

Town of Acton, Massachusetts

BRIEF

FINANCIAL

REPORT

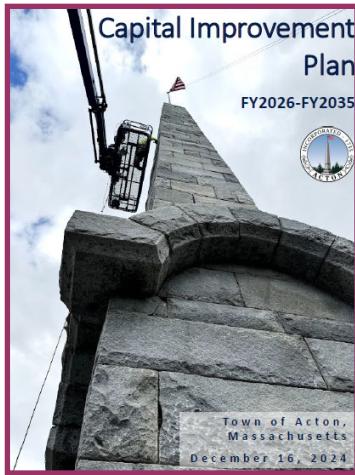
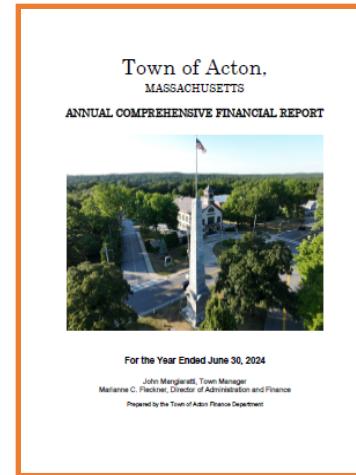
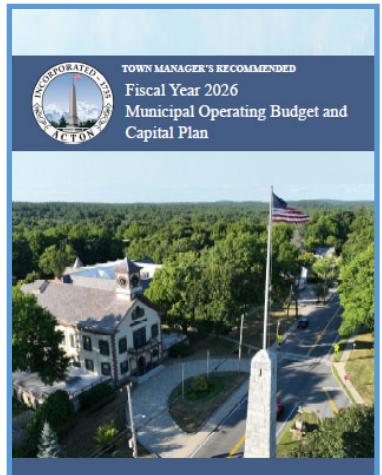
Fiscal Year ending June 30, 2024



The Popular Annual Financial Report (PAFR)

This report has been developed as part of Acton's steadfast commitment to transparency and keeping its community members informed about how their tax dollars are invested. The Town provides a significant level of detail regarding its finances in the Annual Comprehensive Financial Report (ACFR), but this 100 plus page document can be difficult to digest for those without an accounting background. The intent of this report is to equip readers to better understand Town finances by condensing information from the Fiscal Year (FY) 2024 ACFR, Town budget, and other financial reports into a manageable and approachable format.

Source documents and other financial information can be found at actonma.gov/budget and past budget presentations made by the Town Manager can be found at actonma.gov/townmanager.



All About Acton

The Town of Acton was incorporated in 1735 and is located in Middlesex County, approximately 21 miles northwest of Boston. With over 24,000 residents, Acton is known for its rich history, recreational and conservation assets, high-quality municipal service, and top-notch K-12 education provided by the Acton-Boxborough Regional School District (ABRSD) and Minuteman Regional Vocational Technical High School.

An Open Town Meeting, in which every Acton registered voter may participate, serves as the Town's legislative body. An elected Select Board establishes policy to be implemented by an appointed Town Manager who directs the Town's day-to-day operations. School committees oversee the two regional school districts, which are managed by school superintendents.

Acton's population tends to be very civically engaged, with high voter turnout at elections and town meetings, and heightened levels of engagement with the various boards and committees.



Acton's 2024-2025 Select Board

Alissa Nicol (Clerk), David Martin, Francesca Arsenault (Chair), Jim Snyder-Grant and Dean Charter (Vice Chair)

Letter from the Town Manager

Dear Acton Community Members,

We have prepared this Popular Annual Financial Report (PAFR) as part of our broader and continuing effort to improve transparency and the accessibility of the town's budgeting and financial processes. The Town of Acton has been recognized by the Government Finance Officers Association (GFOA) for the quality of its financial reporting through both the Certificate of Achievement for Excellence in Financial Reporting program and the PAFR awards program. More information on these financial documents are located at actonma.gov/actonsbudget.

The Town of Acton continues to strive to meet the needs of the community, as well as growing service expectations. Page 8 of this document highlights just a few of our many achievements and accomplishments from the past fiscal year:

- On May 6, 2024, the town held the largest Town Meeting in known local history with 2,579 voters in attendance. This meeting featured seamless logistical and technological coordination and preparation from our Operations Department and ABRSD staff. This meeting not only highlighted the capability and professionalism of town staff, but also underscored the dedication of Acton's community members to civic engagement.
- In June 2024, the Acton Police Department earned reaccreditation from the Massachusetts Police Accreditation Commission, demonstrating the department's dedication to the highest law enforcement standards.
- The Sustainability Office made great strides towards Acton's climate goals, including completing the transition of the police patrol fleet from gas-powered to hybrid and electric vehicles, the addition of vehicle charging stations to town facilities, and the growth of its Clean Energy Coaching program. The Town of Acton was awarded the Kenneth Pickard Municipal Innovation Award for the Clean Energy Coaching program at the Connect 351 Conference in January 2025.
- In Spring 2024, the new NARA Park Boardwalk Bridge was completed. This fully accessible bridge replaced the existing bridge which was original to the park. The project was funded through a state earmark, as well as Community Preservation Act funds.

I am pleased to present the FY 2024 Community's Financial Report. In the pages that follow is an overview of the town's FY2024 financial performance and operational highlights.

John S. Mangiaratti, Acton Town Manager



Revenues

The Town of Acton collects revenues from the following sources:

Property Taxes:

Assessed to property owners according to the assessed value of their property. The total amount of money a community raises annually is called the tax levy. Annual growth of the tax levy is restricted by Proposition 2 1/2, a state law which requires that towns and cities can only increase the levy limit by 2.5 % annually plus the value of New Growth.

Property taxes are the largest source of revenue for the Town of Acton and accounted for 91.79% of total revenues in FY2024.

Motor Vehicle Excise Tax:

Managed by the Registry of Motor Vehicles, but billed and collected by each community in the Commonwealth. Excise taxes are billed at least once annually to each registered vehicle which is garaged in Acton as of the January 1st each year. Additional bills are issued throughout the year as vehicles are registered during the year.

Excise taxes are the second largest source of revenue for the Town of Acton and accounted for 4.01% of revenues in FY2024.

Local Receipts:

Local receipts include revenues from building and other permits, fees, fines, other charges for services the Town provides, investment income earned on Town deposits, interest and fees charged for late payment of bills, and other sources.

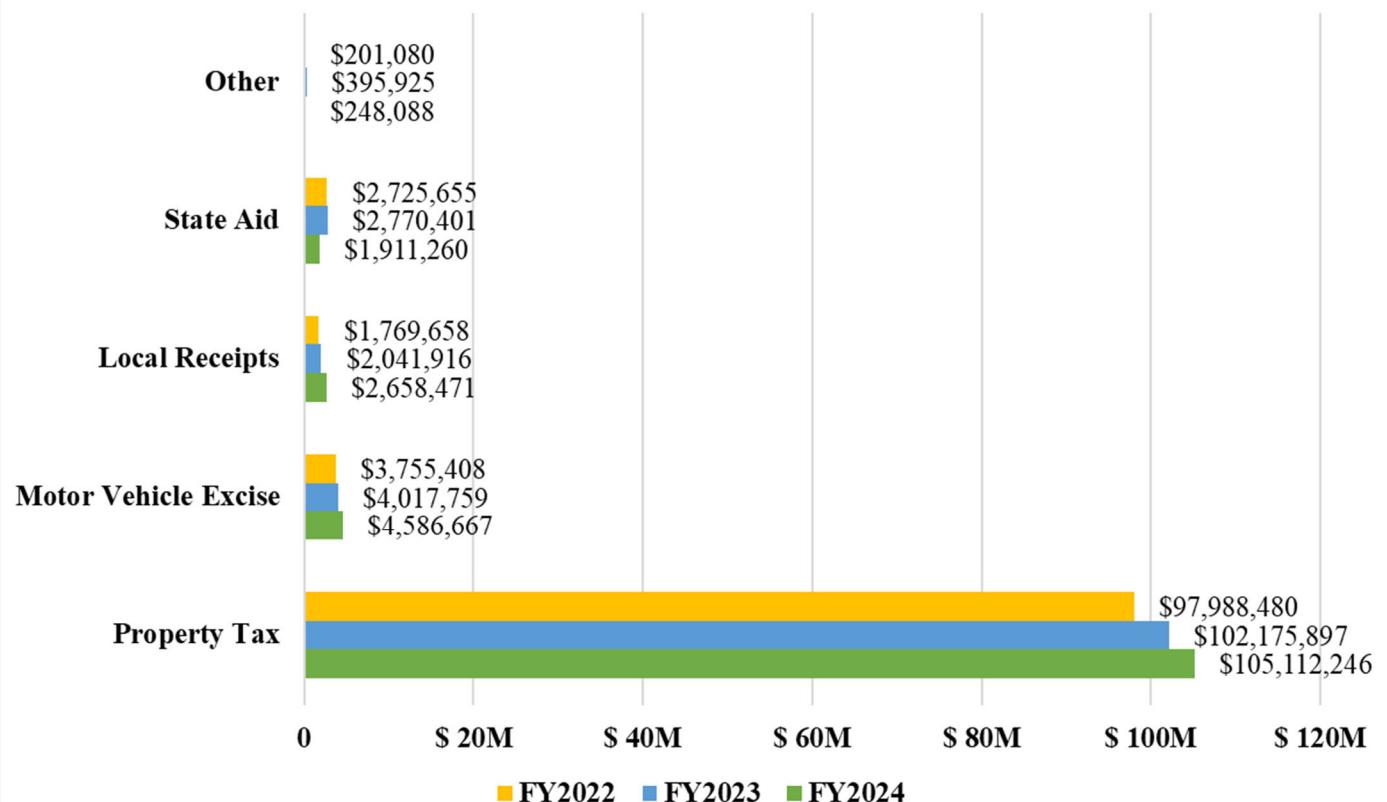
Local Receipts made up 2.32% of revenues in FY2024.

State Aid:

Provided to municipalities as part of the state budget. State aid is initially estimated as part of the Governor's initial budget and is finalized with the passage of the state budget each summer or fall.

State Aid accounted for 1.67% of total revenues in FY2024.

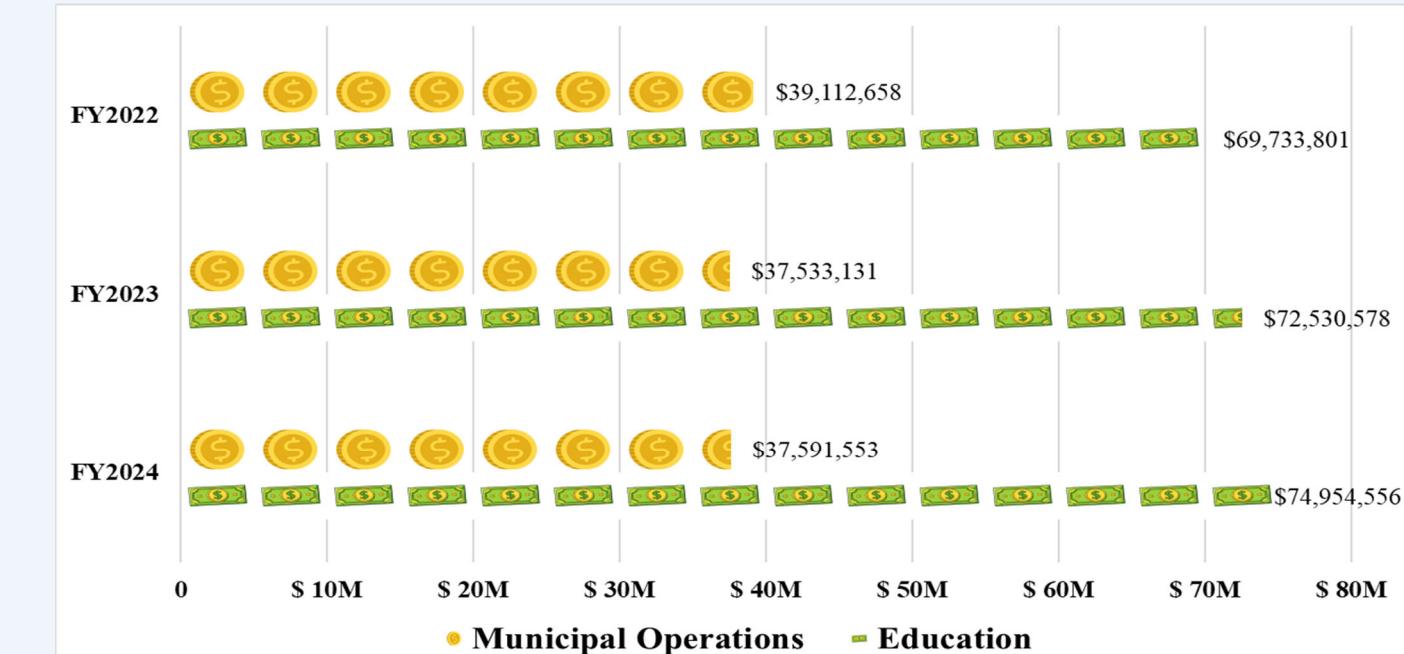
FY2024 Revenues by Source



Spending

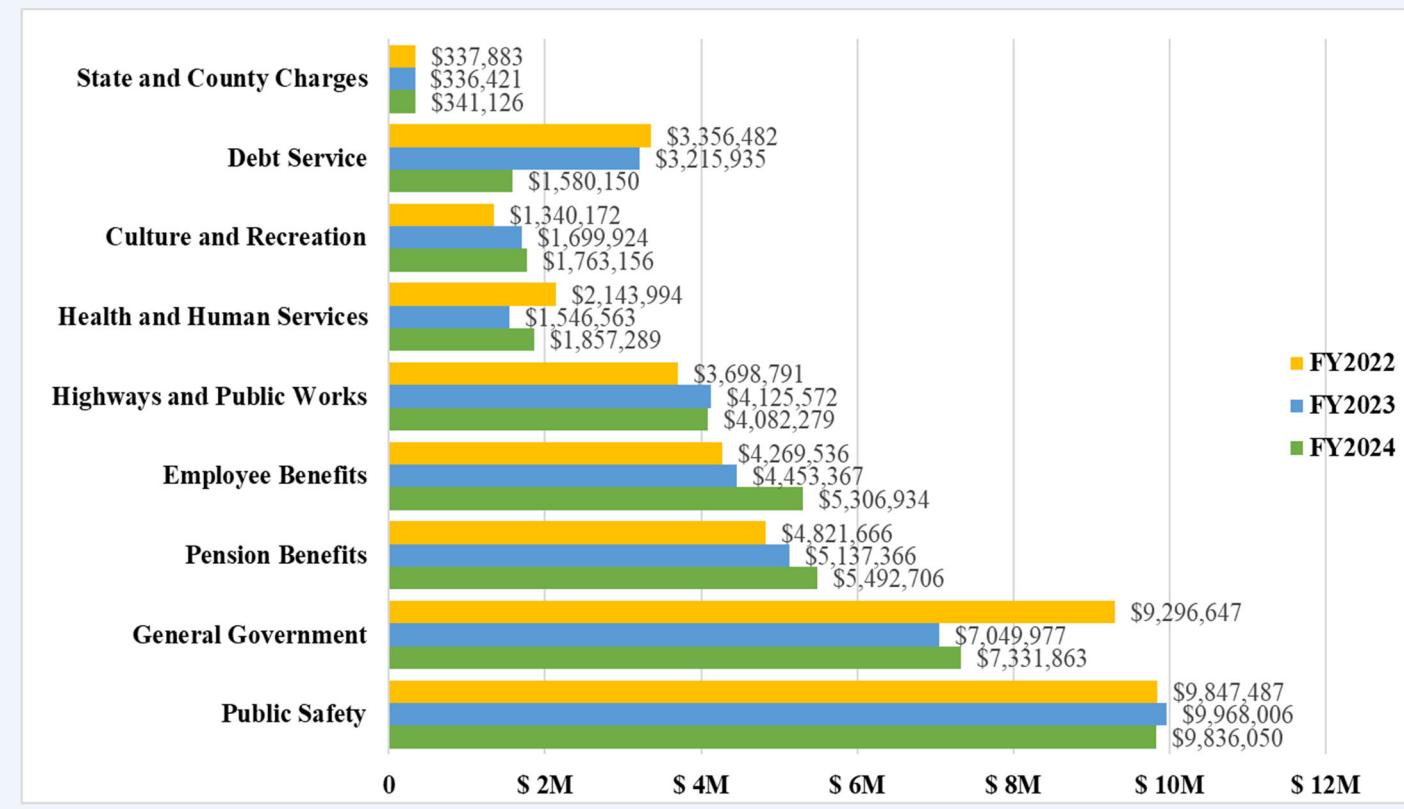
Where do my tax dollars go?

The amount to be spent annually by the Town of Acton is approved at Annual Town Meeting and is prioritized as part of the annual budget process. The two primary spending categories are Education, which accounts for the annual assessments from ABRSD and Minuteman High School, and Municipal Operations, which includes all services the Town of Acton provides. The chart below shows total spending on Municipal Operations and Education over the last three fiscal years:



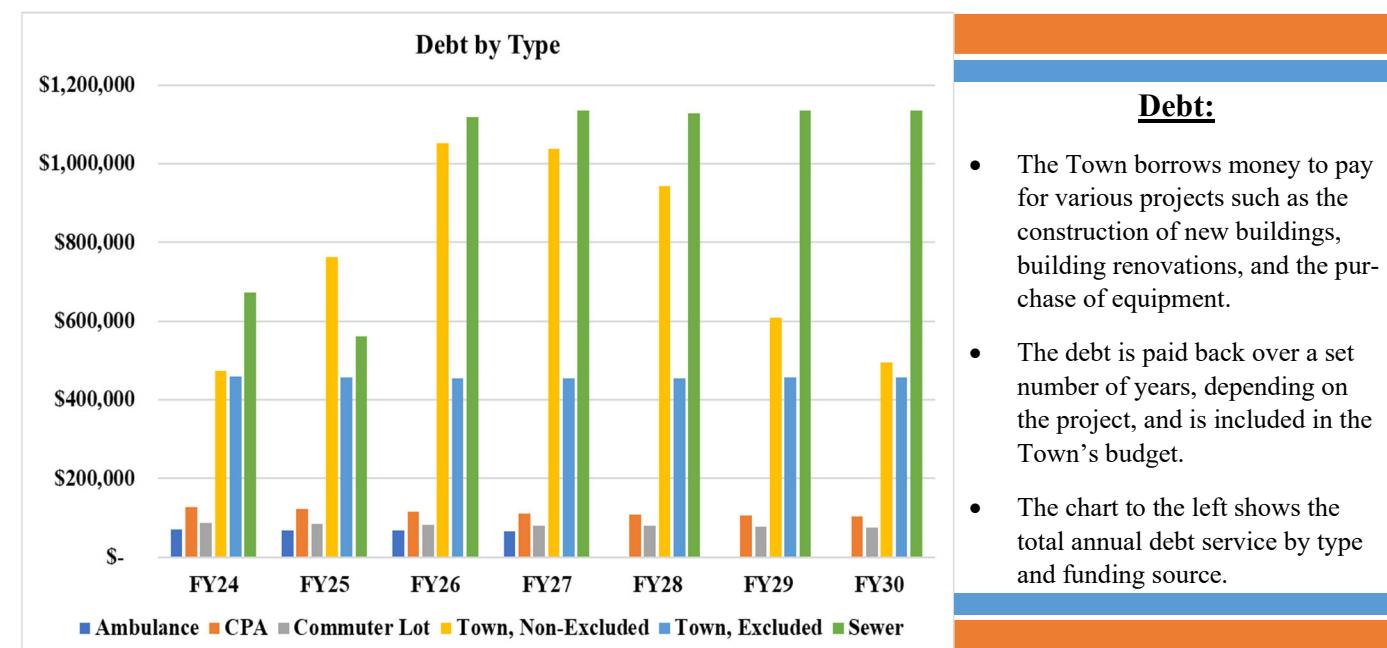
How is the Municipal Operating Budget spent?

Municipal Operations covers the myriad programs and services the Town of Acton provides. Detail regarding the exact breakdown of funding across all Town departments can be found in the FY2024 Town Manager's Recommended Budget, but the chart provides a summary of how funds have been spent over the last three fiscal years:



Liabilities

Liabilities are commitments the Town has made and will eventually have to pay. The three major liabilities for communities are generally: Debt, Pension, and Other Post Employment Benefits. These liabilities are paid into for a number of years, so a sustainable funding plan is important to the Town's financial management and planning process.



Pictured right is the North Acton Fire Station (NAFS). The borrowing authorization for this project was approved by voters at the 2019 Special Town Meeting. This project will be paid for over 30 years and is funded through a debt exclusion which collects additional revenue from taxpayers over the life of the project to pay for the annual borrowing costs. NAFS is the Town of Acton's newest public facility and began operations in Spring 2022.



Pension:

Acton is part of the **Middlesex County Retirement System** and contributes annually towards pension benefits for retired employees and future retirees. As of its 2024 financial report, the Middlesex County Retirement System is **57.50% funded** and is on track to reach full funding by **2036**. After this time, annual contributions will still be required.

The Middlesex County Retirement System is valued every two years.

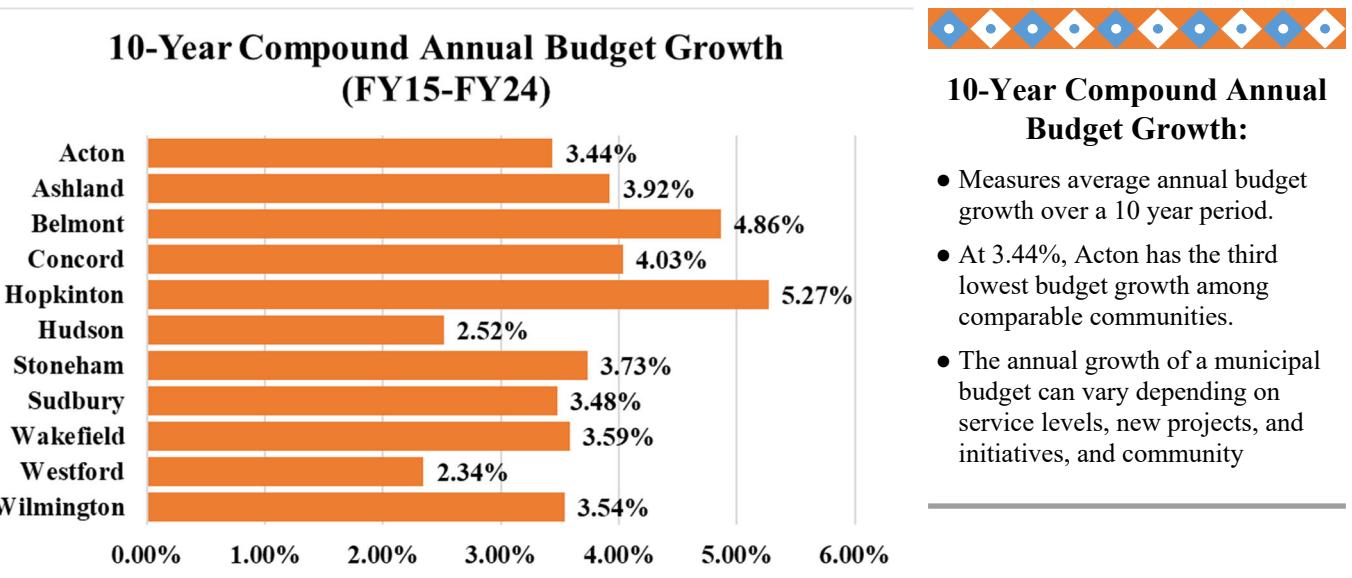
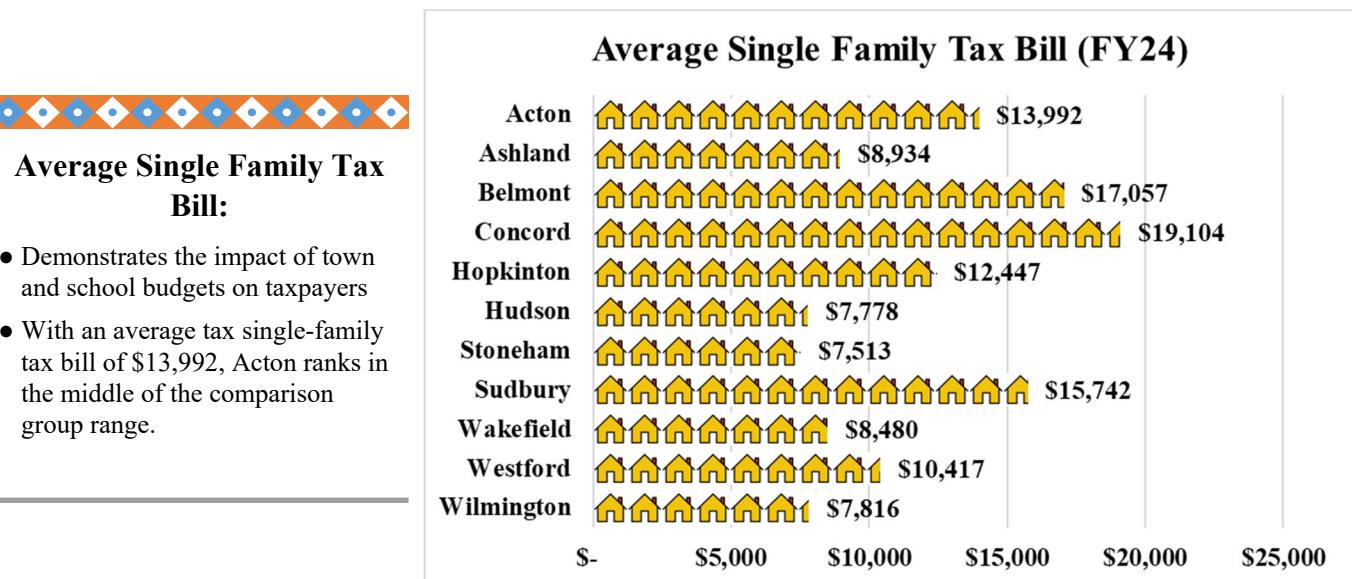
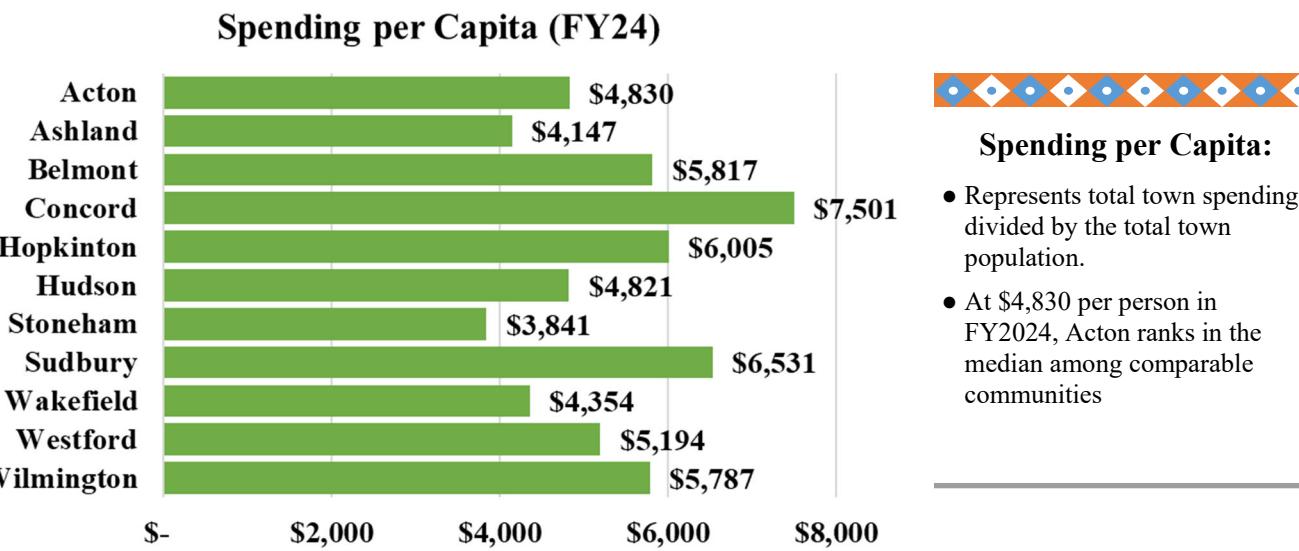
Other Post Employment Benefits (OPEB):

The Town of Acton and all other communities in the Commonwealth are obligated to offer **health insurance benefits to retired employees**. The Town contributes annually to an **OPEB fund**. As of the December 2022 valuation report, the Town's OPEB liability is **40.70% funded** and the Town is expected to achieve full funding in 2034. After this time, annual contributions will still be required.

The OPEB trust fund is valued every two years.

How Acton Compares to Similar Communities

The following information shows how Acton compares with neighboring communities in total per capita spending, average residential tax bills, and annual budget growth. Acton's metrics are benchmarked against comparable communities located in Middlesex County with an Open Town Meeting form of government and a population between 18,000 and 30,000. All data was sourced from the MA DOR Division of Local Services Databank.



FY2024 Highlights

The Town of Acton held the largest Town Meeting in its history with 2,579 voters in attendance. This Town Meeting necessitated extensive logistical and technical planning and expertise from staff as it required use of four rooms at Acton Boxborough Regional High School. The level of public participation in the meeting underscores Acton's dedication to civic engagement.



View from the stage of the full auditorium at Annual Town Meeting on May 6, 2024. Three other rooms were used for voter participation.

The Acton Police Department earned re-accreditation from the Massachusetts Police Accreditation Commission (MPAC) in June 2024. The accreditation process is self-initiated, lengthy, and requires that departments meet 257 mandatory standards and more than half of the 125 optional standards. The accreditation process measures police departments against established best practices around the country and region, and demonstrates the department's dedication to the highest law enforcement standards.

Acton Police Department accepting their reaccreditation from the MA Police Accreditation Commission.



The Sustainability Office continued to work towards Acton's climate goals in FY2024. With support from the Acton Police Department, the transition of all patrol vehicles to hybrid was completed, and a fully electric vehicle was added to the patrol fleet. State grants were utilized to add electric vehicle chargers to NARA Park and Veterans Field. At the Massachusetts Municipal Association annual conference, the Town of Acton was awarded the Kenneth Pickard Municipal Innovation Award for its Clean Energy Coaching Program. This program matches homeowners and business owners with volunteer Clean Energy Coaches who provide them with the support, tools, and knowledge needed to transition to clean energy.

Clean Energy Coach and Select Board member David Martin with the Kenneth Pickard Municipal Innovation Award.



The Town of Acton was been recognized for the ninth straight year by the Government Finance Officers Association (GFOA) for the quality of its financial reporting through with the Certificate of Achievement for Excellence in Financial Reporting.

The Finance Team with 2023 GFOA Certificate of Achievement for Excellence in Financial Reporting

