject to various debt limits). Certain categories of general obligation bonds exempt from the general debt limit are subject to special debt limits, including certain bonds for housing, urban renewal and economic development. Revenue bonds are not subject to these debt limits. The general debt limit applies at the time the debt is authorized. The special debt limits generally apply at the time the debt is incurred.

TYPES OF OBLIGATIONS

General Obligations. Massachusetts cities and towns are authorized to issue general obligation indebtedness of these types:

Serial Bonds and Notes. Serial bonds and notes are generally required to be payable in annual principal amounts beginning no later than the end of the next fiscal year commencing after the date of issue and ending within the terms permitted by law. The principal amount of serial bonds and notes must be amortized in accordance with a level debt service schedule or a schedule that provides for a more rapid amortization of principal. The principal amounts of certain economic development bonds supported by tax increment financing may be payable in equal, diminishing or increasing amounts beginning within five years after the date of issue. The maximum terms of serial bonds and notes are designated by law and vary from one year to 40 years, depending on the purpose of the issue and, in some cases, in accordance with useful life guidelines promulgated by the State Department of Revenue. Serial bonds and notes may be issued for the purposes set forth specified by law. In addition, serial bonds and notes may be issued for any other public work, improvement or asset not specifically specified by law that has a useful life of at least five years. Bonds or notes may be made callable and redeemed prior to their maturity, and a redemption premium may be paid.

Refunding bonds or notes may be issued subject to the maximum applicable term measured from the date of the original bonds or notes and must produce present value savings over the debt service of the refunded bonds. Generally, the first required annual payment of principal of the refunding bonds or notes cannot be later than the first principal payment of any of the bonds or notes being refunded thereby, however, principal payments made before the first principal payment of any of the bonds or notes being refunded thereby may be in any amount.

Serial bonds may be issued as “qualified bonds” with the approval of the State Municipal Finance Oversight Board composed of the State Treasurer, the State Auditor, the Attorney General and the Director of Accounts subject to such conditions and limitations (including restrictions on future indebtedness) as may be required by the board. Qualified bonds may mature not less than 10 nor more than 30 years from their dates and are not subject to the amortization requirements described above. The State Treasurer is required to pay the debt service on qualified bonds and thereafter to withhold the amount of the debt service paid by the State from state aid or other state payments; administrative costs and any loss of interest income to the State are to be assessed upon the city or town.

The Town has no outstanding state qualified bonds.

Tax Credit Bonds or Notes. Subject to certain provisions and conditions, the officers authorized to issue bonds or notes may designate any duly authorized issue of bonds or notes as “tax credit bonds” to the extent such bonds or notes are otherwise permitted to be issued with federal tax credits or other similar subsidies for all or a portion of the borrowing costs. Tax credit bonds may be made payable without regard to the annual installments required by any other law, and a sinking fund may be established for the payment of such bonds. Any investment that is part of such a sinking fund may mature not later than the date fixed for payment or redemption of the applicable bonds.

Bond Anticipation Notes. Bond anticipation notes generally must mature within two years of their original dates of issuance but may be refunded from time to time for a period not to exceed ten years from their original dates of issuance, provided that for each year that the notes are refunded beyond the second year they must be paid in part from revenue funds in an amount at least equal to the minimum annual payment that would have been required if the bonds had been issued at the end of the second year. The maximum term of bonds issued to refund bond anticipation notes is measured from the date of the original issue of the notes.

Revenue Anticipation Notes. The amount borrowed in each fiscal year by the issue of revenue anticipation notes is limited to the tax levy of the prior fiscal year, together with the net receipts in the prior fiscal year from the motor vehicle excise and certain payments made by the Commonwealth in lieu of taxes. The fiscal year ends on June 30. Notes may mature in the following fiscal year, and notes may be refunded into the following fiscal year to the extent of the uncollected, unabated current tax levy and certain other items, including revenue deficits, overlay deficits, final judgments and lawful unappropriated expenditures, which are to be added to the next tax levy, but excluding deficits arising from a failure to collect taxes of earlier years. (See “Taxation to Meet Deficits” herein). In any event, the period from an original borrowing to its final maturity cannot exceed one year.

Grant Anticipation Notes. Grant anticipation notes are issued for temporary financing in anticipation of federal or state grants. Generally, they must mature within two years but may be refunded from time to time as long as the municipality remains entitled to the grant or reimbursement.

Revenue Bonds. Cities and towns may issue revenue bonds for limited purposes, including for solid waste disposal facilities, water and sewer projects financed through the Massachusetts Clean Water Trust, and for certain economic development projects supported by tax increment financing. Cities and towns having electric departments may also issue revenue bonds for electric power facilities, subject to the approval of the State Department of Public Utilities.

DEBT ⁽¹⁾

The following shows the direct debt to be outstanding as of January 21, 2026, including the Bonds:

General Obligation Bonds

Within General Debt Limit ⁽²⁾		
Sewers & Wastewater ⁽⁴⁾	\$ 9,965,059	
School Buildings ⁽³⁾	7,350,000	
Other School	1,305,000	
Other Building	4,370,000	
Departmental Equipment	2,640,000	
Other Inside General	7,285,000	
The Bonds	<u>71,490,000</u>	
Total Inside General Debt Limit:		\$104,405,059
Water ⁽⁴⁾	\$14,904,114	
Sewers ⁽⁴⁾	17,588,341	
Schools ⁽³⁾	1,655,000	
The Bonds	<u>1,680,000</u>	
Total Outside General Debt Limit:		<u>35,827,455</u>
Total Outstanding General Obligation Bonds		\$140,232,514
Temporary Loans in Anticipation of		
Revenue	\$ 0	
Bonds	0	
Grants	<u>0</u>	
Total Temporary Loans		<u>0</u>
Total Long-Term Indebtedness		<u>\$140,232,514</u> ⁽⁵⁾

⁽¹⁾ Principal amount only. Excludes lease and installment purchase obligations, overlapping debt, unfunded pension liability and other post-employment benefits liability.

⁽²⁾ At the present time, the normal general debt limit is \$304,269,315 and the double general debt limit (see "Debt Limits" herein) is \$608,538,630.

⁽³⁾ The Town has been receiving and expects to continue to receive a State grant for 72% of eligible construction and interest cost for previous school projects.

⁽⁴⁾ **All water, sewer and electric debt is expected to be self-supporting.** The Town of North Attleborough entered into an inter-municipal agreement to provide the Town of Plainville with access to the Town's sewer treatment facilities. Under this agreement, which was initially signed in April 1967 and amended from time to time, the Town of Plainville is responsible for 23.5% of the construction costs, as well as operation and maintenance of the sewer facilities. The latest amendment to this agreement was on June 30, 2025 and extends the contract for an additional 20 years for sewer and an additional 5 years for water.

⁽⁵⁾ **Debt service on \$70,000,000 of the Bonds is excluded from the provisions of Proposition 2½.** Debt service on the principal amount of \$42,637,514 of outstanding bonds, as well as \$4,595,000 of the Bonds, is expected to be paid from water and sewer rates and charges.

AUTHORIZED UNISSUED DEBT & PROSPECTIVE FINANCING

After this issuance of Bonds, the Town will have \$216,678,379 authorized and unissued for the construction of a new North Attleborough High School. The Town expects to receive a 62.54% grant from the Massachusetts School Building Authority for eligible project costs. To date, the Town has received \$1,682,719 grant funds. The Town also has \$500,000 authorized and unissued for the Hillman Well PFAS remediation which is expected to be rescinded at a future Council meeting.

FIVE YEARS OUTSTANDING DEBT ⁽¹⁾

	As of June 30:				
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Within the General Debt Limit:					
Building	\$ 4,370,000	\$ 4,675,000	\$ 3,235,000	\$ 1,685,000	\$ 2,300,000
Departmental Equipment	2,640,000	3,445,000	4,100,000	4,430,000	1,610,000
School Buildings	7,380,000	7,335,000	1,555,000	1,815,000	1,915,000
School Other	1,305,000	1,610,000	4,260,000	2,670,000	1,570,000
Sewers & Drains	10,467,051	9,117,948	7,747,844	9,043,499	7,499,828
Other Inside	<u>7,345,000</u>	<u>5,970,000</u>	<u>6,980,000</u>	<u>7,915,000</u>	<u>7,910,000</u>
Total Within General Debt Limit	<u>\$33,507,051</u>	<u>\$32,152,948</u>	<u>\$27,877,844</u>	<u>\$27,558,499</u>	<u>\$22,804,828</u>
Outside the General Debt Limit					
Gas & Electric Utility	0	0	60,000	120,000	180,000
School Buildings	1,655,000	1,850,000	2,045,000	2,235,000	2,455,000
Sewers & Drains	18,453,800	19,371,916	20,277,974	20,247,255	20,895,032
Solid Waste & Landfill	0	0	0	100,000	210,000
Water	<u>15,292,399</u>	<u>12,136,417</u>	<u>8,355,000</u>	<u>7,670,000</u>	<u>7,735,000</u>
Total Outside General Debt Limit	<u>\$35,401,199</u>	<u>\$33,358,333</u>	<u>\$30,737,974</u>	<u>\$30,372,255</u>	<u>\$31,475,032</u>
Total Long Term Indebtedness	<u>\$68,908,250</u>	<u>\$65,511,282</u>	<u>\$58,615,819</u>	<u>\$57,930,754</u>	<u>\$54,279,860</u>
Debt As a Percentage of Assessed Value (2)	1.18%	1.27%	1.29%	1.36%	1.33%
Debt As a Percentage of Equalized Value (3)	1.13%	1.37%	1.34%	1.32%	1.35%
Per Capita Debt Using 2020 Census	\$2,208	\$2,125	\$1,901	\$1,879	\$1,760
Per Capita Debt as a percentage of per capita income	3.93%	3.97%	3.55%	3.51%	3.29%
Assessed Value(\$000)	\$5,843,132	\$5,150,532	\$5,150,532	\$4,539,739	\$4,260,034
Equalized Value(\$000)	\$6,085,386	\$4,784,669	\$4,784,669	\$4,386,403	\$4,386,403
2024 Census Population	31,210	31,210	31,210	31,210	31,210
Per Capita Income (2)	\$56,154	\$56,154	\$56,154	\$56,154	\$56,154

(1) Principal amount only. Excludes lease and installment purchase obligations, overlapping debt, unfunded pension liability and other post-employment benefits liability.

(2) Source: Board of Assessors - Assessed valuation as of the prior January 1.

(3) Source: Massachusetts Department of Revenue - Equalized valuation in effect for that fiscal year (equalized valuations are established for January 1 of each even-numbered year).

(4) Source: Per Capita Income from U.S. Census Bureau. Used 2019-23 average, 2023 dollars.

CAPITAL IMPROVEMENT PROGRAM

The following is the Capital Outlay Plan of the Town for fiscal years 2025 through 2028:

	As of June 30			
	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>
Town Manager	\$ 100,000	\$ 30,000	\$ -	\$ -
Conservation Commission	85,000	25,000	-	25,000
Department of Public Works	1,590,000	2,755,000	4,810,000	1,655,000
Fire Department	330,000	350,000	350,000	800,000
Police Department	349,000	382,000	350,000	140,000
Parks and Recreation	1,709,000	798,000	140,000	1,000,000
School Department	<u>1,400,000</u>	<u>50,000</u>	<u>200,000</u>	<u>-</u>
Total Non-Enterprise	<u>\$5,578,000</u>	<u>\$4,390,000</u>	<u>\$5,850,000</u>	<u>\$3,620,000</u>
Sewer Enterprise	1,100,000	595,000	300,000	1,760,000
Water Enterprise	1,270,000	745,000	-	1,225,000
Solid Waste	-	-	-	425,000
Totals:	<u>\$7,948,000</u>	<u>\$5,730,000</u>	<u>\$6,150,000</u>	<u>\$7,030,000</u>

ANNUAL DEBT SERVICE ⁽¹⁾

Fiscal Year	Outstanding 01/21/2026		Current Issue		Total Debt Service	Cumulative % Principal Retired ⁽⁴⁾
	Principal ⁽²⁾	Interest ⁽²⁾	Principal	Interest ⁽³⁾		
2026	\$ 1,765,000	\$ 333,293	\$ 0	\$ 0	\$ 2,098,293	1.3%
2027	6,170,736	1,468,272	1,100,000	3,594,620	12,333,628	6.6
2028	5,571,991	1,263,358	1,545,000	3,070,756	11,451,105	11.7
2029	4,831,558	1,082,362	1,605,000	2,993,506	10,512,426	16.4
2030	4,316,997	950,459	1,670,000	2,913,256	9,850,712	20.8
2031	4,150,913	828,526	1,690,000	2,829,756	9,499,195	25.0
2032	3,930,154	723,410	1,760,000	2,745,256	9,158,820	29.1
2033	3,756,785	622,931	1,835,000	2,657,256	8,871,972	33.2
2034	3,205,328	526,139	1,915,000	2,565,506	8,211,973	36.9
2035	3,159,191	450,456	1,995,000	2,469,756	8,074,403	40.6
2036	2,788,382	380,156	2,085,000	2,370,006	7,623,544	44.2
2037	2,797,909	398,075	2,185,000	2,265,756	7,646,740	47.8
2038	2,757,779	370,257	2,220,000	2,178,356	7,526,392	51.4
2039	2,713,004	304,588	2,295,000	2,089,556	7,402,148	55.1
2040	2,393,592	240,467	2,410,000	1,997,756	7,041,815	58.5
2041	2,234,550	187,766	2,470,000	1,901,356	6,793,672	62.0
2042	2,250,891	140,601	2,560,000	1,802,556	6,754,048	65.5
2043	2,112,621	93,056	2,655,000	1,700,156	6,560,833	68.9
2044	1,974,751	48,322	2,755,000	1,593,956	6,372,029	72.4
2045	1,106,718	16,200	2,860,000	1,483,756	5,466,674	75.2
2046	544,403	0	2,960,000	1,369,356	4,873,759	77.8
2047	0	0	2,895,000	1,250,956	4,145,956	79.9
2048	0	0	3,010,000	1,135,156	4,145,156	82.1
2049	0	0	3,130,000	1,014,756	4,144,756	84.3
2050	0	0	3,260,000	889,556	4,149,556	86.7
2051	0	0	3,390,000	755,081	4,145,081	89.2
2052	0	0	3,530,000	615,244	4,145,244	91.7
2053	0	0	3,670,000	469,631	4,139,631	94.4
2054	0	0	3,830,000	318,244	4,148,244	97.2
2055	0	0	3,885,000	160,256	4,045,256	100.0%
	<u>\$64,533,250</u>	<u>\$10,428,694</u>	<u>\$73,170,000</u>	<u>\$53,201,114</u>	<u>\$201,333,061</u>	

⁽¹⁾ Excludes revenue anticipation notes, grant anticipation notes and bond anticipation notes, lease and installment purchase obligations, overlapping debt, unfunded pension liability and other post-employment benefits liability.

⁽²⁾ Principal of \$42,637,514 and interest of \$5,628,165 is expected to be self-supporting.

⁽³⁾ Debt service on \$68,880,000 of the Bonds is excluded from the provisions of Proposition 2½. Debt service on \$4,290,000 of the Bonds are expected to be paid with sewer and water rate charges.

⁽⁴⁾ Includes the current issue.

REVENUE ANTICIPATION BORROWING

The Town has not borrowed in anticipation of revenue since fiscal year 1989 and does not anticipate the need to borrow in the future as it has instituted quarterly tax billing.

CONTRACTS

Municipal contracts are generally limited to currently available appropriations. A city or town generally has authority to enter into contracts for the exercise of any of its corporate powers for any period of time deemed to serve its best interest, but generally only when funds are available for the first fiscal year; obligations for succeeding fiscal years generally are expressly subject to availability and appropriation of funds. Municipalities have specific authority in relatively few cases for long-term contractual obligations that are not subject to annual appropriation, including contracts for refuse disposal and sewage treatment and disposal. Municipalities may also enter into long-term contracts in aid of housing and urban renewal projects. There may be implied authority to make other long-term contracts required to carry out certain recurring basic municipal functions, such as contracts to purchase water from private water companies.

Municipal contracts relating to solid waste disposal facilities may contain provisions requiring the delivery of minimum amounts of waste and payments based thereon and requiring payments in certain circumstances without regard to the operational status of the facilities.

Municipal electric departments have statutory power to enter into long-term contracts for joint ownership and operation of generating and transmission facilities and for the purchase or sale of capacity, including contracts requiring payments without regard to the operational status of the facilities.

Pursuant to the Home Rule Amendment to the Massachusetts Constitution, (see “Constitutional Status and Form of Government” herein), cities and towns may also be empowered to make other contracts and leases.

The Town has a contract with Waste Management of Massachusetts to provide for solid waste recycling and collection and disposal. The five-year contract expires on June 30, 2028. The Town has budgeted \$3,028,727 for fiscal year 2026.

The Town contracts with WT Holmes for school bus services. The contract expires on June 30, 2030. The Town budgeted \$1,694,950 for the bus contract for fiscal 2026.

Through its electric department, the Town is a participant in the Massachusetts Municipal Wholesale Electric Company, a public corporation of The Commonwealth of Massachusetts.

The Town does not have any additional long-term contracts of a substantial nature.

OVERLAPPING ASSESSMENTS

The following table sets forth the portion of overlapping assessments to the Town: ⁽¹⁾

	<u>Outstanding</u>	<u>Authorized Unissued</u>	<u>Assessments for Operations and Debt Service Fiscal 2026</u>
Bristol County ⁽²⁾	\$45,910,000	\$0	\$451,986
Tri-County Regional Vocational School District ⁽³⁾	\$136,975,000	\$136,848,826	\$3,820,185
Greater Attleboro-Taunton Regional Transit Authority ⁽⁴⁾	\$0	\$0	\$248,862

**Footnotes on following page.*

⁽¹⁾ Excludes temporary loans in anticipation of revenue. Omits debt of the Commonwealth.

⁽²⁾ Source: The Town of North Attleborough-County tax assessment and Bristol County Agricultural High School assessments.

⁽³⁾ Source: Tri-County Regional Vocational School District. Debt as of June 30, 2025. The operating expenses and debt service of the regional school district are apportioned among the member communities. The shares of the Members vary from year to year based upon pupil enrollment. The other Member Towns of the District are Franklin, Medfield, Medway, Millis, Norfolk, Plainville, Seekonk, Sherborn, Walpole and Wrentham. The District School Committee voted \$285,992,692 on September 20, 2023, to build a new vocational school. The voters approved the project at a District election held on October 24, 2023. The District expects to receive a Massachusetts School Building Authority grant for 28% of eligible project cost. The Town of Attleborough's share of the project is approximately 25% of the project debt service.

⁽⁴⁾ Source: Greater Attleboro-Taunton Regional Transit Authority. Debt as of June 30, 2025. The Authority currently has \$7,700,000 revenue anticipation notes outstanding which will mature August 14, 2026. The other Member Towns of the Authority are Bellingham, Berkley, Carver, Dighton, Duxbury, Foxborough, Franklin, Hanover, Kingston, Lakeville, Mansfield, Marshfield, Medway, Middleborough, Norfolk, Norton, Pembroke, Plainville, Plymouth, Raynham, Rehoboth, Scituate, Seekonk, Wareham and Wrentham as well as the Cities of Attleboro and Taunton.

RETIREMENT PLAN

The Massachusetts General Laws provide for the establishment of contributory retirement systems for state employees, for teachers and for county, city and town employees other than teachers. Teachers are assigned to a separate state-wide teachers' system and not to the city and town systems. If a town had a population of less than 10,000 when it accepted the statute, its non-teacher employees participate through the county system and its share of the county cost is proportionate to the aggregate annual rate of regular compensation of its covered employees. In addition to the contributory systems, cities and towns provide non-contributory pensions to a limited number of employees, primarily persons who entered service prior to July 1, 1937, and their dependents. The Public Employee Retirement Administration Commission ("PERAC") provides oversight and guidance for and regulates all state and local retirement systems.

The obligations of a city or town, whether direct or through a county system, are contractual legal obligations and are required to be included in the annual tax levy if not otherwise appropriated by the city or town. If a city or town, or the county system of which it is a member, has not established a retirement system funding schedule as described below, the city or town is required to provide for the payment of the portion of its current pension obligations which is not otherwise covered by employee contributions and investment income. "Excess earnings," or earnings on individual employees' retirement accounts in excess of a predetermined rate, are required to be set aside in a pension reserve fund for future, not current, pension liabilities. Cities and towns may voluntarily appropriate to their system's pension reserve fund in any given year up to five percent of the preceding year's tax levy. The aggregate amount in the fund may not exceed ten percent of the equalized valuation of the city or town.

If a city or town, or each member city and town of a county retirement system, has accepted the applicable law, it is required to annually appropriate an amount sufficient to pay not only its current pension obligations, but also a portion of its future pension liability. The portion of each such annual payment allocable to future pension obligations is required to be deposited in the pension reserve fund. The amount of the annual city or town appropriation for each such system is prescribed by a retirement system funding schedule which is periodically reviewed and approved by PERAC. Each system's retirement funding schedule is designed to reduce the unfunded actuarial pension liability of the system to zero by not later than June 30, 2040, with annual increases in the scheduled payment amounts of not more than four percent. The funding schedule must provide that payment in any year of the schedule is not less than the payment made in a prior fiscal year under the then current schedule. If a later updated valuation allows for the development of a revised schedule with reduced payments, the revised schedule shall be adjusted to provide that the appropriation for each year shall not be less than that for such year under the prior schedule, thus providing for a shorter schedule rather than reduced payments. City, town and county systems which have an approved retirement funding schedule receive annual pension funding grants from the Commonwealth for the first 16 years of such funding schedule.

City, town and county systems may choose to participate in the Pension Reserves Investment Trust Fund (the "PRIT Fund"), which receives additional state funds to offset future pension costs of participating state and local systems. In addition, city, town and county systems receiving state pension funding grants or with a funding ratio below 65% that are underperforming relative to the performance of the PRIT Fund based on certain statutorily prescribed measures are required to participate in the PRIT Fund. If a local system participates in the PRIT Fund, it must transfer ownership and control of all assets of its system to the Pension Reserves Investment Management Board, which manages the investment and reinvestment of the PRIT Fund. Cities and towns with systems participating in the PRIT Fund continue to be obligated to fund their pension obligations in the

manner described above. The additional state appropriations to offset future pension liabilities of state and local systems participating in the PRIT Fund are required to total at least 1.3 percent of state payroll. Such additional state appropriations are deposited in the PRIT Fund and shared by all participating systems in proportion to their interests in the assets of the PRIT Fund as of July 1 for each fiscal year, subject to certain adjustments.

Cost-of-living increases for each local retirement system may be granted and funded only by the local system, and only if it has established a funding schedule. Those statutory provisions are subject to acceptance by the local retirement board and approval by the local legislative body, which acceptance may not be revoked.

The Town participates in the North Attleboro Contributory Retirement System (the “System”).

The annual contributions of the Town to the Retirement System for the most recent years are set forth below:

<u>Fiscal Year</u>	<u>Contributory</u>
2026 (budgeted)	\$4,769,412
2025 (unaudited)	4,419,584
2024	4,164,311
2023	3,991,219
2022	3,779,564
2021	3,624,590

As of January 1, 2024, the total estimated accrued liability of the Town’s past service liability was \$209,975,970, and its assets were \$163,211,984, leaving an estimated unfunded liability of \$46,763,986, assuming a 7.91% rate of return. The System has approximately 521 active members and 356 retired members (includes disabled persons and beneficiaries) and 228 inactive members. Based upon the valuation report, the System is 77.7% funded.

It is the intent of the Town to update the actuarial valuation and funding schedule every three years, and to base its annual contributory retirement appropriation on the funding schedule contained therein. Based upon the above calculation, the Town is projected to fully fund its liability by June 30, 2035.

Fiscal Year Ending	Employer Normal Cost	Amortization Payment of UAL	Net 3(8)(c) Transfers	Total Employer Cost	Increase over Prior Year	Unfunded Actuarial Accrued Liability
2025	\$1,030,214	\$3,908,122	\$300,000	\$5,238,336		\$46,763,986
2026	1,020,949	4,323,881	300,000	5,644,830	7.76%	45,994,872
2027	1,058,086	4,724,783	300,000	6,082,869	7.76%	44,741,856
2028	1,085,356	5,169,544	300,000	6,554,900	7.76%	42,986,433
2029	1,108,240	5,655,320	300,000	7,063,560	7.76%	40,648,065
2030	1,126,080	6,185,611	300,000	7,611,691	7.76%	37,643,521
2031	1,139,339	6,763,020	300,000	8,202,359	7.76%	33,880,122
2032	1,164,980	7,373,881	300,000	8,838,861	7.76%	29,256,008
2033	1,186,629	8,038,128	300,000	9,524,757	7.76%	23,676,327
2034	1,223,298	8,740,580	300,000	10,263,878	7.76%	17,018,965
2035	1,244,203	9,484,452	300,000	11,028,655	7.45%	9,168,966
2036	1,268,555	-	300,000	1,568,555	-85.78%	-

OTHER POST-EMPLOYMENT BENEFITS

In addition to pension benefits, cities and towns may provide retired employees with health care and life insurance benefits.

The expenses paid at the end of fiscal years 2021-2024:

<u>Fiscal Year</u>	<u>Amount</u>
2024	\$ 974,851
2023	884,284
2022	794,858
2021	1,996,078

Under the Governmental Accounting Standards Board (“GASB”) Statement Nos. 43 and 45, public sector entities are required to report the future costs of these non-pension, post-employment benefits in their financial statements. These accounting standards do not require pre-funding the payment of these costs as the liability for such costs accrue, but the basis applied by the standards for measurement of costs and liabilities for these benefits is conservative if they continue to be funded on a pay-as-you-go basis and will result in larger yearly cost and liability accruals than if such benefits were pre-funded in a trust fund in the same manner as traditional pension benefits. Cities and towns are authorized to establish such a trust fund for the purpose of pre-funding other post-employment benefits liability.

The Town has implemented the GASB reporting requirements with respect to other post-employment benefits. According to the most recent valuation report dated, July 1, 2023, and measurement date of June 30, 2025, the Town’s net OPEB liability as of June 30, 2025 was \$141,393,716. The discount rate was 6.09% from 6.59% reported in the previous measurement date. The funding ratio is 7.83%.

In June 2011, Town Meeting voted to accept a state statute that would allow the Town to establish a trust fund for the Town’s OPEB liability. As of June 30, 2025 (unaudited), the Town has a balance of \$11,071,218 in the OPEB Trust Fund. The Town appropriated \$916,825 in fiscal 2026 to the Fund (includes water, sewer and solid waste enterprise funds). \$500,000 of this amount was appropriated to the General Government OPEB.

PROPERTY TAXATION AND VALUATION

Assessed Valuations and Tax Levies. Property is classified for the purpose of taxation according to its use. The legislature has in substance created five classes of taxable property: (1) residential real property, (2) open space land, (3) commercial real property, (4) industrial real property, and (5) personal property. Within limits, cities and towns are given the option of determining the share of the annual levy to be borne by each class of taxable property. The share required to be borne by residential real property is at least 50 percent of its share of the total taxable valuation; the effective rate for open space must be at least 75 percent of the effective rate for residential real property; and the share of commercial, industrial and personal property must not exceed 175 percent of their share of the total valuation. A city or town may also exempt up to 35 percent of the valuation of residential real property (where used as the taxpayer’s principal residence) and up to 10 percent of the valuation of commercial real property (where occupied by certain small businesses). Property may not be classified in a city or town until the State Commissioner of Revenue certifies that all property in the city or town has been assessed at its fair cash value. Such certification must take place every five years, or pursuant to a revised schedule as may be issued by the Commissioner.

Related statutes provide that certain forest land used for forest production (assessed at the value it has for this purpose) shall be taxed at the rate applicable to commercial property, unless the city or town opts to tax such forest land at the rate applicable to open space. Agricultural or horticultural land (assessed at the value it has for these purposes) and recreational land (assessed on the basis of its use at a maximum of 25 percent of its fair cash value) are all to be taxed at the rate applicable to commercial property.

State Equalized Valuation. In order to determine appropriate relative values for the purposes of certain distributions to and assessments upon cities and towns, the Commissioner of Revenue biennially makes a determination of the fair cash value of the taxable property in each municipality as of January 1 of even numbered years. This is known as the “equalized value” (see “Debt Limits” herein).

VALUATIONS

The following shows the assessed and equalized valuations for the current and most recent fiscal years:

	Fiscal Year Ending June 30: (\$000)				
	<u>2026</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Real Property (1)	\$6,273,438	\$5,738,739	\$5,673,576	\$5,059,415	\$4,462,622
Personal Property (1)	<u>107,973</u>	<u>104,393</u>	<u>99,764</u>	<u>91,117</u>	<u>77,117</u>
Total Assessed Value	<u>\$6,381,411</u>	<u>\$5,843,132</u>	<u>\$5,773,340</u>	<u>\$5,150,532</u>	<u>\$4,539,739</u>
Equalized Value (2)	\$6,085,386	\$6,085,386	\$4,784,669	\$4,784,669	\$4,386,403
Percent of Total Assessed Value to Equalized Value	95.4%	104.1%	120.7%	107.6%	103.5%

(1) As of January 1 of prior fiscal year.

(2) Based on the equalized valuation in effect for each year as determined every even numbered year by State Department of Revenue.

The following table shows the breakdown of the total assessed valuation for fiscal years 2026, 2025 and 2024 by classification:

	Fiscal Year Ending June 30: (\$000)					
	<u>2026</u>		<u>2025</u>		<u>2024</u>	
	<u>Valuation</u>	<u>% of Total</u>	<u>Valuation</u>	<u>% of Total</u>	<u>Valuation</u>	<u>% of Total</u>
Residential	\$5,540,156	86.82	\$5,015,243	85.84	\$4,967,046	86.03
Commercial	596,454	9.35	585,228	10.03	582,900	10.10
Industrial	136,828	2.14	136,348	2.34	123,630	2.14
Personal	<u>107,973</u>	<u>1.69</u>	<u>104,393</u>	<u>1.79</u>	<u>99,764</u>	<u>1.73</u>
Total	<u>\$6,381,410</u>	<u>100.00</u>	<u>\$5,843,132</u>	<u>100.00</u>	<u>\$5,773,340</u>	<u>100.00</u>

TAX RATES

The following shows the actual tax rates per \$1,000 of assessed valuation for the current and most recent fiscal years:

<u>Fiscal Year</u>	<u>Residential</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Personal Property</u>	<u>Average Tax Rate</u>	<u>Full Value Tax Rate</u>
2026	\$11.06	\$15.71	\$15.71	\$15.66	\$11.67	\$12.23
2025	11.79	15.72	15.72	15.68	12.34	11.85
2024	11.54	15.52	15.52	15.52	12.09	14.59
2023	12.79	15.48	15.48	15.44	13.19	14.20
2022	13.93	17.06	17.06	17.04	14.44	14.94

LARGEST TAXPAYERS ⁽¹⁾

The following is a list of the largest taxpayers:

<u>Name</u>	<u>Nature of Business</u>	<u>Fiscal 2026 Assessed Valuation</u>	<u>Amount of Tax</u>	<u>% of Total Levy</u>
Mayflower Emerald Square LLC	Emerald Square Mall	\$ 60,643,500	\$ 476,580	1.32%
North Attleborough Marketplace II LLC	Shopping Plaza	39,608,900	312,474	0.87
JSIP 21 East QOZ Property Owner LLC	Condominiums	63,679,700	301,373	0.82
New England Natural Gas Co	Utility	26,673,030	209,117	0.58
J & R Associates	Res./Comm. Property Mgmnts.	37,895,400	176,379	0.49
New England Power Company	Utility	20,912,780	164,077	0.46
OSJ of North Attleboro LLC	Retail	20,366,800	150,816	0.42
Verizon New England	Utility	16,857,000	132,159	0.37
North Attleborough Marketplace, LLC	Shopping Plaza	18,846,500	128,904	0.41
Paramount Fashion at Attleboro LLC	Shopping Plaza	16,221,800	128,351	0.36
	Total	<u>\$321,705,410</u>	<u>\$2,180,230</u>	<u>6.10%</u>

⁽¹⁾ All of the largest taxpayers listed above are current on their real estate taxes and personal property taxes.

TAX LEVIES

Tax Levy Computation. One of the principal revenue sources of Massachusetts cities and towns is the tax on real and personal property. The amount to be levied in each year is the amount appropriated or required by law to be raised for municipal expenditures less estimated receipts from other sources and less appropriations voted from funds on hand. The total amount levied is subject to certain limits prescribed by law; for a description of those limits see “Tax Limitations” herein. As to the inclusion of debt service and final judgments, see “Security and Remedies” herein.

The estimated receipts for a fiscal year from sources other than the property tax may not exceed the actual receipts during the preceding fiscal year from the same sources unless approved by the State Commissioner of Revenue. Excepting special funds, the use of which is otherwise provided for by law, the deduction for appropriations voted from funds on hand for a fiscal year cannot exceed the “free cash” as of the beginning of the prior fiscal year as certified by the State Director of Accounts, plus up to nine months' collections and receipts on account of earlier years' taxes after that date. Subject to certain adjustments, free cash is surplus revenue less uncollected overdue property taxes from earlier years.

Although an allowance is made in the tax levy for abatements (see “Abatements and Overlay” herein), no reserve is generally provided for uncollectible real property taxes. Since some of the levy is inevitably not collected, this creates a cash deficiency which may or may not be offset by other items (see “Taxation to Meet Deficits” herein).

Taxation to Meet Deficits. As noted in “Abatements and Overlay” herein, overlay deficits, i.e., tax abatements in excess of the overlay included in the tax levy to cover abatements, are required to be added to the next tax levy. It is generally understood that revenue deficits, i.e., those resulting from non-property tax revenues being less than anticipated, are also required to be added to the next tax levy (at least to the extent not covered by surplus revenue).

Amounts lawfully expended since the prior tax levy and not included therein are also required to be included in the annual tax levy. The circumstances under which this can arise are limited since municipal departments are generally prohibited from incurring liabilities in excess of appropriations except for major disasters, mandated items, contracts in aid of housing and renewal projects and certain other limited types of long-term contracts. In addition, utilities must be paid at established rates and certain established salaries, e.g., civil service, must legally be paid for work actually performed, whether or not covered by appropriations.

It has not been the practice of cities and towns to levy taxes, to cover deficits arising from other causes, such as “free cash” deficits arising from a failure to collect taxes. Except to the extent that such deficits have been reduced or eliminated by subsequent collections of uncollected taxes (including sales of tax titles and tax possessions), lapsed appropriations, non-property tax revenues in excess of estimates, deficit funding loans authorized by special act or other sources, these deficits remain in existence.

Tax Limitations. Chapter 59, Section 21C of the General Laws, also known as Proposition 2½, imposes two separate limits on the annual tax levy of a city or town.

The primary limitation is that the tax levy cannot exceed 2½ percent of the full and fair cash value. If a city or town exceeds the primary limitation, it must reduce its tax levy by at least 15 percent annually until it is in compliance, provided that the reduction can be reduced in any year to not less than 7½ percent by majority vote of the voters, or to less than 7½ percent by two-thirds vote of the voters.

For cities and towns at or below the primary limit, a 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 2½ percent, subject to exceptions for property added to the tax rolls or property which has had an increase, other than as part of a general revaluation, in its assessed valuation over the prior year's valuation.

This “growth” limit on the tax levy may be exceeded in any year by a majority vote of the voters, but an increase in the secondary or growth limit under this procedure does not permit a tax levy in excess of the primary limitation, since the two limitations apply independently. In addition, if the voters vote to approve taxes in excess of the “growth” limit for the purpose of funding a stabilization fund, such increased amount may only be taken into account for purposes of calculating the maximum levy limit in each subsequent year if the board of selectmen of a town or the city council of the city votes by a two-thirds vote to appropriate such increased amount in such subsequent year to the stabilization fund. The applicable tax limits may also be reduced in any year by a majority vote of the voters.

The State Commissioner of Revenue may adjust any tax limit “to counterbalance the effects of extraordinary, non-recurring events which occurred during the base year.”

Proposition 2½ further provides that the voters may exclude from the taxes subject to the tax limits and from the calculation of the maximum tax levy the amount required to pay debt service on specific issues of bonds and notes issued, if the exclusion is approved by a majority vote of the voters. Even with voter approval, the holders of the obligations for which unlimited taxes may be assessed do not have a statutory priority or security interest in the portion of the tax levy attributable to such obligations. It should be noted that Massachusetts General Laws Chapter 44, Section 20 requires that the taxes excluded from the levy limit to pay debt service on any such bonds and notes be calculated based on the true interest cost of the issue. Accordingly, the Department of Revenue limits the amount of taxes which may be levied in each year to pay debt service on any such bonds and notes to the amount of such debt service, less a pro rata portion of any original issue premium received by the city or town that was not applied to pay costs of issuance or to pay project costs and thereby reduce the principal amount borrowed.

Voters may also exclude from the Proposition 2½ limits the amount required to pay specified capital outlay expenditures. In addition, the city council of a city, with the approval of the mayor if required, or the board of selectmen or the town council of a town may vote to exclude from the Proposition 2½ limits taxes raised in lieu of sewer or water charges to pay debt service on bonds or notes issued by the municipality (or by an independent authority, commission or district) for water or sewer purposes, provided that the municipality's sewer or water charges are reduced accordingly.

In addition, Proposition 2½ limits the annual increase in the total assessment on cities and towns by any county, district, authority, the Commonwealth or any other governmental entity (except regional school districts, the MWRA and certain other districts for which special legislation provides otherwise) to the sum of (a) 2½ percent of the prior year's assessments and (b) “any increases in costs, charges or fees for services customarily provided locally or for services subscribed to at local option.” Regional water districts, regional sewerage districts and regional veterans’ districts may exceed these limitations under statutory procedures requiring a two-thirds vote of the district’s governing body and either approval of the local appropriating authorities (by two-thirds of the local appropriating authorities of the member municipalities in districts with more than two members or by both of the local appropriating authorities of the member municipalities in two-member districts) or approval of the registered voters in a local election (in the case of two-member districts). Under Proposition 2½ any State law to take effect on or after January 1, 1981 imposing a direct service or cost obligation on a city or town will become effective only if accepted or voluntarily funded by the city or town or if State funding is provided. Similarly, State rules or regulations imposing additional costs on a city or town or laws granting or increasing local tax exemptions are to take effect only if adequate State appropriations are provided. These statutory provisions do not apply to costs resulting from judicial decisions.

Pledged Taxes. Taxes on the increased value of certain property in designated development districts may be pledged for the payment of costs of economic development projects within such districts and may therefore be unavailable for other municipal purposes (see “Tax Increment Financing for Development Districts” herein).

CALCULATION OF TAX LEVIES (1)

The following table shows the details of the calculation of the tax levies for the current and most recent fiscal years:

	Fiscal Year Ending June 30: (\$000)				
	<u>2026</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Gross Amount to be Raised					
Appropriations	\$133,923	\$125,377	\$122,020	\$120,212	\$111,742
Other Local Expenditures	417	404	154	97	61
State and County Charges	4,874	5,221	5,994	5,945	5,801
Overlay Reserve	<u>566</u>	<u>566</u>	<u>625</u>	<u>808</u>	<u>1,202</u>
Total Amount to be Raised	\$139,780	\$131,568	\$128,793	\$127,062	\$118,806
Less Estimated Receipts From:					
State	\$ 26,761	\$ 26,075	\$ 25,546	25,158	24,587
Local	28,212	25,981	24,819	22,932	22,062
Available Funds Appropriated:					
Free Cash	5,541	5,163	4,938	8,915	4,600
Other Available Funds	4,822	2,239	3,348	1,716	1,641
Free Cash & Other Revenue Used to Reduce the Tax Rate	<u>0</u>	<u>0</u>	<u>340</u>	<u>382</u>	<u>364</u>
Total Estimated Receipts and Revenue	<u>\$ 65,336</u>	<u>\$ 59,458</u>	<u>\$ 58,991</u>	<u>\$ 59,103</u>	<u>\$ 53,255</u>
Net Amount to be Raised (Tax Levy)	<u>\$ 74,444</u>	<u>\$ 72,110</u>	<u>\$ 69,802</u>	<u>\$ 67,959</u>	<u>\$ 65,551</u>

(1) Source: Massachusetts Department of Revenue.

TAX COLLECTIONS AND ABATEMENTS

Payment Dates. Property tax bills are payable quarterly on August 1, November 1, February 1, and May 1 of each fiscal year. Interest accrues on delinquent taxes at the rate of 14 percent per annum.

Lien. Real property (land and buildings) is subject to a lien for the taxes assessed upon it subject to any paramount federal lien and subject to bankruptcy and insolvency laws. In addition, real property is subject to a lien for certain unpaid municipal charges or fees. If the property has been transferred, an unenforced lien expires on the fourth December 31 after the fiscal year to which the tax relates. If the property has not been transferred by the fourth December 31, an unenforced lien expires upon a later transfer of the property. Provision is made, however, for continuation of the lien where it could not be enforced because of a legal impediment.

Personal Liability. The persons against whom real or personal property taxes are assessed are personally liable for the tax (subject to bankruptcy and insolvency laws.) In the case of real property, this personal liability is effectively extinguished by sale or taking of the property except to the extent described below.

The following shows the total tax levy, the reserve for abatements, the net levy and the amounts collected during each fiscal year for the current and each of the most recent fiscal years:

	Fiscal Year Ending June 30: (\$000)				
	<u>2026</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Total Tax Levy	\$74,444	\$72,118	\$69,801	\$67,959	\$65,551
Overlay Reserve for Abatements	<u>566</u>	<u>566</u>	<u>625</u>	<u>808</u>	<u>1,202</u>
Net Tax Levy (1)	<u>\$73,878</u>	<u>\$71,544</u>	<u>\$69,176</u>	<u>\$67,150</u>	<u>\$64,349</u>
Amount Collected					
During Fiscal Year Payable	\$13,362	\$49,871	\$68,342	\$67,122	\$64,563
Percent of Net Tax Levy	18.09%	69.71%	98.79%	99.96%	100.33%

(1) Net after deduction of overlay reserve for abatements.

(2) Actual collections of levy less refunds and amounts refundable. Includes proceeds of tax titles and tax possessions attributed to levy but not including abatements or other credits. Fiscal 2026 collections are as of November 1, 2025.

Abatements and Overlay. Cities and towns are authorized to increase each tax levy by an amount approved by the State Commissioner of Revenue as an “overlay” to provide for tax abatements. If abatements are granted in excess of the applicable overlay, the excess is required to be added to the next tax levy. An abatement granted after a tax payment has been made is accounted for as a refund on the books of the city or town.

Abatements are granted where exempt real or personal property has been assessed or where taxable real or personal property has been overvalued or disproportionately valued. The assessors may also abate uncollectible personal property taxes. They may abate real and personal property taxes on broad grounds (including inability to pay) with the approval of the State Commissioner of Revenue. But uncollected real property taxes are ordinarily not written off until they become municipal “tax titles” by purchase at the public sale or by taking, at which time the tax is written off in full by reserving the amount of the tax and charging surplus.

The following shows the abatements granted during the fiscal year for each of the most recent fiscal years:

	Fiscal Year Ending June 30: (\$000)				
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Total Tax Levy (1)	\$72,110	\$69,801	\$67,959	\$65,551	\$62,859
Overlay Reserve for Abatements	\$566	\$625	\$808	\$1,202	\$1,217
Percent of Tax Levy	0.79%	0.90%	1.19%	1.83%	1.94%
Abatements Granted:					
During Fiscal Year of Levy	\$144	\$215	\$240	\$514	\$227

(1) Source: Massachusetts Department of Revenue.

Tax Titles and Possessions

Massachusetts law permits a municipality either to sell by public sale (at which the municipality may become the purchaser) or to take real property for nonpayment of taxes. In either case the property owner can redeem the property by paying the unpaid taxes, with interest and other charges, but if the right of redemption is not exercised within six months (which may be extended an additional two years in the case of certain installment payments), it can be foreclosed by petition to the Land Court. Upon such foreclosure, a tax title purchased or taken by the municipality becomes a “tax possession” and may be held and disposed of in the same manner as other land held for municipal purposes. If the fair market value of the property at the time of the foreclosure decree is less than the amount of unpaid taxes, interest and other charges related to the property, the delinquent property owner remains personally liable for the unsatisfied balance and the municipality may seek to recover through a civil lawsuit.

Sales Tax Receivables. Cities and towns are authorized to sell delinquent property tax receivables by public sale or auction, either individually or in bulk.

TOWN FINANCES

Budget and Appropriation Process

By the first Council Meeting in April, the Town Manager must submit a final proposed budget to the Town Council. The Town Council, in turn, publishes a notice to be posted in the Clerk's office and on the Town's website, and holds a public hearing for the purpose of discussing the proposed budget. The Town Council then adopts a budget, with or without amendment, fifteen days prior to the start of the ensuing fiscal year.

Water and sewer department expenditures are generally included in the budgets adopted by the Town Council, but electric and gas department funds may be appropriated by the municipal light boards. Under certain legislation, any city or town which accepts the legislation may provide that the appropriation for the operating costs of any department may be offset, in whole or in part, by estimated receipts from fees charged for services provided by the department.

The school budget is limited to the amount appropriated by the Town Council, but the school committee retains full power to allocate the funds appropriated. State law imposes certain minimum expenditure requirements on municipalities with respect to funding for education. The requirements are determined on the basis of formulas affected by various measures of wealth and income, enrollments, prior levels of local spending and state aid, and other factors. Funding of the Town's School Department's budget has exceeded the minimum required contribution under the State's Education Reform Act since 1993.

Mandatory items, such as state and county assessments, the overlay for abatements, abatements in excess of overlays, principal and interest not otherwise provided for and final judgments are included in the tax levy whether or not included in the budget. Revenues are not required to be set forth in the budget but estimated non-tax revenues are taken into account by the assessors in fixing the tax levy.

BUDGET COMPARISON⁽¹⁾

The following table sets forth the budgets for fiscal years 2022-2026:

	<u>2026</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
General Government	\$ 25,700,867	\$ 24,832,969	\$ 24,773,331	\$ 24,514,890	\$ 25,785,731
Public Safety	15,060,888	14,857,873	14,407,705	12,714,770	12,355,657
Inspections	348,289	345,844	305,782	294,783	294,131
Health and Sanitation	403,001	394,215	366,615	354,879	350,530
Public Works ⁽¹⁾	20,020,408	18,375,706	17,367,509	16,379,116	15,315,820
Education	57,866,901	55,372,735	52,566,854	50,913,648	48,965,356
Library	708,075	721,019	705,906	699,297	690,535
Parks and Recreation	787,261	849,454	818,458	754,152	724,325
Human Services	718,268	722,200	738,771	1,084,359	780,334
Retirement	4,388,004	4,034,567	3,801,532	3,630,326	3,437,809
Other	-	-	-	-	1,244,820
Debt	3,911,395	3,899,224	3,774,867	4,265,576	3,762,050
Total:	<u>\$129,913,357</u>	<u>\$124,405,806</u>	<u>\$119,627,330</u>	<u>\$115,605,796</u>	<u>\$113,707,098</u>

⁽¹⁾ Includes Solid Waste, Sewer and Water Enterprise Funds.

STATE AID

State aid is also a major source of revenue for Massachusetts cities and towns. A municipality's state aid entitlement is based upon a number of different formulas and while said formulas might indicate that a particular amount of state aid is owed, the amount of state aid actually paid is limited to the amount appropriated by the state legislature. The state annually estimates state aid, but actual payments may vary from the estimate.

The following table sets forth the amount of State aid to the Town in recent years and the budgeted amount for fiscal year 2026 (the amounts do not include any MSBA School Construction Aid which is distributed by the Massachusetts School Building Authority):

<u>Fiscal Year</u>	<u>Total State Aid</u>
2026 (budgeted)	\$26,760,884
2025 (unaudited)	26,074,753
2024	25,546,379
2023	25,158,314
2022	24,587,230
2021	24,479,807
2020	24,351,189

STATE SCHOOL BUILDING ASSISTANCE PROGRAM

The Massachusetts School Building Authority (the "Authority") administers the state's school building assistance program for the purpose of providing financial assistance to cities, towns and regional school districts for approved school projects. Cities, towns and regional school districts may submit a statement of interest to the Authority for financial assistance for a proposed school project, and the Authority may, within its discretion, invite any such applicant to apply for a school facilities grant to fund a portion of the cost of the school project. The Authority is required to prioritize certain types of projects, including, but not limited to, projects that replace or renovate structurally unsound school buildings and projects that eliminate severe overcrowding or anticipated overcrowding from increased enrollment. For any project approved by the Authority for a school facilities grant, the amount of the grant is calculated based on a formula that takes into account approved project costs (which may be less than actual project costs), community income, wealth and poverty levels, and certain incentive factors, such as energy efficient and sustainable design and construction. The maximum school facilities grant for an approved school project is 80% of approved project costs. The Authority makes school facilities grant payments to a municipality as project costs are incurred pursuant to a project funding agreement between the Authority and the municipality, and the municipality is responsible for financing its share of the total project costs. For certain school projects approved by the State Board of Education before July 1, 2004 and prior to the establishment of the Authority, the Authority disburses the grant amounts previously approved in equal installments to pay a portion of the annual debt service on the bonds issued by the municipalities to finance the entire cost of the projects.

The Town is currently in the Schematic Design phase for the option of replacing the existing North Attleborough High School with a new facility on the existing site. The total project cost is estimated to be \$289 million.

On June 23, 2025, the Town Council approved \$287,861,098 for the construction of a new Attleborough High School. On June 3, 2025, the Town voted to exclude the debt service on the project from the provisions of Proposition 2½. The Town expects to receive a Massachusetts School Building Authority grant for 62.54% of eligible project cost. To date, the Town has received \$1,682,719 of grant funds.

MOTOR VEHICLE EXCISE TAX

An excise tax is imposed on the registration of motor vehicles (subject to exemptions) at a rate of \$25 per \$1,000 of valuation. The excise is collected by and for the benefit of the municipality in which the motor vehicle is customarily kept. Valuations are determined by a statutory formula based on the manufacturer's list price and year of manufacture. Bills not paid when due bear interest at 12 percent per annum. Provision is also made for the nonrenewal of registration and operating license by the Registrar of Motor Vehicles.

The following table sets forth the amount of motor vehicle excise taxes received in each of the most recent fiscal years and the budgeted amount for fiscal 2026:

<u>Fiscal Year</u>	<u>Motor Vehicle Excise Taxes</u> ⁽¹⁾
2026 (budgeted)	\$4,750,000
2025 (unaudited)	5,413,197
2024	5,114,055
2023	4,579,960
2022	4,460,546
2021	4,337,653

⁽¹⁾ Net after refunds. Includes receipts for prior years.

COMMUNITY PRESERVATION ACT

The Town has not accepted the provisions of the CPA.

TAX INCREMENT FINANCING FOR DEVELOPMENT DISTRICTS

Cities and towns are authorized to establish development districts to encourage increased residential, industrial and commercial activity. All or a portion of the taxes on growth in assessed value in such districts may be retained and pledged solely for the purpose of financing economic development projects pursuant to the city or town's development program for the district. This includes retaining and pledging such "tax increments" for the payment of bonds and notes issued to finance such projects. As a result of any such retention and pledge, tax increments raised from new growth properties in development districts are not available for other municipal purposes. Tax increments are taken into account in determining the total taxes assessed for the purpose of calculating the maximum permitted tax levy under Proposition 2½ (see "Tax Limitations" under "Property Tax" herein). The Town has not established any development districts.

OTHER TAXES

Property Taxes. Property taxes are a major source of revenue for Massachusetts cities and towns. The total amount levied is subject to certain limits prescribed by law. For a description of those limits, see "PROPERTY TAXATION - Tax Limitations" above.

Motor Vehicle Tax. An excise tax is imposed on the registration of motor vehicles (subject to exemptions) at a rate of \$25 per \$1,000 of valuation. The excise is collected by and for the benefit of the municipality in which the vehicle is customarily kept. Valuations are determined by a statutory formula based on the manufacturer's list price and year of manufacture. Bills not paid when due bear interest at 12% per annum. Provision is also made for the nonrenewal of registration and operating license by the Registrar of Motor Vehicles.

Room Occupancy Tax. Massachusetts cities and towns have the option of imposing a local excise tax on the provision of bed and breakfast, hotel, lodging house, short-term rental and motel rooms at a rate not to exceed six percent (6%) of the total amount of rent for each such occupancy. The tax is paid by the operator of the establishment (together with its payment of the state room occupancy excise tax) to the State Commissioner of Revenue, and the state in turn pays the local excise tax back to the municipality in which the rooms are located.

The following table shows the actual room occupancy tax receipts for the most recent fiscal years and the budgeted amount for fiscal 2026:

<u>Fiscal Year</u>	<u>Receipts</u>
2026 (budgeted)	\$550,000
2025 (unaudited)	489,192
2024	488,637
2023	472,156
2022	392,341
2021	165,907
2020	191,254

Meals Tax. Massachusetts cities and towns have the option of imposing a local sales tax on the sale of restaurant meals originating within the city or town by a vendor at the rate of .75 percent of the gross receipts of the vendor from the sale of restaurant meals. The tax is paid by the vendor (together with its payment of the state sales tax on meals) to the State Commissioner of Revenue, and the state in turn pays the tax to the city or town in which the meal was sold. At the Special Town Meeting in September 2009, the Town voted to accept Chapter 64L, section 2(a) to impose an additional meals excise of .75 percent.

The following table shows the actual meals tax receipts for the most recent fiscal years and the budgeted amount for fiscal 2026:

<u>Fiscal Year</u>	<u>Receipts</u>
2026 (budgeted)	\$640,000
2025 (unaudited)	670,731
2024	646,106
2023	627,175
2022	591,770
2021	401,142

Marijuana Tax. Massachusetts cities and towns have the option of imposing a local sales tax on the sale of marijuana or marijuana products by a marijuana retailer to a non-marijuana establishment at a rate no greater than 3% of the total sales price received by the marijuana retailer. The marijuana retailer shall pay the local sales tax (together with its payment of the state sales tax on marijuana) to the State Commissioner of Revenue, and the state in turn pays the local sales tax receipts to the city or town in which the marijuana was sold.

The following table shows the actual Cannabis receipts for the most recent fiscal years and the budgeted amount for fiscal 2026:

<u>Fiscal Year</u>	<u>Receipts</u>
2026 (budgeted)	\$350,000
2025 (unaudited)	347,343
2024	364,528

UNASSIGNED GENERAL FUND BALANCE AND FREE CASH

Under Massachusetts law an amount known as “free cash” is certified as of the beginning of each fiscal year by the State Bureau of Accounts and this, together with certain subsequent tax receipts, is used as the basis for subsequent appropriations from available funds, which are not required to be included in the annual tax levy. Subject to certain adjustments, free cash is surplus revenue less uncollected and overdue property taxes from prior years. The Town Accountant may certify as available for appropriation an adjusted free cash figure by adding back those uncollected and overdue property taxes which are subsequently collected between July 1 and the following March 31 of any year.

The following table sets forth the unassigned general fund balance and certified free cash for the most recent fiscal years:

<u>July 1,</u>	<u>Unassigned General Fund Balance</u>	<u>Free Cash</u>
2025 (1)	\$16,121,385	\$6,167,073
2024	15,646,452	5,541,193
2023	15,743,370	5,553,912
2022	18,620,880	8,047,944
2021	15,631,867	5,523,193
2020	12,010,873	4,600,377

(1) Unaudited.

STABILIZATION FUND

The Town has maintained a Stabilization Fund for several years. Under Massachusetts statutes, funds may be appropriated from the Fund for any municipal purpose by a two-thirds vote of the Town Council. The following is the balance in the account at the end of the most recent fiscal years:

<u>Fiscal Year</u>	<u>Balance</u>
2025 (unaudited)	\$7,976,522
2024	7,489,658
2023	7,278,968
2022	7,204,486
2021	7,475,031
2020	5,401,496

In addition, the Town voted to establish a Capital Stabilization Fund. The balance in the fund, as of June 30, 2025 (unaudited), was \$6,055,187.

INVESTMENT OF FUNDS

Massachusetts cities and towns may only invest or deposit available revenue funds and bond and note proceeds in the following: term deposits or certificates of deposit having a maturity date of up to three years; trust companies, national banks, savings banks, banking companies or cooperative banks; obligations issued or unconditionally guaranteed by the federal government or an agency thereof with a maturity of not more than one year; repurchase agreements for federal or federal agency securities with a trust company, national bank or banking company with a term of not more than 90 days; participation units in the Massachusetts Municipal Depository Trust ("MMDT"); and shares in SEC-registered money market funds with the highest possible rating from at least one nationally recognized rating organization.

MMDT is an investment pool created by the Commonwealth. The State Treasurer is the sole trustee, and the funds are managed under contract by an investment firm under the supervision of the State Treasurer's office. More information about MMDT can be found online at mymmdt.com.

Trust funds, unless otherwise provided by the donor, may be invested in a broader range of investments, including any bonds or notes that are legal investments for savings banks in the Commonwealth. The restrictions described above do not apply to investments made by city and town retirement systems. See "RETIREMENT PLAN" herein.

COLLECTIVE BARGAINING

City and town employees (other than managerial and confidential employees) are entitled to join unions and to bargain collectively on questions of wages, hours and other terms and conditions of employment. The Town has approximately 1,079 full time and part-time employees of which approximately 68 percent belong to unions or other collective bargaining groups as follows:

<u>Union</u>	<u>Department</u>	<u>Number of People</u>	<u>Expiration Date (1)</u>
NAFT	School Teachers	344	8/31/2028
NAFT	School Office Professionals	29	6/30/2028
NAFT	School Para-professionals	126	8/31/2027
NAFT	Cafeteria	33	8/31/2027
AFSCME	School Custodians/Bus Drivers	49	6/30/2026
AFSCME	Town	27	6/30/2026
NAFF	Fire	58	6/30/2026
Police Officers Association	Police	40	6/30/2026
Professional Police Officers Assoc.	Police	11	6/30/2026
Mass Cop-Dispatcher	Police	13	6/30/2026
USWA-Units 1 & 2	Town	38	6/30/2026
Laborers	DPW/Park	<u>41</u>	6/30/2026
Total		<u>809</u>	

(1) Expired contracts are under negotiation.

PHYSICAL AND ECONOMIC CHARACTERISTICS

General

The Town, located in Bristol County, was incorporated as a Town in 1887. Prior to this date, the Town was part of what is now, the City of Attleboro. Both communities have a rich history in the manufacturing sector, particularly jewelry manufacturing. In 1855, the Town boasted 24 establishments making approximately \$1,000,000 annually in jewelry. The major contributor to this success was brought about by the Civil War and the Army's request for badges and medals. Today, North Attleborough is a predominantly residential community.

The Town is conveniently located to major routes connecting to Providence, Rhode Island and Boston, Massachusetts. Located in Southeastern Massachusetts, the Town is bordered by Plainville to the north, Mansfield to the east, the City of Attleboro to the south and Cumberland, Rhode Island to the west. Commuter rail service is located in the neighboring City of Attleboro, providing access to Boston's Back Bay Station and South Station. The Town also is a member of the Greater Attleboro-Taunton Regional Transit Authority ("GATRA") which provides public transportation to 14 fixed routes as well as the Dial-A-Ride program to benefit the elderly and disabled.

Other than the Town itself, the following are the principal employers located in the Town:

<u>Company</u>	<u>Nature of Business</u>	<u>Current Employees</u>
Emerald Square Mall	Retail Stores	1,800
Shaw's	Supermarket	400
Wal-Mart	Retail	300
V.H. Blackington	Jewelry Manufacturer-Badges	200
Madonna Nursing Home	Nursing Home	190
Lowe's	Retail	175
Needle Tech Products	Medical/Manufacturing	170
Target	Department Store	160
Super Stop & Shop	Supermarket	147
Metalor USA Refining Corp.	Metal Refining	130
Best Buy	Retail	125

Source: The Town as of December 2025.

BUILDING PERMITS

<u>Calendar Year</u>	<u>Number</u>	<u>Estimated Value</u>
2025 (through 11/30/25)	858	\$61,123,771
2024	978	46,429,017
2023	908	45,462,273
2022	913	41,787,145
2021	1,086	48,855,456
2020	813	56,384,464

EMPLOYMENT

<u>Year</u>	<u>Labor Force</u>	<u>Employed</u>	<u>Unemployment Rate (%)</u>			
			<u>Town</u>	<u>County</u>	<u>State</u>	<u>U.S.</u>
2025(a)	18,725	17,956	4.1	2.9	2.6	4.1
2024	18,394	17,716	3.7	4.6	3.4	3.6
2023	17,857	17,293	3.2	6.3	3.7	3.6
2022	17,626	17,053	3.3	10.8	5.5	5.3
2021	17,359	16,585	4.5	3.9	9.4	8.1
2020	17,417	15,863	8.9	4.4	3.0	3.7

(a) month of August, not seasonally adjusted for Town and County

Sources: Mass. Executive Office of Labor and Workforce Development (Town, County) and U.S. Bureau of Labor Statistics (State, U.S.)

EMPLOYMENT AND WAGES

<u>Industry</u>	<u>Establishments</u>	<u>Average Employment</u>	<u>Average Weekly Wage (\$)</u>
Total, All Industries	890	11,279	1,009
Construction	96	698	1,585
Manufacturing	51	1,405	1,320
Wholesale Trade	56	380	1,849
Retail Trade	155	3,061	768
Transportation and Warehousing	19	160	1,106
Information	20	149	1,013
Finance and Insurance	39	181	2,002
Real Estate and Rental and Leasing	35	110	2,235
Professional and Technical Services	91	343	1,353
Administrative and Waste Services	49	408	1,153
Educational Services	16	938	1,152
Health Care and Social Assistance	106	874	857
Arts, Entertainment, and Recreation	13	193	501
Accommodation and Food Services	63	1,076	547
Other Services, Except Public Administration	73	980	477

Source: Mass. Dept of Economic Research, Executive Office of Labor and Workforce Development, 2024 Data

SCHOOL ENROLLMENTS ⁽¹⁾

	<u>Actual</u>				
	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
Pre K-5	1,819	1,853	1,877	1,895	1,864
6-8	959	956	964	626	921
9-12	<u>1,143</u>	<u>1,107</u>	<u>1,062</u>	<u>1,339</u>	<u>986</u>
Total	<u>3,993</u>	<u>3,916</u>	<u>3,903</u>	<u>3,860</u>	<u>3,771</u>

⁽¹⁾ As of October 1, of each year.

SCHOOL FACILITIES

<u>School</u>	<u>Grade</u>	<u>Building Capacity</u>	<u>Current Enrollment</u> ⁽¹⁾
<u>Elementary:</u>			
Amvet Blvd.	K-5	476	398
Falls	K-5	282	249
Martin	K-5	608	536
Roosevelt Ave.	K-5	260	269
Community	K-5	458	258
Early Learning	Pre-K	150	154
Middle School:	6-8	1,350	921
Senior High School:	9-12	<u>1,250</u>	<u>986</u>
		<u>4,834</u>	<u>3,771</u>

⁽¹⁾ As of October 1, 2025.

OTHER DATA

	<u>North Attleborough</u>	<u>Massachusetts</u>	<u>United States</u>
Recent Population Estimate (2024)	31,210	7,136,171	340,110,988
Census Population:			
2020	30,834	7,029,917	331,449,281
2010	28,712	6,547,629	308,745,538
2000	27,143	6,349,097	281,421,906
1990	25,038	6,016,425	248,709,873
Inter-Census Population Growth:			
2020	7.39%	7.37%	7.35%
2010	5.78%	3.13%	9.71%
2000	8.41%	5.53%	13.15%
Population Per Square Mile:			
2020	1635	901	94
Median Age:			
2023	42.9	40.3	39.2
Persons under 18 years, 2023	21.0%	19.2%	21.7%
Persons over 65 years, 2023	17.0%	18.5%	17.7%
Persons per Household	2.40	2.45	2.54
Annual Median Household Income:			
2019-23 Average (in 2023 dollars)	\$109,426	\$101,341	\$78,538
Annual Per Capita Income:			
2019-23 Average (in 2023 dollars)	\$56,154	\$56,284	\$43,289
Total Retail Sales Per Capita, 2022	\$44,600	\$21,938	\$20,928
Median value of owner-occupied housing units, 2019-23	\$462,700	\$525,800	\$303,400
In civilian labor force, age 16+, 2019-23	72.4%	67.1%	63.0%
High School Graduate or Higher, age 25+, 2019-23	94.8%	91.4%	89.4%
Bachelor's Degree or Higher, age 25+, 2019-23	46.8%	46.6%	35.0%
Owner-occupied housing unit rate, 2019-23	71.0%	62.6%	65.0%
Persons in Poverty (2023)	8.3%	10.4%	11.1%

Source: U.S. Census Bureau

LITIGATION

There are numerous cases pending in courts throughout the Commonwealth where the Town is a defendant. To the actual knowledge of the Town, there is no litigation, either pending or threatened, which is considered likely to result, either individually or in the aggregate, in final judgments against the Town that would materially affect its financial condition.

**TOWN OF NORTH ATTLEBOROUGH,
Massachusetts**

By: /s/ Christopher L. Sweet
Treasurer

Dated: January 7, 2026

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APPENDIX A

The following Balance Sheets for June 30, 2021-2024 and the Statement of Revenues, Transfers, Expenditures and Changes in Fund Balance for fiscal years 2021-2024 have been extracted from the final audit reports of those years.

The following Balance Sheet and the Statement of Revenues, Transfers, Expenditures and Changes in Fund Balance for June 30, 2025 are unaudited.

TOWN OF NORTH ATTLEBOROUGH
Massachusetts
BALANCE SHEET - GENERAL FUND
JUNE 30, ⁽¹⁾

	<u>2025 ⁽²⁾</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
<u>Assets</u>					
Cash and cash equivalents/					
Investments	\$28,708,217	\$26,392,460	\$23,953,924	\$30,573,718	\$25,900,056
Receivables:					
Property taxes & utility liens	2,062,936	2,108,942	2,110,078	2,0777,866	1,899,698
Motor vehicle & other excise	1,018,468				
Departmental & other	281,899	952,165	586,716	776,701	608,403
Due from other governments	315,183	272,811	108,534	366,626	99,837
Leases	176,100	0	0	0	0
Due from fiduciary funds	103,123	0	0	0	0
Other assets	40,706	39,623	34,969	38,336	27,332
Total Assets	<u>\$32,706,632</u>	<u>\$29,766,001</u>	<u>\$26,794,221</u>	<u>\$33,833,247</u>	<u>\$28,535,326</u>
 Liabilities and Fund Balances					
<u>Liabilities:</u>					
Warrants payable	\$ 1,289,692	\$ 1,160,720	\$ 933,457	\$ 3,100,938	\$ 1,053,686
Accrued payroll	3,641,273	3,396,132	3,873,305	5,223,112	4,688,951
Refunds payable	124,310	191,119	200,000	169,182	0
Deposits & escrows	0	0	185,118	283,735	276,633
Unearned revenues	146,628	73,339	79,423	92,135	0
Other liabilities	75,117	680,469	384,136	418,931	533,902
Total Liabilities	<u>5,277,020</u>	<u>5,501,779</u>	<u>5,655,439</u>	<u>9,288,033</u>	<u>6,553,172</u>
 Total Deferred Inflows of Resources:	 <u>3,696,026</u>	 <u>2,816,418</u>	 <u>2,363,564</u>	 <u>2,603,365</u>	 <u>2,190,181</u>
 <u>Fund Balances (Deficit):</u>					
Nonspendable	40,706	39,623	34,969	38,336	27,332
Restricted	0	0	0	68,510	64,377
Committed	6,829,290	5,186,629	0	0	1,613,867
Assigned	742,205	575,100	2,996,879	3,214,123	2,454,530
Unassigned	<u>16,121,385</u>	<u>15,646,452</u>	<u>15,743,370</u>	<u>18,620,880</u>	<u>15,631,867</u>
Total Fund Balances (Deficit)	<u>23,733,586</u>	<u>21,447,804</u>	<u>18,775,218</u>	<u>21,941,849</u>	<u>19,791,973</u>
Total Liabilities, Deferred Inflows and Fund Balances:	<u>\$32,706,632</u>	<u>\$29,766,001</u>	<u>\$26,794,221</u>	<u>\$33,833,247</u>	<u>\$28,535,326</u>

⁽¹⁾ Extracted from the audited financial statements of the Town.

⁽²⁾ Unaudited.

TOWN OF NORTH ATTLEBOROUGH
Massachusetts
Combined Statement of Revenues, Transfers, Expenditures and Changes in Fund Balance
GENERAL FUND

June 30, ⁽¹⁾

	<u>2025</u> ⁽²⁾	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Revenues:					
Property Taxes	\$ 70,940,199	\$ 68,789,036	\$ 67,311,568	\$64,340,999	\$ 62,500,275
Excise Taxes	7,000,799	6,661,161	6,175,177	5,515,063	4,986,059
Fines and Forfeitures	92,116	62,912	13,479	43,594	44,437
Tax & Utility Liens	299,003	405,127	-	-	-
Payment in Lieu of Taxes	352,021	366,304	-	-	-
Charges for Services	521,289	458,135	-	-	-
Intergovernmental	35,062,447	34,783,299	33,141,694	31,711,893	39,269,593
Investment Income	2,069,488	1,903,350	719,926	(362,339)	45,120
Penalties, Interest & Other Taxes	319,102	373,426	368,696	305,922	288,279
Licenses and Permits	739,071	595,470	614,708	606,731	644,065
Departmental & Other	<u>270,245</u>	<u>386,273</u>	<u>1,702,485</u>	<u>714,553</u>	<u>733,929</u>
Total Revenues	<u>\$117,665,780</u>	<u>\$114,784,493</u>	<u>\$110,047,733</u>	<u>\$102,876,416</u>	<u>\$108,511,757</u>
Expenditures:					
General Government	\$ 6,039,122	\$ 5,446,684	\$ 4,631,195	\$ 4,310,184	\$ 4,013,697
Public Safety	14,787,812	14,095,085	13,222,642	11,516,604	11,076,049
Education	63,199,406	61,594,470	59,317,907	54,727,312	61,213,061
Culture & Recreation	1,549,172	1,490,750	1,416,679	1,339,793	1,165,632
Public Works	2,405,482	2,127,649	1,506,680	1,752,226	1,447,751
Health & Human Services	1,016,132	948,555	914,741	911,908	914,154
Debt Service	3,888,170	3,738,000	3,978,051	3,464,734	3,301,415
Employee Benefits/Insurance	19,214,839	16,073,414	15,616,146	14,310,338	14,462,149
Intergovernmental	<u>4,612,068</u>	<u>5,141,175</u>	<u>5,691,485</u>	<u>5,561,599</u>	<u>5,270,613</u>
Total Expenditures	<u>\$116,712,203</u>	<u>\$110,655,782</u>	<u>\$106,295,526</u>	<u>\$ 97,894,698</u>	<u>\$102,864,521</u>
Excess (deficiency) of revenues over expenditures	953,577	4,128,711	3,752,207	4,981,718	5,647,236
Other Financing Sources (Uses)					
Transfers in	2,841,802	2,932,695	1,729,402	2,283,668	1,869,807
Transfers out	<u>(1,509,597)</u>	<u>(4,388,820)</u>	<u>(8,648,240)</u>	<u>(5,115,510)</u>	<u>(385,157)</u>
Other Financing Sources (Uses):	<u>1,332,205</u>	<u>(1,456,125)</u>	<u>(6,918,838)</u>	<u>(2,831,842)</u>	<u>1,484,650</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	2,285,782	2,672,586	(3,166,631)	2,149,876	7,131,886
Fund Balance, Beginning of Year	<u>21,447,804</u>	<u>18,775,218</u>	<u>21,941,849</u>	<u>19,791,973</u>	<u>12,660,087</u>
Fund Balance, End of Year	<u>\$ 23,733,586</u>	<u>\$ 21,447,804</u>	<u>\$ 18,775,218</u>	<u>\$ 21,941,849</u>	<u>\$ 19,791,973</u>

⁽¹⁾ Extracted from the audited financial statements of the Town.

⁽²⁾ Unaudited.

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APPENDIX B

There follows in this Appendix the audited financial statements for the fiscal year ended June 30, 2024 with the report of the certified public accountants, CliftonLarsonAllen, CPA.

The attached report speaks only as of its date, and only to matters expressly set forth therein. The auditors have not been engaged to review this Official Statement or to perform audit procedures regarding the post audit period, nor have the auditors been requested to give their consent to the inclusion of their report in Appendix B. Except as stated in their report, the auditors have not been engaged to verify the financial information set forth in Appendix B and are not passing upon and do not assume responsibility for the sufficiency, accuracy or completeness of the financial information presented in Appendix B.

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TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS

**BASIC FINANCIAL STATEMENTS AND
REQUIRED SUPPLEMENTARY INFORMATION**

YEAR ENDED JUNE 30, 2024



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YEAR ENDED JUNE 30, 2024**

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

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INDEPENDENT AUDITORS' REPORT

Honorable Town Council
Town of North Attleborough, Massachusetts

Report on the Audit of the Financial Statements

Opinions

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

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

We did not audit the financial statements of North Attleborough Electric Department, which represent 100% of the total assets, net position and revenues of the Electric Department major fund, and 38%, 47% and 73%, respectively, of the total assets, net position, and revenues of the business-type activities as of June 30, 2024. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the business-type activities of the North Attleborough Electric Department, is based solely on the report of the other auditors.

We also did not audit the financial statements of North Attleborough Contributory Retirement System, and North Attleborough Electric Department OPEB Trust which represent 93%, 94%, and 73%, respectively, of the total assets, net position, and revenues of the aggregate remaining fund information as of June 30, 2024. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the aggregate remaining fund information of the North Attleborough Contributory Retirement System and North Attleborough Electric Department OPEB Trust, are based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. The financial statements of the North Attleborough Contributory Retirement System were not audited in accordance with *Government Auditing Standards*.

We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, general fund budget comparison, and certain pension and other postemployment benefits information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 28, 2025, on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town'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 Town's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Boston, Massachusetts
March 28, 2025

**TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

As management of the Town of North Attleborough, Massachusetts (Town), we offer readers of these financial statements this narrative overview and analysis of the Town's financial activities for the fiscal year ended June 30, 2024. We encourage readers to consider the information presented here in conjunction with their review of the basic financial statements, notes to the basic financial statements and required supplementary information.

Significant Financial Results

- The Town's assets and deferred outflow of resources exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$58,870,237. The Town's total net position increased by \$5,429,604 in fiscal year 2024.
- The Town continues to report a deficit in its unrestricted net position in its governmental activities. This deficit was \$154,386,528 at June 30, 2024. This deficit is due primarily to the recording of liabilities associated with the net OPEB and pension liabilities, these liabilities are applied to the Town's unrestricted net position and represent actuarial estimates of future postemployment benefits payable by the Town for retiree medical insurance and pensions.
- As of the close of the fiscal year, the Town's governmental funds balance sheet reported a combined ending fund balances totaling \$51,443,735, a decrease of \$558,587, in comparison with the prior year.
- Of the ending fund balance in the governmental funds at June 30, 2024, \$14,652,766 is available for spending at the government's discretion as unassigned fund balance. The remainder is earmarked for specific expenditures.
- At the end of the fiscal year, unassigned fund balance for the general fund totaled \$15,646,452 or 14% of total general fund expenditures and transfers out.
- The Town's total long-term debt increased by \$7,206,876 (12%) during fiscal year 2024. The Town issued \$9,830,000 in general obligation bonds and \$3,106,417 of loans with MCWT during the year. The Town's total long-term debt was \$67,234,973 at June 30, 2024.

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 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 Town's finances, in a manner similar to a private-sector business.

**TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

The **statement of net position** presents information on all of the Town's nonfiduciary 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 Town is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the Town 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, debt service (interest). Business-type activities include the sewer, water, solid waste, and Electric Department operations.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds 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.

**TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

The Town maintains several 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 fund, which is considered to be a major fund. Data from the other governmental funds are combined into a single, aggregated presentation titled *nonmajor governmental funds*.

Proprietary Funds

The Town maintains one proprietary fund type.

Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town uses an enterprise fund to account for its sewer, water, solid waste, and Electric Department operations, each of which are considered to be major funds with the exception of the solid waste fund which is reported as nonmajor.

Fiduciary Funds

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

Notes to the Basic Financial Statements

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

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 certain pension and other postemployment benefits information.

**TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

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 Town's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$58,870,327 at the close of the fiscal year and are summarized as follows:

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Assets and Deferred Outflows						
Current and Other Assets	\$ 69,388,270	\$ 67,580,847	\$ 74,060,119	\$ 75,213,351	\$ 143,448,389	\$ 142,794,198
Capital Assets, Net	92,204,929	83,611,872	123,670,389	113,535,001	215,875,318	197,146,873
Total Assets	161,593,199	151,192,719	197,730,508	188,748,352	359,323,707	339,941,071
Deferred Outflows of Resources	17,580,522	32,424,429	6,237,192	6,323,120	23,817,714	38,747,549
Liabilities and Deferred Inflows						
Long-Term Liabilities	187,752,656	216,247,145	61,366,784	47,304,583	249,119,440	263,551,728
Other Liabilities	13,431,045	15,829,376	11,025,392	10,624,089	24,456,437	26,453,465
Total Liabilities	201,183,701	232,076,521	72,392,176	57,928,672	273,575,877	290,005,193
Deferred Inflows of Resources	41,703,098	20,494,518	8,992,119	14,748,186	50,695,217	35,242,704
Net Position						
Net Investment in Capital Assets	75,027,525	70,360,987	83,747,651	79,467,096	158,775,176	149,828,083
Restricted	15,645,925	39,516,452	21,793,927	22,868,711	37,439,852	62,385,163
Unrestricted	(154,386,528)	(178,831,330)	17,041,827	20,058,807	(137,344,701)	(158,772,523)
Total Net Position	\$ (63,713,078)	\$ (68,953,891)	\$ 122,583,405	\$ 122,394,614	\$ 58,870,327	\$ 53,440,723

The largest portion of the Town's net position (\$158,775,176) reflects its net investment in capital assets (e.g., land, construction in progress, land improvements, buildings and improvements, equipment, and infrastructure); 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 Town's net position \$37,439,852 represents resources that are subject to external restrictions on how they may be used.

Unrestricted net position of \$17,041,827 may be used to support business-type activities. The Town 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 postemployment benefits liabilities.

**TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

Changes in Net Position

For the fiscal year ended June 30, 2024, the Town's total net position increased by \$5,429,604, compared to a decrease of \$14,958,505 in the prior fiscal year. These amounts are summarized as follows:

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues						
Program Revenues:						
Charges for Services	\$ 8,351,292	\$ 6,964,088	\$ 46,210,708	\$ 48,533,972	\$ 54,562,000	\$ 55,498,060
Operating Grants and Contributions	42,765,909	41,876,353	1,028,461	779,717	43,794,370	42,656,070
Capital Grants and Contributions	3,824,353	1,436,713	-	-	3,824,353	1,436,713
General Revenues:						
Real Estate and Personal Property Taxes	69,366,636	67,261,752	-	-	69,366,636	67,261,752
Motor Vehicle and Other Excise Taxes	6,741,261	5,985,192	-	-	6,741,261	5,985,192
Payments in Lieu of Taxes	366,304	419,590	-	-	366,304	419,590
Intergovernmental	3,334,718	3,332,701	-	-	3,334,718	3,332,701
Penalties and Interest on Taxes	373,426	371,488	-	-	373,426	371,488
Investment Income (Loss)	2,048,913	805,888	1,577,890	(2,860,599)	3,626,803	(2,054,711)
Other	443,949	370,538	-	-	443,949	370,538
Total Revenues	137,616,761	128,824,303	48,817,059	46,453,090	186,433,820	175,277,393
Expenses						
General Government	8,632,684	8,452,207	-	-	8,632,684	8,452,207
Public Safety	20,864,551	23,641,792	-	-	20,864,551	23,641,792
Education	90,130,274	96,390,024	-	-	90,130,274	96,390,024
Public Works	8,429,911	6,461,507	-	-	8,429,911	6,461,507
Health and Human Services	1,942,106	1,906,748	-	-	1,942,106	1,906,748
Culture and Recreation	2,463,880	2,683,581	-	-	2,463,880	2,683,581
Interest Expense	645,462	629,319	-	-	645,462	629,319
Utility Services	-	-	47,895,348	50,070,720	47,895,348	50,070,720
Total Expenses	133,108,868	140,165,178	47,895,348	50,070,720	181,004,216	190,235,898
Change in Net Position Before Transfers	4,507,893	(11,340,875)	921,711	(3,617,630)	5,429,604	(14,958,505)
Transfers, Net	732,920	(238,365)	(732,920)	238,365	-	-
Change in Net Position	5,240,813	(11,579,240)	188,791	(3,379,265)	5,429,604	(14,958,505)
Net Position - Beginning of Year	(68,953,891)	(57,374,651)	122,394,614	125,773,879	53,440,723	68,399,228
Net Position - End of Year	<u>\$ (63,713,078)</u>	<u>\$ (68,953,891)</u>	<u>\$ 122,583,405</u>	<u>\$ 122,394,614</u>	<u>\$ 58,870,327</u>	<u>\$ 53,440,723</u>

Governmental activities increased the Town's net position by \$5,240,813. In the prior year, governmental activities decreased the Town's net position by \$11,579,240. The key element of this change is an increase in the taxable property values from 2023 to 2024. Additionally, the Town experienced a decrease in OPEB expense in fiscal year 2024 primarily due to an experience gain and changes in assumptions.

Business-type activities increased the Town's net position by \$188,791. In the prior year, business-type activities decreased the Town's net position by \$3,379,265. The key element of this change is an increase in investment income due to favorable market results compared to the prior year.

**TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

Fund Financial Statement Analysis

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

Governmental Funds

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

At the end of the current fiscal year, the governmental funds reported combined ending fund balances totaling \$51,443,735, a decrease of \$558,587 in comparison with the prior year. \$14,652,766 represents unassigned fund balance. The remainder of fund balance includes the following constraints:

- Nonspendable – \$2,528,809
- Restricted – \$20,159,705
- Committed – \$13,527,355
- Assigned – \$575,100

The general fund is the primary operating fund of the Town. At the end of the current fiscal year, the general fund's unassigned fund balance totaled \$15,646,452, while total fund balance was \$21,447,804. 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 14% of total general fund expenditures and transfers out, while total fund balance represents 19% of that same amount.

The balance of the Town's general fund increased by \$2,672,586 during fiscal year 2024, primarily due to an approximately \$1,600,000 increase to intergovernmental revenue as a result of increases in state funding, as well as an approximately \$1,500,000 increase to property tax revenue as a result of increases in the taxable property values from 2023 to 2024, and approximately \$1,000,000 increase in investment income due to improved market conditions. This was offset by an approximately \$2,000,000 increase in education expenditures as a result of an approved increase in the education budget. The Town recognized a budgetary surplus of approximately \$6,059,600 (excluding encumbrances), and anticipated utilizing reserves of approximately \$7,687,000 to fund fiscal year 2024 operations.

Proprietary Funds

The Town'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, solid waste, and Electric Department enterprise funds at the end of the year amounted to \$1,185,429, \$(2,603,626), \$1,022,595 and \$17,437,429 respectively. The sewer, water, solid waste, and Electric Department enterprise funds had increases/decreases in net position for the year of \$(1,238,736), \$(372,889), \$(57,794) and \$1,858,210, respectively. Other factors concerning the finances of the fund have already been addressed in the discussion of the Town's business-type activities.

**TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

General Fund Budgetary Results

During the year, general fund revenues exceeded budgetary estimates, and expenditures, encumbrances were less than budgetary estimates, resulting in a positive overall budget to actual variance of approximately \$6,060,000. Encumbrances totaled \$575,100 at year end.

Some of the significant revenue items that exceeded budgetary estimates were the following:

- | | |
|--|--------------|
| • Investment Income | \$ 1,265,103 |
| • Motor Vehicle and Other Excise Taxes | \$ 986,161 |
| • Tax and Utility Liens | \$ 405,127 |
| • Charges for Services | \$ 180,585 |

Some of the programs that expended less than budgetary estimates were the following:

- | | |
|-------------------------------|--------------|
| • Public Safety | \$ 1,088,898 |
| • State and County Charges | \$ 852,504 |
| • Pension and Fringe Benefits | \$ 602,565 |
| • General Government | \$ 493,306 |
| • Education | \$ 343,455 |
| • Health and Human Services | \$ 135,231 |

The under expenses were primarily due to staffing vacancies across all programs, reduced snow removal expenses, and reduced operating expenses across all programs.

Capital Asset and Debt Administration

Capital Assets

The Town's investment in capital assets for its governmental and business type activities at the end of the fiscal year totaled \$215,875,318 (net of accumulated depreciation and amortization). This investment in capital assets includes land, land improvements, buildings and improvements, machinery and equipment, and infrastructure. The total increase in the investment in capital assets for the current fiscal year totaled \$18,728,445 or 9.5%.

Additional information on the Town's capital assets can be found in the notes to the financial statements.

Long-Term Debt

At the end of the current fiscal year, total long-term debt and unamortized premiums outstanding was \$67,234,973, which is backed by the full faith and credit of the Town.

The Town total long-term debt increased \$7,206,876 or 12% during fiscal year 2024, primarily due to the issuance of bonds offset by the debt payments made.

In connection with the Town's fiscal year 2024 general obligation bond issuance, Standard & Poor' Financial Services affirmed the Town's credit rating to AA+, which is its second highest credit rating for long-term debt.

Additional information on the Town's long-term debt can be found in the notes to the financial statements.

**TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

Economic Factors and Next Year's Budgets and Rates

- Net state aid for fiscal year 2025 is expected to approach \$20.8 million.
- The Town enters fiscal year 2025 with the following financial reserves:
 - Certified free cash of over \$5.5 million; (Same as FY24)
 - General stabilization funds of approximately \$7.6 million; and
 - Capital stabilization funds of approximately \$4.4 million.
- Inflation is expected to continue affecting the Town in a number of ways including higher energy costs, increased capital acquisition costs and operating expenses.
- The Town's real estate tax base is made up predominantly of residential taxes, which in setting the 2025 tax rate was approximately 82% of the entire property tax levy. The Town also relies to a moderate degree on its commercial, industrial and personal property real estate tax base which comprise the remainder of the levy. In addition, Chapter 580 of the Acts of 1980, more commonly referred to as Proposition 2 ½, limits the Town's ability to increase taxes in any one year by more than 2 ½% of the previous year's tax levy. The Town typically taxes at or near its levy limit.
- Property values within the Town have been steadily increasing. Many neighborhoods' property values are at all-time highs.

The above items were considered when the Town Council approved its fiscal year 2025 budget in a June 2024 Town Council meeting. The Town set its fiscal year 2025 property tax rate on December 6, 2024.

Requests for Information

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Town Accountant, Town Hall, 43 South Washington Street, North Attleborough, Massachusetts 02760.

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
STATEMENT OF NET POSITION
JUNE 30, 2024

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current Assets:			
Cash and Cash Equivalents	\$ 11,084,978	\$ 11,467,510	\$ 22,552,488
Restricted Cash and Cash Equivalents	35,408,333	5,652,798	41,061,131
Investments	15,624,964	40,785,666	56,410,630
Receivables, Net of Allowance for Uncollectible Amounts:			
Real Estate and Personal Property Taxes	1,253,006	-	1,253,006
Tax and Utility Liens	855,936	127,318	983,254
Motor Vehicle and Other Excise Taxes	666,816	-	666,816
User Charges	-	5,756,172	5,756,172
Departmental and Other	1,100,402	-	1,100,402
Intergovernmental	2,099,185	1,057,666	3,156,851
Leases	141,263	-	141,263
Prepaid Items	-	582,055	582,055
Purchased Power Advanced Deposits	-	2,857,193	2,857,193
Inventories	39,623	1,371,487	1,411,110
Total Current Assets	68,274,506	69,657,865	137,932,371
Noncurrent Assets:			
Receivables, Net of Allowance for Uncollectible Amounts:			
Intergovernmental	-	4,402,254	4,402,254
Departmental and Other	1,113,764	-	1,113,764
Capital Assets Not Being Depreciated	9,469,307	943,665	10,412,972
Capital Assets, Net of Accumulated Depreciation and Amortization	82,735,622	122,726,724	205,462,346
Total Noncurrent Assets	93,318,693	128,072,643	221,391,336
Total Assets	161,593,199	197,730,508	359,323,707
DEFERRED OUTFLOWS OF RESOURCES			
OPEB	9,186,740	1,664,342	10,851,082
Pension	8,393,782	4,572,850	12,966,632
Total Deferred Outflows of Resources	17,580,522	6,237,192	23,817,714

See accompanying Notes to Financial Statements.

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
STATEMENT OF NET POSITION (CONTINUED)
JUNE 30, 2024

	Primary Government		
	Governmental	Business-Type	
	Activities	Activities	Total
LIABILITIES			
Current Liabilities:			
Accounts Payable	\$ 4,448,446	\$ 4,466,768	\$ 8,915,214
Accrued Payroll	3,396,132	-	3,396,132
Tax Refunds Payable	191,119	-	191,119
Accrued Interest	160,500	122,524	283,024
Customer Deposits and Refunds Payable	-	18,516	18,516
Unearned Revenues	4,430,767	4,035,137	8,465,904
Other Liabilities	680,469	-	680,469
Short-Term Note Payable	-	2,382,447	2,382,447
Compensated Absences	123,612	356,897	480,509
Postclosure Landfill	-	92,500	92,500
Long-Term Bonds and Notes Payable	3,093,748	3,445,370	6,539,118
Total Current Liabilities	16,524,793	14,920,159	31,444,952
Noncurrent Liabilities:			
Compensated Absences	229,565	112,861	342,426
Unearned Revenue	-	4,402,254	4,402,254
Customer Deposits	-	1,274,207	1,274,207
Customer Advances for Construction	-	119,282	119,282
Postclosure Landfill	-	1,183,500	1,183,500
Net OPEB Liability	121,828,715	671,722	122,500,437
Net Pension Liability	40,151,097	11,461,867	51,612,964
Long-Term Bonds and Notes Payable	22,449,531	38,246,324	60,695,855
Total Noncurrent Liabilities	184,658,908	57,472,017	242,130,925
Total Liabilities	201,183,701	72,392,176	273,575,877
DEFERRED INFLOWS OF RESOURCES			
Rate Stabilization Reserve	-	6,992,532	6,992,532
Leases	113,563	-	113,563
OPEB	40,439,050	1,424,143	41,863,193
Pension	1,150,485	575,444	1,725,929
Total Deferred Inflows of Resources	41,703,098	8,992,119	50,695,217
NET POSITION			
Net Investment in Capital Assets	75,027,525	83,747,651	158,775,176
Restricted for:			
Permanent Nonexpendable - Scholarships and Library	2,489,186	-	2,489,186
Permanent Expendable - Scholarships and Library	615,114	-	615,114
OPEB Benefits	-	699,284	699,284
Capital Improvements	-	20,522,631	20,522,631
Insurance	-	572,012	572,012
Grants, Gifts and Other Purposes	12,541,625	-	12,541,625
Unrestricted	(154,386,528)	17,041,827	(137,344,701)
Total Net Position	\$ (63,713,078)	\$ 122,583,405	\$ 58,870,327

See accompanying Notes to Financial Statements.

**TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024**

Functions/Programs	Expenses	Program Revenues			Net Revenue (Expenses) and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Primary Government:							
Governmental Activities:							
General Government	\$ 8,632,684	2,415,833	\$ 2,985,537	\$ -	\$ (3,231,314)	\$ -	\$ (3,231,314)
Public Safety	20,864,551	3,949,630	201,057	-	(16,713,864)	-	(16,713,864)
Education	90,130,274	1,405,121	38,010,169	-	(50,714,984)	-	(50,714,984)
Public Works	8,429,911	71,732	-	3,824,353	(4,533,826)	-	(4,533,826)
Health and Human Services	1,942,106	105,720	1,433,028	-	(403,358)	-	(403,358)
Culture and Recreation	2,463,880	403,256	136,118	-	(1,924,506)	-	(1,924,506)
Debt Service - Interest	645,462	-	-	-	(645,462)	-	(645,462)
Total Governmental Activities	133,108,868	8,351,292	42,765,909	3,824,353	(78,167,314)	-	(78,167,314)
Business-Type Activities:							
Sewer	6,781,718	4,903,266	954,060	-	-	(924,392)	(924,392)
Water	4,532,590	4,394,414	72,652	-	-	(65,524)	(65,524)
Electric Light	32,872,954	33,207,812	1,749	-	-	336,607	336,607
Solid Waste	3,708,086	3,705,216	-	-	-	(2,870)	(2,870)
Total Business-Type Activities	47,895,348	46,210,708	1,028,461	-	-	(656,179)	(656,179)
Total Primary Government	<u>\$ 181,004,216</u>	<u>\$ 54,562,000</u>	<u>\$ 43,794,370</u>	<u>\$ 3,824,353</u>	(78,167,314)	(656,179)	(78,823,493)
General Revenues							
Real Estate and Personal Property Taxes					69,366,636	-	69,366,636
Motor Vehicle and Other Excise Taxes					6,741,261	-	6,741,261
Payments in Lieu of Taxes					366,304	-	366,304
Unrestricted Grants and Contributions					3,334,718	-	3,334,718
Penalties and Interest on Taxes					373,426	-	373,426
Investment Income					2,048,913	1,577,890	3,626,803
Other					443,949	-	443,949
Transfers, Net					732,920	(732,920)	-
Total General Revenues and Transfers					<u>83,408,127</u>	<u>844,970</u>	<u>84,253,097</u>
CHANGE IN NET POSITION					5,240,813	188,791	5,429,604
Net Position - Beginning					(68,953,891)	122,394,614	53,440,723
NET POSITION - END OF YEAR					<u>\$ (63,713,078)</u>	<u>\$ 122,583,405</u>	<u>\$ 58,870,327</u>

See accompanying Notes to Financial Statements.

**TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2024**

	General Fund	Nonmajor Governmental Funds	Total
ASSETS			
Cash and Cash Equivalents	\$ 11,084,978	\$ -	\$ 11,084,978
Restricted Cash and Cash Equivalents	2,419,718	32,988,615	35,408,333
Investments	12,887,764	2,737,200	15,624,964
Receivables, Net of Allowance for Uncollectible Amounts:			
Real Estate and Personal Property Taxes	1,253,006	-	1,253,006
Tax and Utility Liens	855,936	-	855,936
Motor Vehicle and Other Excise Taxes	666,816	-	666,816
Departmental and Other	285,349	1,928,817	2,214,166
Intergovernmental	272,811	1,826,374	2,099,185
Leases	-	141,263	141,263
Other Assets	39,623	-	39,623
	<u>\$ 29,766,001</u>	<u>\$ 39,622,269</u>	<u>\$ 69,388,270</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ 1,160,720	\$ 3,287,726	\$ 4,448,446
Accrued Payroll	3,396,132	-	3,396,132
Tax Refunds Payable	191,119	-	191,119
Unearned Revenues	73,339	4,357,428	4,430,767
Other Liabilities	680,469	-	680,469
Total Liabilities	<u>5,501,779</u>	<u>7,645,154</u>	<u>13,146,933</u>
DEFERRED INFLOWS OF RESOURCES			
Leases	-	113,563	113,563
Unavailable Revenue	2,816,418	1,867,621	4,684,039
Total Deferred Inflows of Resources	<u>2,816,418</u>	<u>1,981,184</u>	<u>4,797,602</u>
FUND BALANCES			
Nonspendable	39,623	2,489,186	2,528,809
Restricted	-	20,159,705	20,159,705
Committed	5,186,629	8,340,726	13,527,355
Assigned	575,100	-	575,100
Unassigned	15,646,452	(993,686)	14,652,766
Total Fund Balances	<u>21,447,804</u>	<u>29,995,931</u>	<u>51,443,735</u>
	<u>\$ 29,766,001</u>	<u>\$ 39,622,269</u>	<u>\$ 69,388,270</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 29,766,001</u>	<u>\$ 39,622,269</u>	<u>\$ 69,388,270</u>

See accompanying Notes to Financial Statements.

**TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
RECONCILIATION OF THE BALANCE SHEET TOTAL FUND BALANCES
TO THE STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES
JUNE 30, 2024**

Total Fund Balance - Governmental Funds	\$ 51,443,735
Capital assets (net of accumulated depreciation) used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	92,204,929
Other assets are not available to pay for current period expenditures and, therefore, are reported as deferred inflows of resources in the governmental funds.	4,684,039
In the Statement of Net Position, interest is accrued on outstanding long-term debts, whereas in the governmental funds interest is not reported until due.	(160,500)
Long-term liabilities not currently due and payable in the current period and, therefore, are not reported in the governmental funds:	
Bonds and Notes Payable	(25,543,279)
Compensated Absences	(353,177)
Net Pension Liability	(40,151,097)
Net OPEB Liability	(121,828,715)
In the statement of net position, deferred outflows of resources are reported for amounts related to pension and OPEB.	17,580,522
In the statement of net position, deferred inflows of resources are reported for amounts related to pension and OPEB.	<u>(41,589,535)</u>
Net Position of Governmental Activities	<u><u>\$ (63,713,078)</u></u>

See accompanying Notes to Financial Statements.

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2024

	General Fund	ARPA Grant Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total
REVENUES					
Real Estate and Personal Property Taxes	\$ 68,789,036	\$ -	\$ -	\$ -	\$ 68,789,036
Motor Vehicle and Other Excise Taxes	6,661,161	-	-	-	6,661,161
Tax and Utility Liens	405,127	-	-	-	405,127
Payments in Lieu of Taxes	366,304	-	-	-	366,304
Charges for Services	458,135	-	-	4,868,479	5,326,614
Intergovernmental	34,783,299	-	-	14,642,466	49,425,765
Penalties and Interest on Taxes	373,426	-	-	-	373,426
Licenses and Permits	595,470	-	-	3,600	599,070
Fines and Forfeitures	62,912	-	-	490	63,402
Departmental and Other	386,273	-	-	1,047,350	1,433,623
Contributions and Donations	-	-	-	330,473	330,473
Investment Income, Net	1,903,350	-	-	145,563	2,048,913
Total Revenues	114,784,493	-	-	21,038,421	135,822,914
EXPENDITURES					
Current:					
General Government	5,446,684	-	-	1,451,513	6,898,197
Public Safety	14,095,085	-	-	1,452,614	15,547,699
Education	61,594,470	-	-	9,361,796	70,956,266
Public Works	2,127,649	-	-	3,554,488	5,682,137
Health and Human Services	948,555	-	-	467,317	1,415,872
Culture and Recreation	1,490,750	-	-	496,691	1,987,441
Employee Benefits	16,073,414	-	-	-	16,073,414
Capital Outlay	-	-	-	15,844,814	15,844,814
State and County Charges	5,141,175	-	-	-	5,141,175
Debt Service:					
Principal	2,935,000	-	-	-	2,935,000
Interest	803,000	-	-	-	803,000
Total Expenditures	110,655,782	-	-	32,629,233	143,285,015
EXCESS OF REVENUES OVER EXPENDITURES	4,128,711	-	-	(11,590,812)	(7,462,101)
OTHER FINANCING SOURCES (USES)					
Proceeds of Bonds and Notes	-	-	-	5,780,000	5,780,000
Premium from Issuance of Bonds and Notes	-	-	-	390,594	390,594
Transfers In	2,932,695	-	-	4,388,820	7,321,515
Transfers Out	(4,388,820)	-	-	(2,199,775)	(6,588,595)
Total Other Financing Sources (Uses)	(1,456,125)	-	-	8,359,639	6,903,514
NET CHANGE IN FUND BALANCES	2,672,586	-	-	(3,231,173)	(558,587)
Fund Balance - Beginning, As Originally Reported	18,775,218	-	19,282,823	13,944,281	52,002,322
Adjustment	-	-	(19,282,823)	19,282,823	-
Fund Balance - Beginning, As Adjusted	18,775,218	-	-	33,227,104	52,002,322
FUND BALANCES - END OF YEAR	<u>\$ 21,447,804</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 29,995,931</u>	<u>\$ 51,443,735</u>

See accompanying Notes to Financial Statements.

**TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES –
GOVERNMENTAL ACTIVITIES
YEAR ENDED JUNE 30, 2024**

Net Change in Fund Balance - Total Governmental Funds	\$ (558,587)
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 and amortization expense. These amounts represent the related activity of the current period.	
Capital Outlay	15,858,642
Depreciation	(7,242,307)
Disposal	(23,278)
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. This amount represents the net change in deferred inflows of resources.	
	1,793,847
The issuance of long-term debt (e.g., bond 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.	
Issuance of Bonds and Notes	(5,780,000)
Premiums from Issuance of Bonds and Notes	(390,594)
Bond Maturities	2,935,000
Amortization of Bond Premiums	146,905
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.	
	10,632
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 represents the net changes:	
Compensated Absences	(9,526)
Net OPEB Liability	27,551,106
Net Pension Liability	7,120,169
In the Statement of Activities, deferred outflows related to pensions and OPEB are amortized and recognized as pension and OPEB expense. This amount represents the net change in deferred outflows related to pension and OPEB.	
	(14,843,907)
In the Statement of Activities, deferred inflows related to pensions and OPEB are amortized and recognized as pension and OPEB expense. This amount represents the net change in deferred inflows related to pension and OPEB.	
	<u>(21,327,289)</u>
Changes in Net Position of Governmental Activities	<u><u>\$ 5,240,813</u></u>

See accompanying Notes to Financial Statements.

**TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
PROPRIETARY FUNDS
STATEMENT OF FUND NET POSITION
JUNE 30, 2024**

	Business-Type Activities				Total
	Major Sewer	Major Water	Major Electric Department (a)	Non-Major Solid Waste	
ASSETS					
Current Assets:					
Cash and Cash Equivalents	\$ 1,546,255	\$ 1,013,438	\$ 7,015,905	\$ 1,891,912	\$ 11,467,510
Restricted Cash and Cash Equivalents	3,863,977	1,088,916	-	699,905	5,652,798
Investments	-	-	40,785,666	-	40,785,666
Receivables, Net of Allowance for Uncollectible Amounts:					
User Charges	1,597,078	1,696,855	1,811,685	650,554	5,756,172
Utility Liens	41,348	53,126	-	32,844	127,318
Intergovernmental	318,448	739,218	-	-	1,057,666
Prepaid Items	-	-	582,055	-	582,055
Purchased Power Advanced Deposits	-	-	2,857,193	-	2,857,193
Inventories	-	-	1,371,487	-	1,371,487
Total Current Assets	<u>7,367,106</u>	<u>4,591,553</u>	<u>54,423,991</u>	<u>3,275,215</u>	<u>69,657,865</u>
Noncurrent Assets:					
Intergovernmental Receivables	4,402,254	-	-	-	4,402,254
Net OPEB Asset	553,895	-	-	145,389	699,284
Capital Assets Not Being Depreciated	4,188	151,654	784,331	3,492	943,665
Capital Assets, Net of Accumulated Depreciation	<u>54,890,701</u>	<u>48,332,099</u>	<u>18,727,169</u>	<u>776,755</u>	<u>122,726,724</u>
Total Noncurrent Assets	<u>59,851,038</u>	<u>48,483,753</u>	<u>19,511,500</u>	<u>925,636</u>	<u>128,771,927</u>
Total Assets	67,218,144	53,075,306	73,935,491	4,200,851	198,429,792
DEFERRED OUTFLOWS OF RESOURCES					
OPEB Related	115,831	157,606	1,356,725	34,180	1,664,342
Pension Related	<u>293,161</u>	<u>684,120</u>	<u>3,490,557</u>	<u>105,012</u>	<u>4,572,850</u>
Total Deferred Outflows of Resources	<u>408,992</u>	<u>841,726</u>	<u>4,847,282</u>	<u>139,192</u>	<u>6,237,192</u>

See accompanying Notes to Financial Statements.

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
PROPRIETARY FUNDS
STATEMENT OF NET POSITION (CONTINUED)
JUNE 30, 2024

	Business-Type Activities				Total
	Major Sewer	Major Water	Major Electric Department (a)	Non-Major Solid Waste	
LIABILITIES					
Current Liabilities:					
Accounts Payable	\$ 113,607	\$ 752,235	\$ 3,149,866	\$ 451,060	\$ 4,466,768
Customer Deposits and Refunds Payable	-	-	18,516	-	18,516
Unearned Revenues	308,990	3,726,147	-	-	4,035,137
Accrued Interest	64,746	57,778	-	-	122,524
Compensated Absences	3,068	1,481	351,102	1,246	356,897
Short-Term Note Payable	-	2,382,447	-	-	2,382,447
Postclosure Landfill	-	-	-	92,500	92,500
Long-Term Bonds and Notes Payable	2,188,499	1,256,871	-	-	3,445,370
Total Current Liabilities	2,678,910	8,176,959	3,519,484	544,806	14,920,159
Noncurrent Liabilities:					
Compensated Absences	5,698	2,750	102,100	2,313	112,861
Unearned Revenue	4,402,254	-	-	-	4,402,254
Customer Deposits	-	-	1,274,207	-	1,274,207
Customer Advances for Construction	-	-	119,282	-	119,282
Postclosure Landfill	-	-	-	1,183,500	1,183,500
Net OPEB Liability	-	405,418	965,588	-	1,371,006
Net Pension Liability	1,402,317	1,934,050	7,630,258	495,242	11,461,867
Long-Term Bonds and Notes Payable	26,682,009	11,564,315	-	-	38,246,324
Total Noncurrent Liabilities	32,492,278	13,906,533	10,091,435	1,681,055	58,171,301
Total Liabilities	35,171,188	22,083,492	13,610,919	2,225,861	73,091,460
DEFERRED INFLOWS OF RESOURCES					
Rate Stabilization Reserve	-	-	6,992,532	-	6,992,532
OPEB Related	509,876	693,766	70,046	150,455	1,424,143
Pension Related	408,468	67,900	65,704	33,372	575,444
Total Deferred Inflows of Resources	918,344	761,666	7,128,282	183,827	8,992,119
NET POSITION					
Net Investment in Capital Assets	29,798,280	33,675,500	19,511,500	762,371	83,747,651
Restricted for OPEB Benefits	553,895	-	-	145,389	699,284
Restricted for Capital Improvements	-	-	20,522,631	-	20,522,631
Restricted for Insurance	-	-	572,012	-	572,012
Unrestricted	1,185,429	(2,603,626)	17,437,429	1,022,595	17,041,827
Total Net Position	\$ 31,537,604	\$ 31,071,874	\$ 58,043,572	\$ 1,930,355	\$ 122,583,405

(a) As of December 31, 2023.

See accompanying Notes to Financial Statements.

**TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
YEAR ENDED JUNE 30, 2024**

	Business-Type Activities				Total
	Major Sewer	Major Water	Major Electric Department (a)	Non-major Solid Waste	
OPERATING REVENUES					
Charges for Services	\$ 4,762,087	\$ 4,374,711	\$ 33,015,269	\$ 3,702,773	\$ 45,854,840
Other Operating Revenues	141,179	19,703	192,543	2,443	355,868
Total Operating Revenues	4,903,266	4,394,414	33,207,812	3,705,216	46,210,708
OPERATING EXPENSES					
Payroll and Personnel Costs	2,413,388	1,809,547	5,499,479	479,829	10,202,243
Operating Costs	2,049,582	1,329,483	25,639,633	3,157,970	32,176,668
Depreciation	2,023,477	1,101,762	1,696,759	70,287	4,892,285
Total Operating Expenses	6,486,447	4,240,792	32,835,871	3,708,086	47,271,196
OPERATING INCOME (LOSS)	(1,583,181)	153,622	371,941	(2,870)	(1,060,488)
NONOPERATING REVENUES (EXPENSES)					
Other Nonoperating Revenues (Expenses)	-	-	1,749	-	1,749
Intergovernmental Revenues	954,060	72,652	-	-	1,026,712
Investment Income	19,862	6,537	1,521,603	29,888	1,577,890
Interest Expenses	(295,271)	(291,798)	(37,083)	-	(624,152)
Total Nonoperating Revenues (Expenses)	678,651	(212,609)	1,486,269	29,888	1,982,199
INCOME (LOSS) BEFORE TRANSFERS	(904,530)	(58,987)	1,858,210	27,018	921,711
TRANSFERS					
Transfers Out	(334,206)	(313,902)	-	(84,812)	(732,920)
Total Transfers	(334,206)	(313,902)	-	(84,812)	(732,920)
CHANGE IN NET POSITION	(1,238,736)	(372,889)	1,858,210	(57,794)	188,791
Net Position - Beginning of Year	32,776,340	31,444,763	56,185,362	1,988,149	122,394,614
NET POSITION - END OF YEAR	<u>\$ 31,537,604</u>	<u>\$ 31,071,874</u>	<u>\$ 58,043,572</u>	<u>\$ 1,930,355</u>	<u>\$ 122,583,405</u>

(a) As of and for the year ended December 31, 2023.

See accompanying Notes to Financial Statements.

**TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2024**

	Business-Type Activities				
	Major Sewer	Major Water	Major Electric Department (a)	Non-major Solid Waste	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts From Customers and Users	\$ 5,433,416	\$ 7,841,889	\$ 33,497,758	\$ 3,568,529	\$ 50,341,592
Payments to Employees	(1,680,648)	(1,764,775)	(4,467,736)	(616,679)	(8,529,838)
Payments to Vendors	(2,053,542)	(736,552)	(25,487,653)	(2,947,107)	(31,224,854)
Net Cash Provided (Used) by Operating Activities	1,699,226	5,340,562	3,542,369	4,743	10,586,900
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Intergovernmental Receipts	841,664	72,652	1,749	-	916,065
Transfers Out	(334,206)	(313,902)	-	(84,812)	(732,920)
Net Cash Provided (Used) by Noncapital Financing Activities	507,458	(241,250)	1,749	(84,812)	183,145
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Refunds of Customer Advances for Construction	-	-	(10,367)	-	(10,367)
Proceeds from the Issuance of Bonds and Notes	2,540,000	3,526,129	-	-	6,066,129
Premiums Received on Debt Issuances	166,022	93,442	-	-	259,464
Acquisition and Construction of Capital Assets	(1,498,669)	(8,238,975)	(5,029,397)	(260,632)	(15,027,673)
Principal Repayments on Bonds and Notes	(2,075,954)	(970,000)	(60,000)	-	(3,105,954)
Interest Payments	(324,595)	(321,940)	(38,207)	-	(684,742)
Net Cash Used by Capital and Related Financing Activities	(1,193,196)	(5,911,344)	(5,137,971)	(260,632)	(12,503,143)
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment Income	19,862	6,537	1,093,106	29,888	1,149,393
Sales (Purchases) of Investments	-	-	355,738	-	355,738
Net Cash Provided by Investing Activities	19,862	6,537	1,448,844	29,888	1,505,131
CHANGE IN CASH AND CASH EQUIVALENTS	1,033,350	(805,495)	(145,009)	(310,813)	(227,967)
Cash and Cash Equivalents - Beginning of Year	4,376,882	2,907,849	7,160,914 *	2,902,630	17,348,275
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 5,410,232</u>	<u>\$ 2,102,354</u>	<u>\$ 7,015,905</u>	<u>\$ 2,591,817</u>	<u>\$ 17,120,308</u>
RECONCILIATION OF NET OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating Income (Loss)	\$ (1,583,181)	\$ 153,622	\$ 371,941	\$ (2,870)	\$ (1,060,488)
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 Expense	2,023,477	1,101,762	1,696,759	70,287	4,892,285
Change in Net OPEB Liability/Asset	353,853	(630,515)	(322,418)	(175,171)	(774,251)
Change in Net Pension Liability	(1,001,820)	262,660	4,394,031	(128,501)	3,526,370
Change in Deferred Outflows - Pension	557,846	(95,190)	(998,739)	115,149	(420,934)
Change in Deferred Inflows - Pension	401,069	8,724	(2,424,881)	29,914	(1,985,174)
Change in Deferred Outflows - OPEB	6,705	(47,356)	578,524	(123,511)	414,362
Change in Deferred Inflows - OPEB	413,809	553,927	(61,426)	146,435	1,052,745
Effect of Changes in Operating Assets and Liabilities:					
Accounts Receivable	530,148	(278,672)	250,847	(136,687)	365,636
Inventory	-	-	(128,473)	-	(128,473)
Prepaid Expenses	-	-	(28,321)	-	(28,321)
Purchased Power Advances Deposits	-	-	(118,568)	-	(118,568)
Accounts Payable	(3,958)	592,931	272,360	210,863	1,072,196
Customer Deposits	-	-	39,099	-	39,099
Unearned Revenues	-	3,726,147	-	-	3,726,147
Compensated Absences	1,278	(7,478)	21,634	(1,165)	14,269
Net Cash Provided (Used) by Operating Activities	<u>\$ 1,699,226</u>	<u>\$ 5,340,562</u>	<u>\$ 3,542,369</u>	<u>\$ 4,743</u>	<u>\$ 10,586,900</u>

(a) As of and for the year ended December 31, 2023.

* Cash balance was adjusted to agree with separately audited financial statements.

See accompanying Notes to Financial Statements.

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2024

	Pension and Other Postemployment Benefit Trust Funds (a)	Private Purpose Trust Funds
ASSETS		
Cash and Cash Equivalents	\$ 1,988,121	-
Investments:		
Corporate Bonds	2,379,174	228,808
Federal Agency Securities	-	34,591
Fixed Income Securities	800,043	-
Equity Securities	36,241,857	125,934
Mutual Funds	112,393,339	-
Private Equity Funds	20,198,649	5,036
U.S. Treasury Notes	-	228,950
Contribution Receivable	164,046	-
Total Assets	<u>174,165,229</u>	<u>623,319</u>
LIABILITIES		
Accounts Payable	<u>688,283</u>	-
Total Liabilities	<u>688,283</u>	-
NET POSITION		
Restricted for Pensions	157,845,229	-
Restricted for Other Postemployment Benefits	15,631,717	-
Held in Trust for Private Purposes	<u>-</u>	<u>623,319</u>
Total Net Position	<u>\$ 173,476,946</u>	<u>\$ 623,319</u>

See accompanying Notes to Financial Statements.

**TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
YEAR ENDED JUNE 30, 2024**

	Pension and Other Postemployment Benefit Trust Funds (a)	Private Purpose Trust Funds
ADDITIONS		
Contributions:		
Employer	\$ 12,686,702	\$ -
Employee	3,027,644	-
Other	595,407	10,196
Total Contributions	<u>16,309,753</u>	<u>10,196</u>
Net Investment Income:		
Net Appreciation in Fair Value of Investments	22,850,379	31,380
Interest and Dividends	2,282,977	20,718
Less: Investment Management Fees	(848,742)	-
Total Net Investment Income	<u>24,284,614</u>	<u>52,098</u>
Other Income	<u>26,786</u>	<u>-</u>
Total Additions	40,621,153	62,294
DEDUCTIONS		
Pension Benefits and Refunds to Plan Members:		
Benefits to Retirees and Survivors	10,578,693	-
Member Refunds	247,247	-
Transfers and Reimbursements to Other Systems	1,293,276	-
Other Postemployment Benefits	6,776,078	
Administrative Expenses:		
Operations Payroll and Related Personnel Costs	127,086	-
Other Administrative Expenses	770,421	-
Scholarships Awarded	<u>-</u>	<u>35,038</u>
Total Deductions	<u>19,792,801</u>	<u>35,038</u>
CHANGE IN NET POSITION	20,828,352	27,256
Net Position - Beginning of Year	<u>152,648,594</u>	<u>596,063</u>
NET POSITION - END OF YEAR	<u><u>\$ 173,476,946</u></u>	<u><u>\$ 623,319</u></u>

(a) Refer to Note 3 to the financial statements.

See accompanying Notes to Financial Statements.

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The Town is located in Bristol County and is centrally located between the cities of Boston and Worcester, Massachusetts and Providence, Rhode Island. The Town borders the State of Rhode Island. The Town was incorporated in 1887.

The Town is governed by a nine-member elected Town Council, each serving two-year terms, with an appointed Town Manager who oversees the Town's day-to-day operations. The Town provides governmental services for the territory within its boundaries, including education, public safety, public works, health and human services, culture and recreation and general governmental services. Additionally, the Town owns and operates sewer, water, solid waste and electricity operations; each of which are funded through user charges and treated as business enterprises in these basic financial statements.

For financial reporting purposes, the Town has included all funds, organizations, agencies, boards, commissions, and institutions. The Town has also considered all potential component units for which it is financially accountable as well as other organizations for which the nature and significance of their relationship with the Town are such that exclusion would cause the basic financial statements to be misleading or incomplete. As required by GAAP, these basic financial statements present the Town (the primary government) and its component units. Three entities have been included as component units in the reporting entity, because of the significance of its operational and/or financial relationship.

Component Unit Presented as a Fiduciary Fund – The following component units are presented as a Fiduciary Fund of the primary government due to the nature and significance of the relationship between the Town and the component units.

Fiduciary Fund Component Units

- (1) The North Attleborough Contributory Retirement System ("System") was established to provide benefits to Town employees, the Electric Department, and the North Attleborough Housing Authority, and their beneficiaries. Board members of the System consist of the Town Accountant (or similar position), two members elected by the participants in or retired from the service of the System, one member appointed by the Town Council, and one member appointed by the other members of the Board. The System is presented using the accrual basis of accounting and is reported in the pension and other postemployment benefits trust funds in the fiduciary fund financial statements. The System is reported as of December 31, 2023 in the accompanying basic financial statements.

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Fiduciary Fund Component Units (Continued)

- (2) The North Attleborough Other Postemployment Benefits Trust Fund ("Fund") was established to accumulate resources to provide post-retirement benefits other than pensions to retirees and their beneficiaries. Chapter 32B of the MGL assigns authority to establish and amend benefit provisions of the Fund. Benefit provisions are negotiated between the Town and unions representing Town employees and are renegotiated each bargaining period. The Fund is presented using the accrual basis of accounting and is reported in the pension and other postemployment benefits trust funds in the fiduciary fund financial statements. The Fund is reported as of June 30, 2024 in the accompanying basic financial statements.
- (3) The North Attleborough Electric Department Other Postemployment Benefits Trust Fund ("Fund") was established to accumulate resources to provide post-retirement benefits other than pensions to retirees and their beneficiaries. Chapter 32B of the MGL assigns authority to establish and amend benefit provisions of the Fund. Benefit provisions are negotiated between the Electric Department and unions representing Electric Department employees and are renegotiated each bargaining period. The Fund is presented using the accrual basis of accounting and is reported in the pension and other postemployment benefits trust funds in the fiduciary fund financial statements. The Fund is reported as of December 31, 2023 in the accompanying basic financial statements.

Availability of Financial Information for Component Units and Electric Light Department

The North Attleborough Contributory Retirement System issues a separate audited financial statement. That report may be obtained by contacting the System located at 500 East Washington Street, Tower Square, Unit 21, North Attleborough, MA 02760.

The North Attleborough Other Postemployment Benefits Trust Fund does not issue a publicly available financial report that includes financial statements and related notes. The Fund is included as a pension and other postemployment benefits trust fund in the fiduciary fund financial statements. Additional note disclosures can be found at Note 10.

The North Attleborough Electric Department issues a publicly available financial report that includes financial statements and required supplemental information. Copies of these financial statements may be obtained by writing to the North Attleborough Electric Department, 275 Landry Avenue, North Attleborough, MA 02760. The fund is reported as of December 31, 2023 in the accompanying basic financial statements.

The North Attleborough Electric Department Other Postemployment Benefits Trust Fund is audited with the Electric Department audited financial statements above. The Fund is included as a pension and other postemployment benefits trust fund in the fiduciary fund financial statements.

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Joint Venture – Town is a member community of the Tri-County Regional Vocational Technical School. This joint venture assesses each of the eleven member communities its share of the operational and debt service costs based on student population and other factors. In fiscal year 2024, the Town's assessment was approximately \$3.6 million. There is no equity interest reported in these financial statements. Complete audited financial statements can be obtained directly from the school's administrative office located at 147 Pond Street, Franklin, Massachusetts 02038.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all nonfiduciary 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 the fiduciary funds are excluded from the government-wide financial statements. Major individual government funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Nonmajor governmental funds are aggregated and presented in a single column.

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

Government-Wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded when 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 are met.

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

Program revenues include 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 or capital requirements of a particular function or segment.

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

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Government-Wide Financial Statements (Continued)

Except for charges between the general fund and enterprise funds, the effect of interfund activity has been eliminated from the government-wide financial statements. Eliminations 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). Measurement 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, 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 collected within 60-days after the end of the fiscal year. Investment is susceptible to accrual. Other receipts 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:

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

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

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

Capital Project 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 of the governmental funds. Capital projects 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.

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Fund Financial Statements (Continued)

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

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

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

The following major proprietary funds are reported:

Sewer Enterprise Fund – is used to account for the Town's sewer activities.

Water Enterprise Fund – is used to account for the Town's water activities.

Electric Light Department – is used to account for the operations of the municipal electric plant's activities.

The nonmajor proprietary fund consist of the solid waste enterprise fund used to account for the Town's solid waste activities.

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

Pension and Other Employee Benefits Trust Funds – is used to account for the activities of the Retirement System, which accumulates resources for pension benefits to retired Town and Electric Department employees, and to accumulate funds for future payments of other postemployment benefits, or OPEB, for retirees such as health and life insurance.

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

**TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. 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.

E. Receivables

Government-Wide and Fund Financial Statements

The recognition of revenue related to accounts receivable reported in the government-wide, proprietary and fiduciary fund 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 assessed on January 1 every year. Bills are sent semiannually with quarterly due dates of August 1, November 1, February 1, and May 1. Interest accrues on delinquent taxes up to the maximum statutory rate per annum. Property taxes levied are recorded as receivables in the fiscal year of the levy

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

User Charges and Utility Liens

User charges and liens consist primarily of amounts due from residents for the providing of services by various department, including the Electric Department.

Departmental and Other

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

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Receivables (Continued)

Government-Wide and Fund Financial Statements (Continued)

Intergovernmental

Various state and federal operating and capital grants are applied for and received annually. For nonexpenditure 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 Town has entered into loan agreements with the Massachusetts Clean Water Trust (MCWT). The Town expects to be subsidized by MCWT in future years on a periodic basis for principal and interest costs relative to governmental and business-type activities until maturity of these agreements. The Town is legally obligated for the total amount of the debt and these amounts have been recorded in the sewer enterprise fund. In addition, a receivable has also been reflected for the principal amount of the subsidies.

Opioid Settlements

Opioid settlements receivable represent the Town's allocation of national settlement proceeds from pharmaceutical distributors to be received in future years in accordance with the national settlement agreement as well as the subdivision agreement with the Commonwealth.

F. 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
- Electric Department user charges and liens

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

- Real estate taxes and tax liens
- Water, sewer, and solid waste user charges and liens
- Loans

Intergovernmental and opioid settlement receivables are considered 100 percent collectible.

**TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Inventories

Government-Wide and Fund Financial Statements

Inventories are recorded as expenditures at the time of purchase in governmental funds. With respect to the Electric Department, materials and supplies are inventories of parts and accessories purchased for use in Electric Department's operations. Materials and supplies inventory are stated at the lower of cost or market using the average cost method.

H. 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.

I. Capital Assets

Government-Wide and Proprietary Funds Financial Statements

Capital assets, which consist of land, land improvements, buildings and improvements, machinery and equipment, vehicles, library materials and infrastructure, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and the proprietary funds' financial statements.

Capital assets are recorded at historical cost or 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 reported at acquisition value.

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 two years. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

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

Land Improvements	20 Years
Buildings and Improvements	20 to 40 Years
Vehicles, Machinery, and Equipment	5 to 10 Years
Infrastructure	30 to 75 Years

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Capital Assets (Continued)

Government-Wide and Proprietary Funds Financial Statements (Continued)

Additionally, the statutory provision for depreciation of Electric Department utility plant is computed on the straight-line method at rates between 3% and 5% of the cost of plant in service at the beginning of the year, exclusive of land and land rights. The Commonwealth stipulates that the Electric Department may change from the statutory depreciation rate only with the approval of the DPU. In anticipation of funding future capital projects, the Electric Department used an overall depreciate rate of 3%, which was also the prior year's rate. These rates approximate GAAP based on the average age of the utility plant assets.

Governmental Funds Financial Statements

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

J. 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 out.

K. Unearned Revenue

Unearned revenue is presented in the governmental-wide statement of net position and governmental fund balance sheet and represents federal grants received by the Town in advance of meeting eligibility requirements for revenue recognition.

L. Deferred Outflows/Inflows of Resources

Government-Wide Financial Statements

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future periods 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 proprietary funds' statements of net position.

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Deferred Outflows/Inflows of Resources (Continued)

Government-Wide Financial Statements (Continued)

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time.

The Town has recorded a rate stabilization reserve, and future lease receipts as deferred inflows of resources in the government-wide statement of net position. The Town has also reported deferred inflows of resources related to pensions and OPEB in this category.

Governmental Fund Financial Statements

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

M. 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:

“Depreciation” represents amounts restricted in the Electric Department for the statutory reserve for capital improvements.

“Insurance” represents amounts restricted in the Electric Department for the future costs of insurance expenses.

“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.

“Grants, Gifts and Other specific purposes” represents other restrictions placed on assets from outside parties.

**TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Net Position and Fund Balances (Continued)

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

Sometimes the Town will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Town's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

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 receivables) 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 only be used for specific purposes pursuant to formal action of the Town's highest level of decision-making authority, which is the Town Council action, and can be modified or rescinded through these actions.

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. The Town Council has the authority to assign fund balance.

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

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.

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. 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 effective interest 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.

O. 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.

P. 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.

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Q. 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 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.

R. Other Postemployment Benefits

In addition to providing pension benefits, and as more fully described in Note 9, the Town provides health and life insurance coverage for current and future retirees and their spouses.

S. 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.

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

Municipal Law requires the adoption of a balanced budget that is approved at the Town Council. The Town Manager presents an annual budget to the Town Council. Town Council, which has full authority to amend and/or reject the budget or any line items, adopts the expenditure budget by majority vote.

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

Generally, expenditures may not exceed the legal level of spending (salaries, expenses, and capital) authorized for an appropriation account. However, the Town is statutorily required to pay debt service and certain other amounts, regardless of whether such amounts are appropriated.

An annual budget is adopted for the general fund in conformity with the guidelines described above. The original 2024 general fund budget consisted of \$108,219,258 in appropriations and other amounts to be raised. During 2024, the Town authorized supplemental appropriations for the general fund totaling \$ 4,533,158, for a total budget of \$112,752,416.

The Town Manager has the responsibility to ensure that budgetary control is maintained. Budgetary control is exercised through the accounting system.

B. Fund Deficits

At June 30, 2024, the following governmental fund deficits exist:

<u>Fund</u>	<u>Amount</u>	<u>Funding Source</u>
Nonmajor Governmental Funds:		
Federal Grants	\$ 59,988	Federal Grants
State Grants	421,687	State Grants
Revolving Funds	418,544	Insurance Proceeds
Police and Fire Detail	93,467	User Charges
Total Nonmajor Governmental Funds	<u>993,686</u>	
Total Governmental Funds	<u>\$ 993,686</u>	

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 3 DEPOSITS AND INVESTMENTS

The municipal finance laws of the Commonwealth authorize the Town 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 Town 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 permanent funds and private purpose trust funds and the pension trust funds are held separately from other Town funds.

The following table reconciles total Town cash and investments as reported in the financial statements to presentation of these same amounts in the Notes to Basic Financial Statements:

	Primary Government		Fiduciary Funds				Other Fiduciary Funds	
			Pension and OPEB Trust Fund					
				Electric Department OPEB Trust Fund				
	Governmental Activities	Business-Type Activities	Town OPEB Trust Fund	Trust Fund (As of 12/31/23)	Pension Trust (As of 12/31/23)	Subtotal Pension and OPEB Trust Funds	Private Purpose Trust Funds	Totals
Cash and Cash Equivalents	\$ 46,493,311	\$ 17,120,308	\$ 41,132	\$ 29,572	\$ 1,917,417	\$ 1,988,121	\$ -	\$ 65,601,740
Investments	15,624,964	40,785,666	8,465,751	7,095,262	156,452,049	172,013,062	623,319	229,047,011
Total	\$ 62,118,275	\$ 57,905,974	\$ 8,506,883	\$ 7,124,834	\$158,369,466	\$174,001,183	\$ 623,319	\$294,648,751
Carrying Value of Cash:								
Primary Government	\$ 62,633,686							
Pension Trust	1,917,417							
Investments Considered Cash and Cash Equivalents:								
Money Market Mutual Funds	70,168							
External Investment Pool MMDT	980,469							
Cash and Cash Equivalents	65,601,740							
U.S. Treasury Securities	25,474,482							
U.S. Agencies	250,407							
Equity Mutual Funds	105,006,084							
Fixed Income Mutual Funds	27,585,904							
Equity Securities	37,990,008							
Certificates of Deposit	2,904,419							
Corporate Bonds	29,835,707							
Investments	229,047,011							
Total Cash, Cash Equivalents and Investments	\$294,648,751							

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)

Deposits and Investments – Town and Electric Department (Including Private Purpose Trust Funds and excluding OPEB and Pension Trust Funds)

Deposits – Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of a bank failure, the Town and Electric Department's deposits may not be recovered. The Town and Electric Department's investment policy states that no more than 25% of the Town and Electric Department's deposits may be comprised of unsecured bank deposits.

At the respective year-ends of the Town and the Electric Department, the carrying amount of deposits totaled \$62,633,686. None of the balances were exposed to custodial credit risk at June 30, 2024.

Investments Summary

The Town and Electric Department's investments at June 30, 2024 (December 31, 2023 for the Electric Department) are presented as follows:

Investment Type	Total Amount	Investment Maturities (in Years)		
		Less Than 1	1 - 5	5-10
<u>Debt Securities:</u>				
U.S. Treasury Securities	\$ 25,474,481	\$ 16,275,756	\$ 9,198,725	\$ -
U.S. Agencies	250,407	83,278	167,129	-
Money Market Mutual Funds	29,036	29,036	-	-
Certificates of Deposit	2,903,850	1,373,326	1,530,524	-
Corporate Bonds	27,457,102	3,085,819	21,021,785	3,349,498
External Investment Pool MMDT	980,469	980,469	-	-
Total Debt Securities	57,095,345	<u>\$ 21,827,684</u>	<u>\$ 31,918,163</u>	<u>\$ 3,349,498</u>
<u>Other Investments:</u>				
Equity Securities	948,109			
Total Investments	<u>\$ 58,043,454</u>			

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 Town and Electric Department's investment policy requires that it manage the duration of its investments to mitigate interest rate risk.

Investments – Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of failure of the counterparty, the Town and Electric Department will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town and Electric Department's investment policy contains provisions related to custodial credit risk. As of June 30, 2024 (December 31, 2023 for the Electric Department), the Town and Electric Department were not exposed to custodial credit risk.

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)

Deposits and Investments – Town and Electric Department (Including Private Purpose Trust Funds and excluding OPEB and Pension Trust Funds) (Continued)

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 Town and Electric Department'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, 2024 (December 31, 2023 for the Electric Department), the credit quality ratings of the Town and Electric Department's debt securities are as follows:

Investment Type	Total Amount	Quality Ratings *						
		AAA	A-	A+	A	BBB+	BBB	Unrated
U.S. Treasury Securities	\$ 25,474,481	\$ 25,474,481	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
U.S. Agencies	250,407	250,407	-	-	-	-	-	-
Money Market Mutual Funds	29,036	-	-	-	-	-	-	29,036
Certificates of Deposit	2,903,850	498,708	-	-	-	-	-	2,405,142
Corporate Bonds	27,457,102	204,930	391,063	210,103	620,496	30,297	198,887	25,801,326
External Investment Pool MMDT	980,469	-	-	-	-	-	-	980,469
Total	<u>\$ 57,095,345</u>	<u>\$ 26,428,526</u>	<u>\$ 391,063</u>	<u>\$ 210,103</u>	<u>\$ 620,496</u>	<u>\$ 30,297</u>	<u>\$ 198,887</u>	<u>\$ 29,215,973</u>

Investments – Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the Town and Electric Department's investment in a single issuer. The Town and Electric Department's investment policy seeks to minimize the risk by diversifying its investment portfolio so that the impact of potential losses from one type of security or issuer will be minimized.

The Town and Electric Department do not have any investments in any one issuer that represents 5% or more of its total investments requiring disclosure in these financial statements.

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)

Deposits and Investments – Town and Electric Department (Including Private Purpose Trust Funds and excluding OPEB and Pension Trust Funds) (Continued)

Investments – Fair Value Measurements

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

The Town and Electric Department has the following recurring fair value measurements as of June 30, 2024 (December 31, 2023 for the Electric Department):

Investment Type	Total Amount	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>Investments Measured by Fair Value Level</u>				
U.S. Treasury Securities	\$ 25,474,481	\$ 25,474,481	\$ -	\$ -
U.S. Agencies	250,407	250,407	-	-
Equity Securities	948,109	948,109	-	-
Corporate Bonds	27,457,102	-	27,457,102	-
Total Investments by Fair Value Level	54,130,099	<u>\$ 26,672,997</u>	<u>\$ 27,457,102</u>	<u>\$ -</u>
Total Investments Measured by Fair Value Level	54,130,099			
<u>Investments Measured at Amortized Cost:</u>				
Money Market Mutual Funds	29,036			
Certificates of Deposit	2,903,850			
External Investment Pool MMDT	980,469			
Total Investments Measured at Amortized Cost	3,913,355			
Total Investments	\$ 58,043,454			

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 matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)

Deposits and Investments – Town OPEB Trust

Deposits – Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of a bank failure, the Town Other Postemployment Benefits Trust's deposits may not be recovered. The Town OPEB Trust's investment policy states that no more than 25% of their deposits may be comprised of unsecured bank deposits.

As of June 30, 2024, the Trust did not hold any deposits.

Investments Summary

The Town and Electric Department's investments at June 30, 2024 are presented as follows:

Investment Type	Total Amount	Investment Maturities (in Years)		
		Less Than 1	1 - 5	5-10
<u>Debt Securities:</u>				
Money Market Mutual Funds	\$ 41,132	\$ 41,132	\$ -	\$ -
Fixed Income Mutual Funds	2,043,783	2,043,783	-	-
Total Debt Securities	2,084,915	<u>\$ 2,084,915</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Other Investments:</u>				
Equity Securities	2,261,886			
Total Investments	<u>\$ 8,506,883</u>			

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 Town OPEB Trust's investment policy requires that it manage the duration of its investments to mitigate interest rate risk.

Investments – Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of failure of the counterparty, the Town Other Postemployment Benefits Trust will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town Other Postemployment Benefits Trust's investment policy contains provisions related to custodial credit risk. As of June 30, 2024, the Town OPEB Trust was not exposed to custodial credit risk.

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)

Deposits and Investments – Town OPEB Trust (Continued)

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 Town OPEB Trust'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, 2024, the Town OPEB Trust was not exposed to credit risk.

Investments – Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the Town OPEB Trust's investment in a single issuer. The Town OPEB Trust's investment policy seeks to minimize the risk by diversifying its investment portfolio so that the impact of potential losses from one type of security or issuer will be minimalized.

The Town OPEB Trust does not have any investments in any one issuer that represents 5% or more of its total investments requiring disclosure in these financial statements.

Investments – Fair Value Measurements

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

The Town's OPEB Trust has the following recurring fair value measurements as June 30, 2024:

Investment Type	Total Amount	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>Investments Measured by Fair Value Level</u>				
Equity Securities	\$ 2,261,886	\$ 2,261,886	\$ -	\$ -
Equity Mutual Funds	4,160,082	4,160,082	-	-
Fixed Income Mutual Funds	2,043,783	-	2,043,783	-
Total Investments by Fair Value Level	8,465,751	<u>\$ 6,421,968</u>	<u>\$ 2,043,783</u>	<u>\$ -</u>
Total Investments Measured by Fair Value Level	8,465,751			
<u>Investments Measured at Amortized Cost:</u>				
Money Market Mutual Funds	41,132			
Total Investments Measured at Amortized Cost	41,132			
Total Investments	\$ 8,506,883			

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 matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)

Deposits and Investments – Electric Department OPEB Trust

Deposits – Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of a bank failure, the Electric Department Other Postemployment Benefits Trust's deposits may not be recovered. The Electric Department Other Postemployment Benefits Trust's investment policy states that no more than 25% of their deposits may be comprised of unsecured bank deposits.

At December 31, 2023 the carrying amount of the Trust's deposits totaled \$29,572. The balance was fully insured by Federal Depository Insurance.

Investments Summary

The Electric Department OPEB Trust's investments at December 31, 2023 are presented as follows:

Investment Type	Total Amount	Investment Maturities (in Years)		
		Less Than 1	1 - 5	5-10
<u>Debt Securities:</u>				
Corporate Bonds	\$ 2,379,174	\$ 218,777	\$ 2,160,397	\$ -
Total Debt Securities	2,379,174	218,777	2,160,397	-
<u>Other Investments:</u>				
Equity Mutual Funds	4,716,088			
Total Investments	\$ 7,095,262			

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 Electric Department OPEB Trust's investment policy requires that it manage the duration of its investments to mitigate interest rate risk.

Investments – Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of failure of the counterparty, the Electric Department OPEB Trust will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Electric Department OPEB Trust's investment policy contains provisions related to custodial credit risk. As of December 31, 2023, the Electric Department OPEB Trust 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 Electric Department OPEB Trust'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 December 31, 2023, the Electric Department OPEB Trust was not exposed to credit risk.

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)

Deposits and Investments – Electric Department OPEB Trust (Continued)

Investments – Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the Electric Department OPEB Trust's investment in a single issuer. The Electric Department OPEB Trust's investment policy seeks to minimize the risk by diversifying its investment portfolio so that the impact of potential losses from one type of security or issuer will be minimalized.

The Electric Department OPEB Trust does not have any investments in any one issuer that represents 5% or more of its total investments requiring disclosure in these financial statements.

Investments – Fair Value Measurements

The Electric Department Other Postemployment Benefits Trust 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 Electric Department OPEB Trust has the following recurring fair value measurements as December 31, 2023:

Investment Type	Total Amount	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)
Equity Securities	\$ -	\$ -	\$ -	\$ -
Equity Mutual Funds	4,716,088	4,716,088	-	-
Fixed Income Mutual Funds	-	-	-	-
Total Investments by Fair Value Level	7,095,262	<u>\$ 4,716,088</u>	<u>\$ 2,379,174</u>	<u>\$ -</u>
Total Investments Measured by Fair Value Level	<u>7,095,262</u>			
Total Investments	<u><u>\$ 7,095,262</u></u>			

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

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

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)

Deposits and Investments – Pension Trust Fund (System)

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's policy for custodial credit risk of deposits is to rely on federal and supplementary insurance coverage for deposits held at each financial institution.

As of December 31, 2023, \$271,797 of the System's bank balance was uninsured, uncollateralized and exposed to custodial credit risk.

Investments Summary

The System's investments at December 31, 2023 are presented as follows:

Investment Type	Total Amount	Investment Maturities (in Years)		
		Less Than 1	1 - 5	5-10
<u>Debt Securities:</u>				
Fixed Income Mutual Funds	\$ 25,542,122	\$ 25,542,122	\$ -	\$ -
Total Debt Securities	25,542,122	\$ 25,542,122	\$ -	\$ -
<u>Other Investments:</u>				
Equity Securities	34,780,013			
Equity Mutual Funds	75,931,265			
Private Equity Funds	20,198,649			
Total Investments	<u>\$156,452,049</u>			

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 System's investment policy requires that it manage the duration of its investments to mitigate interest rate risk.

Investments – Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of 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's investment policy intends that all investments are either insured and/or registered in the name of the System. As of December 31, 2023, the System 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 System's policy is to rely on credit ratings assigned by nationally recognized credit rating agencies like Moody's Investors Services and Standard and Poor's Financial Services. The System does voluntarily self-impose certain investment restrictions; however, those can be changed at the Board's discretion. As of December 31, 2023, the System was not exposed to credit risk.

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)

Deposits and Investments – Pension Trust Fund (System) (Continued)

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's investment policy seeks to minimize the risk by diversifying its investment portfolio so that the impact of potential losses from one type of security or issuer will be minimalized.

The following investments held by the System at December 31, 2023 represent 62.3% of the System's total investments:

Loomis, Sayles & Company Large Cap Growth Fund	12.8 %
Aristotle Value Equity Fund	11.4
Rhumblin S&P 500 Fund	11.3
Rhumblin Core Bond Fund	10.5
Brandes Core Fixed Income Fund	5.9
Vontobel International Equity Fund	5.2
Lazard International Strategic Equity Portfolio	5.2

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 December 31, 2023:

Investment Type	Total Amount	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>Investments Measured by Fair Value Level</u>				
Equity Securities	\$ 34,780,013	\$ 34,780,013	\$ -	\$ -
Fixed Income Mutual Funds	25,542,122	9,188,794	16,353,328	-
Domestic and International Equity Mutual Funds	63,530,390	25,914,423	37,615,967	-
Total Investments by Fair Value Level	123,852,525	<u>\$ 69,883,230</u>	<u>\$ 53,969,295</u>	<u>\$ -</u>
<u>Investments Measured at NAV:</u>				
Domestic and International Equity Mutual Funds	12,400,875			
Private Equity Funds	20,198,649			
Total Investments Measured at NAV	32,599,524			
Total Investments	<u>\$156,452,049</u>			

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

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)

Deposits and Investments – Pension Trust Fund (System) (Continued)

Investments – Fair Value Measurements (Continued)

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

<u>Investments Measured at NAV:</u>	<u>Fair Value</u>	<u>Unfunded Commitments</u>
Domestic and International Equity Mutual Funds	\$ 12,400,875	\$ -
Private Equity Funds	20,198,649	-
Total Investments Measured at NAV	<u>\$ 32,599,524</u>	<u>\$ -</u>

Investments measured at NAV include comingled/pooled funds in private equity or venture funds, real estate and mutual funds investing in international equities. The System is a general partner in its private equity investments. The value of these investments are recorded at values determined in good faith by the general partners of the private equity firms after consideration of pertinent information, including current financial position and operative results, price-earnings multiples and available market prices of similar companies' securities, the nature of the securities, marketability, restrictions on disposition and other appropriation and do not necessarily represent amounts which might ultimately be realized, since such amounts depend on future circumstances and cannot reasonably be determined until individual securities are liquidated. In addition, fair values of real estate funds are generally based on independent, third-party appraisals. By their very nature, these investments are illiquid and typically cannot be resold or redeemed. Distributions from each fund will be received as the underlying investments are liquidated. It is expected that the underlying assets for the funds will be liquidated over an average of ten years.

NOTE 4 ACCOUNTS RECEIVABLE

At June 30, 2024, receivables for the individual major governmental funds and nonmajor governmental and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, consist of the following:

	<u>Gross Amount</u>	<u>Allowance for Uncollectibles</u>	<u>Net Amount</u>
<u>Receivables:</u>			
Real Estate Taxes	\$ 1,150,998	\$ -	\$ 1,150,998
Personal Property Taxes	134,093	(32,085)	102,008
Tax Liens	855,936	-	855,936
Motor Vehicle and Other Excise Taxes	1,124,252	(457,436)	666,816
Departmental and Other	4,100,125	(1,885,959)	2,214,166
Intergovernmental	2,099,185	-	2,099,185
Leases	141,263	-	141,263
Total	<u>\$ 9,605,852</u>	<u>\$ (2,375,480)</u>	<u>\$ 7,230,372</u>

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 4 RECEIVABLES (CONTINUED)

At June 30, 2024 and December 31, 2023, receivables for the water, sewer, solid waste, and Electric Department enterprise funds consist of the following:

	Gross Amount	Allowance for Uncollectibles	Net Amount
<u>Receivables:</u>			
<i>Sewer</i>			
User Charges	\$ 1,597,078	\$ -	\$ 1,597,078
Utility Liens	41,348	-	41,348
Intergovernmental	4,720,702	-	4,720,702
<i>Water</i>			
User Charges	1,696,855	-	1,696,855
Utility Liens	53,126	-	53,126
Intergovernmental	739,218	-	739,218
<i>Solid Waste</i>			
User Charges	650,554	-	650,554
Utility Liens	32,844	-	32,844
<i>Electric Department</i>			
User Charges	2,104,025	(292,340)	1,811,685
Total	<u>\$ 11,635,750</u>	<u>\$ (292,340)</u>	<u>\$ 11,343,410</u>

The sewer enterprise fund reports deferred inflows of \$4,711,244 from an intermunicipal agreement with Plainville. Under this agreement, Plainville pays its share of debt for infrastructure upgrades. The sewer enterprise recognizes this revenue over the period of the debt instruments.

NOTE 5 CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2024 (December 31, 2023 for the Electric Department) was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Land	\$ 9,469,307	\$ -	\$ -	\$ 9,469,307
Total Capital Assets Not Being Depreciated	9,469,307	-	-	9,469,307
Capital Assets Being Depreciated:				
Buildings and Improvements	81,141,515	10,846,725	-	91,988,240
Infrastructure	76,819,041	1,389,242	-	78,208,283
Machinery and Equipment	26,904,131	2,651,063	(274,598)	29,280,596
Vehicles	4,507,453	971,612	(382,974)	5,096,091
Total Capital Assets Being Depreciated	189,372,140	15,858,642	(657,572)	204,573,210
Less Accumulated Depreciation for:				
Buildings and Improvements	(47,419,309)	(3,378,827)	-	(50,798,136)
Infrastructure	(47,143,630)	(1,564,822)	-	(48,708,452)
Machinery and Equipment	(17,427,414)	(1,804,623)	274,598	(18,957,439)
Vehicles	(3,239,222)	(494,035)	359,696	(3,373,561)
Total Accumulated Depreciation	<u>(115,229,575)</u>	<u>(7,242,307)</u>	<u>634,294</u>	<u>(121,837,588)</u>
Total Capital Assets Being Depreciated, Net	<u>74,142,565</u>	<u>8,616,335</u>	<u>(23,278)</u>	<u>82,735,622</u>
Total Governmental Activities Capital Assets, Net	<u>\$ 83,611,872</u>	<u>\$ 8,616,335</u>	<u>\$ (23,278)</u>	<u>\$ 92,204,929</u>

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 5 CAPITAL ASSETS (CONTINUED)

	Beginning Balance	Increases	Decreases	Ending Balance
Sewer Enterprise Fund:				
Capital Assets Not Being Depreciated:				
Land	\$ 4,188	\$ -	\$ -	\$ 4,188
Total Capital Assets Not Being Depreciated	4,188	-	-	4,188
Capital Assets Being Depreciated:				
Buildings and Improvements	2,126,164	1,091,344	-	3,217,508
Infrastructure	102,723,754	407,325	-	103,131,079
Machinery and Equipment	1,191,240	-	-	1,191,240
Vehicles	333,145	-	-	333,145
Total Capital Assets Being Depreciated	106,374,303	1,498,669	-	107,872,972
Less Accumulated Depreciation for:				
Buildings and Improvements	(958,538)	(65,043)	-	(1,023,581)
Infrastructure	(48,666,514)	(1,904,988)	-	(50,571,502)
Machinery and Equipment	(1,000,597)	(53,446)	-	(1,054,043)
Vehicles	(333,145)	-	-	(333,145)
Total Accumulated Depreciation	(50,958,794)	(2,023,477)	-	(52,982,271)
Total Capital Assets Being Depreciated, Net	55,415,509	(524,808)	-	54,890,701
Total Sewer Enterprise Capital Assets, Net	\$ 55,419,697	\$ (524,808)	\$ -	\$ 54,894,889
	Beginning Balance	Increases	Decreases	Ending Balance
Water Enterprise Fund:				
Capital Assets Not Being Depreciated:				
Land	\$ 151,654	\$ -	\$ -	\$ 151,654
Total Capital Assets Not Being Depreciated	151,654	-	-	151,654
Capital Assets Being Depreciated:				
Buildings and Improvements	1,573,570	-	-	1,573,570
Infrastructure	62,011,136	7,821,202	-	69,832,338
Machinery and Equipment	3,822,542	417,773	-	4,240,315
Vehicles	759,458	-	-	759,458
Total Capital Assets Being Depreciated	68,166,706	8,238,975	-	76,405,681
Less Accumulated Depreciation for:				
Buildings and Improvements	(663,126)	(41,203)	-	(704,329)
Infrastructure	(22,454,309)	(908,990)	-	(23,363,299)
Machinery and Equipment	(3,205,792)	(103,957)	-	(3,309,749)
Vehicles	(648,593)	(47,612)	-	(696,205)
Total Accumulated Depreciation	(26,971,820)	(1,101,762)	-	(28,073,582)
Total Capital Assets Being Depreciated, Net	41,194,886	7,137,213	-	48,332,099
Total Water Enterprise Capital Assets, Net	\$ 41,346,540	\$ 7,137,213	\$ -	\$ 48,483,753

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 5 CAPITAL ASSETS (CONTINUED)

	Beginning Balance	Increases	Decreases	Ending Balance
Solid Waste Enterprise Fund:				
Capital Assets Not Being Depreciated:				
Land	\$ 3,492	\$ -	\$ -	\$ 3,492
Total Capital Assets Not Being Depreciated	3,492	-	-	3,492
Capital Assets Being Depreciated:				
Buildings and Improvements	426,816	-	-	426,816
Machinery and Equipment	266,835	260,632	-	527,467
Vehicles	68,270	-	-	68,270
Total Capital Assets Being Depreciated	761,921	260,632	-	1,022,553
Less Accumulated Depreciation for:				
Buildings and Improvements	(63,969)	(10,398)	-	(74,367)
Machinery and Equipment	(80,021)	(50,889)	-	(130,910)
Vehicles	(31,521)	(9,000)	-	(40,521)
Total Accumulated Depreciation	(175,511)	(70,287)	-	(245,798)
Total Capital Assets Being Depreciated, Net	586,410	190,345	-	776,755
Total Solid Waste Enterprise Capital Assets, Net	<u>\$ 589,902</u>	<u>\$ 190,345</u>	<u>\$ -</u>	<u>\$ 780,247</u>
	Beginning Balance	Increases	Decreases	Ending Balance
Electric Department:				
Capital Assets Not Being Depreciated:				
Land	\$ 99,623	\$ -	\$ -	\$ 99,623
Construction-in-Progress	286,315	398,393	-	684,708
Total Capital Assets Not Being Depreciated	385,938	398,393	-	784,331
Capital Assets Being Depreciated:				
Distribution Plant	40,900,750	3,483,770	(113,405)	44,271,115
General Plant	12,873,750	1,147,234	(63,391)	13,957,593
Generating Plant	2,784,181	-	-	2,784,181
Total Capital Assets Being Depreciated	56,558,681	4,631,004	(176,796)	61,012,889
Less Accumulated Depreciation for:				
Distribution Plant	(30,656,525)	(1,213,166)	113,405	(31,756,286)
General Plant	(9,834,208)	(346,108)	63,391	(10,116,925)
Generating Plant	(275,024)	(137,485)	-	(412,509)
Total Accumulated Depreciation	(40,765,757)	(1,696,759)	176,796	(42,285,720)
Total Capital Assets Being Depreciated, Net	15,792,924	2,934,245	-	18,727,169
Total Electric Department Capital Assets, Net	<u>\$ 16,178,862</u>	<u>\$ 3,332,638</u>	<u>\$ -</u>	<u>\$ 19,511,500</u>

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 5 CAPITAL ASSETS (CONTINUED)

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

	<u>Depreciation/ Amortization</u>
Governmental Activities:	
General Government	\$ 289,577
Public Safety	1,018,557
Education	3,671,666
Public Works	2,047,941
Culture and Recreation	214,566
Total Depreciation/Amortization Expense - Governmental Activities	<u>\$ 7,242,307</u>
	<u>Depreciation</u>
Business-Type Activities:	
Sewer	\$ 2,023,477
Water	1,101,762
Solid Waste	70,287
Electric Light	1,696,759
Total Depreciation Expense - Business-Type Activities	<u>\$ 4,892,285</u>

NOTE 6 INTERFUND TRANSFERS

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

	<u>Transfers In:</u>		
	General	Nonmajor Governmental	
<u>Transfers Out:</u>	<u>Fund</u>	<u>Funds</u>	<u>Total</u>
General Fund	\$ -	\$ 4,388,820	\$ 4,388,820 (1)
Nonmajor Governmental Funds	2,199,775	-	2,199,775 (2)
Sewer Fund	334,206	-	334,206 (3)
Water Fund	313,902	-	313,902 (3)
Solid Waste Fund	84,812	-	84,812 (3)
Total	<u>\$ 2,932,695</u>	<u>\$ 4,388,820</u>	<u>\$ 7,321,515</u>

- (1) Represents transfers from the general fund to capital project fund (\$4,240,950) as voted by the Town Council, Special Education Reserve for (\$60,000) as voted by the Town Council, and (\$87,870) to Reserve for Appropriation for unused Ambulance Funds.
- (2) Represents transfers to fund the general fund from various special revenue funds (\$2,197,215) and the capital project fund (\$2,561) for unused funds.
- (3) Represents transfers to fund the general fund from the indirect costs.

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 7 LEASES

The Town leases property that expires in 2025. The net present value of future receipts from leased property totaled \$141,263 at June 30, 2024 using a discount rate of 4.21% and is reported as leases receivable in the Town's nonmajor governmental funds.

The Town reported lease revenues of \$118,709 and interest income on these leases of \$8,551 in fiscal year 2024.

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 or tax anticipation notes (RANS or TANS).
- Capital project costs and other approved expenditures incurred prior to obtaining permanent financing through issuance of bond anticipation notes (BANS) or grant anticipation notes (GANS).

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

Details related to the short-term debt activity for the fiscal year ended June 30, 2024, is as follows:

Water Enterprise Fund

Type	Maturity Date	Interest Rate	Balance at June 30, 2023	Increases	Decreases	Balance at June 30, 2024
MCWT Interim Note - DWP-22-20	6/30/2024	- %	\$ 3,472,735	\$ -	\$ (3,472,735)	\$ -
MCWT Interim Note - DWP-22-21	6/30/2025	- %	-	2,382,447	-	2,382,447
			<u>\$ 3,472,735</u>	<u>\$ 2,382,447</u>	<u>\$ (3,472,735)</u>	<u>\$ 2,382,447</u>

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

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, 2024 (December 31, 2023 for the Electric Department):

	Balance June 30, 2023	Increases	Decreases	Balance June 30, 2024	Current Portion
Governmental Activities:					
General Obligation Bonds	\$ 21,605,000	\$ 5,780,000	\$ (2,935,000)	\$ 24,450,000	\$ 2,925,000
Unamortized Bond Premiums	849,590	390,594	(146,905)	1,093,279	168,748
Compensated Absences	343,651	9,526	-	353,177	123,612
Total Government Activities	<u>\$ 22,798,241</u>	<u>\$ 6,180,120</u>	<u>\$ (3,081,905)</u>	<u>\$ 25,896,456</u>	<u>\$ 3,217,360</u>
	Balance June 30, 2023	Increases	Decreases	Balance June 30, 2024	Current Portion
Business-Type Activities - Sewer:					
General Obligation Bonds	\$ 7,765,000	\$ 2,540,000	\$ (840,000)	\$ 9,465,000	\$ 975,000
Direct Borrowings and Placements	20,260,818	-	(1,235,954)	19,024,864	1,169,014
Unamortized Bond Premiums	242,554	166,022	(27,932)	380,644	44,485
Compensated Absences	7,488	1,278	-	8,766	3,068
Total Sewer	<u>28,275,860</u>	<u>2,707,300</u>	<u>(2,103,886)</u>	<u>28,879,274</u>	<u>2,191,567</u>
Business-Type Activities - Water:					
General Obligation Bonds	8,925,000	1,510,000	(970,000)	9,465,000	1,070,000
Direct Borrowings and Placements	-	3,106,417	-	3,106,417	153,117
Unamortized Bond Premiums	182,045	93,442	(25,718)	249,769	33,754
Compensated Absences	11,709	-	(7,478)	4,231	1,481
Total Water	<u>9,118,754</u>	<u>4,709,859</u>	<u>(1,003,196)</u>	<u>12,825,417</u>	<u>1,258,352</u>
Business-Type Activities - Solid Waste:					
Postclosure Landfill Monitoring	1,368,500	-	(92,500)	1,276,000	92,500
Compensated Absences	4,725	-	(1,166)	3,559	1,246
Total Solid Waste	<u>1,373,225</u>	<u>-</u>	<u>(93,666)</u>	<u>1,279,559</u>	<u>93,746</u>
Business-Type Activities - Electric Light:					
General Obligation Bonds	60,000	-	(60,000)	-	-
Customer Deposits	1,220,952	71,771	-	1,292,723	18,516
Customer Advances for Construction	129,649	-	(10,367)	119,282	-
Compensated Absences	431,568	21,634	-	453,202	351,102
Total Electric Light	<u>1,842,169</u>	<u>93,405</u>	<u>(70,367)</u>	<u>1,865,207</u>	<u>369,618</u>
Total Business-Type Activities	<u>\$ 40,610,008</u>	<u>\$ 7,510,564</u>	<u>\$ (3,271,115)</u>	<u>\$ 44,849,457</u>	<u>\$ 3,913,283</u>

Governmental activities long-term liabilities are generally liquidated by the general fund. Business-type activities long-term liabilities are normally paid from the funds reporting the liability.

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 10 LONG-TERM DEBT

Details related to the outstanding indebtedness at June 30, 2024, and the debt service requirements are as follows:

Bonds and Notes Payable – Governmental Funds

Project	Maturity Date	Interest Rate	Outstanding at June 30, 2023	Issued	Redeemed	Outstanding at June 30, 2024
General Obligations:						
Municipal Purpose Bonds - 2007	10/15/27	3.88 - 4.50%	\$ 50,000	\$ -	\$ (15,000)	\$ 35,000
Municipal Purpose Bonds - 2009	6/15/29	2.25 - 4.50%	175,000	-	(35,000)	140,000
Municipal Purpose Bonds - 2010	12/15/26	3.75 - 4.00%	60,000	-	(20,000)	40,000
Municipal Purpose Bonds - 2013	5/15/28	2.00 - 4.00%	440,000	-	(100,000)	340,000
Municipal Purpose Bonds - 2014	5/1/34	2.25 - 3.00%	2,070,000	-	(275,000)	1,795,000
Municipal Purpose Bonds - 2015	5/15/30	2.00 - 3.00%	745,000	-	(200,000)	545,000
Municipal Purpose Bonds - 2016	5/19/25	2.00 - 5.00%	640,000	-	(140,000)	500,000
Municipal Purpose Bonds - 2017	4/11/27	2.00 - 3.00%	1,215,000	-	(185,000)	1,030,000
Municipal Purpose Bonds - 2018	4/3/38	3.00 - 5.00%	1,640,000	-	(165,000)	1,475,000
Municipal Purpose Bonds - 2019	6/3/34	2.00 - 5.00%	1,935,000	-	(355,000)	1,580,000
Municipal Purpose Bonds - 2021	4/15/41	2.00 - 5.00%	3,010,000	-	(325,000)	2,685,000
Municipal Purpose Bonds - 2022	4/6/42	3.00 - 5.00%	4,800,000	-	(765,000)	4,035,000
Municipal Purpose Bonds - 2023	4/27/38	4.00 - 5.00%	4,825,000	-	(355,000)	4,470,000
Municipal Purpose Bonds - 2024	6/5/44	4.00 - 5.00%	-	5,780,000	-	5,780,000
Subtotal			21,605,000	5,780,000	(2,935,000)	24,450,000
Add: Unamortized Premium			849,590	390,594	(146,905)	1,093,279
Total Governmental Funds			\$ 22,454,590	\$ 6,170,594	\$ (3,081,905)	\$ 25,543,279

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

Fiscal Year	General Obligations		Total
	Principal	Interest	
2025	\$ 2,925,000	\$ 963,171	\$ 3,888,171
2026	2,770,000	841,009	3,611,009
2027	2,550,000	719,624	3,269,624
2028	2,040,000	609,440	2,649,440
2029	1,740,000	534,668	2,274,668
2030	1,685,000	465,608	2,150,608
2031	1,595,000	403,778	1,998,778
2032	1,515,000	342,933	1,857,933
2033	1,155,000	284,158	1,439,158
2034	1,090,000	239,093	1,329,093
2035	760,000	198,675	958,675
2036	755,000	171,663	926,663
2037	700,000	144,750	844,750
2038	695,000	118,938	813,938
2039	505,000	93,325	598,325
2040	475,000	74,944	549,944
2041	475,000	57,763	532,763
2042	395,000	40,581	435,581
2043	365,000	25,000	390,000
2044	260,000	10,400	270,400
Total	\$ 24,450,000	\$ 6,339,521	\$ 30,789,521

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 10 LONG-TERM DEBT (CONTINUED)

Bonds and Notes Payable – Enterprise Funds

Sewer Enterprise

Project	Maturity Date	Interest Rate	Outstanding at June 30, 2023	Issued	Redeemed	Outstanding at June 30, 2024
General Obligations:						
Municipal Purpose Bonds - 2007	10/15/27	4.00 - 4.45%	\$ 280,000	\$ -	\$ (70,000)	\$ 210,000
Municipal Purpose Bonds - 2009	6/15/29	3.88 - 4.50%	300,000	-	(55,000)	245,000
Municipal Purpose Bonds - 2010	12/15/26	3.75 - 4.50%	600,000	-	(200,000)	400,000
Municipal Purpose Bonds - 2014	5/1/34	2.25 - 3.00%	380,000	-	(45,000)	335,000
Municipal Purpose Bonds - 2015	5/15/30	2.00 - 3.00%	630,000	-	(90,000)	540,000
Municipal Purpose Bonds - 2016	5/19/32	2.00 - 5.00%	545,000	-	(65,000)	480,000
Municipal Purpose Bonds - 2018	4/3/38	3.00 - 5.00%	625,000	-	(45,000)	580,000
Municipal Purpose Bonds - 2019	6/3/39	2.00 - 5.00%	745,000	-	(50,000)	695,000
Municipal Purpose Bonds - 2022	4/6/42	3.00 - 5.00%	2,740,000	-	(170,000)	2,570,000
Municipal Purpose Bonds - 2023	4/27/43	4.00 - 5.00%	920,000	-	(50,000)	870,000
Municipal Purpose Bonds - 2024	6/5/44	4.00 - 5.00%	-	2,540,000	-	2,540,000
Direct Borrowings:						
CW-02-41	4/13/24	2.00%	83,500	-	(83,500)	-
CW-03-24	4/13/26	2.00%	9,893	-	(4,947)	4,946
CW-03-33	4/13/26	2.00%	167,106	-	(83,553)	83,553
CW-04-32	10/29/27	2.00%	343,934	-	(112,360)	231,574
CW-05-33	11/22/28	2.00%	212,705	-	(51,592)	161,113
CW-06-36	11/28/29	2.00%	255,504	-	(49,078)	206,426
CW-04-32A	3/12/27	2.00%	30,202	-	(9,867)	20,335
CW-05-32	6/13/32	2.00%	52,332	-	(6,060)	46,272
CW-04-32B	6/22/27	2.00%	19,541	-	(6,384)	13,157
CW-05-32	6/6/32	2.00%	167,357	-	(19,489)	147,868
CW-07-39	6/6/32	2.00%	277,779	-	(32,389)	245,390
CW-10-31	6/7/44	2.00%	10,635,072	-	(414,151)	10,220,921
CW-10-31A	9/10/46	2.00%	8,005,893	-	(362,584)	7,643,309
Subtotal			28,025,818	2,540,000	(2,075,954)	28,489,864
Add: Unamortized Premium			242,554	166,022	(27,932)	380,644
Total Sewer Enterprise			<u>\$ 28,268,372</u>	<u>\$ 2,706,022</u>	<u>\$ (2,103,886)</u>	<u>\$ 28,870,508</u>

Fiscal Year	General Obligations		Direct Borrowings		Total
	Principal	Interest	Principal	Interest	
2025	\$ 975,000	\$ 361,146	\$ 1,169,014	\$ 18,513	\$ 2,523,673
2026	970,000	320,796	1,097,451	12,593	2,400,840
2027	770,000	284,206	978,214	7,920	2,040,340
2028	680,000	253,716	937,287	5,077	1,876,080
2029	665,000	227,051	897,231	3,278	1,792,560
2030	620,000	200,121	910,653	1,985	1,732,759
2031	525,000	176,866	924,397	666	1,626,929
2032	520,000	155,911	870,532	-	1,546,443
2033	460,000	135,206	883,578	-	1,478,784
2034	465,000	117,601	896,942	-	1,479,543
2035	410,000	99,281	910,635	-	1,419,916
2036	410,000	86,131	924,662	70,994	1,491,787
2037	410,000	71,981	939,033	96,151	1,517,165
2038	355,000	57,831	953,756	82,357	1,448,944
2039	315,000	45,381	968,843	68,211	1,397,435
2040	230,000	34,106	984,298	53,703	1,302,107
2041	230,000	25,738	1,000,136	38,826	1,294,700
2042	230,000	17,369	1,016,362	23,569	1,287,300
2043	135,000	9,000	1,032,987	7,922	1,184,909
2044	90,000	3,600	364,449	-	458,049
2045	-	-	364,404	-	364,404
Total	<u>\$ 9,465,000</u>	<u>\$ 2,683,038</u>	<u>\$ 19,024,864</u>	<u>\$ 491,765</u>	<u>\$ 31,664,667</u>

**TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 LONG-TERM DEBT (CONTINUED)

Bonds and Notes Payable – Enterprise Funds (Continued)

Water Enterprise

Project	Maturity Date	Interest Rate	Outstanding at June 30, 2023	Issued	Redeemed	Outstanding at June 30, 2024
General Obligations:						
Municipal Purpose Bonds - 2007	10/15/28	4.00 - 4.50%	\$ 395,000	\$ -	\$ (100,000)	\$ 295,000
Municipal Purpose Bonds - 2009	6/15/29	2.25 - 4.50%	185,000	-	(35,000)	150,000
Municipal Purpose Bonds - 2010	12/15/26	3.75 - 4.00%	90,000	-	(30,000)	60,000
Municipal Purpose Bonds - 2015	5/15/30	2.00 - 5.00%	590,000	-	(125,000)	465,000
Municipal Purpose Bonds - 2016	5/19/32	2.00 - 5.00%	730,000	-	(85,000)	645,000
Municipal Purpose Bonds - 2017	4/11/32	2.00 - 3.00%	470,000	-	(55,000)	415,000
Municipal Purpose Bonds - 2018	4/3/38	3.00 - 5.00%	1,575,000	-	(105,000)	1,470,000
Municipal Purpose Bonds - 2019	6/3/39	2.00 - 5.00%	970,000	-	(65,000)	905,000
Municipal Purpose Bonds - 2021	4/15/41	2.00 - 5.00%	1,605,000	-	(115,000)	1,490,000
Municipal Purpose Bonds - 2022	4/6/42	3.00 - 5.00%	900,000	-	(100,000)	800,000
Municipal Purpose Bonds - 2023	4/27/43	4.00 - 5.00%	1,415,000	-	(155,000)	1,260,000
Municipal Purpose Bonds - 2024	6/5/44	4.00 - 5.00%	-	1,510,000	-	1,510,000
Direct Borrowings:						
DWP-22-01	11/21/44	0.00%	-	3,106,417	-	3,106,417
Subtotal			8,925,000	4,616,417	(970,000)	12,571,417
Add: Unamortized Premium			182,045	93,442	(25,718)	249,769
Total Water Enterprise			<u>\$ 9,107,045</u>	<u>\$ 4,709,859</u>	<u>\$ (995,718)</u>	<u>\$ 12,821,186</u>

Fiscal Year	General Obligations		Direct Borrowings		Total
	Principal	Interest	Principal	Interest	
2025	\$ 1,070,000	\$ 337,948	\$ 153,117	\$ -	\$ 1,561,065
2026	1,005,000	294,064	153,347	-	1,452,411
2027	950,000	251,808	153,577	-	1,355,385
2028	845,000	213,749	153,808	-	1,212,557
2029	680,000	185,463	154,039	-	1,019,502
2030	605,000	160,813	154,270	-	920,083
2031	555,000	142,100	154,502	-	851,602
2032	520,000	124,088	154,734	-	798,822
2033	375,000	106,775	154,966	-	636,741
2034	375,000	93,763	155,199	-	623,962
2035	375,000	81,200	155,432	-	611,632
2036	375,000	69,288	155,665	-	599,953
2037	375,000	57,375	155,898	-	588,273
2038	375,000	45,563	156,133	-	576,696
2039	270,000	33,550	156,367	-	459,917
2040	210,000	25,013	156,602	-	391,615
2041	210,000	18,275	156,837	-	385,112
2042	135,000	11,538	157,072	-	303,610
2043	105,000	6,400	157,308	-	268,708
2044	55,000	2,200	157,544	-	214,744
Total	<u>\$ 9,465,000</u>	<u>\$ 2,260,973</u>	<u>\$ 3,106,417</u>	<u>\$ -</u>	<u>\$ 14,832,390</u>

The Town receives subsidy assistance from the Massachusetts Clean Water Trust (MCWT). Principal and interest on the outstanding bonds for MCWT is subsidized over the life of the bonds to assist the Town in the repayment of this future debt. During fiscal year 2024, the Town's subsidy totaled approximately \$14,000. Future subsidies total approximately \$10,000.

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 10 LONG-TERM DEBT (CONTINUED)

On June 5, 2024, the Town issued \$9,830,000 of General Obligation Bonds to finance the various projects include school roof, library repairs, and sewer and water infrastructure. The bonds bear interest at 4.00 – 5.00% and mature in June 2044.

The Town is subject to various debt limits by statute and may issue additional general obligation debt under the normal debt limit. At June 30, 2023, the Town had the following authorized and unissued debt:

Purpose	Amount
Mckeeon Plant PFAS Removal (Water)	\$ 10,000,000
WWTF Grit Elevator & Screw	2,300,000
10 Mile (Ten Mile) River Improvements	1,500,000
Fals School HVAC/Boiler	750,000
Adamsdale Plant PFAs Removal System	739,211
Roads, Bridges, Sidewalks, & Lots	700,000
Roads, Bridges, & Sidewalks	500,000
Kelly Blvd Wells	400,000
10-Wheel Dump Truck Truck - Vehicle	325,000
WWTF Disk Filters	200,000
WWTF Aeration Diffusers	145,000
Total	<u><u>\$ 17,559,211</u></u>

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 11 FUND BALANCES

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

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:			
Permanent Fund Principal	\$ -	\$ 2,489,186	\$ 2,489,186
Inventory	39,623	-	39,623
Subtotal - Nonspendable	39,623	2,489,186	2,528,809
Restricted:			
Expendable Permanent Funds	-	615,114	615,114
School Lunch	-	712,638	712,638
Circuit Breaker	-	511,812	511,812
Federal Grants	-	311,971	311,971
State Grants	-	1,499,604	1,499,604
Revolving Funds	-	4,274,824	4,274,824
Ambulance	-	2,784,891	2,784,891
Chapter 90	-	18,375	18,375
Capital Projects Funded by Debt	-	8,696,861	8,696,861
Other	-	733,615	733,615
Subtotal - Restricted	-	20,159,705	20,159,705
Committed:			
Capital Projects Funded by Free Cash	-	8,340,726	8,340,726
Capital Stabilization	4,426,033	-	4,426,033
Betterment Stabilization	5,596	-	5,596
Subsequent Years's Expenditures	755,000	-	755,000
Subtotal - Committed	5,186,629	8,340,726	13,527,355
Assigned:			
General Government	108,110	-	108,110
Public Safety	138,677	-	138,677
Education	231,790	-	231,790
Public Works	24,493	-	24,493
Health and Human Services	19,216	-	19,216
Culture and Recreation	6,431	-	6,431
Employee Benefits	46,383	-	46,383
Subtotal - Assigned	575,100	-	575,100
Unassigned	15,646,452	(993,686)	14,652,766
Total Fund Balance	<u>\$ 21,447,804</u>	<u>\$ 29,995,931</u>	<u>\$ 51,443,735</u>

At June 30, 2024, approximately \$12 million has been set aside in the governmental funds financial statements for stabilization funds. Municipal finance laws of the Commonwealth of Massachusetts authorize municipalities to establish stabilization funds on an as needed basis. Each stabilization fund requires a two-thirds vote from the Town Council to release these reserved funds.

At June 30, 2024, \$4.4 million of capital stabilization and \$5 thousand of betterment stabilization fund balances are reported as committed and approximately \$7.6 million of general stabilization fund balance is reported as unassigned in the general fund.

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 12 PENSION PLAN – NORTH ATTLEBOROUGH CONTRIBUTORY RETIREMENT SYSTEM

General Information About the Pension Plan

Plan Description

The Town is a member of the North Attleborough Contributory Retirement System, a cost-sharing multiple employer defined benefit pension plan covering eligible employees of the 3 member units. The System is administered by a Retirement Board on behalf of all current employees and retirees except for the current teachers and retired teachers. Chapter 32 of the MGL assigns authority to establish and amend benefit provisions of the plan. The System is included in the financial units as a blended fiduciary component unit.

Benefits Provided

Massachusetts contributory retirement system benefits are uniform from one public pension system to another. For employees with service dates beginning before April 2, 2012, the System provides retirement allowance benefits up to a maximum of 80% of a participant's highest consecutive three-year average annual rate of regular compensation. For those employees who began their service on or after April 2, 2012, the System provides for retirement allowance benefits up to a maximum of 80% of a participant's highest consecutive five-year average annual rate of regular compensation. Benefit payments are based upon a participant's age, length of creditable service, level of compensation and group classification.

The retirement allowance consists of two parts – an annuity and a pension. Participants' accumulated total deductions and a portion of the interest these deductions generate constitute the annuity. The difference between the total retirement benefit and the annuity is the pension.

Participants who resign from service and who are not eligible to receive a retirement allowance are entitled to request a refund of their accumulated total contributions. In addition, depending upon the number of years of creditable service, such employees may be entitled to receive interest, which has accrued on those contributions. A vested employee who has not reached their eligible retirement age and elects to leave their accumulated total deductions on deposit may apply for benefits upon reaching their eligible retirement age.

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

**TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

**NOTE 12 PENSION PLAN – NORTH ATTLEBOROUGH CONTRIBUTORY RETIREMENT SYSTEM
(CONTINUED)**

Benefits Provided (Continued)

In order to receive retirement benefits, participants must meet one of the following two categories:

- 1) Normal Retirement – Generally, normal retirement occurs between ages 65 and 67. However, most participants with a hire date before April 2, 2012 may retire after twenty years of creditable service or at any time after attaining age 55. For most participants hired on or after April 2, 2012, they must attain the age of 60 before they can retire. Participants with hire dates subsequent to January 1, 1978 must have a minimum of ten years' creditable service in order to retire at age 55 or 60, as applicable. Participants become vested after ten years of creditable service. Benefits commencing before age 65 are generally provided at a reduced rate. However, members working in certain occupations may retire with full benefits earlier than age 65.
- 2) Disability Retirements – The System provides for both an ordinary and accidental disability retirement. An ordinary disability retirement is where a participant is permanently incapacitated from a cause unrelated to employment. An accidental disability retirement is where the disability is the result of an injury or illness received or aggravated in the performance of their duty.

The amount of benefits to be received in such cases is dependent upon several factors, including the age at which the disability retirement occurs, the years of creditable service, average compensation and veteran status. In addition, certain provisions are in place relative to death benefits for beneficiaries of employees who die in active service.

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

Plan Membership

At December 31, 2023, the System's membership consists of the following:

Active Members	540
Inactive Members	248
Retirees and Beneficiaries Currently Receiving Benefits	368
Total	<u><u>1,156</u></u>

**TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

**NOTE 12 PENSION PLAN – NORTH ATTLEBOROUGH CONTRIBUTORY RETIREMENT SYSTEM
(CONTINUED)**

Contributions

Employer Contributions – Under MGL, participating employers are assessed their share of the total retirement cost based on an independent actuarial study. Employer contributions totaled \$4,935,773 for the year ended December 31, 2023.

Employee Contributions – Employee contribution rates vary based on when an employee commenced their creditable service. Active members contribute 5%, 7%, 8% or 9% of their gross regular compensation depending on when their creditable service commenced. Employees hired after January 1, 1979 contribute an additional 2% of their regular gross compensation over \$30,000.

Cost of Living Adjustments – Cost-of-living adjustments granted between 1981 and 1997 and any increase in other pension benefits imposed by the Commonwealth of Massachusetts during those years are the financial responsibility of the Commonwealth. The Commonwealth is expected to continue funding the cost-of-living amounts granted over this period for the duration of their selected retirement option. Cost-of-living adjustments granted after 1997 must be approved and funded by the System. Cost-of-living adjustments cannot exceed the greater of CPI or 3%. The System approved a 3% cost-of-living adjustment on the first \$14,000 of pension benefits for the first half of 2023. Effective July 1, 2023, the cost-of-living base increased to \$16,000.

Actuarial Assumptions

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

Methods:

Actuarial Cost Method	Entry Age Normal Cost
Asset Valuation Method	Fair Value

Assumptions:

Salary Increases	3.50% per year
Investment Rate of Return	7.00%
Cost of Living Adjustment	3.00% of the lesser of the pension amount and \$16,000 per year
Mortality	Healthy Retiree - Pub-2010 amount weighted mortality tables with full generational mortality improvement using scale MP-2021. Disabled Retiree - Pub-2010 disabled mortality tables with full generational mortality improvement using scale MP-2021.
Retirement Rates	General Employees - 1.00% and 1.50% for males and females, respectively, beginning at age 50 ranging to 30% to 20% for males and females, respectively, ending at age 69. Police and Fire - 2.00% beginning at age 50 ranging to 100% at age 65.

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

**NOTE 12 PENSION PLAN – NORTH ATTLEBOROUGH CONTRIBUTORY RETIREMENT SYSTEM
(CONTINUED)**

Investment Policy

The investment of the System's funds is the responsibility of the Board. The Board adopted a revised investment policy statement in April 2017. The investment objective is to obtain a reasonable total rate of return commensurate with the Prudent Investor Rule and any other applicable statute or requirement. The Board seeks to generate long-term investment performance of 8.0%. Furthermore, the Board establishes investment benchmarks by asset class to compare its actual performance against.

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

Asset Class	Long-Term Expected Asset Allocation	Long-Term Expected Real Rate of Return
Large Cap Equity	30.00 %	4.52 %
Mid Cap Equity	10.00	4.06
Small Cap Equity	10.00	5.06
International Equity - Developed Markets	11.00	5.08
International Equity - Emerging Markets	4.00	5.80
Real Assets	15.00	3.73
Fixed Income	20.00	2.44
Total	100.00 %	

Rates of Return

For the year ended December 31, 2023, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 15.99%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts of actually invested.

Discount Rate

The discount rate used to measure the total pension liability was 7%. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and that contributions will be made at rates equal to the actuarially determined contribution 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.

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

**NOTE 12 PENSION PLAN – NORTH ATTLEBOROUGH CONTRIBUTORY RETIREMENT SYSTEM
(CONTINUED)**

Plan Reporting

Net Pension Liability

The components of the net pension liability of the participating member units at December 31, 2023 were as follows:

Total Pension Liability	\$ 209,975,970
Fiduciary Net Position	<u>157,845,229</u>
Net Pension Liability	<u><u>\$ 52,130,741</u></u>

Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.2%
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Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability, calculated using the discount rate of 7%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6%) or 1-percentage-point higher (8%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
System's Net Pension Liability	<u>\$ 77,585,247</u>	<u>\$ 52,130,741</u>	<u>\$ 30,814,964</u>

Employer Reporting

Net Pension Liability

At June 30, 2024, the Town reported a liability of \$43,982,706 for its proportionate share of the net pension liability. At December 31, 2023, the Electric Department reported a liability of \$7,630,258 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2023 for the Town and December 31, 2022 for the Electric Department. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2024 for the Town and as of January 1, 2022 for the Electric Department.

The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating members. At December 31, 2023, the Town's proportion was 84.37%. At December 31, 2022, the Electric Department's proportion was 12.60%.

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

**NOTE 12 PENSION PLAN – NORTH ATTLEBOROUGH CONTRIBUTORY RETIREMENT SYSTEM
(CONTINUED)**

Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended June 30, 2024, the Town recognized pension expense of \$6,379,645. For the year ended December 31, 2023, the Electric Department recognized pension expense of \$1,266,331.

At June 30, 2024 and December 31, 2023, respectively, the Town and the Electric Department reported deferred outflows of resources and deferred inflows of resources related from the following deferred categories:

	Town of North Attleborough		Electric Light Plant (12/31/23)		Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 467,539	\$ 871,261	\$ 139,646	\$ -	\$ 607,185	\$ 871,261
Changes of Assumptions	4,190,913	-	588,654	-	4,779,567	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	4,536,346	-	1,928,721	-	6,465,067	-
Changes in Proportion	281,277	788,964	130,188	65,704	411,465	854,668
Contributions Subsequent to the Measurement Date	-	-	703,348	-	703,348	-
Total	<u>\$ 9,476,075</u>	<u>\$ 1,660,225</u>	<u>\$ 3,490,557</u>	<u>\$ 65,704</u>	<u>\$ 12,966,632</u>	<u>\$ 1,725,929</u>

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

<u>Year Ending June 30.:</u>	<u>Amount</u>
2025	\$ 3,139,124
2026	2,366,727
2027	4,400,895
2028	(2,090,896)
Total	<u>\$ 7,815,850</u>

The \$703,348 reported as deferred outflows of resources and deferred inflows of resources related to pensions resulting from the Electric Department contributions subsequent to the measurement date but before the employer's year-end will be recognized as a reduction of the net pension liability in the subsequent fiscal year. The remaining net deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending December 31.:</u>	<u>Amount</u>
2024	\$ 365,758
2025	811,375
2026	618,888
2027	925,484
Total	<u>\$ 2,721,505</u>

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

**NOTE 12 PENSION PLAN – NORTH ATTLEBOROUGH CONTRIBUTORY RETIREMENT SYSTEM
(CONTINUED)**

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

The following presents the Town's (excluding the Electric Department) proportionate share of the net pension liability as of the measurement date of 12/31/23, calculated using the discount rate of 7% as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6%) or 1-percentage-point higher (8%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Town's Proportionate Share of the Net Pension Liability	\$ 65,458,673	\$ 43,982,706	\$ 25,998,585

The following presents the Electric Department's proportionate share of the net pension liability as of the measurement date of 12/31/23, calculated using the discount rate of 7%, as well as what the Electric Department'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%) or 1-percentage-point higher (8%) than the current rate.

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Electric Department's Proportionate Share of the Net Pension Liability	\$ 10,647,300	\$ 7,630,258	\$ 5,113,758

NOTE 13 PENSION PLAN – 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 <https://www.macomptroller.org/annual-comprehensive-financial-reports/>.

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

**NOTE 13 PENSION PLAN – MASSACHUSETTS TEACHERS RETIREMENT SYSTEM
(CONTINUED)**

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 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 program 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 in 1979 or subsequent contribute an additional 2 percent 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 Town is considered to be in a special funding situation as defined by GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and the Commonwealth is a nonemployer contributing entity in MTRS.

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

Since the Town does not contribute directly to MTRS, the Town does not report a proportionate share of the net pension liability of the MTRS at June 30, 2024. The Commonwealth's net pension liability associated with the Town was \$101,656,015.

The MTRS' net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2023 rolled forward to June 30, 2023.

For the year ended June 30, 2024, the Town recognized pension expense of \$9,491,636 associated with MTRS and revenue of the same amount for support provided by the Commonwealth.

**TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

**NOTE 13 PENSION PLAN – MASSACHUSETTS TEACHERS RETIREMENT SYSTEM
(CONTINUED)**

Actuarial Assumptions

The MTRS' total pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of January 1, 2023 rolled forward to June 30, 2023. This valuation used the following assumptions:

Investment Rate of Return	7.00%
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 Pub-2010 Teachers Employees mortality table projected generationally with Scale MP-2021 (gender distinct). Post-retirement reflects Pub-2010 Teachers Retirees mortality table projected generationally with Scale MP-2021 (gender distinct). Disability reflects Pub-2010 Teachers Retirees mortality table projected generationally with Scale MP-2021 (gender distinct).
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, 2023 are summarized in the following table:

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

Asset Class	Long-Term Expected Asset Allocation	Long-Term Expected Real Rate of Return
Global Equity	37.00 %	4.90 %
Core Fixed Income	15.00	1.90
Private Equity	16.00	7.40
Portfolio Completion Strategies	10.00	3.80
Real Estate	10.00	3.00
Value Added Fixed Income	8.00	5.10
Timberland/Natural Resources	4.00	4.30
Total	100.00 %	

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

**NOTE 13 PENSION PLAN – MASSACHUSETTS TEACHERS RETIREMENT SYSTEM
(CONTINUED)**

Discount Rate

The discount rate used to measure the MTRS' total pension liability was 7.00% (7.00% in prior year). 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 14 OTHER POSTEMPLOYMENT BENEFITS

The Town's defined benefit OPEB plan provides health, dental and life insurance coverage for its retirees and their survivors (hereinafter referred to as the Plans) are single-employer defined benefit Other Postemployment Benefit (OPEB) plans. 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 Town and Electric Department operate separate OPEB Plans, while all benefits are provided through the Town's insurance program. Specific benefit provisions and contribution rates are established by collective bargaining agreements, state law and Town ordinance. Neither of the Plans issue a stand-alone financial report.

The Town and Electric Department have accepted Chapter 32b, Section 20 of MGL which established an irrevocable trust that is under control of the Board of Commissioners of the Department; however, in accordance with provisions of the law, the Department remits the annual required contribution to the Treasurer of the Town of North Attleborough who, by a vote of the Trustees, has been designated as the custodian of the OPEB Trust fund assets. Funds transferred to the Town Treasurer under the provisions of MGL Chapter 32b, Section 20 are invested and managed separately from any OPEB funds that have been reserved for the benefit of Town employees and retirees that are not employed by the North Attleborough Electric Department.

Contributions – The contribution requirements of OPEB Plan members and the Town are established by and may be amended by the Town. Town retirees, excluding teachers, contribute between 17% and 25% of monthly health insurance premiums. Retired teachers contribute between 10% and 15% of monthly health insurance premiums. Employees of the Electric Department contribute 25% of monthly health insurance premiums outside of the trust. Retired Electric Department employees aged over 65 years contribute 12% of monthly health insurance premiums and 33% of the monthly health insurance premium when aged under 65 years. All retirees contribute 25% of life insurance premiums.

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 14 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Employees Covered by Benefit Terms – At June 30, 2024 (December 31, 2023 for Electric Department), the following employees were covered by the benefit terms:

	Town	Electric Department
Active Members	850	38
Retirees and Survivors	811	36
Total	<u>1,661</u>	<u>36</u>

Total OPEB Liability

The Town Plan's total OPEB liability was determined by an actuarial valuation performed as of July 1, 2023 rolled forward to June 30, 2024 measurement date.

The Electric Department Plan's total OPEB liability was determined by an actuarial valuation performed as of July 1, 2022 rolled forward to December 31, 2023 measurement date.

Actuarial Assumptions –

The Town's total OPEB liability in the July 1, 2023 actuarial valuation and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	July 1, 2023
Actuarial Cost Method	Entry Age Normal
Discount Rate	6.59%, net of investment expenses, including inflation
Healthcare Cost Trend Rate	5.00% for fiscal year 2024, grading down to an ultimate trend rate of 3.63% in fiscal year 2060
Pre-Retirement Mortality	General: RP-2014 Mortality Table for Blue Collar Employees projected generationally with scale MP-2021 for males and females, set forward 1 year for females.
Post-Retirement Mortality	Teachers: PubT-2010 Mortality Table (Headcount-weighted) for General: RP-2014 Mortality Table for Blue Collar Healthy Annuitants projected generationally with scale MP-2021 for males and females, set forward 1 year for females.
Disabled Mortality	Teachers: PubT-2010 Mortality Table (Headcount-weighted) for Healthy Annuitants projected generationally with scale MP-2021. General: P-2014 Mortality Table for Blue Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females, set forward 1 year for males and females. Teachers: PubT-2010 Mortality Table (Headcount-weighted) for Healthy Annuitants projected generationally with scale MP-2021.

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 14 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Total OPEB Liability (Continued)

The Electric Department's total OPEB liability in the January 1, 2022 actuarial valuation and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	January 1, 2022
Actuarial Cost Method	Entry Age Normal
Discount Rate	5.31%, net of investment expenses, including inflation
Pre-Retirement Mortality	RP-2014 Mortality Table for Blue Collar Employees projected generationally with scale MP-2016 for males and females, set forward 1 year for females.
Post-Retirement Mortality	RP-2014 Mortality Table for Blue Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females, set forward 1 year for females.
Disabled Mortality	RP-2014 Mortality Table for Blue Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females, set forward 1 year.

Investment Policy - Town

The Town's policy in regard to the allocation of invested assets is established and may be amended by the Town Council by a majority vote. The OPEB plan's assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the OPEB plan. The long-term real rate of return on OPEB investments was determined using the Town's investment policy.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class include in the target asset allocation as of June 30, 2024 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return Percent</u>
Domestic Equity - Large Cap	32.25 %	4.91 %
Domestic Equity - Small/Mid Cap	10.25	5.29
International Equity - Developed Markets	13.00	5.32
International Equity - Emerging Markets	6.75	6.13
Domestic Fixed Income	21.50	2.30
International Fixed Income	3.25	2.02
Alternatives	9.75	6.35
Real Estate	2.75	6.25
Cash and Cash Equivalents	0.50	-
Total	<u>100.00 %</u>	

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 14 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Investment Policy – Electric Department

The Electric Department's policy in regard to the allocation of invested assets is established and may be amended by the Trustees. The OPEB plan's assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the OPEB plan. The long-term real rate of return on OPEB investments was determined using the Electric Departments's investment policy.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class include in the target asset allocation as of December 31, 2023 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Expected Real Rate of Return Percent</u>
Domestic Equity - Large Cap	38.75 %	4.10 %
Domestic Equity - Small/Mid Cap	19.50	4.55
International Equity - Developed Markets	2.75	4.64
International Equity - Emerging Markets	1.25	5.45
Domestic Fixed Income	36.00	1.05
International Fixed Income	-	0.96
Alternatives	0.25	5.95
Real Estate	-	6.25
Cash and Cash Equivalents	1.50	-
Total	<u>100.00 %</u>	

Discount Rate – Town

The discount rate used to measure the total OPEB liability was 6.59%. The projection of cash flows used to determine the discount rate assumed that contributions from the Town will be made in accordance with the Plan's funding policy. Based on those assumptions, the OPEB Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Discount Rate – Electric Department

The discount rate used to measure the total OPEB liability was 5.31%. The projection of cash flows used to determine the discount rate assumed that contributions from the Town will be made in accordance with the Plan's funding policy. Based on those assumptions, the OPEB Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 14 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Components of the Net OPEB Liability

The following table represents the components of the Town and Electric Department Plan's Net OPEB liability as of the measurement date of June 30, 2024 and December 31, 2023:

	Town	Electric Department
Total OPEB Liability	\$ 130,041,732	\$ 8,090,422
Plan Fiduciary Net Position	(8,506,883)	(7,124,834)
Net OPEB Liability	<u>\$ 121,534,849</u>	<u>\$ 965,588</u>

Plan Fiduciary Net Position as a Percentage of the		
Total OPEB Liability	6.54%	88.1%

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate – The following table presents the Plan's net other postemployment benefit liability, calculated using the discount rate of 6.59% (5.31% Electric Department), as well as what the plan's net other postemployment benefit liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.59% and 4.31%) or 1-percentage-point higher (7.59% and 6.31%) than the current rate.

	1% Decrease (5.59%)	Current Discount Rate (6.59%)	1% Increase (7.59%)
Town's Net OPEB Liability	<u>\$ 138,365,922</u>	<u>\$ 121,534,849</u>	<u>\$ 107,682,694</u>

	1% Decrease (4.31%)	Current Discount Rate (5.31%)	1% Increase (6.31%)
Electric Department's Net OPEB Liability (Asset)	<u>\$ 2,300,234</u>	<u>\$ 965,588</u>	<u>\$ (95,443)</u>

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Trend Rate – The following table presents the Plan's net other postemployment benefit liability, calculated using the current healthcare trend rate of, as well as what the plan's net other postemployment benefit liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

	1% Decrease (4.00%)	Current Trend Rate (5.00%)	1% Increase (6.00%)
Town's Net OPEB Liability	<u>\$ 106,306,367</u>	<u>\$ 121,534,849</u>	<u>\$ 140,253,410</u>

	1% Decrease (4.00%)	Current Trend Rate (5.00%)	1% Increase (6.00%)
Electric Department's Net OPEB Liability (Asset)	<u>\$ (216,334)</u>	<u>\$ 965,588</u>	<u>\$ 2,483,221</u>

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 14 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Net OPEB Liabilities –

The following table represents the components of the Town's net OPEB liability as of the measurement date of June 30, 2024:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance at June 30, 2023	\$ 156,188,003	\$ 6,650,215	\$ 149,537,788
Changes for the Year:			
Service Cost	3,132,057	-	3,132,057
Interest	9,241,172	-	9,241,172
Difference Between Expected and Actual Experience	(19,215,505)	-	(19,215,505)
Changes of Assumptions	(12,771,719)	-	(12,771,719)
Employer Contributions	-	7,507,127	(7,507,127)
Net Investment Income	-	881,817	(881,817)
Benefit Payments	(6,532,276)	(6,532,276)	-
Net Changes	(26,146,271)	1,856,668	(28,002,939)
Balance at June 30, 2024	<u>\$ 130,041,732</u>	<u>\$ 8,506,883</u>	<u>\$ 121,534,849</u>

- *Changes in assumptions include a change in discount rate from 5.92% to 6.59% and change in mortality tables*

The following table represents the components of the Electric Department's net OPEB liability as of the measurement date of December 31, 2023:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance at December 31, 2022	\$ 7,589,769	\$ 6,301,763	\$ 1,288,006
Changes for the Year:			
Service Cost	166,500	-	166,500
Interest	417,689	-	417,689
Changes in Assumptions	160,266	-	160,266
Employer Contributions	-	243,802	(243,802)
Net Investment Income	-	823,071	(823,071)
Benefit Payments	(243,802)	(243,802)	-
Net Changes	500,653	823,071	(322,418)
Balance at December 31, 2023	<u>\$ 8,090,422</u>	<u>\$ 7,124,834</u>	<u>\$ 965,588</u>

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 14 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

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

For the year ended June 30, 2024, the Town recognized OPEB expense of \$7,531,701. At June 30, 2024, the Town 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	\$ -	\$ 28,764,609
Changes of Assumptions	9,296,502	13,028,538
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	197,855	-
Total	<u>\$ 9,494,357</u>	<u>\$ 41,793,147</u>

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

<u>Year Ending June 30.:</u>	<u>Amount</u>
2025	\$ (5,271,368)
2026	(6,674,038)
2027	(9,108,640)
2028	(6,002,685)
2029	(5,242,059)
Total	<u>\$ (32,298,790)</u>

For the year ended December 31, 2023, the Electric Department recognized OPEB expense of \$438,482. At December 31, 2023, the Electric Department 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	\$ 10,212	\$ 70,046
Changes of Assumptions	1,003,371	-
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	343,142	-
Total	<u>\$ 1,356,725</u>	<u>\$ 70,046</u>

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

<u>Year Ending December 31:</u>	<u>Amount</u>
2024	\$ 383,096
2025	459,528
2026	507,675
2027	(63,620)
Total	<u>\$ 1,286,679</u>

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 15 COMBINING FIDUCIARY FUND FINANCIAL STATEMENTS

The Town's Pension Trust Fund, OPEB Trust Fund, and the Electric Department's OPEB Trust Fund Statements of Fiduciary Net Position are as follows:

	Pension Trust Fund (As of 12/31/23)	Town OPEB Trust Fund (As of 6/30/24)	Electric Light OPEB Trust Fund (As of 12/31/23)	Total
ASSETS				
Cash and Cash Equivalents	\$ 1,917,417	\$ 41,132	\$ 29,572	\$ 1,988,121
Investments:				
Corporate Bonds	-	-	2,379,174	2,379,174
Corporate Equities	-	800,043	-	800,043
Equity Securities	34,780,013	1,461,844	-	36,241,857
Mutual Funds	101,473,387	6,203,864	4,716,088	112,393,339
Private Equity Funds	20,198,649	-	-	20,198,649
Total Investments	156,452,049	8,465,751	7,095,262	172,013,062
Receivables	164,046	-	-	164,046
Total Assets	158,533,512	8,506,883	7,124,834	174,165,229
LIABILITIES				
Accounts Payable	688,283	-	-	688,283
Total Liabilities	688,283	-	-	688,283
NET POSITION				
Restricted for Pensions	157,845,229	-	-	157,845,229
Restricted for Other Postemployment Benefits	-	8,506,883	7,124,834	15,631,717
Total Net Pension	<u>\$ 157,845,229</u>	<u>\$ 8,506,883</u>	<u>\$ 7,124,834</u>	<u>\$ 173,476,946</u>
	Pension Trust Fund (As of 12/31/23)	Town OPEB Trust Fund (As of 6/30/24)	Electric Light OPEB Trust Fund (As of 12/31/23)	Total
ADDITIONS				
Contributions:				
Employer	\$ 4,935,773	\$ 7,507,127	\$ 243,802	\$ 12,686,702
Employee	3,027,644	-	-	3,027,644
Other	595,407	-	-	595,407
Total Contributions	8,558,824	7,507,127	243,802	16,309,753
Net Investment Income:				
Net Appreciation in Fair Value of Investments	21,274,940	752,368	823,071	22,850,379
Interest and Dividends	2,153,528	129,449	-	2,282,977
Less: Investment Management Fees	(848,742)	-	-	(848,742)
Net Investment Income	22,579,726	881,817	823,071	24,284,614
Other Income	26,786	-	-	26,786
Total Additions	31,165,336	8,388,944	1,066,873	40,621,153
DEDUCTIONS				
Pension Benefits and Refunds to Plan Members:				
Benefits to Retirees and Survivors	10,578,693	-	-	10,578,693
Member Refunds	247,247	-	-	247,247
Transfers and Reimbursements to Other Systems	1,293,276	-	-	1,293,276
Other Postemployment Benefits	-	6,532,276	243,802	6,776,078
Administrative Expenses:				
Operations Payroll and Related Personnel Costs	127,086	-	-	127,086
Other Administrative Expenses	770,421	-	-	770,421
Total Deductions	13,016,723	6,532,276	243,802	19,792,801
CHANGE IN NET POSITION				
	18,148,613	1,856,668	823,071	20,828,352
Net Position - Beginning of Year	139,696,616	6,650,215	6,301,763	152,648,594
NET POSITION - END OF YEAR	<u>\$ 157,845,229</u>	<u>\$ 8,506,883</u>	<u>\$ 7,124,834</u>	<u>\$ 173,476,946</u>

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 16 TAX ABATEMENTS

The Town enters into tax increment financing, or TIF, agreements with local businesses as an incentive for economic growth. While these TIF agreements are deemed property tax abatements under GAAP for the purposes of these basic financial statements, no property taxes are abated under a TIF agreement. Rather, the tax liability resulting from the new growth created by the required investment under a TIF agreement is phased in over a number of years. The tax liability for the existing assessed value of the property at the time the TIF agreement is executed is unchanged and continues to be paid throughout the term of the TIF agreement. In addition to a required investment in the property, the TIF agreement also requires retention of existing jobs as well as the creation of new jobs. Pursuant to MGL, property owners may be granted property tax exemptions ranging from 100% to 5% of the assessed value of the incremental investment for a maximum term of twenty years.

The Town has three TIF agreements in place at June 30, 2024 and its most significant will not have any abatements until fiscal year 2025. The value of the property tax abatements related to the two TIF agreements in effect during fiscal year 2024 was approximately \$16,000.

NOTE 17 RISK MANAGEMENT

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

The Town participates in a health insurance risk pool administered by the North Attleborough-Plainville Health Group (the Group). The Group offers premium and self-insurance based health plans to its members with each participating governmental unit charged a premium for coverage based on rates established by the Group. In the event the Group is terminated, the Town would be obligated to pay its proportionate share of a deficit, should one exist.

The Electric Department has a program to self-insure for general liability claims. The Electric Department is responsible for the payment of the first \$500,000 for each claim incurred. Claims that exceed this amount are covered by reinsurance, which is an excess liability policy with a limit of \$25 million per occurrence. No accrual has been made in the accompanying financial statements as no significant claims have been submitted.

NOTE 18 COMMITMENTS AND CONTINGENCIES

General

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

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 18 COMMITMENTS AND CONTINGENCIES (CONTINUED)

Grants

The Town 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, 2024, these projects 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 Town expects such amounts, if any, to be immaterial.

Appellate Tax Board

The Town has pending cases filed with the Massachusetts Appellate Tax Board of the Commonwealth of Massachusetts ("ATB"). In total, the assessed property values for ATB cases totaled nearly \$81.3 million at June 30, 2024, all of which pertained to commercial real estate. An approximately \$200,000 provision has been made in the general fund for the liability related to these appeals.

MMWEC Participation

The Electric Department is a Participant in certain Projects of the Massachusetts Municipal Wholesale Electric Company (MMWEC).

MMWEC is a public corporation and a political subdivision of the Commonwealth of Massachusetts, created as a means to develop a bulk power supply for its Members and other utilities. MMWEC is authorized to construct, own or purchase ownership interests in, and to issue revenue bonds to finance, electric facilities (Projects). MMWEC has acquired ownership interests in electric facilities operated by other entities and also owns and operates its own electric facilities. MMWEC operates the Stony Brook Intermediate Project and the Stony Brook Peaking Project, both fossil-fueled power plants. MMWEC has the Nuclear Mix No. 1 Project, Nuclear Project Three, Nuclear Project Four, Nuclear Project Five and Project Six, which comprise an 11.6% ownership interest in the Seabrook Station nuclear generating unit operated by NextEra Energy Seabrook, LLC and a 4.8% ownership interest in the Millstone Unit 3 nuclear unit, operated by Dominion Nuclear Connecticut, Inc. The operating license for Seabrook Station extends to March 15, 2050. The operating license for the Millstone Unit 3 nuclear unit extends to November 25, 2045.

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

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 18 COMMITMENTS AND CONTINGENCIES (CONTINUED)

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

MMWEC is involved in various legal actions. In the opinion of management, the outcome of such litigation or claims will not have a material adverse effect on the financial position of the company.

The total capital expenditures and annual capacity, fuel and transmission costs (which include debt service and decommissioning expenses as discussed above), and amount of required debt service payments (if applicable) under the PSAs associated with the Department's Project Capability of the Projects in which it participates for the years ended December 31, 2023 and 2022, respectively are listed in the table below.

Projects	Percentage Share	2023 Total Capital Expenditures	2023 Capacity, Fuel, & Transmission Billed	2022 Capacity, Fuel, & Transmission Billed
Stony Brook Peaking Project	5.9838%	\$ 3,776,245	\$ 345,850	\$ 320,678
Stony Brook Intermediate Project	3.5564%	6,526,209	550,224	819,638
Nuclear Mix No. 1 - Seabrook	4.1590%	432,890	20,116	19,943
Nuclear Mix No. 1 - Millstone	4.1590%	2,682,491	237,967	247,095
Nuclear Project No. 3 - Millstone	3.3709%	5,256,223	382,546	397,989
Nuclear Project No. 4 - Seabrook	4.4020%	13,529,959	559,221	555,513
Nuclear Project No. 5 - Seabrook	1.5884%	1,320,264	52,235	51,977
Project No. 6 - Seabrook	2.7185%	15,435,433	479,814	476,863
Total		<u>\$ 48,959,714</u>	<u>\$ 2,627,973</u>	<u>\$ 2,889,696</u>

NOTE 19 BEGINNING FUND BALANCE RECLASSIFICATION

Changes in Fund Presentation from Major to Nonmajor

The Town implemented GASB Statement No. 100, *Accounting Changes and Error Corrections* during fiscal year 2024. Both the American Rescue Plan Act fund and the capital projects fund previously met the criteria to be reported as a major governmental fund. However, effective July 1, 2023, the funds did not meet the criteria to be reported as major funds and are now reported as nonmajor governmental funds for the fiscal year ended June 30, 2024. The American Rescue Plan Act fund balance at June 30, 2023 was \$0, so there was no fund balance impact. The effects of the changes within the financial reporting entity are shown in the table below:

	June 30, 2023, As Previously Reported	Change Within the Financial Reporting Entity	June 30, 2024, As Restated
Governmental Funds:			
Major Funds:			
Capital Projects Fund	\$ 19,282,823	\$ (19,282,823)	\$ -
Nonmajor Funds	13,944,281	19,282,823	33,227,104
Total Governmental Funds	<u>\$ 33,227,104</u>	<u>\$ -</u>	<u>\$ 33,227,104</u>

**TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE – GENERAL FUND
YEAR ENDED JUNE 30, 2024
(UNAUDITED)**

	Budgeted Amounts		Actual Budgetary Amounts	Positive (Negative) Variance
	Original	Final		
REVENUES				
Real Estate and Personal Property Taxes	\$ 69,175,824	\$ 69,175,824	\$ 68,688,804	\$ (487,020)
Motor Vehicle and Other Excise Taxes	5,675,000	5,675,000	6,661,161	986,161
Tax and Utility Liens	-	-	405,127	405,127
Payments in Lieu of Taxes	365,341	365,341	366,304	963
Charges for Services	277,550	277,550	458,135	180,585
Intergovernmental	25,652,354	25,652,354	25,460,406	(191,948)
Penalties and Interest on Taxes	304,750	304,750	373,426	68,676
Licenses and Permits	483,050	483,050	595,470	112,420
Fines and Forfeitures	41,700	41,700	62,912	21,212
Departmental and Other	407,525	407,525	397,422	(10,103)
Investment Income	204,000	204,000	1,469,103	1,265,103
Total Revenues	102,587,094	102,587,094	104,938,270	2,351,176
EXPENDITURES				
General Government	6,084,041	6,048,101	5,554,795	493,306
Public Safety	14,995,982	15,322,660	14,233,762	1,088,898
Education	52,566,854	52,678,079	52,334,624	343,455
Public Works	2,207,067	2,250,940	2,152,142	98,798
Health and Human Services	1,105,386	1,103,002	967,771	135,231
Culture and Recreation	1,527,364	1,515,679	1,497,181	18,498
Pension and Fringe Benefits	16,061,548	16,142,362	15,539,797	602,565
State and County Charges	5,993,679	5,993,679	5,141,175	852,504
Debt Service	3,774,867	3,744,867	3,737,999	6,868
Total Expenditures	104,316,788	104,799,369	101,159,246	3,640,123
OTHER FINANCING SOURCES (USES)				
Transfers In	2,769,394	2,894,394	2,962,695	68,301
Transfers Out	(3,902,470)	(8,368,820)	(8,368,820)	-
Total Other Financing Sources (Uses)	(1,133,076)	(5,474,426)	(5,406,125)	68,301
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	<u>(2,862,770)</u>	<u>(7,686,701)</u>	<u>\$ (1,627,101)</u>	<u>\$ 6,059,600</u>
OTHER BUDGET ITEMS				
Prior Year Encumbrances	-	415,773		
Free Cash	2,862,770	7,270,928		
Total Other Budgetary Items	2,862,770	7,686,701		
Net Budget	<u>\$ -</u>	<u>\$ -</u>		

See accompanying Notes to Required Supplementary Information.

**TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
REQUIRED SUPPLEMENTARY INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

PENSION PLAN SCHEDULES

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

	2023	2022	2021	2020	2019
<u>Total Pension Liability</u>					
Service Cost	\$ 3,210,967	\$ 3,125,029	\$ 2,839,580	\$ 2,752,745	\$ 2,955,761
Interest	13,850,264	13,452,013	12,706,577	12,303,896	11,399,028
Changes in Benefit Terms	1,726,581	-	-	-	-
Differences Between Expected and Actual Experience	(1,383,914)	-	2,216,607	-	3,336,854
Changes of Assumptions	3,526,397	-	9,343,719	-	8,800,256
Benefit Payments, Including Refunds of Member Contributions	(11,208,545)	(10,738,824)	(10,228,064)	(8,950,446)	(8,183,570)
Net Change in Total Pension Liability	9,721,750	5,838,218	16,878,419	6,106,195	18,308,329
Total Pension Liability - Beginning	<u>200,254,220</u>	<u>194,416,002</u>	<u>177,537,583</u>	<u>171,431,388</u>	<u>153,123,059</u>
Total Pension Liability - Ending (a)	<u>\$ 209,975,970</u>	<u>\$ 200,254,220</u>	<u>\$ 194,416,002</u>	<u>\$ 177,537,583</u>	<u>\$ 171,431,388</u>
<u>Plan Fiduciary Net Position</u>					
Contributions - Employer	\$ 4,935,773	\$ 4,650,686	\$ 4,404,059	\$ 4,170,510	\$ 3,965,300
Contributions - Member	2,712,378	2,349,194	2,675,943	2,652,149	2,516,170
Net Investment Income	22,027,608	(25,054,925)	22,864,669	18,930,509	23,352,643
Benefit Payments, Including Refunds of Member Contributions	(11,208,545)	(10,738,824)	(10,228,064)	(8,950,446)	(8,183,570)
Administrative Expense	(318,601)	(241,174)	(238,837)	(269,913)	(273,925)
Other	-	-	-	-	-
Net Change in Plan Fiduciary Net Position	18,148,613	(29,035,043)	19,477,770	16,532,809	21,376,618
Plan Fiduciary Net Position - Beginning	<u>139,696,616</u>	<u>168,731,659</u>	<u>149,253,889</u>	<u>132,721,080</u>	<u>111,344,462</u>
Plan Fiduciary Net Position - Ending (b)	<u>\$ 157,845,229</u>	<u>\$ 139,696,616</u>	<u>\$ 168,731,659</u>	<u>\$ 149,253,889</u>	<u>\$ 132,721,080</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 52,130,741</u>	<u>\$ 60,557,604</u>	<u>\$ 25,684,343</u>	<u>\$ 28,283,694</u>	<u>\$ 38,710,308</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.17%	69.76%	86.79%	84.07%	77.42%
Covered Payroll	\$ 28,376,489	\$ 27,228,917	\$ 26,500,163	\$ 26,791,598	\$ 26,079,093
Net Pension Liability as a Percentage of Covered Payroll	183.71%	222.40%	96.92%	105.57%	148.43%

See accompanying Notes to Required Supplementary Information.

**TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
REQUIRED SUPPLEMENTARY INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

**SCHEDULE OF CHANGES IN SYSTEM'S NET PENSION LIABILITY
AND RELATED RATIOS (SYSTEM) (CONTINUED)**

	2018	2017	2016	2015	2014
<u>Total Pension Liability</u>					
Service Cost	\$ 2,855,808	\$ 2,943,495	\$ 3,270,377	\$ 2,848,866	\$ 2,726,188
Interest	9,743,986	9,379,396	9,031,717	9,408,346	8,578,051
Changes in Benefit Terms	-	-	-	-	-
Differences Between Expected and Actual Experience	9,775,153	-	(4,039,002)	-	-
Changes of Assumptions	7,525,470	-	3,812,605	-	-
Benefit Payments, Including Refunds of Member Contributions	<u>(7,546,295)</u>	<u>(7,207,845)</u>	<u>(7,021,712)</u>	<u>(5,989,285)</u>	<u>(5,669,592)</u>
Net Change in Total Pension Liability	22,354,122	5,115,046	5,053,985	6,267,927	5,634,647
Total Pension Liability - Beginning	<u>130,768,937</u>	<u>125,653,891</u>	<u>120,599,906</u>	<u>114,331,979</u>	<u>108,697,332</u>
Total Pension Liability - Ending (a)	<u>\$ 153,123,059</u>	<u>\$ 130,768,937</u>	<u>\$ 125,653,891</u>	<u>\$ 120,599,906</u>	<u>\$ 114,331,979</u>
<u>Plan Fiduciary Net Position</u>					
Contributions - Employer	\$ 3,842,830	\$ 3,808,004	\$ 3,667,448	\$ 3,594,629	\$ 3,467,772
Contributions - Member	2,726,906	2,384,108	2,226,741	2,506,881	2,327,570
Net Investment Income	(4,685,302)	16,058,055	7,239,066	1,498,040	6,223,988
Benefit Payments, Including Refunds of Member Contributions	(7,546,295)	(7,207,845)	(7,021,712)	(5,989,285)	(5,669,592)
Administrative Expense	(264,367)	(269,960)	(247,864)	(173,277)	(158,166)
Other	<u>190,172</u>	<u>108,620</u>	<u>166,319</u>	<u>-</u>	<u>-</u>
Net Change in Plan Fiduciary Net Position	(5,736,056)	14,880,982	6,029,998	1,436,988	6,191,572
Plan Fiduciary Net Position - Beginning	<u>117,080,518</u>	<u>102,199,536</u>	<u>96,169,538</u>	<u>94,732,550</u>	<u>88,540,978</u>
Plan Fiduciary Net Position - Ending (b)	<u>\$ 111,344,462</u>	<u>\$ 117,080,518</u>	<u>\$ 102,199,536</u>	<u>\$ 96,169,538</u>	<u>\$ 94,732,550</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 41,778,597</u>	<u>\$ 13,688,419</u>	<u>\$ 23,454,355</u>	<u>\$ 24,430,368</u>	<u>\$ 19,599,429</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	72.72%	89.53%	81.33%	79.74%	82.86%
Covered Payroll	\$ 25,158,932	\$ 23,832,309	\$ 22,915,682	\$ 22,706,208	\$ 22,706,208
Net Pension Liability as a Percentage of Covered Payroll	166.06%	57.44%	102.35%	107.59%	86.32%

See accompanying Notes to Required Supplementary Information.

**TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
REQUIRED SUPPLEMENTARY INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

SCHEDULE OF EMPLOYER CONTRIBUTIONS (SYSTEM) (1)

	2023	2022	2021	2020	2019
Actuarially Determined Contribution	\$ 4,935,773	\$ 4,650,686	\$ 4,404,059	\$ 4,170,510	\$ 3,965,300
Contributions in Relation to the Actuarially Determined Contribution	<u>4,935,773</u>	<u>4,650,686</u>	<u>4,404,059</u>	<u>4,170,510</u>	<u>3,965,300</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 28,376,000	\$ 27,229,000	\$ 26,500,000	\$ 26,792,000	\$ 25,159,000
Contributions as a Percentage of Covered Payroll	17.39%	17.08%	16.62%	15.57%	15.76%
	2018	2017	2016	2015	2014
Actuarially Determined Contribution	\$ 3,842,830	\$ 3,808,004	\$ 3,667,448	\$ 3,594,629	\$ 3,467,772
Contributions in Relation to the Actuarially Determined Contribution	<u>3,842,830</u>	<u>3,808,004</u>	<u>3,667,448</u>	<u>3,594,629</u>	<u>3,467,772</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 25,159,000	\$ 23,832,000	\$ 22,916,000	\$ 22,076,000	\$ 22,076,000
Contributions as a Percentage of Covered Payroll	15.27%	15.98%	16.00%	16.28%	15.71%

(1) The contributions in this table also represent the contribution requirements of the System's employers' most recent fiscal year-ends.

SCHEDULE OF EMPLOYER CONTRIBUTIONS (SYSTEM)

Year-Ended:	Annual Money-Weighted Rate Net of Investment Expense
2023	15.99 %
2022	(15.48)
2021	15.46
2020	14.42
2019	21.26
2018	(4.03)
2017	15.69
2016	7.53
2015	2.02
2014	7.55

See accompanying Notes to Required Supplementary Information.

**TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
REQUIRED SUPPLEMENTARY INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

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

	2024	2023	2022	2021	2020
Town's Proportion of the Net Pension Liability	84.37%	85.80%	85.80%	86.88%	85.73%
Town's Proportionate Share of the Net Pension Liability	43,982,706	51,970,742	22,120,773	26,171,150	33,179,406
Town's Covered Payroll	23,875,465	22,925,385	22,742,000	23,276,978	22,352,791
Town's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	184.22%	226.70%	97.27%	112.43%	148.44%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.20%	69.80%	86.80%	84.10%	77.40%
	2019	2018	2017	2016	2015
Town's Proportion of the Net Pension Liability	85.91%	87.58%	85.83%	86.53%	86.20%
Town's Proportionate Share of the Net Pension Liability	35,877,500	11,983,159	20,102,333	21,192,217	16,887,267
Town's Covered Payroll	21,606,323	20,387,883	19,677,543	19,689,223	19,974,592
Town's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	166.05%	58.78%	102.16%	107.63%	84.54%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	72.70%	89.50%	81.30%	79.70%	82.90%

**SCHEDULE OF THE ELECTRIC DEPARTMENT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY (1)**

	2023	2021	2020	2019	2018
Electric Department's proportion of the net pension liability	14.25%	12.60%	11.72%	12.67%	12.69%
Electric Department's proportionate share of the net pension liability	7,630,258	3,236,227	3,314,850	4,904,594	5,303,500
Electric Department's covered payroll	4,059,001	3,339,000	3,140,022	3,304,209	3,192,677
Electric Department's proportionate share of the net pension liability as a percentage of its covered payroll	187.98%	96.92%	105.57%	148.43%	166.11%
Plan fiduciary net position as a percentage of the total pension liability	75.20%	86.80%	84.10%	77.42%	72.70%
	2017	2016	2015	2014	
Electric Department's proportion of the net pension liability	10.82%	12.67%	11.97%	11.80%	
Electric Department's proportionate share of the net pension liability	1,480,841	2,971,667	2,882,783	2,312,733	
Electric Department's covered payroll	3,056,117	2,903,457	2,684,777	2,368,408	
Electric Department's proportionate share of the net pension liability as a percentage of its covered payroll	48.45%	102.35%	107.38%	97.65%	
Plan fiduciary net position as a percentage of the total pension liability	89.50%	81.30%	79.74%	82.90%	

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

See accompanying Notes to Required Supplementary Information.

**TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
REQUIRED SUPPLEMENTARY INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

SCHEDULE OF TOWN'S CONTRIBUTIONS (1)

	2024	2023	2022	2021	2020
Actuarially Required Contribution	\$ 4,161,311	\$ 4,557,000	\$ 4,334,000	\$ 4,114,000	\$ 3,898,000
Contributions in Relation to the Actuarially Required Contribution	4,161,311	4,557,000	4,334,000	4,114,000	3,898,000
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town's Covered Payroll	\$ 27,934,466	\$ 26,799,000	\$ 26,081,000	\$ 26,417,000	\$ 25,657,000
Contributions as a Percentage of Covered Payroll	14.90%	17.00%	16.62%	15.57%	15.19%
	2019	2018	2017	2016	2015
Actuarially Required Contribution	\$ 3,788,000	\$ 3,746,000	\$ 3,614,000	\$ 1,900,000	\$ 1,791,000
Contributions in Relation to the Actuarially Required Contribution	3,788,000	3,746,000	3,614,000	1,900,000	1,791,000
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town's Covered Payroll	\$ 24,799,000	\$ 23,444,000	\$ 22,581,000	\$ 22,374,000	\$ 22,343,000
Contributions as a Percentage of Covered Payroll	15.27%	15.98%	16.00%	8.49%	8.02%

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

SCHEDULE OF ELECTRIC DEPARTMENT'S CONTRIBUTIONS (1) (2)

	2023	2022	2021	2020	2019
Actuarially Required Contribution	\$ 585,986	\$ 554,911	\$ 488,784	\$ 501,939	\$ 487,820
Contributions in Relation to the Actuarially Required Contribution	585,986	554,911	488,784	501,939	487,820
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Electric Department's Covered Payroll	\$ 3,873,615	\$ 3,339,000	\$ 3,140,022	\$ 3,304,209	\$ 3,192,677
Contributions as a Percentage of Covered Payroll	15.13%	16.62%	15.57%	15.19%	15.28%
	2018	2017	2016	2015	
Actuarially Required Contribution	\$ 411,959	\$ 397,495	\$ 424,025	\$ 409,031	
Contributions in Relation to the Actuarially Required Contribution	411,959	397,495	424,025	409,031	
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
Electric Department's Covered Payroll	\$ 3,056,117	\$ 2,903,457	\$ 2,684,777	\$ 2,368,408	
Contributions as a Percentage of Covered Payroll	13.48%	13.69%	15.79%	17.27%	

(1) Amounts presented were determined as of December 31 of the previous calendar year.

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

See accompanying Notes to Required Supplementary Information.

**TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
REQUIRED SUPPLEMENTARY INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

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

	2024	2023	2022	2021	2020
Town's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -	\$ -	\$ -
Commonwealth's Proportionate Share of the Town's Net Pension Liability	101,656,015	97,932,964	79,438,058	119,514,087	98,418,309
Town's Net Pension Liability	<u>\$ 101,656,015</u>	<u>\$ 97,932,964</u>	<u>\$ 79,438,058</u>	<u>\$ 119,514,087</u>	<u>\$ 98,418,309</u>
Town's Expense and Revenue Recognized for Commonwealth's Support	\$ 9,491,636	\$ 8,055,942	\$ 6,374,573	\$ 14,761,702	\$ 11,934,928
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	58.48%	57.75%	62.03%	50.67%	53.95%
	2019	2018	2017	2016	2015
Town's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -	\$ -	\$ -
Commonwealth's Proportionate Share of the Town's Net Pension Liability	92,872,289	89,057,670	91,875,084	86,191,732	66,793,835
Town's Net Pension Liability	<u>\$ 92,872,289</u>	<u>\$ 89,057,670</u>	<u>\$ 91,875,084</u>	<u>\$ 86,191,732</u>	<u>\$ 66,793,835</u>
Town's Expense and Revenue Recognized for Commonwealth's Support	\$ 9,411,262	\$ 9,295,208	\$ 9,371,861	\$ 6,990,917	\$ 4,460,488
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	54.84%	54.25%	52.73%	55.38%	61.64%

(1) Amounts presented were determined as of June 30 of the prior year.

See accompanying Notes to Required Supplementary Information.

**TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
REQUIRED SUPPLEMENTARY INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

OTHER POSTEMPLOYMENT BENEFITS PLAN SCHEDULES

**SCHEDULE OF CHANGES IN THE TOWN'S NET OPEB LIABILITY AND RELATED RATIOS –
OTHER POSTEMPLOYMENT BENEFITS PLAN (1)**

	2024	2023	2022	2021	2020
<u>Total OPEB Liability</u>					
Service Cost	\$ 3,132,057	\$ 3,183,441	\$ 4,391,128	\$ 3,472,561	\$ 3,297,628
Interest	9,241,172	8,840,561	7,990,312	8,017,407	6,674,967
Changes of Benefit Terms	-	-	-	-	-
Differences Between Expected and Actual Experience	(19,215,505)	-	(25,674,031)	-	(540,236)
Changes of Assumptions	(12,771,719)	(3,610,143)	6,362,225	15,927,746	8,100,976
Benefit Payments	(6,532,276)	(6,034,108)	(6,103,903)	(5,671,413)	(5,214,055)
Net Change in Total OPEB Liability	(26,146,271)	2,379,751	(13,034,269)	21,746,301	12,319,280
Total OPEB Liability - Beginning	156,188,003	153,808,252	166,842,521	145,096,220	132,776,940
Total OPEB Liability - Ending (a)	<u>\$ 130,041,732</u>	<u>\$ 156,188,003</u>	<u>\$ 153,808,252</u>	<u>\$ 166,842,521</u>	<u>\$ 145,096,220</u>
<u>Plan Fiduciary Net Position</u>					
Contributions - Employer	\$ 7,507,127	\$ 6,918,392	\$ 7,662,131	\$ 6,434,783	\$ 5,968,304
Net Investment Income	881,817	525,025	(1,574,097)	951,364	62,746
Benefit Payments	(6,532,276)	(6,034,108)	(6,103,903)	(5,671,413)	(5,214,055)
Net Change in Plan Fiduciary Net Position	1,856,668	1,409,309	(15,869)	1,714,734	816,995
Plan Fiduciary Net Position - Beginning	6,650,215	5,240,906	5,256,775	3,542,041	2,725,046
Plan Fiduciary Net Position - Ending (b)	<u>\$ 8,506,883</u>	<u>\$ 6,650,215</u>	<u>\$ 5,240,906</u>	<u>\$ 5,256,775</u>	<u>\$ 3,542,041</u>
Net OPEB Liability - Ending (a) - (b)	<u>\$ 121,534,849</u>	<u>\$ 149,537,788</u>	<u>\$ 148,567,346</u>	<u>\$ 161,585,746</u>	<u>\$ 141,554,179</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	6.54%	4.26%	3.41%	3.15%	2.44%
Covered Payroll	\$ 64,080,562	\$ 60,543,237	\$ 58,779,842	\$ 62,315,670	\$ 60,500,650
Net OPEB Liability as a Percentage of Covered Payroll	189.66%	246.99%	252.75%	259.30%	233.97%

See accompanying Notes to Required Supplementary Information.

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
REQUIRED SUPPLEMENTARY INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)

**SCHEDULE OF CHANGES IN THE TOWN'S NET OPEB LIABILITY AND RELATED RATIOS –
OTHER POSTEMPLOYMENT BENEFITS PLAN (CONTINUED) (1)**

	2019	2018	2017
<u>Total OPEB Liability</u>			
Service Cost	\$ 3,566,214	\$ 2,614,496	\$ 2,886,392
Interest	6,719,148	6,206,574	6,392,540
Changes of Benefit Terms	-	(2,517,704)	-
Differences Between Expected and Actual Experience	-	5,539,349	-
Changes of Assumptions	16,198,648	(223,646)	-
Benefit Payments	<u>(4,192,259)</u>	<u>(3,868,209)</u>	<u>(3,947,826)</u>
Net Change in Total OPEB Liability	22,291,751	7,750,860	5,331,106
Total OPEB Liability - Beginning	<u>110,485,189</u>	<u>102,734,329</u>	<u>97,403,223</u>
Total OPEB Liability - Ending (a)	<u><u>\$ 132,776,940</u></u>	<u><u>\$ 110,485,189</u></u>	<u><u>\$ 102,734,329</u></u>
<u>Plan Fiduciary Net Position</u>			
Contributions - Employer	\$ 4,790,933	\$ 4,394,179	\$ 4,381,467
Net Investment Income	149,980	114,558	98,101
Benefit Payments	<u>(4,192,259)</u>	<u>(3,868,209)</u>	<u>(3,947,826)</u>
Net Change in Plan Fiduciary Net Position	748,654	640,528	531,742
Plan Fiduciary Net Position - Beginning	<u>1,976,392</u>	<u>1,335,864</u>	<u>804,122</u>
Plan Fiduciary Net Position - Ending (b)	<u><u>\$ 2,725,046</u></u>	<u><u>\$ 1,976,392</u></u>	<u><u>\$ 1,335,864</u></u>
Net OPEB Liability - Ending (a) - (b)	<u><u>\$ 130,051,894</u></u>	<u><u>\$ 108,508,797</u></u>	<u><u>\$ 101,398,465</u></u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	2.05%	1.79%	1.30%
Covered Payroll	\$ 60,500,650	\$ 58,738,497	\$ 53,773,100
Net OPEB Liability as a Percentage of Covered Payroll	214.96%	184.73%	188.57%

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

See accompanying Notes to Required Supplementary Information.

**TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
REQUIRED SUPPLEMENTARY INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

**SCHEDULE OF CHANGES IN THE ELECTRIC DEPARTMENT'S NET OPEB LIABILITY
AND RELATED RATIOS – OTHER POSTEMPLOYMENT BENEFITS PLAN (1)**

	2023	2022	2021	2020
<u>Total OPEB liability</u>				
Service cost	\$ 166,500	\$ 142,235	\$ 128,401	\$ 122,509
Interest	417,689	354,780	343,003	334,785
Differences Between Expected and Actual Experience	-	(116,742)	-	51,052
Changes of Assumptions	160,266	1,303,297	199,850	66,199
Benefit Payments	<u>(243,802)</u>	<u>(239,944)</u>	<u>(223,601)</u>	<u>(216,923)</u>
Net Change in Total OPEB Liability	500,653	1,443,626	447,653	357,622
Total OPEB Liability - Beginning	<u>7,589,769</u>	<u>6,146,143</u>	<u>5,698,490</u>	<u>5,340,868</u>
Total OPEB Liability - Ending (a)	<u><u>\$ 8,090,422</u></u>	<u><u>\$ 7,589,769</u></u>	<u><u>\$ 6,146,143</u></u>	<u><u>\$ 5,698,490</u></u>
<u>Plan Fiduciary Net Position</u>				
Contributions - Employer	\$ 243,802	\$ 239,944	\$ 223,601	\$ 216,923
Net Investment Income	823,071	(1,249,502)	809,929	843,271
Benefit Payments	<u>(243,802)</u>	<u>(239,944)</u>	<u>(223,601)</u>	<u>(216,923)</u>
Net Change in Plan Fiduciary Net Position	823,071	(1,249,502)	809,929	843,271
Plan Fiduciary Net Position - Beginning	<u>6,301,763</u>	<u>7,551,265</u>	<u>6,741,336</u>	<u>5,898,065</u>
Plan Fiduciary Net Position - Ending (B)	<u><u>\$ 7,124,834</u></u>	<u><u>\$ 6,301,763</u></u>	<u><u>\$ 7,551,265</u></u>	<u><u>\$ 6,741,336</u></u>
Net OPEB Liability (Asset) - Ending (a) - (b)	<u><u>\$ 965,588</u></u>	<u><u>\$ 1,288,006</u></u>	<u><u>\$ (1,405,122)</u></u>	<u><u>\$ (1,042,846)</u></u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	88.07%	83.03%	122.86%	118.30%
Covered Payroll	\$ 4,768,328	\$ 4,629,445	\$ 4,310,335	\$ 4,184,791
Net OPEB Liability as a Percentage of Covered Payroll	20.25%	27.82%	-32.60%	-24.92%

See accompanying Notes to Required Supplementary Information.

**TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
REQUIRED SUPPLEMENTARY INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

**SCHEDULE OF CHANGES IN THE ELECTRIC DEPARTMENT'S NET OPEB LIABILITY
AND RELATED RATIOS – OTHER POSTEMPLOYMENT BENEFITS PLAN (CONTINUED) (1)**

	2019	2018	2017
<u>Total OPEB Liability</u>			
Service Cost	\$ 101,558	\$ 98,517	\$ 126,222
Interest	318,776	314,415	301,433
Differences Between Expected and Actual Experience	-	(155,780)	-
Changes of Assumptions	(190,394)	-	-
Benefit Payments	<u>(197,995)</u>	<u>(177,330)</u>	<u>(189,681)</u>
Net Change in Total OPEB Liability	31,945	79,822	237,974
Total OPEB Liability - Beginning	<u>5,308,923</u>	<u>5,229,101</u>	<u>4,991,127</u>
Total OPEB Liability - Ending (a)	<u><u>\$ 5,340,868</u></u>	<u><u>\$ 5,308,923</u></u>	<u><u>\$ 5,229,101</u></u>
<u>Plan Fiduciary Net Position</u>			
Contributions - Employer	\$ 265,500	\$ 177,330	\$ 675,025
Net Investment Income	1,026,629	(285,638)	534,449
Benefit Payments	<u>(197,995)</u>	<u>(177,330)</u>	<u>(189,681)</u>
Net Change in Plan Fiduciary Net Position	1,094,134	(285,638)	1,019,793
Plan Fiduciary Net Position - Beginning	<u>4,803,931</u>	<u>5,089,569</u>	<u>4,069,776</u>
Plan Fiduciary Net Position - Ending (B)	<u><u>\$ 5,898,065</u></u>	<u><u>\$ 4,803,931</u></u>	<u><u>\$ 5,089,569</u></u>
Net OPEB Liability (Asset) - Ending (a) - (b)	<u><u>\$ (557,197)</u></u>	<u><u>\$ 504,992</u></u>	<u><u>\$ 139,532</u></u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	110.43%	90.49%	97.33%
Covered Payroll	\$ 3,238,743	\$ 3,144,411	\$ 3,052,826
Net OPEB Liability as a Percentage of Covered Payroll	-17.20%	16.06%	4.57%

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

See accompanying Notes to Required Supplementary Information.

**TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
REQUIRED SUPPLEMENTARY INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

**SCHEDULE OF TOWN'S CONTRIBUTIONS – OTHER
POSTEMPLOYMENT BENEFITS PLAN (1)**

	2024	2023	2022	2021
Actuarially Required Contribution	\$ 9,505,862	\$ 10,445,021	\$ 11,453,921	\$ 10,276,616
Contributions in Relation to the Actuarially Required Contribution	<u>7,507,127</u>	<u>6,918,392</u>	<u>7,662,131</u>	<u>6,434,783</u>
Contribution Deficiency (Excess)	<u>\$ 1,998,735</u>	<u>\$ 3,526,629</u>	<u>\$ 3,791,790</u>	<u>\$ 3,841,833</u>
Town's Covered Payroll	\$ 64,080,562	\$ 60,543,237	\$ 58,779,842	\$ 62,315,670
Contributions as a Percentage of Covered Payroll	11.72%	11.43%	13.04%	10.33%
	2020	2019	2018	2017
Actuarially Required Contribution	\$ 12,529,562	\$ 11,623,416	\$ 10,051,332	\$ 9,832,225
Contributions in Relation to the Actuarially Required Contribution	<u>5,968,304</u>	<u>4,790,933</u>	<u>4,394,179</u>	<u>4,381,467</u>
Contribution Deficiency (Excess)	<u>\$ 6,561,258</u>	<u>\$ 6,832,483</u>	<u>\$ 5,657,153</u>	<u>\$ 5,450,758</u>
Town's Covered Payroll	\$ 60,500,650	\$ 60,500,650	\$ 58,738,497	\$ 53,773,100
Contributions as a Percentage of Covered Payroll	9.86%	7.92%	7.48%	8.15%

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

**SCHEDULE OF ELECTRIC DEPARTMENT'S CONTRIBUTIONS –
OTHER POSTEMPLOYMENT BENEFITS PLAN (1)**

	2023	2022	2021	2020
Actuarially Required Contribution	\$ 210,088	\$ 201,518	\$ 128,401	\$ 71,392
Contributions in Relation to the Actuarially Required Contribution	<u>243,802</u>	<u>239,944</u>	<u>223,601</u>	<u>216,923</u>
Contribution Deficiency (Excess)	<u>\$ (33,714)</u>	<u>\$ (38,426)</u>	<u>\$ (95,200)</u>	<u>\$ (145,531)</u>
Electric Department's Covered Payroll	\$ 4,768,328	\$ 4,629,445	\$ 4,310,335	\$ 4,184,791
Contributions as a Percentage of Covered Payroll	5.11%	5.18%	5.19%	5.18%
	2019	2018	2017	
Actuarially Required Contribution	\$ 62,435	\$ 133,127	\$ 189,368	
Contributions in Relation to the Actuarially Required Contribution	<u>265,500</u>	<u>177,330</u>	<u>675,025</u>	
Contribution Deficiency (Excess)	<u>\$ (203,065)</u>	<u>\$ (44,203)</u>	<u>\$ (485,657)</u>	
Electric Department's Covered Payroll	\$ 3,238,743	\$ 3,144,411	\$ 3,052,826	
Contributions as a Percentage of Covered Payroll	8.20%	5.64%	22.11%	

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

See accompanying Notes to Required Supplementary Information.

**TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
REQUIRED SUPPLEMENTARY INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

**SCHEDULE OF TOWN INVESTMENT RETURNS – OTHER POSTEMPLOYMENT
BENEFITS PLAN (1)**

Year-Ended:	Annual Money-Weighted Rate of Return, Net of Investment Expense
2024	12.96 %
2023	8.68
2022	23.50
2021	26.86
2020	1.91
2019	5.94
2018	7.19
2017	8.45

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

**SCHEDULE OF ELECTRIC DEPARTMENT INVESTMENT RETURNS –
OTHER POSTEMPLOYMENT BENEFITS PLAN (1)**

Year-Ended:	Annual Money-Weighted Rate of Return, Net of Investment Expense
2023	13.06 %
2022	16.55
2021	12.01
2020	14.30
2019	21.23
2018	(5.61)
2017	12.41

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

TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2024

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 for the fiscal year ended June 30, 2024, is presented below:

	Revenues	Expenditures	Other Financing Sources (Uses)
Budgetary Basis as Reported on the Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	\$ 104,938,270	\$ 101,159,246	\$ (5,406,125)
Adjustments and Reclassifications:			
Net Change in Recording 60-Day Receipts	80,203	-	-
Net Change in Recording Tax Refunds Payable	8,881	-	-
Net Change in Recording Intergovernmental Revenue	(168,744)	-	-
To Record MTRS On-Behalf Payments	9,491,636	9,491,636	-
To Record Encumbrances	-	(575,100)	-
To Reclassify the Stabilization Funds to the General Fund	434,247	-	3,370,000
To Reclassify the Other Postemployment Benefit Fund Contributions	-	580,000	580,000
	<u>\$ 114,784,493</u>	<u>\$ 110,655,782</u>	<u>\$ (1,456,125)</u>
GAAP Basis as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances			
	<u>\$ 114,784,493</u>	<u>\$ 110,655,782</u>	<u>\$ (1,456,125)</u>

NOTE B SCHEDULE OF EMPLOYER CONTRIBUTIONS – PENSION

The following methods and assumptions from the January 1, 2024 were used to determine the most recent actuarially determined contribution rates:

Methods:

Actuarial Cost Method	Entry Age Normal Cost
Asset Valuation Method	Fair Value

Assumptions:

Salary Increases	3.50% per year
Investment Rate of Return	7.00%
Cost of Living Adjustment	3.00% of the lesser of the pension amount and \$16,000 per year
Mortality	Healthy Retiree - Pub-2010 amount weighted mortality tables with full generational mortality improvement using scale MP-2021.
	Disabled Retiree - Pub-2010 disabled mortality tables with full generational mortality improvement using scale MP-2021.
Retirement Rates	General Employees - 1.00% and 1.50% for males and females, respectively, beginning at age 50 ranging to 30% to 20% for males and females, respectively, ending at age 69.
	Police and Fire - 2.00% beginning at age 50 ranging to 100% at age 65.

**TOWN OF NORTH ATTLEBOROUGH, MASSACHUSETTS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2024**

NOTE C METHODS AND ASSUMPTIONS – CONTRIBUTIONS – TOWN OPEB

The following methods and assumptions from the July 1, 2023 valuation were used to determine the most recent actuarially determined contribution rates for the Town:

Valuation Date	July 1, 2023
Actuarial Cost Method	Entry Age Normal
Discount Rate	6.59%, net of investment expenses, including inflation
Healthcare Cost Trend Rate	5.00% for fiscal year 2024, grading down to an ultimate trend rate of 3.63% in fiscal year 2060
Pre-Retirement Mortality	General: RP-2014 Mortality Table for Blue Collar Employees projected generationally with scale MP-2021 for males and females, set forward 1 year for females. Teachers: PubT-2010 Mortality Table (Headcount-weighted) for
Post-Retirement Mortality	General: RP-2014 Mortality Table for Blue Collar Healthy Annuitants projected generationally with scale MP-2021 for males and females, set forward 1 year for females. Teachers: PubT-2010 Mortality Table (Headcount-weighted) for Healthy Annuitants projected generationally with scale MP-2021.
Disabled Mortality	General: P-2014 Mortality Table for Blue Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females, set forward 1 year for males and females. Teachers: PubT-2010 Mortality Table (Headcount-weighted) for Healthy Annuitants projected generationally with scale MP-2021.

NOTE D METHODS AND ASSUMPTIONS –CONTRIBUTIONS – ELECTRIC DEPARTMENT OPEB

The following methods and assumptions from the January 1, 2022 valuation were used to determine the most recent actuarially determined contribution rates for the Electric Department:

Valuation Date	January 1, 2022
Actuarial Cost Method	Entry Age Normal
Discount Rate	5.31%, net of investment expenses, including inflation
Pre-Retirement Mortality	RP-2014 Mortality Table for Blue Collar Employees projected generationally with scale MP-2016 for males and females, set forward 1 year for females.
Post-Retirement Mortality	RP-2014 Mortality Table for Blue Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females, set forward 1 year for females.
Disabled Mortality	RP-2014 Mortality Table for Blue Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females, set forward 1 year.
Investment Rate of Return	7.00%
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 Pub-2010 Teachers Employees mortality table projected generationally with Scale MP-2021 (gender distinct). Post-retirement reflects Pub-2010 Teachers Retirees mortality table projected generationally with Scale MP-2021 (gender distinct). Disability reflects Pub-2010 Teachers Retirees mortality table projected generationally with Scale MP-2021 (gender distinct).
Other	3.5% interest rate credited to the annuity savings fund and 3.0% cost of living increase per year.



CLA (CliftonLarsonAllen LLP) is a network member of CLA Global. See CLAGlobal.com/disclaimer. Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.



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hinckleyallen.com

[Date of Delivery]

Christopher L. Sweet, Treasurer
Town of North Attleborough
North Attleborough, Massachusetts

\$73,170,000
Town of North Attleborough, Massachusetts
General Obligation Municipal Purpose Loan of 2026 Bonds
Dated January 21, 2026

We have acted as bond counsel to the Town of North Attleborough, Massachusetts (the “Town”) in connection with the issuance by the Town of the above-referenced bonds (the “Bonds”). In such capacity, we have examined the law and such certified proceedings and other papers as we have deemed necessary to render this opinion.

With respect to questions of fact material to our opinion, we have relied upon representations and covenants of the Town contained in the certified proceedings relating to the Bonds and other certifications of public officials furnished to us, without undertaking to verify the same by independent investigation.

Based on our examination, we are of the opinion, under existing law, as follows:

1. The Bonds are valid and binding general obligations of the Town and, except to the extent they are paid from any other sources, the principal of and interest on the Bonds are payable from taxes which may be levied upon all taxable property in the Town without limitation as to rate or amount, except as provided under Chapter 44, Section 20 of the General Laws with respect to that portion of the principal and interest payments that the Town has voted to exempt from the limit imposed by Chapter 59, Section 21C of the General Laws, and subject to the limit imposed by Chapter 59, Section 21C of the General Laws with respect to that portion of the principal and interest payments that the Town has not voted to exempt from that limit.

2. Interest on the Bonds is excluded from the gross income of the owners of the Bonds for federal income tax purposes. In addition, interest on the Bonds is not a specific preference item for purposes of the federal alternative minimum tax, although we observe that such interest will be taken into account in computing the “adjusted financial statement income” of corporate holders of the Bonds for purposes of computing the alternative minimum tax imposed on certain corporations. In rendering the opinions set forth in this paragraph, we have assumed compliance by the Town with all requirements of the Internal Revenue Code of 1986,

as amended, that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, and continue to be, excluded from gross income for federal income tax purposes. The Town has covenanted to comply with all such requirements. Failure by the Town to comply with certain of such requirements may cause interest on the Bonds to become included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. We express no opinion regarding any other federal tax consequences arising with respect to the Bonds.

3. Interest on the Bonds is exempt from Massachusetts personal income taxes, and the Bonds are exempt from Massachusetts personal property taxes. We express no opinion regarding any other Massachusetts tax consequences arising with respect to the Bonds or any tax consequences arising with respect to the Bonds under the laws of any state other than Massachusetts.

This opinion is expressed as of the date hereof, and we neither assume nor undertake any obligation to update, revise, supplement or restate this opinion to reflect any action taken or omitted, or any facts or circumstances or changes in law or in the interpretation thereof, that may hereafter arise or occur, or for any other reason.

The rights of the holders of the Bonds and the enforceability of the Bonds may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable, and their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

HINCKLEY, ALLEN & SNYDER LLP

**PROPOSED FORM OF
CONTINUING DISCLOSURE CERTIFICATE**

This Continuing Disclosure Certificate (the “Disclosure Certificate”) is executed and delivered by the Town of North Attleborough, Massachusetts (the “Issuer”) in connection with the issuance of its \$73,170,000 General Obligation Municipal Purpose Loan of 2026 Bonds dated January 21, 2026 (the “Bonds”). The Issuer covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the Owners of the Bonds and in order to assist the Participating Underwriters in complying with the Rule.

SECTION 2. Definitions. For purposes of this Disclosure Certificate the following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“Listed Events” shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

“MSRB” shall mean the Municipal Securities Rulemaking Board as established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, or any successor thereto or to the functions of the MSRB contemplated by this Disclosure Certificate.

“Obligated Person” shall mean the Issuer.

“Owners of the Bonds” shall mean the registered owners, including beneficial owners, of the Bonds.

“Participating Underwriter” shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“Rule” shall mean Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

SECTION 3. Provision of Annual Reports.

(a) The Issuer shall, not later than 270 days after the end of each fiscal year, provide to the MSRB an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the Issuer may be submitted when available separately from the balance of the Annual Report.

(b) If the Issuer is unable to provide to the MSRB an Annual Report by the date required in subsection (a), the Issuer shall send a notice to the MSRB in a timely manner, in substantially the form attached as Exhibit A.

SECTION 4. Content of Annual Reports. The Issuer's Annual Report shall contain or incorporate by reference the following:

(a) quantitative information for the preceding fiscal year of the type presented in the Issuer's Official Statement dated January 7, 2026 relating to the Bonds regarding (i) the revenues and expenditures of the Issuer relating to its operating budget, (ii) capital expenditures, (iii) fund balances, (iv) property tax information, (v) outstanding indebtedness and overlapping debt of the Issuer, (vi) pension obligations of the Issuer, and (vii) other post-employment benefits liability of the Issuer, and

(b) the most recently available audited financial statements of the Issuer, prepared in accordance with generally accepted accounting principles, with certain exceptions permitted by the Massachusetts Uniform Municipal Accounting System promulgated by the Department of Revenue of the Commonwealth. If audited financial statements for the preceding fiscal year are not available when the Annual Report is submitted, the Annual Report will include unaudited financial statements for the preceding fiscal year and audited financial statements for such fiscal year shall be submitted when available.

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the Issuer or related public entities, which (i) are available to the public on the MSRB internet website or (ii) have been filed with the Securities and Exchange Commission. The Issuer shall clearly identify each such other document so incorporated by reference.

SECTION 5. Reporting of Significant Events.

(a) The Issuer shall give notice, in accordance with the provisions of this Section 5, of the occurrence of any of the following events with respect to the Bonds:

1. Principal and interest payment delinquencies.
2. Non-payment related defaults, if material.
3. Unscheduled draws on debt service reserves reflecting financial difficulties.
4. Unscheduled draws on credit enhancements reflecting financial difficulties.
5. Substitution of credit or liquidity providers, or their failure to perform.
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds.
7. Modifications to rights of the Owners of the Bonds, if material.

8. Bond calls, if material, and tender offers.
 9. Defeasances.
 10. Release, substitution or sale of property securing repayment of the Bonds, if material.
 11. Rating changes.
 12. Bankruptcy, insolvency, receivership or similar event of the Obligated Person.*
 13. The consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.
 14. Appointment of a successor or additional trustee or the change of name of a trustee, if material.
 15. Incurrence of a financial obligation of the Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Obligated Person, any of which affect Owners of the Bonds, if material.†
 16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Obligated Person, any of which reflect financial difficulties.†
- (b) Upon the occurrence of a Listed Event, the Issuer shall, in a timely manner not in excess of ten (10) business days after the occurrence of the event, file a notice of such occurrence with the MSRB.

SECTION 6. Transmission of Information and Notices. Unless otherwise required by law, all notices, documents and information provided to the MSRB shall be provided in electronic

* As noted in the Rule, this event is considered to occur when any of the following occur: (i) the appointment of a receiver, fiscal agent or similar officer for the Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or (ii) the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person.

† For purposes of event numbers 15 and 16 in Section 5(a) of this Disclosure Certificate, the term “financial obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “financial obligation” excludes municipal securities for which a final official statement has been provided to the MSRB consistent with the Rule.

format at <http://emma.msrb.org> as prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

SECTION 7. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Certificate shall terminate upon the prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination in the same manner as for a Listed Event under Section 5(b).

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate and any provision of this Disclosure Certificate may be waived if such amendment or waiver is permitted by the Rule, as evidenced by an opinion of counsel expert in federal securities law (which may include bond counsel to the Issuer), to the effect that such amendment or waiver would not cause the Disclosure Certificate to violate the Rule. The first Annual Report filed after enactment of any amendment to or waiver of this Disclosure Certificate shall explain, in narrative form, the reasons for the amendment or waiver and the impact of the change in the type of information being provided in the Annual Report.

If the amendment provides for a change in the accounting principles to be followed in preparing financial statements, the Annual Report for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information in order to provide information to investors to enable them to evaluate the ability of the Issuer to meet its obligations. To the extent reasonably feasible, the comparison shall also be quantitative. A notice of the change in the accounting principles shall be sent to the MSRB.

SECTION 9. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate any Owner of the Bonds may seek a court order for specific performance by the Issuer of its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not constitute a default with respect to the Bonds, and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action for specific performance of the Issuer's obligations hereunder and not for money damages in any amount.

SECTION 10. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Owners of the Bonds from time to time, and shall create no rights in any other person or entity.

Date: January 21, 2026

TOWN OF NORTH ATTLEBOROUGH,
MASSACHUSETTS

By: _____
Treasurer

Town Manager

[EXHIBIT A: Form of Notice of Failure to File Annual Report]