

TOWN OF DUXBURY, MASSACHUSETTS

COMPREHENSIVE ANNUAL FINANCIAL REPORT



**For the year ended
June 30, 2015**

On the cover: Ariel view of the new Co-Located School.
This page: The High School entrance at the new Co-Located School. Photos by Karen Wong.



*The Town of
Duxbury, Massachusetts*



**Comprehensive
Annual Financial Report**

**For the Year
July 1, 2014 through June 30, 2015**

Prepared by the Finance Department

Town of Duxbury, Massachusetts
Comprehensive Annual Financial Report
For the Year Ended June 30, 2015

Table of Contents

INTRODUCTORY SECTION	1
Letter of Transmittal	3
Principal Executive Officers	8
Organizational Chart	9
Certificate of Achievement for Excellence in Financial Reporting	10
FINANCIAL SECTION	11
Independent Auditor's Report	13
Management's Discussion and Analysis	16
Basic Financial Statements	24
Government-Wide Financial Statements	25
Statement of Net Position	25
Statement of Activities	26
Fund Financial Statements	28
Governmental Funds – Balance Sheet	28
Reconciliation of the Governmental Funds Balance Sheet Total Fund Balances to the Statement of Net Position	29
Governmental Funds – Statement of Revenues, Expenditures and Changes in Fund Balances	30
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	31
Proprietary Funds – Statement of Net Position	32
Proprietary Funds – Statement of Revenues, Expenses and Changes in Net Position	33
Proprietary Funds – Statement of Cash Flows	34
Fiduciary Funds – Statement of Fiduciary Net Position	35
Fiduciary Funds – Statement of Changes in Fiduciary Net Position	36
Notes to Basic Financial Statements	37
Required Supplementary Information	70
General Fund Budgetary Comparison Schedule	71
General Fund – Schedule of Revenues, Expenditures and Changes in Fund Balance – Budgetary Basis – Budget and Actual	72
Pension Plan Schedules	77
Schedule of the Town's Proportionate Share of the Net Pension Liability	78
Schedule of Town's Contributions	79

Schedule of the Special Funding Amounts of the Net Pension Liability	80
Other Postemployment Benefit Plan Schedules.....	81
Other Postemployment Benefit Plan Schedule of Funding Progress and Employer Contributions	82
Other Postemployment Benefit Plan Actuarial Methods and Assumptions	83
Notes to Required Supplementary Information	84
Other Supplementary Information.....	88
Combining and Individual Fund Statements.....	89
Nonmajor Governmental Funds.....	90
Nonmajor Governmental Funds - Combining Balance Sheet.....	92
Nonmajor Governmental Funds - Combining Statement of Revenues, Expenditures and Changes in Fund Balances	96
Agency Fund.....	99
Agency Fund – Statement of Changes in Assets and Liabilities	100
STATISTICAL SECTION.....	101
Net Position by Component.....	102
Changes in Net Position	103
Fund Balances, Governmental Funds	104
Changes in Fund Balances, Governmental Funds.....	105
Assessed Value and Actual Value of Taxable Property by Classification and Tax Rates	106
Principal Taxpayers	107
Property Tax Levies and Collections	108
Ratios of Outstanding Debt and General Bonded Debt.....	109
Direct and Overlapping Governmental Activities Debt	110
Computation of Legal Debt Margin	111
Demographic and Economic Statistics	112
Principal Employers (excluding Town).....	113
Full-time Equivalent Town Employees by Function.....	114
Operating Indicators by Function/Program.....	115
Capital Assets Statistics by Function/Program.....	116

Introductory Section



Miles Standish Monument

Introductory Section

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Finance Director
John Madden

Town of Duxbury, Massachusetts

ACCOUNTING DEPARTMENT

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December 22, 2015

Letter of Transmittal

To the Honorable Board of Selectmen and Citizens of the Town of Duxbury:

Subsequent to the close of each year, state law requires the Town of Duxbury to publish a complete set of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) that are audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report (CAFR) of the Town of Duxbury, Massachusetts, for the year ending June 30, 2015, for your review.

The report is designed to be used by the elected and appointed officials of the Town and others who are concerned with its management and progress such as bond analysts, banking institutions and credit raters. Just as important, the design and format of this report is aimed at providing the residents and taxpayers of Duxbury a more easily readable and, therefore, a more easily understandable financial report.

This report consists of management's representations concerning the finances of the Town of Duxbury. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects. In order to provide a reasonable basis for making these financial representations, management continues to review and improve its established comprehensive internal controls. The framework for these controls is designed to protect, to the extent possible, the government's assets from loss, theft or misuse. The cost of internal controls should not outweigh their benefits. As a result, the Town of Duxbury's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements for the year ended June 30, 2015, are fairly presented in conformity with GAAP.

The Town of Duxbury's financial statements have been audited by Powers & Sullivan, LLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town of Duxbury for the year ended June 30, 2015, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion on the Town of Duxbury's financial statements for the year ended June 30, 2015, and that they are, in fact, fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

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

Profile of the Town

Duxbury, incorporated on June 17, 1637, was the home of Captain Myles Standish and John Alden. The Town was originally established as a community with plentiful lands for harvesting crops and other natural resources as well as providing a livelihood for many in the shellfish and fishing industries. Because of its proximity to the ocean and its natural harbor, the harbor became one of the busiest in the world during the "Golden Age of Shipbuilding" (approximately 1800-1874) and the Town enjoyed a period of great prosperity. During the late 1800's other industries began to develop including shoe manufacturing, cranberry harvesting, charcoal production and the production of textiles. The first department store in America, "Ford's Store" was established in 1826 and the Franco-American cable was pulled ashore at Duxbury Beach on July 23, 1869, uniting Europe and the United States in the first trans-Atlantic telegraph connection. Duxbury is also home to the famous Island Creek oyster. Known for their quality and distinctive flavor, these oysters are in great demand and are shipped to points throughout the United States as well as Bermuda, the Caribbean, and Hong Kong. Duxbury is a town of quiet dignity and stability, with beautiful beaches, tides and marshes combined with Cape Cod homes and Sea Captain's Colonials.

The Town is governed by an open Town Meeting form of government and is located in Southeastern Massachusetts in Plymouth County approximately 33 miles from Boston. Duxbury is accessible by Route 3, a major highway, as well as secondary roads including Routes 3A and 114. The Town is bordered by the Towns of Pembroke on the west, Marshfield on the north, Kingston on the south and the Atlantic Ocean on the east and southeast. Duxbury occupies an area of approximately 23.76 square miles and its population is 15,636 based on the most recent town census.

The Town provides general governmental services for the territory within its boundaries, including police and fire protection, public education in grades kindergarten through twelve, water, street maintenance, parks, beaches and other recreational facilities.

The Greater Attleboro Taunton Regional Transit Authority provides bus coverage throughout Duxbury to surrounding communities. The Duxbury Housing Authority provides public housing for eligible low income families, the elderly and the handicapped.

Local legislative decisions are made by an open Town Meeting. Subject to the legislative decisions made by the Town Meeting, the affairs for the Town are generally administered by a board of three selectmen who are supported by the Town Manager.

Local school affairs are administered by a school committee of five persons, elected for staggered three-year terms on an at large basis. The Water and Sewer Departments are managed by the same three-person Board of Selectmen. Local taxes are assessed by a board of three assessors, elected for staggered three-year terms.

Budgetary Controls

The Finance Director is responsible for preparing the budget and reviewing it with the various departments, boards and committees. This budget is then presented to the Town Manager who, in turn, after review, presents the budget to the Board of Selectmen. The Selectmen review all requests and town-wide issues and present a budget to Town Meeting for approval. A nine member Finance Committee made up of citizen volunteers appointed by the Town Moderator reviews the budget and makes recommendations to Town Meeting. A separate Fiscal Advisory Committee also made up of nine citizen volunteers appointed by the Town Moderator reviews capital expenditure plans.

The level of budgetary control is established by Town Meeting and this approval defines the level at which expenditures may not exceed appropriations. This level is typically at the individual department salary and expense level. The Town Accountant is responsible for ensuring all payroll and invoices are within the budgetary control level before authorizing payment. Additional appropriations may be approved at subsequent Town Meetings. The Finance Committee, upon request of the Town Manager, may approve during the year a transfer from a reserve fund established at Town Meeting. These controls ensure compliance with the budget approved by Town Meeting.

Factors Affecting Economic Condition

Local Economy

The Town of Duxbury continues to reflect a strong economic condition. The per capita income is significantly higher than state averages, and the unemployment rate has always been extremely low. Duxbury has a primarily residential tax base which has grown through rapidly rising home values.

In 2015 the average price of a home in Duxbury was \$609,200 (based upon 2014 sales data), an increase of approximately 7.18% from the previous year. The current economic environment indicates that property values are on the rise. Building permit activity over the last year has been strong; a good indicator that that building construction and renovation will convert to increased tax dollars. The community has preserved large amounts of open space and has a pristine coastline, as well as having an excellent reputation for academics, athletics and many cultural and natural amenities. Easy access to the commuter rail in neighboring Kingston facilitates the commute to Boston. All of this has made Duxbury a highly desirable location.

The Town continues to be faced with financial challenges. State Aid has risen, on average, less than 3.34% over the last three years while State & County Assessments over that same period have risen, on average, 19.6%. Local Receipts showed a one year decrease of over 3.03%, due primarily poor earnings results and reduced crematory revenue. While too early to be considered a trend, the three year average for local Receipts was nearly 1.0%. The Town continues to successfully control rising health care costs, but still, these and other fixed costs continue to add to the economic pressures. Local receipts have remained flat over the last three years. During the summer of 2015 saw the return of the endangered species Piping Plover in significant numbers. This resulted in restricted use of the beach at various times during the summer. However, residents and non-residents alike continue to purchase annual beach stickers at a record pace.

Proposition 2½ caps the Town's ability to raise taxes and excess levy capacity is limited. The Town last approved a Proposition 2½ operating override (in the amount of \$1,000,000) in 1989 and it is unclear whether this will be a viable solution in the near future. New Growth for 2015 was strong, and this trend looks to continue for the foreseeable future

Fortunately, the Town has long enjoyed a cooperative approach to problem solving among its many boards, departments, unions and citizens. This cooperation has led to solid fund balances. Constant oversight is given to the Health Claims Trust, resulting in an equity position that more than covers the 'incurred but not reported' claims accrual at the end of 2015. A town-wide approach to problem solving in this area has resulted in a five year average of nearly level funding in the health insurance budget.

During the 2015 budget cycle, departments continued to work together to create a budget that did not rely heavily on long-term reserves. The Town further addressed revenue needs with increased fees wherever practical. Department heads, committees, and boards understand that, all in all, revenues are not going to dramatically increase anytime soon. Knowing this everyone involved in the budget process is committed to providing services more efficiently and at a lower cost.

Long-Term Financial Planning

The Town's long-term financial planning is focused on addressing the numerous needs of the community, particularly in view of the revenue constraints of Proposition 2½. Discussions are ongoing concerning issues regarding how to provide the community with the level of services it has come to expect under difficult financial conditions. Town Departments, the School Committee, Finance Committee, and the Fiscal Advisory Committee have all provided input.

The Town continues to review and modify its sustainable long-term financial plan. Management recognizes that in order to continue to provide services to the community, while at the same time maintaining its existing infrastructure, a formalized plan is necessary. Issues being discussed include long range capital planning, appropriate reserve levels and new revenue sources. The Town has identified debt usage and increasing reserves such as Stabilization as areas requiring greater attention. FY 2015 saw the completion of the Middle School/High School project. While there are still a few minor items to complete, the school is up and running and open for business.

During 2015, the Town dedicated just under \$1,000,000 in Free Cash and other one-time revenues to fund the portion of the capital plan related to building and equipment replacement and repair. Going forward, it is the goal of the Town to provide at least one million dollars in "cash" funding on an annual basis. Additionally, \$630,000 was voted to increase reserves such as the Stabilization Fund and Pension Reserve Fund. This figure also includes \$300,000 to fund the Town's OPEB Fund.

Relevant Financial Policies

The Town uses reserves to balance the current budget only as necessary with the goal of replenishing reserves through conservative budgeting.

Major Initiatives

The Town currently has authorized and unissued debt totaling \$6.1 million. This debt is related to the construction of a junior/senior high school and sports field house, repairs to the Powder Point Bridge and water mains. The Town, through its long range planning development and strong financial position, saw its bond rating reaffirmed at AAA status. We are all very proud of this achievement. It was through these efforts that the Town secured such a lofty bond rating.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Duxbury for its comprehensive annual financial report (CAFR) for the year ended June 30, 2014. This was the tenth year that the Town submitted a CAFR to the GFOA. Based on information available on the GFOA website, twenty-seven municipalities in Massachusetts received this distinction. In order to receive this prestigious award, a government had to publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable legal requirements.

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

Preparing a document of this magnitude requires a significant investment of time and resources. I am grateful to the Finance Department for achieving and maintaining this prestigious honor. This document reflects well upon the professionalism of our organization and provides a wealth of information to the community.

Respectfully submitted,



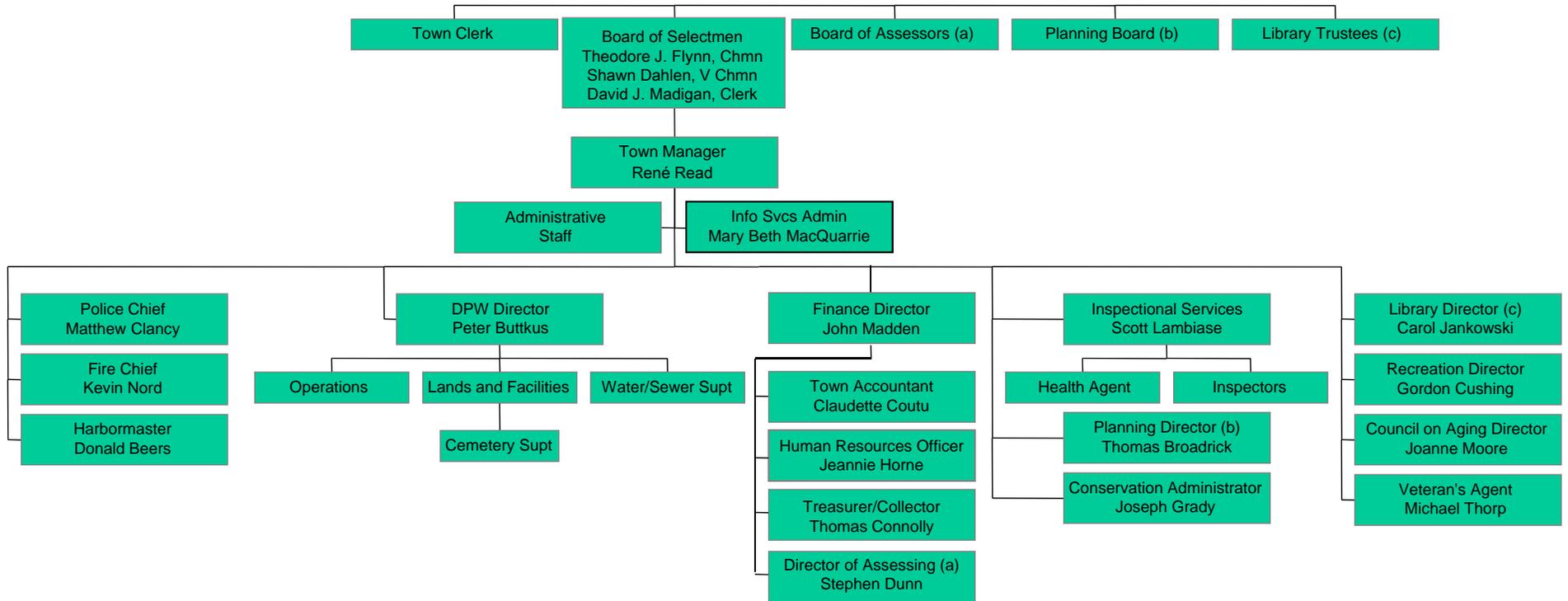
John Madden
Finance Director

Town of Duxbury, Massachusetts

Principal Executive Officers

<u>Title</u>	<u>Name</u>	<u>Manner of Selection</u>	<u>Length of Term</u>	<u>Expiration of Term</u>
Chairman-Board of Selectmen	Shawn Dahlen	Elected	3 Years	2017
Vice Chairman-Board of Selectmen	David J. Madigan	Elected	3 Years	2015
Selectman	Theodore J. Flynn	Elected	3 Years	2016
Town Manager	René Read	Appointed	Indefinite	N/A
Finance Director	John M. Madden	Appointed	Indefinite	N/A
Town Accountant	Claudette Coutu	Appointed	Indefinite	N/A
Treasurer/Collector	Thomas Connolly	Appointed	Indefinite	N/A
Town Clerk	Susan C. Kelley	Elected	3 Years	2016
Assessor-Chairman	Linda M. Collari	Elected	3 Years	2015
Assessor-Vice Chairman	James G. MacNab	Elected	3 Years	2016
Assessor	June E. Albritton, MAA	Elected	3 Years	2017
Superintendent of Schools	Dr. Benedict Tantillo, III	Appointed	Indefinite	N/A
School Business Manager	Susan Nauman	Appointed	Indefinite	N/A
Director of Public Works	Peter Buttkus	Appointed	Indefinite	N/A
Town Moderator	Friend Weiler	Elected	1 Year	2015
Town Counsel	Arthur P. Kreiger	Appointed	Indefinite	N/A

Town of Duxbury, Massachusetts Organizational Chart



(a), (b) and (c) positions report also to elected boards



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Town of Duxbury
Massachusetts**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

Executive Director/CEO

Financial Section



Walkway to the Beach

Financial Section

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Independent Auditor's Report

To the Honorable Board of Selectmen
Town of Duxbury, Massachusetts

Report of the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Duxbury, Massachusetts, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Duxbury, Massachusetts, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Duxbury, Massachusetts' basic financial statements. The introductory section, combining statements, individual fund statements and statistical section, as listed in the table of contents, are presented for the purpose of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2015 on our consideration of the Town of Duxbury, Massachusetts' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Duxbury, Massachusetts' internal control over financial reporting and compliance.



December 22, 2015

Management's Discussion and Analysis

Management's Discussion and Analysis

As management of the Town of Duxbury, we offer readers of these financial statements this narrative overview and analysis of the financial activities for the year ended June 30, 2015. The Town complies with financial reporting requirements issued by the Governmental Accounting Standards Board (GASB). Management's discussion and analysis are part of these requirements.

Overview of the Financial Statements

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

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

The *statement of net position* presents information on all assets and liabilities, and deferred inflows/outflows of resources, with the difference between them reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position 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 year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities include general government, public safety, education, public works, human services, culture and recreation, community preservation and interest. The business-type activities include the activities of the municipal water department and the Percy Walker pool.

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

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

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

The Town of Duxbury adopts an annual appropriated budget for its general fund. A budgetary comparison schedule has been provided as required supplementary information for the general fund to demonstrate compliance with this budget.

Proprietary funds. The Town maintains two types of proprietary funds.

Enterprise funds are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Town uses enterprise funds to account for its municipal water department and activity of the Percy Walker pool.

Internal service funds are an accounting device used to accumulate and allocate costs internally among various functions. The Town uses internal service funds to account for health insurance activities. Because these services primarily benefit governmental rather than business-type activities, they have been included within *governmental activities* in the government-wide financial statements.

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

The Town maintains three different types of fiduciary funds. The Other Postemployment Benefits Fund is used to report resources held in trust for healthcare benefits for retirees and beneficiaries. The Private-purpose trust fund is used to report the Town's scholarship funds. The Agency fund reports resources held by the Town in a custodial capacity for individuals, private organizations and other governments. The Town's agency funds are used to account for performance bonds, security deposits and licenses and fees collected on-behalf of the state.

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

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. Duxbury's government-wide assets and deferred outflows of resources exceeded liabilities by \$123.6 million at the end of 2015. The Town's total net position increased by \$11.4 million during 2015, this is an indication that the Town's overall financial position improved from the prior year.

Comparative analysis of the assets, liabilities, net position, revenues, expense and transfers of the governmental and business-type activities are discussed herein.

Governmental Activities

The results of operations of the governmental activities are discussed in the following paragraphs and tables. Net position of \$127.2 million reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that are still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the investment in its capital assets is reported net of its related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the governmental activities' net position, \$4.8 million, represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* is a deficit of \$22.3 million. The deficit is the result of the implementation of GASB #68 which required the Town to

Real estate and personal property taxes increased from the previous year due to an override funding Town capital projects including the co-located school. The tax override allows the Town to assess the required debt service payments in taxes, outside of the normal legal limits, for the approved projects. Many of the functional expense lines reported a decrease from fiscal year 2014 to 2015 due to a decrease in the Town's unfunded OPEB liability. The new actuarial valuation accounted for the Town's partial funding and establishment of a trust fund, which reduced the liability significantly, reducing the annual amortization of the liability. The general government expenses were also down due to the Town's legal fees and a court settlement in fiscal year 2014 with a former employee.

	Year Ended June 30, 2015	Year Ended June 30, 2014 (Revised)
Program Revenues:		
Charges for services.....	\$ 14,790,505	\$ 13,858,823
Operating grants and contributions.....	11,256,335	15,014,771
Capital grants and contributions.....	7,112,572	22,173,296
General Revenues:		
Real estate and personal property taxes.....	54,467,814	52,613,168
Tax liens.....	17,656	128,258
Motor vehicle and other excise taxes.....	2,695,218	2,552,550
Community preservation taxes.....	452,436	444,959
Penalties and interest on taxes.....	240,792	241,339
Payments in lieu of taxes.....	15,965	12,934
Nonrestricted grants and contributions.....	1,062,816	995,264
Unrestricted investment income.....	656,988	1,247,143
Gain on sale of capital assets.....	212,580	-
Total revenues.....	92,981,677	109,282,505
Expenses:		
General government.....	5,069,723	4,762,290
Public safety.....	11,467,443	11,087,856
Education.....	53,150,719	54,816,225
Public works.....	6,058,919	6,130,939
Human services.....	1,222,376	1,262,417
Culture and recreation.....	2,563,386	2,593,462
Community preservation.....	243,827	452,800
Interest.....	2,360,916	2,682,114
Total expenses.....	82,137,309	83,788,103
Excess before transfers.....	10,844,368	25,494,402
Transfers.....	(210,612)	(112,976)
Change in net position.....	10,633,756	25,381,426
Beginning net position, as revised.....	99,037,665	73,656,239
Ending net position.....	\$ 109,671,421	\$ 99,037,665

The beginning net position of governmental activities has been revised to reflect the implementation of GASB Statements #68 and #71. To reflect this change, the Town has recorded a net pension liability and a deferred outflow of resources, which has resulted in the revision of the June 30, 2014, balance of the governmental activities by \$26,309,864. Previously reported net position of \$125,347,529 has been revised to \$99,037,665.

The decrease in operating grants is related to the Massachusetts Teachers Retirement System's implementation of GASB Statements #68 and #71 which decreased the revenue and corresponding expense by \$3.8 million.

Business-type Activities

The results of operations for the business-type activities are discussed in the following paragraphs and tables.

For the Town's water business-type activities, assets and deferred outflows of resources exceeded liabilities by \$14 million at the close of 2015. Of this amount \$11 million (79%) is net investment in capital assets, and \$2.9 million (21%) is unrestricted and may be used to meet the water enterprise's ongoing obligations.

There was an increase of \$681,000 in net position related to the Water Department's operations during the year. Revenue increased \$127,000 due to increases in water usage. Expenses were consistent with the prior year.

Net position related to the Percy Walker pool increased \$67,000 during the year. The operation of the Pool is partially subsidized by the Town's general fund. The 2015 subsidy totaled \$335,000.

	Balance at June 30, 2015	Balance at June 30, 2014 (Revised)
	<u> </u>	<u> </u>
Assets:		
Current assets.....	\$ 4,895,073	\$ 4,347,631
Capital assets, non depreciable.....	4,673,481	4,721,929
Capital assets, net of accumulated depreciation.....	<u>11,502,687</u>	<u>11,987,991</u>
Total assets.....	<u>21,071,241</u>	<u>21,057,551</u>
Deferred Outflows of Resources.....	57,233	-
Liabilities:		
Current liabilities (excluding debt).....	131,124	230,943
Noncurrent liabilities (excluding debt).....	1,572,980	1,498,773
Current debt.....	645,374	651,495
Noncurrent debt.....	<u>4,804,962</u>	<u>5,450,336</u>
Total liabilities.....	<u>7,154,440</u>	<u>7,831,547</u>
Net Position:		
Net investment in capital assets.....	11,043,300	10,935,005
Unrestricted.....	<u>2,930,734</u>	<u>2,290,999</u>
Total net position.....	<u>\$ 13,974,034</u>	<u>\$ 13,226,004</u>

	Year Ended June 30, 2015	Year Ended June 30, 2014 (Revised)
Program revenues:		
Charges for services.....	\$ 3,685,266	\$ 3,590,210
Expenses:		
Water.....	2,612,985	2,508,246
Percy Walker Pool.....	534,863	467,604
Total expenses.....	3,147,848	2,975,850
Excess before transfers.....	537,418	614,360
Transfers.....	210,612	112,976
Change in net position.....	748,030	727,336
Beginning net position, as revised.....	13,226,004	12,498,668
Ending net position.....	\$ 13,974,034	\$ 13,226,004

The beginning net position of business-type activities has been revised to reflect the implementation of GASB Statements #68, and #71. To reflect this change, the Town has recorded a net pension liability and a deferred outflow of resources, which has resulted in the revision of the June 30, 2014, balance of the business-type activities by \$1,178,773. Previously reported net position of \$14,404,777 has been revised to \$13,226,004.

Financial Analysis of the Government's Funds

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

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

As of the end of the current year, governmental funds reported combined ending fund balances of \$31.3 million, a decrease of \$3.6 million from the prior year.

The general fund is the chief operating fund. At the end of the current year, unassigned fund balance of the general fund totaled \$6.8 million, while total fund balance is \$17.2 million. 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 fund expenditures. Unassigned fund balance represents 9.2% of total general fund expenditures, while total fund balance represents 23.4% of that same amount.

The general fund decreased by \$930,000 in 2015. This was mainly due the planned use of reserves to fund the budget; offset with better than anticipated revenue receipts and appropriation turn backs.

The Community Preservation Act fund had a fund balance at June 30, 2015, of \$5.2 million. These funds are attributable to the Town's acceptance of the Community Preservation Act, which allows the Town to impose a surcharge on property taxes and to receive matching state funds for specified uses related to the acquisition, creation, preservation and support of open space, historic resources, land for recreational use and community housing. The Community Preservation Act's fund balance increased \$499,000 in 2015. This was the net result of \$599,000 in taxes and state matching funds collected offset by \$52,000 in expenditures on community preservation projects and \$48,000 transferred to the conservation trust fund.

The Co-located school major fund was established after the Town passed, by special election, an override of Proposition 2½ allowing the construction of a new middle and high school totaling \$128 million. The Town has been approved to receive assistance from the Massachusetts School Building Authority (MSBA) for 45.13% of eligible construction costs. The Co-located school's fund balance decreased by \$4.6 million in 2015. This was the result of the Town receiving \$6.1 million in reimbursements from the MSBA and \$4.5 million from issuance of bonds; offset with construction costs totaling \$15.2 million.

General Fund Budgetary Highlights

The \$1.4 million increase from the original budget to the final amended budget resulted from a Spring Special Town Meeting vote to use free cash of \$1.4 million and overlay surplus of \$25,000 to supplement various governmental departments and funds. The largest uses of free cash includes \$190,000 for contract negotiations, \$390,000 to fund a snow and ice deficit, \$250,000 to fund other postemployment benefit trust fund; \$130,000 to fund the unemployment trust fund; \$50,000 to fund the Stabilization Trust Fund, \$100,000 to fund the Pension Reserve Fund, and \$100,000 to establish the accrued liabilities and compensated absences trust fund. There were also several transfers approved within budgetary lines.

General Fund revenues came in approximately \$1.1 million more than budgeted. The largest area of the surplus was in departmental and other revenues which made up \$1 million of the total. This was mainly due to beach permits coming in \$294,000 higher than budgeted, ambulance revenue coming in \$180,000 higher than budgeted, inspectional service permits coming in \$239,000 higher than budgeted, as well as \$249,000 in revenue for energy credits that were not budgeted. Motor vehicle revenue was \$328,000 more than budgeted mainly due to the Town budgeting conservatively in this area.

General fund expenditures and encumbrances were approximately \$1 million less than budgeted. Key components of this surplus include \$99,000 in education expenditures, \$294,000 in employee benefits which was due primarily to lower than anticipated claims, as well as \$204,000 within the public works sub-departments and \$144,000 within the general government sub-departments.

Capital Asset and Debt Administration

In conjunction with the operating budget, the Town annually prepares a capital budget for the upcoming year and a five-year Capital Improvement Plan (CIP) that is used as a guide for future capital expenditures. The Town's major governmental capital asset activity in 2015 includes additions in construction-in-progress of \$15 million for school buildings; \$498,000 for vehicles; \$424,000 for improvements and \$304,000 for furniture, fixtures and equipment. During 2015 the police station (\$5.7 million) and Powder Point Bridge (\$2.9 million) were put in service and removed from construction-in-progress.

Capital Assets

The main increases to governmental capital assets included the continuing construction on the co-located school which increased by approximately \$20 million and is reported as construction in progress.

	<u>Cost of Capital Assets at end of year</u>	<u>Accumulated Depreciation at end of year</u>	<u>Capital Assets, net</u>
Governmental activities			
<i>Function:</i>			
General government.....	\$ 20,826,227	\$ (509,239)	\$ 20,316,988
Public safety.....	17,841,636	(5,618,037)	12,223,599
Education.....	179,473,571	(25,984,641)	153,488,930
Public works.....	25,727,961	(11,552,578)	14,175,383
Culture and recreation.....	9,407,654	(4,230,970)	5,176,684
Community preservation.....	16,287,838	(1,162,701)	15,125,137
Human services.....	<u>2,411,511</u>	<u>(899,390)</u>	<u>1,512,121</u>
Total governmental.....	<u>\$ 271,976,398</u>	<u>\$ (49,957,556)</u>	<u>\$ 222,018,842</u>
Business-type activities			
Water.....	\$ 26,867,714	\$ (12,803,990)	\$ 14,063,724
Percy Walker Pool.....	<u>2,380,219</u>	<u>(267,775)</u>	<u>2,112,444</u>
Total enterprise.....	<u>\$ 29,247,933</u>	<u>\$ (13,071,765)</u>	<u>\$ 16,176,168</u>

Debt

The Town of Duxbury’s governmental funds had total bonded debt outstanding of \$89.7 million at the end of the current year. Of this amount, \$75.4 million is related to school construction and equipment, \$2.3 million is related to the crematory, \$5.6 million is related to the police station construction, \$3.2 million is related to the fire station renovations, \$2 million is related to the Powder Point bridge, \$280,000 is related to the senior center project, \$560,000 is related to sewer projects and \$295,000 is related to renovation of the library. The remaining \$20,000 relates to other capital related projects.

The water enterprise fund has \$3.9 million in water debt that is fully supported by the rates and does not rely on a general fund subsidy. The Percy Walker pool enterprise fund has \$1.6 million in bonded debt outstanding at the end of the current year, related to Pool facility upgrades.

For further discussion please refer to Note 4 for major capital activity and Notes 6 and 7 for debt activity.

Requests for Information

This financial report is designed to provide a general overview of the Town of Duxbury’s finances for all those with an interest in the government’s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, Town Hall, 878 Tremont Street, Duxbury, Massachusetts 02332.

Basic Financial Statements

STATEMENT OF NET POSITION

JUNE 30, 2015

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
CURRENT:			
Cash and cash equivalents.....	\$ 20,752,479	\$ 2,815,810	\$ 23,568,289
Investments.....	21,339,535	-	21,339,535
Receivables, net of allowance for uncollectibles:			
Real estate and personal property taxes.....	1,193,465	-	1,193,465
Tax liens.....	122,274	-	122,274
Motor vehicle and other excise taxes.....	413,409	-	413,409
User fees.....	56,781	2,131,793	2,188,574
Departmental and other.....	373,039	-	373,039
Special assessments.....	56,272	-	56,272
Intergovernmental.....	2,892,263	-	2,892,263
Tax foreclosures.....	686,466	-	686,466
Internal balances.....	52,530	(52,530)	-
Total current assets.....	<u>47,938,513</u>	<u>4,895,073</u>	<u>52,833,586</u>
NONCURRENT:			
Receivables, net of allowance for uncollectibles:			
Special assessments.....	330,669	-	330,669
Real estate tax deferrals.....	375,593	-	375,593
Capital assets:			
Nondepreciable.....	159,867,556	4,673,481	164,541,037
Depreciable.....	<u>62,151,286</u>	<u>11,502,687</u>	<u>73,653,973</u>
Total noncurrent assets.....	<u>222,725,104</u>	<u>16,176,168</u>	<u>238,901,272</u>
TOTAL ASSETS.....	<u>270,663,617</u>	<u>21,071,241</u>	<u>291,734,858</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions.....	1,277,412	57,233	1,334,645
LIABILITIES			
CURRENT:			
Warrants payable.....	2,211,364	46,751	2,258,115
Accrued liabilities.....	46,442	-	46,442
Accrued payroll.....	2,997,210	15,247	3,012,457
Health claims payable.....	852,980	-	852,980
Accrued interest.....	1,014,985	39,126	1,054,111
Other liabilities.....	453,027	-	453,027
Compensated absences.....	1,268,000	30,000	1,298,000
Notes payable.....	635,000	-	635,000
Bonds payable.....	<u>6,099,022</u>	<u>645,374</u>	<u>6,744,396</u>
Total current liabilities.....	<u>15,578,030</u>	<u>776,498</u>	<u>16,354,528</u>
NONCURRENT:			
Compensated absences.....	222,000	-	222,000
Net pension liability.....	27,624,335	1,237,666	28,862,001
Other postemployment benefits.....	29,630,493	335,314	29,965,807
Bonds payable.....	<u>89,214,750</u>	<u>4,804,962</u>	<u>94,019,712</u>
Total noncurrent liabilities.....	<u>146,691,578</u>	<u>6,377,942</u>	<u>153,069,520</u>
TOTAL LIABILITIES.....	<u>162,269,608</u>	<u>7,154,440</u>	<u>169,424,048</u>
NET POSITION			
Net investment in capital assets.....	127,204,540	11,043,300	138,247,840
Restricted for:			
Perpetual care and other permanent funds:			
Expendable.....	1,411,405	-	1,411,405
Nonexpendable.....	2,205,823	-	2,205,823
Gifts and grants.....	1,192,269	-	1,192,269
Unrestricted.....	<u>(22,342,616)</u>	<u>2,930,734</u>	<u>(19,411,882)</u>
TOTAL NET POSITION.....	<u>\$ 109,671,421</u>	<u>\$ 13,974,034</u>	<u>\$ 123,645,455</u>

See notes to basic financial statements.

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2015

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary Government:					
<i>Governmental Activities:</i>					
General government.....	\$ 5,069,723	\$ 1,434,129	\$ 83,544	\$ -	\$ (3,552,050)
Public safety.....	11,467,443	2,564,053	574,788	-	(8,328,602)
Education.....	53,150,719	6,628,568	10,182,690	6,140,285	(30,199,176)
Public works.....	6,058,919	1,801,517	59,290	808,413	(3,389,699)
Human services.....	1,222,376	173,617	197,520	-	(851,239)
Culture and recreation.....	2,563,386	2,188,621	135,353	-	(239,412)
Community preservation.....	243,827	-	-	163,874	(79,953)
Interest.....	2,360,916	-	23,150	-	(2,337,766)
Total Governmental Activities.....	82,137,309	14,790,505	11,256,335	7,112,572	(48,977,897)
<i>Business-Type Activities:</i>					
Water.....	2,612,985	3,401,453	-	-	788,468
Percy Walker pool.....	534,863	283,813	-	-	(251,050)
Total Business-Type Activities.....	3,147,848	3,685,266	-	-	537,418
Total Primary Government.....	\$ 85,285,157	\$ 18,475,771	\$ 11,256,335	\$ 7,112,572	\$ (48,440,479)

See notes to basic financial statements.

(Continued)

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2015

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Changes in net position:			
Net (expense) revenue from previous page.....	\$ (48,977,897)	\$ 537,418	\$ (48,440,479)
<i>General revenues:</i>			
Real estate and personal property taxes, net of tax refunds payable.....	54,467,814	-	54,467,814
Tax liens.....	17,656	-	17,656
Motor vehicle and other excise taxes.....	2,695,218	-	2,695,218
Community preservation taxes.....	452,436	-	452,436
Penalties and interest on taxes.....	240,792	-	240,792
Payments in lieu of taxes.....	15,965	-	15,965
Grants and contributions not restricted to specific programs.....	1,062,816	-	1,062,816
Unrestricted investment income.....	656,988	-	656,988
Gain on sale of capital assets.....	212,580	-	212,580
<i>Transfers, net</i>	<u>(210,612)</u>	<u>210,612</u>	<u>-</u>
Total general revenues and transfers.....	<u>59,611,653</u>	<u>210,612</u>	<u>59,822,265</u>
Change in net position.....	10,633,756	748,030	11,381,786
<i>Net Position:</i>			
Beginning of year, as revised.....	<u>99,037,665</u>	<u>13,226,004</u>	<u>112,263,669</u>
End of year.....	\$ <u><u>109,671,421</u></u>	\$ <u><u>13,974,034</u></u>	\$ <u><u>123,645,455</u></u>

See notes to basic financial statements.

(Concluded)

**GOVERNMENTAL FUNDS
BALANCE SHEET**

JUNE 30, 2015

	General	Community Preservation Act	Highway Improvements	Co-located School	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents.....	\$ 6,672,199	\$ 5,170,955	\$ -	\$ 855,585	\$ 4,718,866	\$ 17,417,605
Investments.....	13,925,887	-	-	-	4,258,108	18,183,995
Receivables, net of uncollectibles:						
Real estate and personal property taxes.....	1,187,800	5,665	-	-	-	1,193,465
Real estate tax deferrals.....	375,593	-	-	-	-	375,593
Tax liens.....	119,933	2,341	-	-	-	122,274
Motor vehicle and other excise taxes.....	413,409	-	-	-	-	413,409
User fees.....	56,781	-	-	-	-	56,781
Departmental and other.....	239,551	-	-	-	83,989	323,540
Special assessments.....	386,941	-	-	-	-	386,941
Intergovernmental.....	-	133,101	1,586,786	1,172,376	-	2,892,263
Tax foreclosures.....	686,466	-	-	-	-	686,466
Due from other funds.....	504,201	-	-	-	-	504,201
TOTAL ASSETS.....	\$ 24,568,761	\$ 5,312,062	\$ 1,586,786	\$ 2,027,961	\$ 9,060,963	\$ 42,556,533
LIABILITIES						
Warrants payable.....	\$ 846,703	\$ -	\$ -	\$ 1,136,262	\$ 189,881	\$ 2,172,846
Accrued liabilities.....	46,442	-	-	-	-	46,442
Accrued payroll.....	2,941,951	71	-	-	54,459	2,996,481
Other liabilities.....	60,144	759	-	-	338,784	399,687
Due to other funds.....	-	-	451,671	-	-	451,671
Notes payable.....	200,000	-	-	435,000	-	635,000
TOTAL LIABILITIES.....	4,095,240	830	451,671	1,571,262	583,124	6,702,127
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenues.....	3,235,329	141,108	1,135,115	-	83,989	4,595,541
FUND BALANCES						
Nonspendable.....	-	-	-	-	2,205,823	2,205,823
Restricted.....	6,071,276	5,170,124	-	456,699	6,188,027	17,886,126
Committed.....	2,606,405	-	-	-	-	2,606,405
Assigned.....	1,785,239	-	-	-	-	1,785,239
Unassigned.....	6,775,272	-	-	-	-	6,775,272
TOTAL FUND BALANCES.....	17,238,192	5,170,124	-	456,699	8,393,850	31,258,865
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES.....	\$ 24,568,761	\$ 5,312,062	\$ 1,586,786	\$ 2,027,961	\$ 9,060,963	\$ 42,556,533

See notes to basic financial statements.

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TOTAL FUND BALANCES TO THE STATEMENT OF NET POSITION**

JUNE 30, 2015

Total governmental fund balances.....		\$ 31,258,865
Capital assets (net) used in governmental activities are not financial resources and, therefore, are not reported in the funds.....		222,018,842
Accounts receivable are not available to pay for current-period expenditures and, therefore, are deferred in the funds.....		4,595,541
Certain changes in the net pension liability are required to be included in pension expense over future periods. These changes are reported as deferred outflows of resources or (deferred inflows of resources) related to pensions.....		1,277,412
Internal service funds are used by management to account for retirees' health insurance and workers' compensation activities.		
The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position.....		5,594,346
In the statement of net position, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due.....		(1,014,985)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds		
Bonds payable.....	(95,313,772)	
Compensated absences.....	(1,490,000)	
Net pension liability.....	(27,624,335)	
Other postemployment benefits obligation.....	<u>(29,630,493)</u>	
Net effect of reporting long-term liabilities.....		<u>(154,058,600)</u>
Net position of governmental activities.....		<u>\$ 109,671,421</u>

See notes to basic financial statements.

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2015

	General	Community Preservation Act	Highway Improvements	Co-located School	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES:						
Real estate and personal property taxes, net of tax refunds.....	\$ 54,204,322	\$ -	\$ -	\$ -	\$ -	\$ 54,204,322
Tax and trash liens.....	17,089	567	-	-	-	17,656
Motor vehicle and other excise taxes.....	2,477,536	-	-	-	15,429	2,492,965
Sewer charges.....	212,226	-	-	-	-	212,226
Trash disposal.....	605,573	-	-	-	-	605,573
Intergovernmental.....	9,629,548	134,333	247,541	6,140,285	2,165,717	18,317,424
Departmental and other.....	4,899,008	-	-	-	6,678,754	11,577,762
Community preservation taxes.....	-	452,436	-	-	-	452,436
Contributions.....	-	-	-	-	319,020	319,020
Investment income.....	334,532	11,435	-	-	208,878	554,845
TOTAL REVENUES.....	72,379,834	598,771	247,541	6,140,285	9,387,798	88,754,229
EXPENDITURES:						
Current:						
General government.....	3,332,208	-	-	-	431,642	3,763,850
Public safety.....	7,475,285	-	-	-	962,955	8,438,240
Education.....	32,320,636	-	-	15,248,218	6,016,123	53,584,977
Public works.....	4,440,131	-	247,541	-	166,067	4,853,739
Human services.....	623,597	-	-	-	264,365	887,962
Culture and recreation.....	1,791,187	-	-	-	235,007	2,026,194
Community preservation.....	-	52,013	-	-	-	52,013
Pension benefits - Town.....	2,838,565	-	-	-	2,282	2,840,847
Pension benefits - School.....	3,684,521	-	-	-	-	3,684,521
Property and liability insurance.....	380,564	-	-	-	-	380,564
Employee benefits.....	6,973,526	-	-	-	-	6,973,526
State and county charges.....	485,681	-	-	-	-	485,681
Debt service:						
Principal.....	6,276,053	-	-	-	-	6,276,053
Interest.....	3,112,964	-	-	-	-	3,112,964
TOTAL EXPENDITURES.....	73,734,918	52,013	247,541	15,248,218	8,078,441	97,361,131
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	(1,355,084)	546,758	-	(9,107,933)	1,309,357	(8,606,902)
OTHER FINANCING SOURCES (USES):						
Issuance of long-term bonds.....	-	-	-	4,500,000	-	4,500,000
Issuance of refunding bonds.....	282,000	-	-	-	-	282,000
Premium from issuance of bonds and notes.....	150,750	-	-	-	-	150,750
Sale of capital assets.....	-	-	-	-	241,000	241,000
Transfers in.....	327,344	-	-	-	48,000	375,344
Transfers out.....	(335,351)	(48,000)	-	-	(202,605)	(585,956)
TOTAL OTHER FINANCING SOURCES (USES).....	424,743	(48,000)	-	4,500,000	86,395	4,963,138
NET CHANGE IN FUND BALANCES.....	(930,341)	498,758	-	(4,607,933)	1,395,752	(3,643,764)
FUND BALANCES AT BEGINNING OF YEAR.....	18,168,533	4,671,366	-	5,064,632	6,998,098	34,902,629
FUND BALANCES AT END OF YEAR.....	\$ 17,238,192	\$ 5,170,124	\$ -	\$ 456,699	\$ 8,393,850	\$ 31,258,865

See notes to basic financial statements.

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES**

YEAR ENDED JUNE 30, 2015

Net change in fund balances - total governmental funds.....	\$	(3,643,764)
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>		
Capital outlay.....	16,721,338	
Depreciation expense.....	<u>(3,853,612)</u>	
Net effect of reporting capital assets.....		12,867,726
<p>In the Statement of Activities, only the <i>gain</i> on the sale of capital assets is reported, whereas in the governmental funds the entire proceeds of the sale are reported as financial resources. As a result, the change in net assets differs from the change in fund balance by the cost of the capital assets sold.....</p>		
		(28,420)
<p>Revenues in the Statement of Activities that do not provide current financial resources are fully deferred in the Statement of Revenues, Expenditures and Changes in Fund Balances. Therefore, the recognition of revenue for various types of accounts receivable (i.e., real estate and personal property, motor vehicle excise, etc.) differ between the two statements. This amount represents the net change in deferred revenue.....</p>		
		1,099,598
<p>The issuance of long-term debt (e.g., bonds and leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.</p>		
Issuance of bonds.....	(4,500,000)	
Premium from issuance of bonds, net of issue costs.....	541,068	
Debt service principal payments.....	6,276,053	
Issuance of refunding bonds.....	<u>(282,000)</u>	
Net effect of reporting long-term debt.....		2,035,121
<p>Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.</p>		
Net change in compensated absences accrual.....	34,000	
Net change in accrued interest on long-term debt.....	60,230	
Net change in deferred outflow/(inflow) of resources related to pensions.....	1,277,412	
Net change in net pension liability.....	(1,314,471)	
Net change in other postemployment benefits obligation.....	<u>(1,765,493)</u>	
Net effect of recording long-term liabilities.....		(1,708,322)
<p>Internal service funds are used by management to account for health insurance and workers' compensation activities.</p>		
The net activity of internal service funds is reported with governmental activities.....		<u>11,817</u>
Change in net position of governmental activities.....	\$	<u><u>10,633,756</u></u>

See notes to basic financial statements.

PROPRIETARY FUNDS
STATEMENT OF NET POSITION

JUNE 30, 2015

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Water Enterprise	Percy Walker Pool Enterprise	Total	
ASSETS				
CURRENT:				
Cash and cash equivalents.....	\$ 2,815,810	\$ -	\$ 2,815,810	\$ 3,334,874
Investments.....	-	-	-	3,155,540
Receivables, net of allowance for uncollectibles:				
User fees.....	2,131,793	-	2,131,793	-
Departmental and other.....	-	-	-	49,499
Total current assets.....	<u>4,947,603</u>	<u>-</u>	<u>4,947,603</u>	<u>6,539,913</u>
NONCURRENT:				
Capital assets:				
Nondepreciable.....	4,673,481	-	4,673,481	-
Depreciable.....	<u>9,390,243</u>	<u>2,112,444</u>	<u>11,502,687</u>	<u>-</u>
Total noncurrent assets.....	<u>14,063,724</u>	<u>2,112,444</u>	<u>16,176,168</u>	<u>-</u>
TOTAL ASSETS.....	<u>19,011,327</u>	<u>2,112,444</u>	<u>21,123,771</u>	<u>6,539,913</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to pensions.....	<u>42,583</u>	<u>14,650</u>	<u>57,233</u>	<u>-</u>
LIABILITIES				
CURRENT:				
Warrants payable.....	41,868	4,883	46,751	38,518
Accrued payroll.....	13,354	1,893	15,247	729
Health claims payable.....	-	-	-	852,980
Accrued interest.....	24,094	15,032	39,126	-
Other liabilities.....	-	-	-	53,340
Due to other funds.....	-	52,530	52,530	-
Compensated absences.....	30,000	-	30,000	-
Bonds payable.....	<u>490,374</u>	<u>155,000</u>	<u>645,374</u>	<u>-</u>
Total current liabilities.....	<u>599,690</u>	<u>229,338</u>	<u>829,028</u>	<u>945,567</u>
NONCURRENT:				
Net pension liability.....	920,869	316,797	1,237,666	-
Other postemployment benefits.....	316,837	18,477	335,314	-
Bonds payable.....	<u>3,409,962</u>	<u>1,395,000</u>	<u>4,804,962</u>	<u>-</u>
Total noncurrent liabilities.....	<u>4,647,668</u>	<u>1,730,274</u>	<u>6,377,942</u>	<u>-</u>
TOTAL LIABILITIES.....	<u>5,247,358</u>	<u>1,959,612</u>	<u>7,206,970</u>	<u>945,567</u>
NET POSITION				
Net investment in capital assets.....	10,463,242	580,058	11,043,300	-
Unrestricted.....	<u>3,343,310</u>	<u>(412,576)</u>	<u>2,930,734</u>	<u>5,594,346</u>
TOTAL NET POSITION.....	<u>\$ 13,806,552</u>	<u>\$ 167,482</u>	<u>\$ 13,974,034</u>	<u>\$ 5,594,346</u>

See notes to basic financial statements.

PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEAR ENDED JUNE 30, 2015

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Water Enterprise	Percy Walker Pool Enterprise	Total	
OPERATING REVENUES:				
Employee contributions.....	\$ -	\$ -	\$ -	\$ 2,813,127
Employer contributions.....	-	-	-	6,322,786
Charges for services.....	3,401,453	283,813	3,685,266	-
TOTAL OPERATING REVENUES.....	3,401,453	283,813	3,685,266	9,135,913
OPERATING EXPENSES:				
Cost of services and administration.....	1,526,691	421,552	1,948,243	9,226,239
Depreciation.....	985,474	59,506	1,044,980	-
TOTAL OPERATING EXPENSES.....	2,512,165	481,058	2,993,223	9,226,239
OPERATING INCOME (LOSS).....	889,288	(197,245)	692,043	(90,326)
NONOPERATING REVENUES (EXPENSES):				
Investment income.....	-	-	-	102,143
Interest expense.....	(100,820)	(53,805)	(154,625)	-
TOTAL NONOPERATING REVENUES (EXPENSES), NET.....	(100,820)	(53,805)	(154,625)	102,143
INCOME (LOSS) BEFORE TRANSFERS.....	788,468	(251,050)	537,418	11,817
TRANSFERS:				
Transfers in.....	-	335,351	335,351	-
Transfers out.....	(107,056)	(17,683)	(124,739)	-
TOTAL TRANSFERS.....	(107,056)	317,668	210,612	-
CHANGE IN NET POSITION.....	681,412	66,618	748,030	11,817
NET POSITION AT BEGINNING OF YEAR, AS REVISED...	13,125,140	100,864	13,226,004	5,582,529
NET POSITION AT END OF YEAR.....	\$ 13,806,552	\$ 167,482	\$ 13,974,034	\$ 5,594,346

See notes to basic financial statements.

PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS

YEAR ENDED JUNE 30, 2015

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Water Enterprise	Percy Walker Pool Enterprise	Total	
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers and users.....	\$ 2,691,533	\$ 283,813	\$ 2,975,346	\$ -
Receipts from interfund services provided.....	-	-	-	9,137,884
Payments to vendors.....	(1,049,150)	(195,205)	(1,244,355)	(9,301,351)
Payments to employees.....	(558,879)	(191,538)	(750,417)	-
NET CASH FROM OPERATING ACTIVITIES.....	1,083,504	(102,930)	980,574	(163,467)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Transfers in.....	-	335,351	335,351	-
Transfers out.....	(107,056)	(17,683)	(124,739)	-
NET CASH FROM NONCAPITAL FINANCING ACTIVITIES.....	(107,056)	317,668	210,612	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition and construction of capital assets.....	(510,335)	-	(510,335)	-
Principal payments on bonds and notes.....	(491,495)	(160,000)	(651,495)	-
Interest expense.....	(103,391)	(54,738)	(158,129)	-
NET CASH FROM CAPITAL AND RELATED FINANCING ACTIVITIES.....	(1,105,221)	(214,738)	(1,319,959)	-
CASH FLOWS FROM INVESTING ACTIVITIES:				
Proceeds from sales and maturities of investments.....	-	-	-	3,265,896
Purchase of investments.....	-	-	-	(3,155,540)
Investment income.....	-	-	-	102,143
NET CASH FROM INVESTING ACTIVITIES.....	-	-	-	212,499
NET CHANGE IN CASH AND CASH EQUIVALENTS.....	(128,773)	-	(128,773)	49,032
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR.....	2,944,583	-	2,944,583	3,285,842
CASH AND CASH EQUIVALENTS AT END OF YEAR.....	\$ 2,815,810	\$ -	\$ 2,815,810	\$ 3,334,874
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES:				
Operating income (loss).....	\$ 889,288	\$ (197,245)	\$ 692,043	\$ (90,326)
Adjustments to reconcile operating income (loss) to net cash from operating activities:				
Depreciation.....	985,474	59,506	1,044,980	-
Deferred (outflows)/inflows related to pensions.....	(42,583)	(14,650)	(57,233)	-
Changes in assets and liabilities:				
User fees.....	(709,920)	-	(709,920)	-
Departmental and other.....	-	-	-	1,971
Warrants payable.....	(89,514)	1,150	(88,364)	37,768
Accrued payroll.....	1,104	1,107	2,211	271
Health claims payable.....	-	-	-	(166,491)
Other liabilities.....	-	(3,055)	(3,055)	53,340
Due to other funds.....	-	33,705	33,705	-
Accrued compensated absences.....	(13,000)	-	(13,000)	-
Net pension liability.....	43,818	15,075	58,893	-
Other postemployment benefits obligation.....	18,837	1,477	20,314	-
Total adjustments.....	194,216	94,315	288,531	(73,141)
NET CASH FROM OPERATING ACTIVITIES.....	\$ 1,083,504	\$ (102,930)	\$ 980,574	\$ (163,467)

See notes to basic financial statements.

FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION

JUNE 30, 2015

	Other Postemployment Benefits Fund	Private Purpose Trust Funds	Agency Funds
ASSETS			
Cash and cash equivalents.....	\$ 32,950	\$ 207,345	\$ 184,284
Investments:			
Equity mutual funds.....	1,072,662	-	-
Government sponsored enterprises.....	-	1,318,187	-
Corporate bonds.....	-	167,958	-
Equity securities.....	-	1,067,559	-
TOTAL ASSETS	<u>1,105,612</u>	<u>2,761,049</u>	<u>184,284</u>
LIABILITIES			
Warrants payable.....	-	-	1,094
Liabilities due depositors.....	-	-	183,190
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>184,284</u>
NET POSITION			
Held in trust for other postemployment benefits and other purposes.....	<u>\$ 1,105,612</u>	<u>\$ 2,761,049</u>	<u>\$ -</u>

See notes to basic financial statements.

FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

YEAR ENDED JUNE 30, 2015

	Other Postemployment Benefits Fund	Private Purpose Trust Funds
<u>ADDITIONS:</u>		
Contributions:		
Employer.....	\$ 381,523	\$ -
Private donations.....	-	15,135
Net investment income:		
Interest.....	11,111	84,014
TOTAL ADDITIONS.....	392,634	99,149
<u>DEDUCTIONS:</u>		
Scholarships and other.....	-	30,263
CHANGE IN NET POSITION.....	392,634	68,886
NET POSITION AT BEGINNING OF YEAR.....	712,978	2,692,163
NET POSITION AT END OF YEAR.....	\$ 1,105,612	\$ 2,761,049

See notes to basic financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The Town of Duxbury, Massachusetts is a municipal corporation governed by an elected three member Board of Selectmen and an appointed Town Manager.

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 (Primary Government) and its component units. The Town did not identify any component units requiring inclusion in the basic financial statements.

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

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

Fund Financial Statements

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

Major Fund Criteria

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

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

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

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

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

Government-Wide Financial Statements

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

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

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

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

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

Fund Financial Statements

Governmental fund financial statements are reported using the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when the fund liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

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

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

The following major governmental funds are reported:

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

The *community preservation act fund* is a special revenue fund used to account for funds held for uses restricted by law for community preservation purposes. These funds are attributable to the Town's acceptance of the Community Preservation Act, which allows the Town to impose up to a 1% surcharge on property taxes and to receive matching state grant funds for specified uses related to the acquisition, creation, preservation and support of open space, historic resources, land for recreational use and community housing.

The *highway improvements fund* is a special revenue fund used to account for construction, reconstruction and improvements of roadways, streets and sidewalks.

The *co-located school fund* is a capital project fund used to account for the design and construction of the new co-located school.

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

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

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

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

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

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

The following major proprietary funds are reported:

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

The *Percy Walker pool enterprise fund* is used to account for the operating activities at the Town's pool.

Additionally, the following proprietary fund type is reported:

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

Fiduciary fund financial statements are reported using the flow of economic resources measurement focus and use the accrual basis of accounting. Fiduciary funds are used to account for assets held in a trustee capacity for others that cannot be used to support the governmental programs. Agency funds have no measurement focus.

The following fiduciary fund types are reported:

The *other postemployment benefit trust fund* is used to accumulate resources to provide funding for future other postemployment benefits (OPEB) liabilities.

The *private-purpose trust fund* is used to account for trust arrangements that exclusively benefit individuals, private organizations, or other governments. Some of these trusts have donor restrictions and trustee policies that do not allow the endowment portion and any unrealized appreciation to be spent. The restrictions and trustee policies only allows the trustees to approve spending of the realized investment earnings. The Town's private-purpose trust fund is primarily comprised of scholarships.

The *agency fund* is used to account for assets held in a purely custodial capacity. The Town's agency fund is comprised of performance bonds, security deposits, and fees and licenses collected on behalf of the state.

D. Cash and Investments

Government-Wide and Fund Financial Statements

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

Investments are carried at fair value. The fair values were determined by the closing price for those securities traded on national stock exchanges and at the average bid-and-asked quotation for those securities traded in the over-the-counter market.

E. Accounts Receivable

Government-Wide and Fund Financial Statements

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

Real Estate, Personal Property Taxes and Tax Liens

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

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

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

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

Motor Vehicle and Other Excise Taxes

Motor vehicle excise taxes are assessed annually for each vehicle registered and are recorded as receivables in the year of the levy. The Commonwealth is responsible for reporting the number of vehicles registered and the fair values of those vehicles. The tax calculation is the fair value of the vehicle multiplied by \$25 per \$1,000 of value. Boat excise taxes are assessed annually for each boat registered and are recorded as receivables in the year of the levy. The Commonwealth is responsible for reporting the number of boats registered and the fair value of those boats. The tax calculation is the fair value of the boat multiplied by \$10 per \$1,000 of value.

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

User Fees

Water and sewer user fees are levied monthly based on individual meter readings and are subject to penalties and interest if they are not paid by the respective due date. Unbilled user fees are estimated at year-end and are recorded as revenue in the current period. Water and Sewer liens are processed in December of every year and included as a lien on the property owner's tax bill. Water and Sewer charges and liens are recorded as receivables in the year of the levy.

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

Departmental and Other

Departmental and other receivables consist of veterans and ambulance receivables and are recorded as receivables in the year accrued. The allowance of uncollectibles is estimated based on historical trends and specific account analysis.

Special Assessments

Special assessments in the general fund consist of apportioned and unapportioned road improvement and septic system betterments assessed to homeowners whose properties were improved through Town-run construction projects.

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

Intergovernmental

Various federal and state grants for operating and capital purposes are applied for and received annually. For non-expenditure driven grants, receivables are recorded as soon as all eligibility requirements imposed by the

provider have been met. For expenditure driven grants, receivables are recorded when the qualifying expenditures are incurred and all other grant requirements are met.

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

F. Inventories

Government-Wide and Fund Financial Statements

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

G. Capital Assets

Government-Wide and Proprietary Fund Financial Statements

Capital assets, which include land, land improvements, buildings, machinery and equipment, and infrastructure (e.g., roads, water mains, sewer mains, and similar items), are reported in the applicable governmental or business-type activity column of the government-wide financial statements, and the proprietary fund financial statements. Capital assets are recorded at historical cost, or at estimated historical cost, if actual historical cost is not available. Donated capital assets are recorded at the estimated fair market value at the date of donation. Except for the capital assets of the governmental activities column in the government-wide financial statements, construction period interest is capitalized on constructed capital assets.

All purchases and construction costs in excess of \$10,000 are capitalized at the date of acquisition or construction, respectively, with expected useful lives of greater than one year. All major general infrastructure assets acquired or significantly reconstructed in years ending after June 30, 1980, have been recorded at estimated historical cost.

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

<u>Capital Asset Type</u>	<u>Estimated Useful Life (in years)</u>
Buildings.....	40
Plant, Facilities and Infrastructure.....	20-40
Vehicles.....	5-15
Furniture, Fixtures and Equipment.....	10
Improvements.....	10-20

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

Governmental Fund Financial Statements

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

H. Deferred Outflows/Inflows of Resources

Government-Wide Financial Statements (Net Position)

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

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Town did not have any elements that qualify for reporting 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 as deferred inflows of resources in the governmental funds balance sheet.

I. Interfund Receivables and Payables

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

Government-Wide Financial Statements

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

Fund Financial Statements

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

J. Interfund Transfers

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

Government-Wide Financial Statements

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

K. Unavailable Revenue

Unavailable revenue at the governmental fund financial statement level represents billed receivables that do not meet the available criterion in accordance with the current financial resources measurement focus and the modified accrual basis of accounting, i.e. receivables that are not considered to be available to liquidate liabilities of the current period. Unavailable revenue is recognized as revenue in the conversion to the government-wide (full accrual) financial statements.

L. Net Position and Fund Equity*Government-Wide Financial Statements (Net Position)*

Net position reported as “net investment in capital assets” includes capital assets, net of accumulated depreciation, less the principal balance of outstanding debt used to acquire capital assets. Unspent proceeds of capital related debt are not considered to be capital assets. Outstanding debt related to future reimbursements from the state’s school building program is not considered to be capital related debt.

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

Net position has been “restricted for” the following:

“Perpetual care and other permanent funds - expendable” represents the amount of realized and unrealized investment earnings of donor restricted trusts. The restrictions and trustee policies only allows the trustees to approve spending of the realized investment earnings.

“Perpetual care and other permanent funds - nonexpendable” represents the endowment portion of donor restricted trusts.

“Gifts and grants” represents restrictions placed on assets from outside parties.

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.

Fund Financial Statements (Fund Balances)

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

The governmental fund balance classifications are as follows:

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

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

“Committed” fund balance includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government’s highest level of decision-making authority. Town Meeting is the highest level of decision making authority that can, by majority vote of a warrant article at an open Town Meeting, commit funds for a specific purpose. Once voted, the limitation imposed by the vote remains in place until the funds are used for their intended purpose, the purpose no longer exists, or a vote is taken to modify the commitment.

“Assigned” fund balance includes amounts that are constrained by the Town’s intent to be used for specific purposes, but are neither restricted nor committed. The Town’s by-laws authorize the Town Accountant to assign fund balance which generally only exists temporarily. Additional action does not have to be taken for the removal of an assignment.

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

Sometimes the Town will fund outlays for a particular purpose from different components of fund balance. In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. When different components of fund balance can be used for the same purpose, it is the Town’s policy to consider restricted fund balance to have been depleted first, followed by committed fund balance, and assigned fund balance. Unassigned fund balance is applied last.

M. 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 both the Plymouth County Contributory Retirement System and the Massachusetts Teachers Retirement System and additions to/deductions from the Systems fiduciary net position have been determined on the same basis as they are reported by the Systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

N. Long-term debt

Government-Wide and Proprietary Fund Financial Statements

Long-term debt is reported as liabilities in the government-wide and proprietary fund statement of net position. Material bond premiums and discounts are deferred and amortized over the life of the bonds using the 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. 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 proprietary funds is voluntarily assigned and transferred to the general fund.

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 maturity of the liability.

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

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

R. Individual Fund Deficits

Individual fund deficit exists within the nonmajor special revenue and capital projects funds. These deficits will be funded through grants, available funds, and bond proceeds in future years.

S. Total Column*Government-Wide Financial Statements*

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

Fund Financial Statements

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

NOTE 2 – CASH AND INVESTMENTS

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

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

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

Custodial Credit Risk – Deposits

In the case of deposits, the custodial credit risk is the risk that, in the event of a bank failure the Town's deposits may not be recovered. At year-end, the carrying amount of deposits totaled \$21,915,411 and the bank balance totaled \$23,122,191. Of the bank balance, \$2,676,752 was covered by Federal Depository Insurance, \$508,078 was covered by Share Insurance Fund, \$545,442 was covered by Depositors Insurance Fund, \$438,776 was collateralized, and \$18,953,143 was exposed to custodial credit risk because it was uninsured and uncollateralized. The Town's investment policy limits its custodial credit risk by 1) pre-qualifying banks, 2) diversifying its investments across several banks and 3) collateralizing deposits where practical.

Custodial Credit Risk – Investments

For an investment, this is the risk that, in the event of a failure by the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town's investments of \$16,015,981 in debt securities and \$7,448,993 in equity securities are exposed to custodial credit risk as the securities are uninsured. The shares of MMDT and open end mutual funds are not subject to custodial credit risk because they are not evidenced by securities that exist in physical or book entry form. The securities are registered to Dunn & Co. as nominee for the Town of Duxbury. The Town of Duxbury's investment policy allows for custodial safekeeping in the name of a nominee. It also requires proof that securities purchased from any bank or dealer be provided to the Treasurer and recorded on the Town's books.

Investments

As of June 30, 2015, the Town of Duxbury had the following investments:

Investment Type	Fair Value	Maturity			
		Under 1 Year	1-5 Years	6-10 Years	Over 10 Years
<u>Debt Securities:</u>					
Government Sponsored Enterprises.....	\$ 6,706,005	\$ 458,851	\$ 5,604,934	\$ 425,609	\$ 216,611
Corporate Bonds.....	1,171,943	271,239	900,704	-	-
U.S. Treasury Notes.....	8,138,033	842,623	3,373,103	2,304,131	1,618,176
Total Debt Securities.....	16,015,981	<u>\$ 1,572,713</u>	<u>\$ 9,878,741</u>	<u>\$ 2,729,740</u>	<u>\$ 1,834,787</u>
<u>Other Investments:</u>					
Equity Securities.....	7,448,993				
Money Market Mutual Funds.....	1,242,069				
Equity Mutual Funds.....	1,500,927				
MMDT.....	835,388				
Total Investments.....	<u>\$ 27,043,358</u>				

The Town participates in MMDT, which maintains a cash portfolio and a short-term bond portfolio with combined average maturities of approximately 3 months.

Interest Rate Risk

The Town’s investment policy limits investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates and to match investment maturities with anticipated cash flow requirements. The Town’s investment policy requires investments of operating funds to have a maturity of one year or less from the date of purchase. The Town limits their maximum final stated maturities for other investments to ten (10) years, unless specific authority is given to exceed this limit. Additionally, the policy does not permit the direct investment in securities maturing more than ten (10) years from date of purchase unless the maturities are matched to specific cash flow requirements. Reserve funds are permitted to be invested in securities exceeding ten (10) years if the maturities of such investments are made to coincide, as nearly as practicable, with the expected use of the funds.

Credit Risk

Credit risk is the risk of loss due to the failure of the security issuer or backer. At June 30, 2015 the Town's investments were rated as follows:

<u>Quality Ratings</u>	<u>Government Sponsored Enterprises</u>	<u>Corporate Bonds</u>
AA+.....	\$ 6,706,005	\$ -
A+.....	-	209,469
A.....	-	200,332
A-.....	-	293,215
BBB+.....	-	468,927
Fair Value.....	\$ <u>6,706,005</u>	\$ <u>1,171,943</u>

The Town's investment in money market mutual funds is unrated. The Town's investment in MMDT is unrated.

The Town's investment policy states that bank deposits, including repurchase agreements; certificates of deposit; and demand deposits, that exceed the FDIC insured amount are to be made in banks or savings and loan associations with a Moody's Rating of A3 or above; a Standard & Poor's and Finch rating of A or above; or a Thompson Bond Watch Rating of A or B.

Concentration of Credit Risk

The Town places no limit on the amount the government may invest in any one issuer. More than 5% of the Town's investments are in the following securities:

<u>Issuer</u>	<u>Percentage of Total Investments</u>
Federal Home Loan Bank.....	6.62%
Federal Home Loan Mortgage Corporation....	13.90%
Federal National Mortgage Association.....	6.00%

NOTE 3 – RECEIVABLES

At June 30, 2015, receivables for the individual major and nonmajor governmental funds and internal service funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	Gross Amount	Allowance for Uncollectibles	Net Amount
<u>Receivables:</u>			
Real estate and personal property taxes.....	\$ 1,220,994	\$ (27,529)	\$ 1,193,465
Real estate tax deferrals.....	375,593	-	375,593
Tax liens.....	122,274	-	122,274
Motor vehicle and other excise taxes.....	542,372	(128,963)	413,409
User fees.....	56,781	-	56,781
Departmental and other.....	519,790	(146,751)	373,039
Special assessments.....	386,941	-	386,941
Intergovernmental.....	2,892,263	-	2,892,263
Total.....	<u>\$ 6,117,008</u>	<u>\$ (303,243)</u>	<u>\$ 5,813,765</u>

At June 30, 2015, receivables for the water enterprise fund consist of the following:

	Gross Amount	Allowance for Uncollectibles	Net Amount
<u>Receivables:</u>			
Water user fees.....	\$ 2,131,793	-	\$ 2,131,793

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

	General Fund	Community Preservation Act	Highway Improvements	Nonmajor Governmental Funds	Total
<u>Receivable and other asset type:</u>					
Real estate and personal property taxes.....	\$ 958,111	\$ 5,665	-	-	\$ 963,776
Real estate tax deferrals.....	375,593	-	-	-	375,593
Tax liens.....	119,932	2,342	-	-	122,274
Motor vehicle and other excise taxes.....	413,409	-	-	-	413,409
User fees.....	56,781	-	-	-	56,781
Departmental and other.....	238,096	-	-	83,989	322,085
Special assessments.....	386,941	-	-	-	386,941
Intergovernmental.....	-	133,101	1,135,115	-	1,268,216
Tax foreclosures.....	686,466	-	-	-	686,466
Total.....	<u>\$ 3,235,329</u>	<u>\$ 141,108</u>	<u>\$ 1,135,115</u>	<u>\$ 83,989</u>	<u>\$ 4,595,541</u>

NOTE 4 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2015, was as follows:

Governmental Activities

	Beginning Balance	Increases	Decreases	Ending Balance
<u>Capital assets not being depreciated:</u>				
Land.....	\$ 36,304,336	\$ -	\$ (28,420)	\$ 36,275,916
Construction in progress.....	117,281,515	14,953,573	(8,643,448)	123,591,640
Total capital assets not being depreciated.....	<u>153,585,851</u>	<u>14,953,573</u>	<u>(8,671,868)</u>	<u>159,867,556</u>
<u>Capital assets being depreciated:</u>				
Buildings.....	53,094,220	6,266,206	(162,598)	59,197,828
Building improvements.....	7,592,552	-	-	7,592,552
Infrastructure.....	19,445,283	2,918,714	(289,800)	22,074,197
Vehicles.....	7,398,662	497,899	(213,326)	7,683,235
Furniture, fixtures and equipment.....	4,824,975	304,236	(704,608)	4,424,603
Improvements.....	10,712,269	424,158	-	11,136,427
Total capital assets being depreciated.....	<u>103,067,961</u>	<u>10,411,213</u>	<u>(1,370,332)</u>	<u>112,108,842</u>
<u>Less accumulated depreciation for:</u>				
Buildings.....	(17,580,107)	(1,291,280)	162,598	(18,708,789)
Building improvements.....	(614,165)	(189,814)	-	(803,979)
Infrastructure.....	(12,503,810)	(861,858)	289,800	(13,075,868)
Vehicles.....	(4,731,106)	(559,340)	213,326	(5,077,120)
Furniture, fixtures and equipment.....	(3,609,499)	(646,155)	704,608	(3,551,046)
Improvements.....	(8,435,589)	(305,165)	-	(8,740,754)
Total accumulated depreciation.....	<u>(47,474,276)</u>	<u>(3,853,612)</u>	<u>1,370,332</u>	<u>(49,957,556)</u>
Total capital assets being depreciated, net.....	<u>55,593,685</u>	<u>6,557,601</u>	<u>-</u>	<u>62,151,286</u>
Total governmental activities capital assets.....	<u>\$ 209,179,536</u>	<u>\$ 21,511,174</u>	<u>\$ (8,671,868)</u>	<u>\$ 222,018,842</u>

Business-Type Activities

	Beginning Balance	Increases	Decreases	Ending Balance
Water Enterprise Fund Activities:				
<u>Capital assets not being depreciated:</u>				
Land.....	\$ 2,899,437	\$ -	\$ -	\$ 2,899,437
Construction in progress.....	1,822,492	328,675	(377,123)	1,774,044
Total capital assets not being depreciated.....	4,721,929	328,675	(377,123)	4,673,481
<u>Capital assets being depreciated:</u>				
Plant, facilities and infrastructure.....	21,264,454	418,750	-	21,683,204
Equipment and motor vehicles.....	440,103	140,926	(70,000)	511,029
Total capital assets being depreciated.....	21,704,557	559,676	(70,000)	22,194,233
<u>Less accumulated depreciation for:</u>				
Plant, facilities and infrastructure.....	(11,575,358)	(937,669)	-	(12,513,027)
Equipment and motor vehicles.....	(313,158)	(47,805)	70,000	(290,963)
Total accumulated depreciation.....	(11,888,516)	(985,474)	70,000	(12,803,990)
Total capital assets being depreciated, net.....	9,816,041	(425,798)	-	9,390,243
Total Water Enterprise capital assets.....	\$ 14,537,970	\$ (97,123)	\$ (377,123)	\$ 14,063,724
	Beginning Balance	Increases	Decreases	Ending Balance
Percy Walker Pool Enterprise Fund Activities:				
<u>Capital assets being depreciated:</u>				
Buildings.....	\$ 2,380,219	\$ -	\$ -	\$ 2,380,219
<u>Less accumulated depreciation for:</u>				
Buildings.....	(208,269)	(59,506)	-	(267,775)
Total Percy Walker Pool Enterprise capital assets.....	\$ 2,171,950	\$ (59,506)	\$ -	\$ 2,112,444

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

Governmental Activities:	
General government.....	\$ 36,822
Public safety.....	735,043
Education.....	1,628,900
Public works.....	897,693
Human services.....	58,650
Culture and recreation.....	304,690
Community preservation.....	<u>191,814</u>
Total depreciation expense - governmental activities.....	<u>\$ 3,853,612</u>
 Business-Type Activities:	
Water.....	\$ 985,474
Percy Walker Pool.....	<u>59,506</u>
Total depreciation expense - business-type activities.....	<u>\$ 1,044,980</u>

NOTE 5 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

As of June 30, 2015, the Town has interfund receivables/payables of \$504,201 which exists between the general fund and highway improvements fund (\$451,671) and the general fund and the Percy Walker Pool enterprise fund (\$52,530). The purpose of this balance is to cover short-term cash needs that will be funded by future grant proceeds and departmental revenues.

Interfund transfers for the year ended June 30, 2015, are summarized as follows:

Transfers Out:	Transfers In:			Total
	General Fund	Nonmajor Governmental Funds	Percy Walker Pool Enterprise Fund	
General Fund.....	\$ -	\$ -	\$ 335,351	\$ 335,351 (1)
Community Preservation Act.....	-	48,000	-	48,000 (2)
Nonmajor Governmental Funds.....	202,605	-	-	202,605 (3)
Water Enterprise Fund.....	107,056	-	-	107,056 (4)
Percy Walker Pool Enterprise Fund.....	<u>17,683</u>	-	-	<u>17,683 (4)</u>
Total.....	<u>\$ 327,344</u>	<u>\$ 48,000</u>	<u>\$ 335,351</u>	<u>\$ 710,695</u>

- (1) Represents budgeted transfers from the General Fund to the Percy Walker Pool enterprise fund to reimburse for debt service which is raised through taxation and to subsidize the enterprise fund.
- (2) Represents a transfer from community preservation to the conservation trust fund.
- (3) Represents a transfer to the General Fund to reclassify balances from special revenue accounts.
- (4) Represents budgeted transfers to the General Fund from the Water and Percy Walker Pool Enterprise funds for indirect costs.

NOTE 6 – SHORT-TERM FINANCING

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

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

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

Details related to the short-term debt activity for the year ended June 30, 2015, is as follows:

Type	Purpose	Rate (%)	Due Date	Balance at June 30, 2014	Renewed/ Issued	Retired/ Redeemed	Balance at June 30, 2015
<i>Governmental Funds</i>							
BAN	Municipal Purpose.....	0.50%	12/1/2014	\$ 435,000	\$ -	\$ (435,000)	\$ -
BAN	Municipal Purpose.....	0.50%	3/25/2016	-	200,000	-	200,000
BAN	Municipal Purpose.....	0.60%	6/30/2016	-	435,000	-	435,000
Total.....				\$ <u>435,000</u>	\$ <u>635,000</u>	\$ <u>(435,000)</u>	\$ <u>635,000</u>

NOTE 7 – LONG-TERM DEBT

Under the provisions of Chapter 44, Section 10, Municipal Law authorizes indebtedness up to a limit of 5% of the equalized valuation. Debt issued in accordance with this section of the law is designated as being "inside the debt limit". In addition, however, debt may be authorized in excess of that limit for specific purposes. Such debt, when issued, is designated as being "outside the debt limit."

Details related to the outstanding indebtedness at June 30, 2015, and the debt service requirements are as follows:

General Obligation Bonds Payable Schedule – Governmental Funds

Project	Maturities Through	Original Loan Amount	Interest Rate (%)	Outstanding at June 30, 2014	Issued	Redeemed	Outstanding at June 30, 2015
MCWT 1997.....	2017	\$ 650,000	5.27	\$ 122,164	\$ -	\$ (39,495)	\$ 82,669
MCWT 2001 Title V.....	2019	195,676	4.50	54,340	-	(10,868)	43,472
MCWT 2004 Title V.....	2021	192,582	3.30-5.25	75,045	-	(10,690)	64,355
Municipal Purpose Loans of 2002.....	2017	2,183,000	3.50-4.50	420,000	-	(420,000)	-
Municipal Purpose Loans of 2003.....	2023	1,028,000	4.00	425,000	-	(425,000)	-
Municipal Purpose Loans of 2006.....	2021	13,035,000	4.00	6,055,000	-	(865,000)	5,190,000
Municipal Purpose Loans of 2009.....	2017	125,000	3.00-3.85	35,000	-	(15,000)	20,000
Municipal Purpose Refunding Loans of 2009.....	2017	1,300,000	3.00-3.85	450,000	-	(155,000)	295,000
Municipal Purpose Loans of 2010.....	2023	587,000	2.00-5.00	425,000	-	(40,000)	385,000
Municipal Purpose Loans of 2013.....	2038	83,447,000	3.00-4.00	80,475,000	-	(4,020,000)	76,455,000
Municipal Purpose Loans of 2014.....	2024	2,200,000	2.00-3.00	2,200,000	-	(220,000)	1,980,000
Municipal Purpose Refunding Loans of 2014.....	2023	425,000	2.00-3.00	425,000	282,000	(55,000)	652,000
Municipal Purpose Loans of 2015.....	2025	4,500,000	2.00-3.00	-	4,500,000	-	4,500,000
Total Bonds Payable.....				91,161,549	4,782,000	(6,276,053)	89,667,496
Add: Unamortized Premium.....				6,187,344	150,750	(691,818)	5,646,276
Total Bonds Payable, net.....				\$ 97,348,893	\$ 4,932,750	\$ (6,967,871)	\$ 95,313,772

Debt service requirements for principal and interest for governmental bonds payable in future years are as follows:

Year	Principal	Interest	Total
2016.....	\$ 5,580,267	\$ 3,054,756	\$ 8,635,023
2017.....	5,567,518	2,887,094	8,454,612
2018.....	5,231,558	2,699,236	7,930,794
2019.....	5,221,558	2,500,181	7,721,739
2020.....	5,210,690	2,298,769	7,509,459
2021.....	5,210,905	2,095,622	7,306,527
2022.....	4,330,000	1,910,919	6,240,919
2023.....	4,325,000	1,745,169	6,070,169
2024.....	4,275,000	1,602,681	5,877,681
2025.....	4,055,000	1,464,250	5,519,250
2026.....	3,570,000	1,327,950	4,897,950
2027.....	3,570,000	1,220,850	4,790,850
2028.....	3,570,000	1,095,900	4,665,900
2029.....	3,150,000	961,500	4,111,500
2030.....	3,150,000	835,500	3,985,500
2031.....	3,150,000	709,500	3,859,500
2032.....	3,150,000	583,500	3,733,500
2033.....	3,150,000	473,250	3,623,250
2034.....	2,840,000	383,400	3,223,400
2035.....	2,840,000	298,200	3,138,200
2036.....	2,840,000	213,000	3,053,000
2037.....	2,840,000	127,800	2,967,800
2038.....	2,840,000	42,598	2,882,598
Totals.....	\$ 89,667,496	\$ 30,531,625	\$ 120,199,121

The Town is scheduled to be subsidized by the Massachusetts Clean Water Trust (MCWT) for governmental fund debt on a periodic basis for principal in the amount of \$24,486 and interest costs for \$21,726. Thus, net MCWT loan repayments, including interest, are scheduled to be \$166,605 for the three MCWT governmental debt issuances. Since the Town is legally obligated for the total amount of the debt, such amounts have been reported in the accompanying basic financial statements. The 2015 principal and interest subsidies totaled approximately \$11,354 and \$11,796, respectively.

In order to take advantage of favorable interest rates, the Town issued \$282,000 of general obligation refunding bonds on August 4, 2014. The proceeds of the refunding bonds were used to complete a current refunding of existing debt. The refunded bonds totaled \$280,000 and became callable on September 17, 2014. As a result of the transaction, the refunded bonds were paid down on the call date and the liability has been removed from the statement of net position. The transaction resulted in an economic gain of \$12,453 and a reduction of \$12,155 in future debt service payments.

General Obligation Bonds Payable Schedule – Water Enterprise Fund

Project	Maturities Through	Original Loan Amount	Interest Rate (%)	Outstanding at June 30, 2014	Issued	Redeemed	Outstanding at June 30, 2015
Municipal Purpose Loans of 2006.....	2016	\$ 500,000	4.00	\$ 100,000	\$ -	\$ (50,000)	\$ 50,000
Municipal Purpose Loans of 2008.....	2023	1,700,000	3.00-3.85	960,000	-	(120,000)	840,000
MCWT 2009.....	2029	3,150,000	2.00	2,467,831	-	(142,495)	2,325,336
Municipal Purpose Loans of 2014.....	2019	864,000	2.00	<u>864,000</u>	<u>-</u>	<u>(179,000)</u>	<u>685,000</u>
Total Bonds Payable.....				\$ <u>4,391,831</u>	\$ <u>-</u>	\$ <u>(491,495)</u>	\$ <u>3,900,336</u>

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

Year	Principal	Interest	Total
2016.....	\$ 490,374	\$ 87,047	\$ 577,421
2017.....	443,311	75,411	518,722
2018.....	436,307	64,702	501,009
2019.....	424,364	54,314	478,678
2020.....	262,482	45,556	308,038
2021.....	265,664	38,331	303,995
2022.....	263,909	31,139	295,048
2023.....	237,221	24,555	261,776
2024.....	170,599	19,828	190,427
2025.....	174,045	16,382	190,427
2026.....	177,561	12,866	190,427
2027.....	181,149	9,279	190,428
2028.....	184,808	5,619	190,427
2029.....	<u>188,542</u>	<u>1,885</u>	<u>190,427</u>
Totals.....	\$ <u>3,900,336</u>	\$ <u>486,914</u>	\$ <u>4,387,250</u>

General Obligation Bonds Payable Schedule – Percy Walker Pool Enterprise Fund

Project	Maturities Through	Original Loan Amount	Interest Rate (%)	Outstanding at June 30, 2014	Issued	Redeemed	Outstanding at June 30, 2015
Municipal Purpose Loans of 2010.....	2025	\$ 2,363,000	2.00-5.00	\$ 1,710,000	\$ -	\$ (160,000)	\$ 1,550,000

Debt service requirements for principal and interest for the Percy Walker pool enterprise fund bonds payable in future years are as follows:

Year	Principal	Interest	Total
2016.....	\$ 155,000	\$ 51,538	\$ 206,538
2017.....	155,000	48,438	203,438
2018.....	155,000	40,688	195,688
2019.....	155,000	36,038	191,038
2020.....	155,000	29,838	184,838
2021.....	155,000	25,188	180,188
2022.....	155,000	20,538	175,538
2023.....	155,000	15,694	170,694
2024.....	155,000	10,656	165,656
2025.....	155,000	5,422	160,422
Totals.....	\$ 1,550,000	\$ 284,038	\$ 1,834,038

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, 2015, the Town had the following authorized and unissued debt:

Purpose	Amount
School Construction.....	\$ 5,855,973
Powder Point Bridge.....	200,000
Water Mains.....	47,000
Total.....	\$ 6,102,973

Changes in Long-term Liabilities

During the year ended June 30, 2015, the following changes occurred in long-term liabilities:

	Balance June 30, 2014 (Revised)	Bonds Issued	Bonds Redeemed	Other Increases	Other Decreases	Balance June 30, 2015	Due Within One Year
Governmental Activities:							
Long-Term Bonds Payable.....	\$ 91,161,549	\$ 4,782,000	\$ (6,276,053)	\$ -	\$ -	\$ 89,667,496	\$ 5,580,267
Add: Unamortized Premium.....	6,187,344	150,750	(691,818)	-	-	5,646,276	518,755
Total Long-Term Bonds Payable.....	97,348,893	4,932,750	(6,967,871)	-	-	95,313,772	6,099,022
Net Pension Liability.....	26,310,637	-	-	4,133,449	(2,819,751)	27,624,335	-
Other Postemployment Benefits.....	27,865,000	-	-	4,025,255	(2,259,762)	29,630,493	-
Compensated Absences.....	1,524,000	-	-	1,152,000	(1,186,000)	1,490,000	1,268,000
Total governmental activity long-term liabilities.....	\$ 153,048,530	\$ 4,932,750	\$ (6,967,871)	\$ 9,310,704	\$ (6,265,513)	\$ 154,058,600	\$ 7,367,022
Business-Type Activities:							
Long-Term Bonds Payable.....	\$ 6,101,831	\$ -	\$ (651,495)	\$ -	\$ -	\$ 5,450,336	\$ 645,374
Net Pension Liability.....	1,178,000	-	-	186,001	(126,335)	1,237,666	-
Other Postemployment Benefits.....	315,000	-	-	45,887	(25,573)	335,314	-
Compensated Absences.....	43,000	-	-	25,000	(38,000)	30,000	30,000
Total business-type activity long-term liabilities.....	\$ 7,637,831	\$ -	\$ (651,495)	\$ 256,888	\$ (189,908)	\$ 7,053,316	\$ 675,374

Long term liabilities related to both governmental and business-type activities are normally paid from the general fund and enterprise funds, respectively.

NOTE 8 – GOVERNMENTAL FUND BALANCE CLASSIFICATIONS

The Town classifies fund balance according to constraints imposed on the uses of those resources.

There are two major types of fund balances, which are nonspendable and spendable. Nonspendable fund balances are balances that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories, and principal (corpus) of an endowment fund. The Town has reported principal portions of endowment funds as nonspendable.

In addition to the nonspendable fund balance, spendable fund balances are classified based on a hierarchy of spending constraints.

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

As of June 30, 2015, the governmental fund balances consisted of the following:

	General	Community Preservation Act	Highway Improvements	Co-located School	Nonmajor Governmental Funds	Total Governmental Funds
FUND BALANCES						
Nonspendable:						
Town services fund.....	\$ -	\$ -	\$ -	\$ -	2,205,823	\$ 2,205,823
Restricted for:						
Debt service - interest.....	6,071,276	-	-	-	-	6,071,276
Community Preservation Act.....	-	5,170,124	-	-	-	5,170,124
Co-located School.....	-	-	-	456,699	-	456,699
School lunch.....	-	-	-	-	282,401	282,401
School gift and grant funds.....	-	-	-	-	671,907	671,907
School revolving.....	-	-	-	-	1,670,302	1,670,302
Recreation revolving.....	-	-	-	-	10,000	10,000
Receipts reserved for appropriations.....	-	-	-	-	453,946	453,946
Town gifts and grants.....	-	-	-	-	520,362	520,362
Town revolving.....	-	-	-	-	4,396	4,396
Affordable housing.....	-	-	-	-	793,010	793,010
Special revenue trust funds.....	-	-	-	-	235,354	235,354
Miscellaneous small projects.....	-	-	-	-	41,463	41,463
Powder Point Bridge.....	-	-	-	-	63,679	63,679
Public safety buildings.....	-	-	-	-	28,339	28,339
Crematory.....	-	-	-	-	1,463	1,463
Town services fund.....	-	-	-	-	1,411,405	1,411,405
Committed for:						
Selectmen.....	72,723	-	-	-	-	72,723
Information Systems.....	312,173	-	-	-	-	312,173
Assessor.....	855	-	-	-	-	855
Human resources.....	36,608	-	-	-	-	36,608
Conservation.....	250	-	-	-	-	250
Police.....	23,030	-	-	-	-	23,030
Fire.....	13,467	-	-	-	-	13,467
Harbormaster/Beach Management.....	72,821	-	-	-	-	72,821
Education.....	47,526	-	-	-	-	47,526
Public works.....	455,856	-	-	-	-	455,856
Human services.....	354	-	-	-	-	354
Culture and recreation.....	32,339	-	-	-	-	32,339
Pension reserve.....	1,131,843	-	-	-	-	1,131,843
Unemployment.....	314,085	-	-	-	-	314,085
Compensated absences.....	92,475	-	-	-	-	92,475
Assigned to:						
General government.....	95,540	-	-	-	-	95,540
Public safety.....	49,240	-	-	-	-	49,240
Education.....	158,658	-	-	-	-	158,658
Public works.....	145,589	-	-	-	-	145,589
Human services.....	9,884	-	-	-	-	9,884
Culture and recreation.....	13,935	-	-	-	-	13,935
Free cash used to fund the the 2016 budget.....	1,297,393	-	-	-	-	1,297,393
Unassigned.....	6,775,272	-	-	-	-	6,775,272
TOTAL FUND BALANCES.....	\$ 17,238,192	\$ 5,170,124	\$ -	\$ 456,699	\$ 8,393,850	\$ 31,258,865

Massachusetts General Law Ch.40 §5B allows for the establishment of Stabilization funds for one or more different purposes on an as needed basis. The creation of a fund requires a two-thirds vote of the legislative body and must clearly define the purpose of the fund. Any change to the purpose of the fund along with any additions to or appropriations from the fund requires a two-thirds vote of the legislative body. The stabilization fund balance can be used for general and/or capital purposes upon approval of Town Meeting. Additions to and withdrawals from the funds can only be made upon Town Meeting approval. In accordance with Massachusetts

General Law the Town has established a general stabilization fund, a pension reserve fund, an unemployment trust fund and a compensated absences stabilization fund to assist the Town in funding its liability for accrued sick and vacation time.

At year end, the balance of the general stabilization fund is \$3,529,613 and is reported as unassigned fund balance within the general fund; the balance of the pension trust stabilization fund is \$1,131,843 and is reported as committed fund balance within the general fund; the balance of the unemployment trust stabilization fund is \$314,085 and is reported as committed fund balance within the general fund; the balance of the compensated absences trust stabilization fund is \$92,475 and is reported as committed fund balance within the general fund. The pension trust fund is distinct and separate from the System information in Note 11. The purpose of the fund is to provide a reserve to meet future annual contributions to the Pension System.

With the exception of the pension reserve and the unemployment reserve, the committed balances in the General Fund are articles carried forward to next year. With the exception of free cash used to fund the 2015 budget, assigned balances in the General Fund are encumbrances carried forward to next year. The detail of each article and encumbrance is included in the budgetary comparison schedule presented as required supplementary information.

NOTE 9 – COMMUNITY PRESERVATION FUNDS

In March of 2001, the Town approved the Community Preservation Act (CPA) which allows the Town to impose a surcharge on property taxes and to receive matching state funds for specified uses related to the acquisition, creation, preservation and support of open space, historic resources, land for recreational use and community housing. The CPA requires that the Town spend or set aside for later spending a minimum of 10% of annual revenues for open space, a minimum of 10% of annual revenues for historic resources and a minimum of 10% of annual revenues for community housing.

In accordance with the CPA, the Town has approved a bylaw establishing a Community Preservation Committee (CPC) to study the needs, possibilities and resources of the Town regarding community preservation and to make recommendations for Town Meeting approval to fund eligible projects using CPA funds.

As of June 30, 2015, the CPA fund has a balance of approximately \$5.2 million and is reported as a major fund in the governmental funds financial statements.

NOTE 10 – RISK FINANCING

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

The Town is self-insured for employee health insurance activities and unemployment benefits. These activities are accounted for in the Town's Internal Service Fund where revenues are recorded when earned and expenditures recorded when the liability is incurred.

(a) *Employee Health Insurance*

The Town estimates its Incurred But Not Reported (IBNR) claims based on a multiyear analysis of average claims paid. The Town purchases individual stop loss insurance for claims in excess of the coverage provided by the Town in the amount of \$100,000 per claim. At June 30, 2015, the amount of

the liability for health insurance claims totaled \$852,980. This liability is the Town’s best estimate based on available information. The Town has elected to record a conservative estimate using the high range of the estimated potential liability. Changes in the reported liability since July 1, 2013, are as follows:

	Balance at Beginning of Year		Current Year Claims and Changes in Estimate		Claims Payments		Balance at Year-End
2014.....	\$ 834,708	\$	9,838,671	\$	(9,653,908)	\$	1,019,471
2015.....	1,019,471		9,134,860		(9,301,351)		852,980

(b) *Workers’ Compensation*

Workers’ compensation claims are administered by a third party administrator and are funded on a pay-as-you-go basis from annual appropriations. The estimated future workers’ compensation liability is based on history and injury type. At June 30, 2015, the amount of the liability for workers’ compensation claims was immaterial and is therefore not reported.

NOTE 11 – PENSION PLAN

Plan Descriptions

The Town is a member of the Plymouth County Contributory Retirement System (PCCRS), a cost-sharing multiple-employer defined benefit pension plan covering eligible employees of the 59 member units. The PCCRS is administered by five board members (Board) on behalf of all current employees and retirees except for current teachers and retired teachers. Chapter 32 of the MGL assigns authority to establish and amend benefit provisions of the plan. The audited financial report may be obtained by visiting <http://www.pcr-ma.org>.

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

Special Funding Situation

The Commonwealth is a nonemployer contributor and is required by statute to make 100% of all actuarially determined employer contributions on behalf of the Town to the MTRS. Therefore, the Town is considered to be in a special funding situation as defined by GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and the Commonwealth is a nonemployer contributor in MTRS. Since the Town does not contribute directly to MTRS, there is no net pension liability to recognize. The total of the Commonwealth provided contributions have been allocated based on each employer’s covered payroll to the total covered payroll of employers in MTRS as of the measurement date of June 30, 2014. The Town’s portion of the collective pension expense, contributed by the Commonwealth, of \$3,684,521 is reported in the general fund as intergovernmental

revenue and pension expense in the current fiscal year. The portion of the Commonwealth's collective net pension liability associated with the Town is \$53,033,926 as of the measurement date.

Benefits Provided

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

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

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

There were no changes of benefit terms that affected the total pension liability at December 31, 2014.

Contributions

Chapter 32 of the MGL governs the contributions of plan members and member units. Active plan members are required to contribute to the System at rates ranging from 5% to 9% of gross regular compensation with an additional 2% contribution required for compensation exceeding \$30,000. The percentage rate is keyed to the date upon which an employee's membership commences. The member units are required to pay into the PCCRS a legislatively mandated actuarial determined contribution that is apportioned among the employers based on active current payroll. The Town's proportionate share of the required contribution equaled its actual contribution for the year ended December 31, 2014, was \$3,004,465, 19.56% of covered payroll, actuarially determined as an amount that, when combined with plan member contributions, is expected to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability.

Pension Liabilities

At June 30, 2015, the Town reported a liability of \$28,862,001 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2015. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At December 31, 2014, the Town's proportion was 4.951%, which did not change from its proportion measured at December 31, 2013.

Pension Expense

For the year ended June 30, 2015, the Town recognized pension expense of \$2,984,805. At June 30, 2015, the Town reported deferred outflows of resources related to pensions of \$1,334,645, from the net difference between projected and actual investment earnings on pension plan investments. Since the System performs an actuarial valuation bi-annually, there are no reported differences between expected and actual experience. There were no reported changes in assumptions as of December 31, 2014.

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

Year ended June 30:	
2016.....	\$ 333,661
2017.....	333,661
2018.....	333,661
2019.....	<u>333,662</u>
 Total.....	 <u>\$ 1,334,645</u>

Actuarial Assumptions

The total pension liability in the January 1, 2015, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation date.....	January 1, 2015
Actuarial cost method.....	Individual Entry Age Normal Cost Method.
Amortization method.....	Level percent, open group
Remaining amortization period.....	17 years
Asset valuation method.....	Actuarially valued using a five-year smoothing method of gains and losses.
Rate of investment return.....	8.00%
Inflation rate.....	3.75%
Value of investments.....	Assets held by the fund are valued at market value as reported by the Public Employees' Retirement Administration Commission (PERAC).
Projected salary increases.....	3.75% per year
Cost of living adjustments.....	3.0% of the lessor of the pension amount and \$13,000 per year
Rates of retirement.....	Varies based upon age for general employees, police and fire employees.

- Rates of disability..... For general employees, it was assumed that 45% of all disabilities are ordinary (55% are service connected). For police and fire employees, 10% of all disabilities are assumed to be ordinary (90% are service connected).
- Mortality rates..... Pre-retirement and post retirement mortality are represented by the RP-2000 Mortality Table for males and females adjusted to 2015 with Scale AA. Disabled members is represented by the RP-2000 Mortality Table set forward two years for all disabled members.
- Family composition..... Assumption that 80% of members will be survived by a spouse, females are three years younger than males and males are three years older than females.

Investment policy

The pension plan’s policy in regard to the allocation of invested assets is established and may be amended by the Board and pursuant to Massachusetts General Laws and Public Employee Retirement Administration guidelines. Plan 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 pension plan.

The investment objective is to fully fund the Plan by generating sufficient long-term inflation adjusted capital appreciation while providing sufficient liquidity to meet short-term withdrawal requirements. The Board desires to balance the goal of higher long-term returns with the goal of minimizing contribution volatility, recognizing these are often competing goals. This requires taking both assets and liabilities into account when setting investment strategy.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan’s target asset allocation as of January 1, 2015 are summarized in the following table:

<u>Asset Class</u>	<u>Portfolio Target Weight</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity.....	33.00%	10.20%
Foreign equity.....	16.00%	11.00%
Total fixed income.....	25.50%	7.90%
Real estate/ real assets.....	13.00%	9.30%
Private equity.....	7.50%	14.60%
Hedge funds of funds.....	4.00%	8.70%
Cash.....	1.00%	4.00%

Rate of return

For the year ended December 31, 2014, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 4.7%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Discount rate

The discount rate used to measure the total pension liability was 8.00%. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and that contributions will be made at rates equal to the actuarially determined contribution rate. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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 8.00%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.00%) or 1-percentage-point higher (9.00%) than the current rate:

	<u>1% Decrease (7.00%)</u>	<u>Current Discount (8.00%)</u>	<u>1% Increase (9.00%)</u>
The Town's proportionate share of the net pension liability.....	\$ 36,354,323	\$ 28,862,001	\$ 22,481,958

NOTE 12 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

Plan Description – The Town of Duxbury administers a single-employer defined benefit healthcare plan (Plan). The Plan provides lifetime healthcare and life insurance for eligible retirees and their spouses through the Town’s group health and life insurance plans, which covers both active and retired members. Chapter 32B of the MGL assigns authority to establish and amend benefit provisions of the plan. Benefit provisions are negotiated between the Town and the unions representing Town employees and are renegotiated each bargaining period. The Retiree Health Plan does not issue a publicly available financial report.

As of the most recent actuarial valuation, the plan’s membership consisted of the following:

Current retirees, beneficiaries, and dependents...	487
Current active members.....	<u>656</u>
Total.....	<u><u>1,143</u></u>

Funding Policy – Contribution requirements are also negotiated between the Town and union representatives. The required contribution is based on a pay-as-you-go financing requirement. The Town contributes 50% of the cost of current-year premiums for eligible retired plan members and their spouses. Plan members receiving benefits contribute the remaining 50% of their premium costs. For 2015, the Town contributed approximately \$2.3 million to the plan. Administrative costs of the plan are assumed to be included in plan premiums.

Annual OPEB Cost and Net OPEB Obligation – The Town’s annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The components of the Town’s

annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Town's net OPEB obligation are summarized in the following table:

Annual Required Contribution.....	\$	3,720,922
Interest on net OPEB obligation.....		1,690,777
Adjustment to annual required contribution.....		<u>(1,340,557)</u>
Annual OPEB Cost (expense).....		4,071,142
Annual Employer Contributions.....		<u>(2,285,335)</u>
Increase/Decrease in net OPEB obligation.....		1,785,807
Net OPEB obligation - beginning of year.....		<u>28,180,000</u>
Net OPEB obligation - end of year.....	\$	<u><u>29,965,807</u></u>

The Town's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2015 was as follows:

<u>Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
6/30/2015	\$ 4,071,142	56%	\$ 29,965,807
6/30/2014	3,880,000	62%	28,180,000
6/30/2013	8,161,000	30%	20,688,000

Funded Status and Funding Progress – The funded status of the Plan as of the most recent actuarial valuation dates is as follows:

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (A)</u>	<u>Actuarial Accrued Liability (AAL) Projected Unit Credit (B)</u>	<u>Unfunded AAL (UAAL) (B-A)</u>	<u>Funded Ratio (A/B)</u>	<u>Covered Payroll (C)</u>	<u>UAAL as a Percentage of Covered Payroll ((B-A)/C)</u>
6/30/2014	\$ 712,978	\$ 45,389,676	\$ 44,676,698	2%	\$ 39,817,927	112.2%
6/30/2012	-	87,999,907	87,999,907	0%	37,469,000	234.9%
7/1/2009	-	66,675,309	66,675,309	0%	36,043,157	185.0%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions – Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of

benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the June 30, 2014 actuarial valuation, actuarial liabilities were determined using the projected unit credit cost method. The actuarial assumptions included a 6.00% partially funded rate of return, net of investment expenses; 3.25% projected salary increases; and an annual medical/drug cost trend rate of 6.5% initially, graded to 4.5% over 5 years, and an inflation rate of 3.25%. The UAAL is being amortized over an open 30 year period using a level percent of pay. The asset valuation method being used is market value. The remaining amortization period at June 30, 2015, is 30 years.

NOTE 13 – COMMITMENTS

During 2015, the Town substantially completed work on construction of the Middle School/High School project. In June the Town sold an additional \$4.5 million in bonds in addition to the \$70 million previously issued. The intention is to borrow a maximum of \$3.5 million at the conclusion of the post-completion audit. \$5.9 million in borrowing authority still remains for this project.

NOTE 14 – CONTINGENCIES

The Town participates in a number of federal award programs. Although the grant programs have been audited in accordance with the provisions of the Single Audit Act Amendments of 1996 through June 30, 2015, these programs are still subject to financial and compliance audits. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although it is expected such amounts, if any, to be immaterial.

Various legal actions and claims are pending. 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, 2015, cannot be ascertained, management believes any resulting liability should not materially affect the financial position at June 30, 2015.

During 2013, the Town lost a lawsuit totaling \$839,806 for public bidding violations related to the award of a management contract for the Town's municipal golf course. The Town is appealing the judgment on several legal and factual theories. If it wins the appeal, it will not be liable for any damages, fees, costs or interest. If it loses, it will be liable for the judgment plus appellate attorneys' fees and post-judgment interest. The outcome cannot be predicted.

NOTE 15 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 22, 2015, which is the date the financial statements were available to be issued.

NOTE 16 – REVISION OF NET POSITION

Beginning net position of governmental activities, business-type activities and each applicable enterprise fund has been revised to reflect the implementation of GASB Statements #68 and #71. The revised balances are summarized in the following table:

	06/30/2014 Previously Reported Balances	Implementation of GASBS #68 and #71	06/30/2014 Revised Balances
Government-Wide Financial Statements			
Governmental activities.....	\$ 125,347,529	\$ (26,309,864)	\$ 99,037,665
Business-type activities.....	<u>14,404,777</u>	<u>(1,178,773)</u>	<u>13,226,004</u>
Total.....	<u>\$ 139,752,306</u>	<u>\$ (27,488,637)</u>	<u>\$ 112,263,669</u>
Business-type Activities - Enterprise Funds			
Water.....	\$ 14,002,191	\$ (877,051)	\$ 13,125,140
Percy Walker Pool.....	<u>402,586</u>	<u>(301,722)</u>	<u>100,864</u>
Total.....	<u>\$ 14,404,777</u>	<u>\$ (1,178,773)</u>	<u>\$ 13,226,004</u>

NOTE 17 – IMPLEMENTATION OF NEW GASB PRONOUNCEMENTS

During 2015, the following GASB pronouncements were implemented:

- GASB Statement #67, *Financial Reporting for Pension Plans*; GASB Statement #68, *Accounting and Financial Reporting for Pensions*; and GASB Statement #71 *Pension Transition for Contributions Made Subsequent to the Measurement Date*. Financial statement changes include the recognition of a net pension liability, pension expense and deferred outflows/inflows of resources depending on the nature of the change each year. The financial statements also recognized a restatement of the beginning net position to reflect the net pension liability at the beginning of the year. The notes to the basic financial statements and the required supplementary information were expanded to include additional required schedules and disclosures.
- GASB Statement #69, *Governmental Combinations and Disposals of Government Operations*. This pronouncement did not impact the basic financial statements.

The following GASB pronouncements will be implemented in the future:

- The GASB issued Statement #72, *Fair Value Measurement and Application*, which is required to be implemented in 2016.
- The GASB issued Statement #73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. The provisions of this Statement are effective for 2016—except those provisions that address employers and governmental non-employer contributing entities for pensions that are not within the scope of Statement 68, which is required to be implemented in 2017.

- The GASB issued Statement #74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, which is required to be implemented in 2017.
- The GASB issued Statement #75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which is required to be implemented in 2018.
- The GASB issued Statement #76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, which is required to be implemented in 2016.
- The GASB issued Statement #77, *Tax Abatement Disclosures*, which is required to be implemented in 2017.

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

Required Supplementary Information

General Fund

Budgetary Comparison Schedule

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

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2015

	Budgeted Amounts					Amounts Carried Forward To Next Year	Variance to Final Budget
	Amounts Carried forward From Prior Year	Current Year Initial Budget	Original Budget	Final Budget	Actual		
REVENUES:							
Real estate and personal property taxes, net of tax refunds.....	\$ -	\$ 54,486,038	\$ 54,486,038	\$ 54,486,038	\$ 54,257,444	\$ -	\$ (228,594)
Tax and trash liens.....	-	-	-	-	17,089	-	17,089
Motor vehicle and other excise taxes.....	-	2,165,000	2,165,000	2,165,000	2,477,536	-	312,536
Sewer charges.....	-	240,000	240,000	240,000	212,226	-	(27,774)
Trash disposal.....	-	530,000	530,000	530,000	605,573	-	75,573
Intergovernmental.....	-	5,900,406	5,900,406	5,900,406	5,945,027	-	44,621
Departmental and other.....	-	3,898,500	3,898,500	3,898,500	4,899,008	-	1,000,508
Investment income.....	-	205,824	205,824	205,824	140,447	-	(65,377)
TOTAL REVENUES.....	-	67,425,768	67,425,768	67,425,768	68,554,350	-	1,128,582
EXPENDITURES:							
Current:							
General government							
Town Meeting							
Expenditures.....	-	3,650	3,650	3,650	2,529	-	1,121
Town Moderator							
Salaries.....	-	40	40	40	-	-	40
Selectmen							
Salaries.....	-	242,798	242,798	240,798	226,625	-	14,173
Expenditures.....	135	13,800	13,935	14,005	10,064	149	3,792
Articles.....	72,723	600,000	672,723	672,723	600,000	72,723	-
Total.....	72,858	856,598	929,456	927,526	836,689	72,872	17,965
Finance Committee							
Expenditures.....	-	450	450	450	204	-	246
Information Systems							
Salaries.....	-	158,980	158,980	154,075	140,037	-	14,038
Expenditures.....	43,329	199,798	243,127	250,328	236,370	12,476	1,482
Articles.....	482,386	100,000	582,386	582,386	270,213	312,173	-
Total.....	525,715	458,778	984,493	986,789	646,620	324,649	15,520
Finance Director							
Salaries.....	-	114,460	114,460	116,750	116,750	-	-
Expenditures.....	-	3,150	3,150	3,150	2,429	-	721
Total.....	-	117,610	117,610	119,900	119,179	-	721
Accounting							
Salaries.....	-	214,107	214,107	221,009	218,168	-	2,841
Expenditures.....	-	8,380	8,380	8,380	6,761	447	1,172
Total.....	-	222,487	222,487	229,389	224,929	447	4,013
Audit							
Expenditures.....	-	43,610	43,610	43,610	43,610	-	-
Assessor							
Salaries.....	-	204,322	204,322	211,683	211,638	-	45
Expenditures.....	-	25,385	25,385	25,610	24,516	201	893
Articles.....	-	17,965	17,965	17,965	17,110	855	-
Total.....	-	247,672	247,672	255,258	253,264	1,056	938
Treasurer/Collector							
Salaries.....	-	252,692	252,692	259,110	253,421	-	5,689
Expenditures.....	13,040	46,650	59,690	59,690	47,301	4,233	8,156
Total.....	13,040	299,342	312,382	318,800	300,722	4,233	13,845
Legal							
Expenditures.....	16,437	270,000	286,437	315,551	244,004	71,547	-

(Continued)

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2015

	Budgeted Amounts					Amounts Carried Forward To Next Year	Variance to Final Budget
	Amounts Carried forward From Prior Year	Current Year Initial Budget	Original Budget	Final Budget	Actual		
Human Resources							
Salaries.....	-	114,205	114,205	116,905	116,879	-	26
Expenditures.....	1,232	30,660	31,892	45,383	28,849	2,958	13,576
Articles.....	65,524	85,000	150,524	36,992	384	36,608	-
Total.....	66,756	229,865	296,621	199,280	146,112	39,566	13,602
Town Clerk							
Salaries.....	-	111,423	111,423	111,811	110,908	-	903
Expenditures.....	679	4,200	4,879	5,379	4,712	310	357
Total.....	679	115,623	116,302	117,190	115,620	310	1,260
Election/Registration							
Salaries.....	-	22,210	22,210	22,210	21,844	-	366
Expenditures.....	494	20,400	20,894	21,194	20,437	-	757
Total.....	494	42,610	43,104	43,404	42,281	-	1,123
Conservation							
Salaries.....	-	128,848	128,848	132,574	131,451	-	1,123
Expenditures.....	1,547	12,200	13,747	13,747	10,613	3,042	92
Articles.....	250	-	250	250	-	250	-
Total.....	1,797	141,048	142,845	146,571	142,064	3,292	1,215
Planning Board							
Salaries.....	-	106,749	106,749	114,075	112,813	-	1,262
Expenditures.....	86	9,700	9,786	9,786	7,752	107	1,927
Total.....	86	116,449	116,535	123,861	120,565	107	3,189
Tax Title							
Expenditures.....	262	8,000	8,262	8,262	262	-	8,000
Historical Commission							
Expenditures.....	-	200	200	200	130	70	-
Total General Government.....	698,124	3,174,032	3,872,156	3,839,731	3,238,784	518,149	82,798
Public safety							
Police							
Salaries.....	-	2,805,913	2,805,913	2,992,297	2,980,747	-	11,550
Expenditures.....	23,158	324,700	347,858	373,471	300,846	38,007	34,618
Articles.....	21,357	64,842	86,199	80,919	57,889	23,030	-
Total.....	44,515	3,195,455	3,239,970	3,446,687	3,339,482	61,037	46,168
Fire							
Salaries.....	-	2,746,423	2,746,423	2,898,099	2,826,940	-	71,159
Expenditures.....	1,164	286,005	287,169	262,241	248,319	4,320	9,602
Articles.....	63,600	171,000	234,600	183,500	170,033	13,467	-
Total.....	64,764	3,203,428	3,268,192	3,343,840	3,245,292	17,787	80,761
Municipal Services							
Salaries.....	-	413,404	413,404	427,446	414,412	-	13,034
Expenditures.....	6,213	84,100	90,313	102,883	97,275	5,573	35
Total.....	6,213	497,504	503,717	530,329	511,687	5,573	13,069
Harbormaster/Beach Management							
Salaries.....	-	247,955	247,955	259,685	255,339	-	4,346
Expenditures.....	556	25,700	26,256	32,754	31,414	1,340	-
Articles.....	76,826	4,000	80,826	80,826	8,005	72,821	-
Total.....	77,382	277,655	355,037	373,265	294,758	74,161	4,346
Total Public Safety.....	192,874	7,174,042	7,366,916	7,694,121	7,391,219	158,558	144,344
Education							
Salaries and Expenditures.....	454,728	31,933,458	32,388,186	32,538,186	32,280,511	158,658	99,017
Articles.....	18,825	50,000	68,825	87,651	40,125	47,526	-
Total.....	473,553	31,983,458	32,457,011	32,625,837	32,320,636	206,184	99,017

(Continued)

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2015

	Budgeted Amounts					Actual	Amounts Carried Forward To Next Year	Variance to Final Budget
	Amounts Carried forward From Prior Year	Current Year Initial Budget	Original Budget	Final Budget				
Public Works								
DPW Management								
Salaries.....	-	268,785	268,785	264,954	251,490	-	13,464	
Expenditures.....	26,194	56,150	82,344	77,344	68,140	3,605	5,599	
Articles.....	93,006	-	93,006	76,106	-	76,106	-	
Total.....	119,200	324,935	444,135	418,404	319,630	79,711	19,063	
Vehicle Maintenance								
Salaries.....	-	151,111	151,111	145,410	141,257	-	4,153	
Expenditures.....	877	104,000	104,877	112,577	101,220	1,391	9,966	
Total.....	877	255,111	255,988	257,987	242,477	1,391	14,119	
Highway Department								
Salaries.....	-	447,171	447,171	455,171	455,090	-	81	
Expenditures.....	-	70,500	70,500	70,500	64,538	2,419	3,543	
Articles.....	-	207,359	207,359	207,359	173,472	33,887	-	
Total.....	-	725,030	725,030	733,030	693,100	36,306	3,624	
Snow & Ice								
Salaries.....	-	60,000	60,000	224,682	159,234	-	65,448	
Expenditures.....	-	111,000	111,000	353,881	351,380	2,501	-	
Total.....	-	171,000	171,000	578,563	510,614	2,501	65,448	
Fuel Depot								
Expenditures.....	96	312,000	312,096	302,736	233,386	20,786	48,564	
Land & Natural Resources								
Salaries.....	-	432,387	432,387	410,991	410,836	-	155	
Expenditures.....	422	41,300	41,722	41,722	41,258	45	419	
Articles.....	-	13,520	13,520	13,520	13,358	162	-	
Total.....	422	487,207	487,629	466,233	465,452	207	574	
Street Lights								
Expenditures.....	2,177	36,000	38,177	41,677	38,304	3,113	260	
Transfer Station								
Salaries.....	-	225,060	225,060	222,658	197,469	-	25,189	
Expenditures.....	6,467	520,700	527,167	587,167	571,988	7,902	7,277	
Total.....	6,467	745,760	752,227	809,825	769,457	7,902	32,466	
Sewer Department								
Salaries.....	-	15,788	15,788	16,308	16,298	-	10	
Expenditures.....	3,054	170,600	173,654	237,385	136,489	94,824	6,072	
Total.....	3,054	186,388	189,442	253,693	152,787	94,824	6,082	
Cemetery								
Salaries.....	-	392,726	392,726	379,980	372,508	-	7,472	
Expenditures.....	1,443	178,550	179,993	179,993	173,933	1,229	4,831	
Articles.....	18,624	357,280	375,904	375,904	30,203	345,701	-	
Total.....	20,067	928,556	948,623	935,877	576,644	346,930	12,303	
Central Building								
Salaries.....	-	59,396	59,396	55,384	55,381	-	3	
Expenditures.....	12,229	255,400	267,629	262,609	252,874	7,774	1,961	
Total.....	12,229	314,796	327,025	317,993	308,255	7,774	1,964	
Animal Control								
Salaries.....	-	77,491	77,491	78,126	73,807	-	4,319	
Expenditures.....	-	7,200	7,200	7,200	6,374	-	826	
Total.....	-	84,691	84,691	85,326	80,181	-	5,145	

(Continued)

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2015

	Budgeted Amounts					Amounts Carried Forward To Next Year	Variance to Final Budget
	Amounts Carried forward From Prior Year	Current Year Initial Budget	Original Budget	Final Budget	Actual		
Tarklin Building							
Expenditures.....	50	11,550	11,600	11,600	8,901	-	2,699
Facilities Management							
Salaries.....	-	120,000	120,000	121,320	119,012	-	2,308
Expenditures.....	-	2,800	2,800	2,800	2,112	-	688
Total.....	-	122,800	122,800	124,120	121,124	-	2,996
Total Public Works.....	164,639	4,705,824	4,870,463	5,337,064	4,520,312	601,445	215,307
Human services							
Council on Aging							
Salaries.....	-	381,882	381,882	386,705	372,325	-	14,380
Expenditures.....	462	133,080	133,542	136,042	126,137	9,043	862
Articles.....	-	7,250	7,250	7,250	6,896	354	-
Total.....	462	522,212	522,674	529,997	505,358	9,397	15,242
Veterans							
Salaries.....	-	24,036	24,036	24,515	24,515	-	-
Expenditures.....	433	116,925	117,358	117,358	93,724	841	22,793
Total.....	433	140,961	141,394	141,873	118,239	841	22,793
Plymouth County Cooperative							
Expenditures.....	-	400	400	400	-	-	400
Total Human Services.....	895	663,573	664,468	672,270	623,597	10,238	38,435
Culture and Recreation							
Library							
Salaries.....	-	939,334	939,334	960,199	939,539	-	20,660
Expenditures.....	8,383	308,739	317,122	322,622	284,547	13,935	24,140
Articles.....	24,184	300,000	324,184	309,884	298,990	10,894	-
Total.....	32,567	1,548,073	1,580,640	1,592,705	1,523,076	24,829	44,800
Recreation							
Salaries.....	-	164,428	164,428	169,456	169,162	-	294
Expenditures.....	-	850	850	850	480	-	370
Total.....	-	165,278	165,278	170,306	169,642	-	664
North Hill							
Expenditures.....	-	2,000	2,000	70,000	69,703	-	297
Articles.....	4,275	11,500	15,775	15,775	9,330	6,445	-
Total.....	4,275	13,500	17,775	85,775	79,033	6,445	297
Lifeguards							
Salaries.....	-	18,900	18,900	18,900	15,787	-	3,113
Expenditures.....	-	950	950	950	864	-	86
Total.....	-	19,850	19,850	19,850	16,651	-	3,199
Public Celebrations							
Expenditures.....	-	3,000	3,000	3,000	2,785	-	215
Articles.....	-	15,000	15,000	15,000	-	15,000	-
Total.....	-	18,000	18,000	18,000	2,785	15,000	215
Total Culture and Recreation.....	36,842	1,764,701	1,801,543	1,886,636	1,791,187	46,274	49,175
Pension Benefits							
Contributory Retirement.....	-	2,818,619	2,818,619	2,818,619	2,818,619	-	-
Non-Contributory Retirement.....	-	20,000	20,000	20,000	19,946	-	54
Total.....	-	2,838,619	2,838,619	2,838,619	2,838,565	-	54
Property and Liability Insurance.....	-	401,017	401,017	401,017	380,564	-	20,453
Employee Benefits.....	-	7,050,896	7,050,896	6,967,575	6,673,526	-	294,049

(Continued)

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2015

	Budgeted Amounts					Actual	Amounts Carried Forward To Next Year	Variance to Final Budget
	Amounts Carried forward From Prior Year	Current Year Initial Budget	Original Budget	Final Budget				
Reserve fund.....	-	108,000	108,000	7,309	-	-	7,309	
State and County Charges.....	-	532,391	532,391	532,391	485,681	-	46,710	
Debt Service								
Debt Service Principal.....	-	5,586,053	5,586,053	5,571,053	5,571,053	-	-	
Debt Service Interest.....	-	3,262,792	3,262,792	3,130,790	3,112,964	-	17,826	
Total.....	-	8,848,845	8,848,845	8,701,843	8,684,017	-	17,826	
TOTAL EXPENDITURES.....	1,566,927	69,245,398	70,812,325	71,504,413	68,948,088	1,540,848	1,015,477	
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	(1,566,927)	(1,819,630)	(3,386,557)	(4,078,645)	(393,738)	(1,540,848)	2,144,059	
OTHER FINANCING SOURCES (USES):								
Premium from issuance of bonds.....	-	-	-	-	152,750	-	152,750	
Transfers in.....	-	430,113	430,113	417,613	427,344	-	9,731	
Transfers out.....	-	(298,651)	(298,651)	(1,015,351)	(1,015,351)	-	-	
TOTAL OTHER FINANCING SOURCES (USES).....	-	131,462	131,462	(597,738)	(435,257)	-	162,481	
NET CHANGE IN FUND BALANCE.....	(1,566,927)	(1,688,168)	(3,255,095)	(4,676,383)	(828,995)	(1,540,848)	2,306,540	
BUDGETARY FUND BALANCE, Beginning of year....	-	12,769,794	12,769,794	12,769,794	12,769,482	-	-	
BUDGETARY FUND BALANCE, End of year.....	\$ (1,566,927)	\$ 11,081,626	\$ 9,514,699	\$ 8,093,411	\$ 11,940,487	\$ (1,540,848)	\$ 2,306,540	

(Concluded)

See notes to required supplementary information.

Pension Plan Schedules

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

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

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

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

**SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
PLYMOUTH COUNTY CONTRIBUTORY RETIREMENT SYSTEM**

	December 31, 2014
Town's proportion of the net pension liability (asset).....	4.951%
Town's proportionate share of the net pension liability (asset)..... \$	28,862,001
Town's covered employee payroll (*)..... \$	15,363,907
Net pension liability as a percentage of covered-employee payroll.....	187.86%
Plan fiduciary net position as a percentage of the total pension liability.....	58.88%

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

*Covered employee payroll as reported in the January 1, 2014, funding
valuation report.

See notes to required supplementary information.

SCHEDULE OF TOWN'S CONTRIBUTIONS
PLYMOUTH COUNTY CONTRIBUTORY RETIREMENT SYSTEM

	December 31, 2014
Actuarially determined contribution (a).....	\$ 3,004,465
Contributions in relation to the actuarially determined contribution.....	(3,004,465)
Contribution deficiency (excess).....	\$ -
 Covered-employee payroll (*).....	\$ 15,363,907
 Contributions as a percentage of covered- employee payroll.....	19.56%

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

(a) Based on the results of the January 1, 2012 actuarial
valuation (including assumptions and methods) which
determined budgeted appropriations for fiscal 2015.

*Covered employee payroll as reported in the January 1, 2014
funding valuation report.

See notes to required supplementary information.

**SCHEDULE OF THE SPECIAL FUNDING AMOUNTS
OF THE NET PENSION LIABILITY
MASSACHUSETTS TEACHERS' RETIREMENT SYSTEM**

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

<u>Fiscal Year</u>	<u>Commonwealth's 100% Share of the Net Pension Liability Associated with the Town</u>	<u>Town's Expense and Revenue Recognized for the Commonwealth's Support</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Liability</u>
2015	\$ 53,033,926	\$ 3,684,521	61.64%

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

See notes to required supplementary information.

Other Postemployment Benefit Plan Schedules

The Schedule of Funding progress compares, over time, the actuarial accrued liability for benefits with the actuarial value of accumulated plan assets.

The Schedule of Employer Contributions compares, overtime, the annual required contributions to the actual contributions made.

The Schedule of Actuarial Methods and Assumptions presents factors that significantly affect the identification of trends in the amounts reported.

OTHER POSTEMPLOYMENT BENEFIT PLAN
SCHEDULE OF FUNDING PROGRESS AND EMPLOYER CONTRIBUTIONS

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Accrued Liability (AAL) Projected Unit Credit (B)	Unfunded AAL (UAAL) (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	UAAL as a Percentage of Covered Payroll ((B-A)/C)
6/30/2014	\$ 712,978	\$ 45,389,676	\$ 44,676,698	2%	\$ 39,817,927	112.2%
6/30/2012	-	87,999,907	87,999,907	0%	37,469,000	234.9%
7/1/2009	-	66,675,309	66,675,309	0%	36,043,157	185.0%

Schedule of Employer Contributions

Year Ended	Annual Required Contribution	Actual Contributions Made	Percentage Contributed
2015	\$ 3,720,922	\$ 2,285,335	61%
2014	3,548,000	2,388,000	67%
2013	8,203,000	2,440,000	30%
2012	7,683,000	2,259,000	29%
2011	6,467,000	2,068,000	32%
2010	6,059,000	1,916,000	32%

See notes to required supplementary information.

OTHER POSTEMPLOYMENT BENEFIT PLAN
ACTUARIAL METHODS AND ASSUMPTIONS

Actuarial Methods:

Valuation date.....	June 30, 2014
Actuarial cost method.....	Projected Unit Credit
Amortization method.....	Level percentage of payroll over a 30 year period
Remaining amortization period.....	30 years as of June 30, 2014, open

Actuarial Assumptions:

Investment rate of return.....	6.00% for a partial prefunded plan
Inflation rate/projected salary increases.....	3.25%
Medical/drug cost trend rate.....	6.5% graded to 4.5% over 5 years

Plan Membership:

Current retirees, beneficiaries, and dependents...	487
Current active members.....	<u>656</u>
 Total.....	 <u><u>1,143</u></u>

See notes to required supplementary information.

NOTE A – BUDGETARY BASIS OF ACCOUNTING**A. Budgetary Information**

Municipal Law requires the Town to adopt a balanced budget that is approved at the annual town meeting. The Town Manager presents an annual budget to the Board of Selectmen, Finance Committee and the Fiscal Advisory Committee, which includes estimates of revenues and other financing sources and recommendations of expenditures and other financing uses. Expenditures are budgeted by categories that are broken down by personal services, expenses, debt service and capital outlay and are mandated by Municipal Law.

Supplementary appropriations are voted at special town meetings.

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. These carry forwards are included as part of the subsequent year's original budget.

Generally, expenditures may not exceed the legal level of spending (salaries, expenses and capital) authorized for an appropriation account. However, the payment of debt service is statutorily required, regardless of whether such amounts are appropriated. Additionally, expenditures for disasters, natural or otherwise, and final judgments may exceed the level of spending authorized.

The Town adopts an annual budget for the General Fund in conformity with the guidelines described above. The original 2015 approved budget for the General Fund includes \$69.5 million in current year appropriations and other amounts to be raised and \$1.6 million in encumbrances and appropriations carried over from previous years. During 2015, the Town approved various transfers within appropriation lines in the General Fund along with supplemental appropriations totaling \$1.4 million used primarily to fund contract negotiations (\$190,000), snow and ice deficit (\$390,000), the Other Postemployment Benefit Trust Fund (\$250,000), the Stabilization Trust Fund (\$50,000), the Pension Reserve Fund (\$100,000), Unemployment (\$130,000), to establish an Accrued Liabilities and Compensated Absence Trust Fund (\$100,000), and various other expenditure increases totaling (\$155,000).

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

B. Budgetary - GAAP Reconciliation

For budgetary financial reporting purposes, the Uniform Municipal 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 year ended June 30, 2015, is presented on the following page.

Net Change in Fund Balance - budgetary basis.....	\$	(828,995)
<u>Perspective difference:</u>		
Activity of the stabilization funds recorded in the general fund for GAAP.....		154,315
Activity of the pension, unemployment, and compensated absence trust funds recorded in the general fund for GAAP.....		222,462
<u>Basis of accounting differences:</u>		
Net change in revenue accrual.....		(53,123)
Net change in expenditure accrual.....		(425,000)
Recognition of revenue for on-behalf payments.....		3,684,521
Recognition of expenditures for on-behalf payments.....		<u>(3,684,521)</u>
Net Change in Fund Balance - GAAP basis.....	\$	<u><u>(930,341)</u></u>

NOTE B – PENSION PLAN

Pension Plan Schedules

A. Schedule of the Town's Proportionate Share of the Net Pension Liability

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

B. Schedule of Town's Contributions

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

C. Schedule of the Special Funding Amounts of the Net Pension Liabilities

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

D. Changes in Assumptions - None

E. Changes in Plan Provisions - None

NOTE C – OTHER POSTEMPLOYMENT BENEFITS PLAN

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

The Town currently finances the majority of its other postemployment benefits (OPEB) on a pay-as-you-go basis. As a result, the funded ratio (actuarial value of assets expressed as a percentage of the actuarial accrued liability) is 2%. In accordance with Governmental Accounting Standards, the Town has recorded its OPEB cost equal to the actuarial determined annual required contribution (ARC) which includes the normal cost of providing benefits for the year and a component for the amortization of the total unfunded actuarial accrued liability of the plan.

The Schedule of Funding Progress presents multiyear trend information which compares, over time, the actuarial accrued liability for benefits with the actuarial value of accumulated plan assets.

Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The Schedule of Employer Contributions compares, overtime, the Annual Required Contributions to the Actual Contributions made.

The Schedule of Actuarial Methods and Assumptions presents factors that significantly affect the identification of trends in the amounts reported.

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Other Supplementary Information

Combining and Individual Fund Statements

The combining and individual fund financial statements provide a more detailed view of the “Basic Financial Statements” presented in the preceding subsection.

Combining statements are presented when there are more than one fund of a given fund type.

Individual fund statements offer more descriptive account information.

Nonmajor Governmental Funds

Fund Description

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than permanent funds or capital project funds) that are restricted by law or administrative action to expenditures for specific purposes. The Town's grouping for nonmajor special revenue funds is as described as follows:

- ***School Lunch*** – accounts for the operations of the public school lunch program.
- ***School Gifts & Grants*** – accounts for educational programs specifically financed by gifts, grants and other restricted revenues.
- ***School Revolving*** – accounts for self-supporting educational programs and activities.
- ***Recreation Revolving*** – accounts for self-supporting recreational programs and activities.
- ***Receipts Reserved for Appropriation*** – accounts for the sale of cemetery lots.
- ***Town Gifts & Grants*** – accounts for various gifts, grants and legally restricted revenues for special programs administered by Town departments.
- ***Town Revolving*** – accounts for self-supporting programs and activities.
- ***Affordable Housing*** – accounts for activity related to the creation and preservation of affordable housing.
- ***Special Revenue Trust Funds*** – accounts for statutory trust accounts that may be spent to support the government.

Capital Projects Funds

Capital Projects Funds are used to account for financial resources to be used for the acquisition, construction or improvement of major capital assets (other than those financed by enterprise funds). Such resources are derived principally from proceeds of general obligation bonds and grants. The Town's grouping for nonmajor capital project funds is as described as follows:

- ***Miscellaneous Small Projects*** – accounts for nonmajor capital projects.
- ***Powder Point Bridge*** – accounts for the renovation of the Powder Point Bridge.
- ***Public Safety Buildings*** – accounts for the renovations to the fire station.
- ***Crematory*** – accounts for the construction of the new crematory and various cemetery projects.

Permanent Funds

Permanent Funds are used to account for financial resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support governmental programs. The Town's grouping for non-major permanent funds is as described as follows:

- ***Town Services Fund*** – accounts for the Town's cemetery and other trust funds that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support governmental programs.

**NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET**

JUNE 30, 2015

	Special Revenue Funds					
	School Lunch	School Gifts & Grants	School Revolving	Recreation Revolving	Receipts Reserved for Appropriations	Town Gifts & Grants
ASSETS						
Cash and cash equivalents.....	\$ 286,337	\$ 728,344	\$ 2,049,931	\$ 93,318	\$ 453,946	\$ 557,972
Investments.....	-	-	-	-	-	-
Receivables, net of uncollectibles:						
Departmental and other.....	-	-	-	-	-	-
TOTAL ASSETS.....	\$ 286,337	\$ 728,344	\$ 2,049,931	\$ 93,318	\$ 453,946	\$ 557,972
LIABILITIES						
Warrants payable.....	\$ 3,936	\$ 53,500	\$ 83,025	\$ 15,608	\$ -	\$ 20,056
Accrued payroll.....	-	2,937	20,374	5,156	-	17,554
Other liabilities.....	-	-	276,230	62,554	-	-
TOTAL LIABILITIES.....	3,936	56,437	379,629	83,318	-	37,610
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenues.....	-	-	-	-	-	-
FUND BALANCES						
Nonspendable.....	-	-	-	-	-	-
Restricted.....	282,401	671,907	1,670,302	10,000	453,946	520,362
TOTAL FUND BALANCES.....	282,401	671,907	1,670,302	10,000	453,946	520,362
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES...	\$ 286,337	\$ 728,344	\$ 2,049,931	\$ 93,318	\$ 453,946	\$ 557,972

Special Revenue Funds				Capital Project Funds		
Town Revolving	Affordable Housing	Special Revenue Trust Funds	Subtotal	Miscellaneous Small Projects	Powder Point Bridge	Public Safety Buildings
\$ 16,827	\$ 55,172	\$ 178,768	\$ 4,420,615	\$ 41,463	\$ 63,679	\$ 28,339
-	737,838	56,586	794,424	-	-	-
<u>83,989</u>	<u>-</u>	<u>-</u>	<u>83,989</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 100,816</u>	<u>\$ 793,010</u>	<u>\$ 235,354</u>	<u>\$ 5,299,028</u>	<u>\$ 41,463</u>	<u>\$ 63,679</u>	<u>\$ 28,339</u>
\$ 3,993	\$ -	\$ -	\$ 180,118	\$ -	\$ -	\$ -
8,438	-	-	54,459	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>338,784</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>12,431</u>	<u>-</u>	<u>-</u>	<u>573,361</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>83,989</u>	<u>-</u>	<u>-</u>	<u>83,989</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>4,396</u>	<u>793,010</u>	<u>235,354</u>	<u>4,641,678</u>	<u>41,463</u>	<u>63,679</u>	<u>28,339</u>
<u>4,396</u>	<u>793,010</u>	<u>235,354</u>	<u>4,641,678</u>	<u>41,463</u>	<u>63,679</u>	<u>28,339</u>
<u>\$ 100,816</u>	<u>\$ 793,010</u>	<u>\$ 235,354</u>	<u>\$ 5,299,028</u>	<u>\$ 41,463</u>	<u>\$ 63,679</u>	<u>\$ 28,339</u>

(Continued)

**NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET**

JUNE 30, 2015

	<u>Capital Project Funds</u>		<u>Permanent Funds</u>	Total Nonmajor Governmental Funds
	<u>Crematory</u>	<u>Subtotal</u>	Town	
			Services Fund	
ASSETS				
Cash and cash equivalents.....	\$ 1,463	\$ 134,944	\$ 163,307	\$ 4,718,866
Investments.....	-	-	3,463,684	4,258,108
Receivables, net of uncollectibles:				
Departmental and other.....	-	-	-	83,989
TOTAL ASSETS.....	\$ 1,463	\$ 134,944	\$ 3,626,991	\$ 9,060,963
LIABILITIES				
Warrants payable.....	\$ -	\$ -	9,763	\$ 189,881
Accrued payroll.....	-	-	-	54,459
Other liabilities.....	-	-	-	338,784
TOTAL LIABILITIES.....	-	-	9,763	583,124
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues.....	-	-	-	83,989
FUND BALANCES				
Nonspendable.....	-	-	2,205,823	2,205,823
Restricted.....	1,463	134,944	1,411,405	6,188,027
TOTAL FUND BALANCES.....	1,463	134,944	3,617,228	8,393,850
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES...	\$ 1,463	\$ 134,944	\$ 3,626,991	\$ 9,060,963

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NONMAJOR GOVERNMENTAL FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2015

	Special Revenue Funds					
	School Lunch	School Gifts & Grants	School Revolving	Recreation Revolving	Receipts Reserved for Appropriations	Town Gifts & Grants
REVENUES:						
Motor vehicle and other excise taxes.....	\$ -	\$ -	\$ -	\$ -	\$ 15,429	\$ -
Intergovernmental.....	83,912	1,512,043	-	-	-	569,762
Departmental and other.....	640,578	171,751	3,879,297	175,505	165,752	580,755
Contributions.....	-	-	-	-	-	232,936
Investment income.....	-	-	-	-	-	-
TOTAL REVENUES.....	724,490	1,683,794	3,879,297	175,505	181,181	1,383,453
EXPENDITURES:						
Current:						
General government.....	-	-	-	-	-	390,642
Public safety.....	-	-	-	-	-	542,415
Education.....	617,304	1,757,981	3,599,843	-	-	-
Public works.....	-	-	-	-	-	27,699
Human services.....	-	-	-	-	-	154,173
Culture and recreation.....	-	-	-	166,313	-	51,020
Pension benefits - Town.....	-	-	-	-	-	2,282
TOTAL EXPENDITURES.....	617,304	1,757,981	3,599,843	166,313	-	1,168,231
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	107,186	(74,187)	279,454	9,192	181,181	215,222
OTHER FINANCING SOURCES (USES):						
Sale of capital assets.....	-	-	-	-	241,000	-
Transfers in.....	-	-	-	-	-	-
Transfers out.....	-	(70)	(469)	(9,192)	(110,000)	-
TOTAL OTHER FINANCING SOURCES (USES).....	-	(70)	(469)	(9,192)	131,000	-
NET CHANGE IN FUND BALANCES.....	107,186	(74,257)	278,985	-	312,181	215,222
FUND BALANCES AT BEGINNING OF YEAR.....	175,215	746,164	1,391,317	10,000	141,765	305,140
FUND BALANCES AT END OF YEAR.....	\$ 282,401	\$ 671,907	\$ 1,670,302	\$ 10,000	\$ 453,946	\$ 520,362

Special Revenue Funds				Capital Project Funds		
Town Revolving	Affordable Housing	Special Revenue Trust Funds	Sub-total	Miscellaneous Small Projects	Powder Point Bridge	Public Safety Buildings
\$ -	\$ -	\$ -	\$ 15,429	\$ -	\$ -	\$ -
-	-	-	2,165,717	-	-	-
554,116	511,000	-	6,678,754	-	-	-
-	-	27,231	260,167	-	-	-
-	102,072	1,885	103,957	-	-	-
<u>554,116</u>	<u>613,072</u>	<u>29,116</u>	<u>9,224,024</u>	<u>-</u>	<u>-</u>	<u>-</u>
11,632	3,276	17,070	422,620	-	-	-
405,930	-	-	948,345	-	-	14,610
40,995	-	-	6,016,123	-	-	-
1,185	-	-	28,884	-	131,479	-
110,192	-	-	264,365	-	-	-
7,385	-	10,289	235,007	-	-	-
-	-	-	2,282	-	-	-
<u>577,319</u>	<u>3,276</u>	<u>27,359</u>	<u>7,917,626</u>	<u>-</u>	<u>131,479</u>	<u>14,610</u>
<u>(23,203)</u>	<u>609,796</u>	<u>1,757</u>	<u>1,306,398</u>	<u>-</u>	<u>(131,479)</u>	<u>(14,610)</u>
-	-	-	241,000	-	-	-
-	-	48,000	48,000	-	-	-
<u>(57,874)</u>	<u>-</u>	<u>-</u>	<u>(177,605)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(57,874)</u>	<u>-</u>	<u>48,000</u>	<u>111,395</u>	<u>-</u>	<u>-</u>	<u>-</u>
(81,077)	609,796	49,757	1,417,793	-	(131,479)	(14,610)
<u>85,473</u>	<u>183,214</u>	<u>185,597</u>	<u>3,223,885</u>	<u>41,463</u>	<u>195,158</u>	<u>42,949</u>
<u>\$ 4,396</u>	<u>\$ 793,010</u>	<u>\$ 235,354</u>	<u>\$ 4,641,678</u>	<u>\$ 41,463</u>	<u>\$ 63,679</u>	<u>\$ 28,339</u>

(Continued)

NONMAJOR GOVERNMENTAL FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2015

	<u>Capital Project Funds</u>		<u>Permanent Funds</u>	Total
	<u>Crematory</u>	<u>Sub-total</u>	Town Services Fund	Nonmajor Governmental Funds
REVENUES:				
Motor vehicle and other excise taxes.....	\$ -	\$ -	\$ -	\$ 15,429
Intergovernmental.....	-	-	-	2,165,717
Departmental and other.....	-	-	-	6,678,754
Contributions.....	-	-	58,853	319,020
Investment income.....	-	-	104,921	208,878
TOTAL REVENUES.....	-	-	163,774	9,387,798
EXPENDITURES:				
Current:				
General government.....	-	-	9,022	431,642
Public safety.....	-	14,610	-	962,955
Education.....	-	-	-	6,016,123
Public works.....	-	131,479	5,704	166,067
Human services.....	-	-	-	264,365
Culture and recreation.....	-	-	-	235,007
Pension benefits - Town.....	-	-	-	2,282
TOTAL EXPENDITURES.....	-	146,089	14,726	8,078,441
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	-	(146,089)	149,048	1,309,357
OTHER FINANCING SOURCES (USES):				
Sale of capital assets.....	-	-	-	241,000
Transfers in.....	-	-	-	48,000
Transfers out.....	(25,000)	(25,000)	-	(202,605)
TOTAL OTHER FINANCING SOURCES (USES).....	(25,000)	(25,000)	-	86,395
NET CHANGE IN FUND BALANCES.....	(25,000)	(171,089)	149,048	1,395,752
FUND BALANCES AT BEGINNING OF YEAR.....	26,463	306,033	3,468,180	6,998,098
FUND BALANCES AT END OF YEAR.....	\$ 1,463	\$ 134,944	\$ 3,617,228	\$ 8,393,850

(Concluded)

Agency Fund

Fund Description

Agency Fund is used to account for assets held in a purely custodial capacity. The Town's Agency Fund activity consists primarily of performance bonds, security deposits, and licenses and fees collected on-behalf of the state.

AGENCY FUND
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

YEAR ENDED JUNE 30, 2015

	<u>July 1, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2015</u>
ASSETS				
Cash and cash equivalents.....	\$ 217,956	\$ 135,759	\$ (169,431)	\$ 184,284
LIABILITIES				
Warrants payable.....	\$ 11,398	\$ 1,094	\$ (11,398)	\$ 1,094
Accrued liabilities.....	377	-	(377)	-
Liabilities due depositors.....	206,181	134,665	(157,656)	183,190
TOTAL LIABILITIES.....	\$ 217,956	\$ 135,759	\$ (169,431)	\$ 184,284

Statistical Section

Statistical tables differ from financial statements since they usually cover more than one year and may present nonaccounting data. The following tables reflect social and economic data, financial trends, and fiscal capacity.



Whale travelling through Duxbury Harbor

Statistical Section

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

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

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

Net Position By Component

Last Ten Years

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014 (1)</u>	<u>2015</u>
Governmental activities										
Net investment in capital assets.....	\$ 68,589,041	\$ 70,497,727	\$ 70,846,707	\$ 73,890,487	\$ 75,622,789	\$ 76,170,781	\$ 81,520,404	\$ 92,575,525	\$ 117,755,690	\$ 127,204,540
Restricted.....	2,924,351	2,616,217	2,817,488	2,630,344	2,967,897	3,556,664	3,634,743	3,809,125	4,944,484	4,809,497
Unrestricted.....	<u>12,989,854</u>	<u>13,825,901</u>	<u>15,660,425</u>	<u>12,286,665</u>	<u>10,146,293</u>	<u>8,172,334</u>	<u>1,690,298</u>	<u>3,581,453</u>	<u>(23,663,282)</u>	<u>(22,342,616)</u>
Total governmental activities net position.....	<u>\$ 84,503,246</u>	<u>\$ 86,939,845</u>	<u>\$ 89,324,620</u>	<u>\$ 88,807,496</u>	<u>\$ 88,736,979</u>	<u>\$ 87,899,779</u>	<u>\$ 86,845,445</u>	<u>\$ 99,966,103</u>	<u>\$ 99,036,892</u>	<u>\$ 109,671,421</u>
Business-type activities										
Net investment in capital assets.....	\$ 9,315,263	\$ 8,918,436	\$ 9,439,228	\$ 9,523,752	\$ 9,535,029	\$ 10,300,382	\$ 10,672,429	\$ 10,972,261	\$ 10,935,005	\$ 11,043,300
Unrestricted.....	<u>2,437,302</u>	<u>3,170,204</u>	<u>2,754,332</u>	<u>2,493,137</u>	<u>3,010,096</u>	<u>2,769,929</u>	<u>2,741,409</u>	<u>2,705,180</u>	<u>2,291,772</u>	<u>2,930,734</u>
Total business-type activities net position.....	<u>\$ 11,752,565</u>	<u>\$ 12,088,640</u>	<u>\$ 12,193,560</u>	<u>\$ 12,016,889</u>	<u>\$ 12,545,125</u>	<u>\$ 13,070,311</u>	<u>\$ 13,413,838</u>	<u>\$ 13,677,441</u>	<u>\$ 13,226,777</u>	<u>\$ 13,974,034</u>
Primary government										
Net investment in capital assets.....	\$ 77,904,304	\$ 79,416,163	\$ 80,285,935	\$ 83,414,239	\$ 85,157,818	\$ 86,471,163	\$ 92,192,833	\$ 103,547,786	\$ 128,690,695	\$ 138,247,840
Restricted.....	2,924,351	2,616,217	2,817,488	2,630,344	2,967,897	3,556,664	3,634,743	3,809,125	4,944,484	4,809,497
Unrestricted.....	<u>15,427,156</u>	<u>16,996,105</u>	<u>18,414,757</u>	<u>14,779,802</u>	<u>13,156,389</u>	<u>10,942,263</u>	<u>4,431,707</u>	<u>6,286,633</u>	<u>(21,371,510)</u>	<u>(19,411,882)</u>
Total primary government net position.....	<u>\$ 96,255,811</u>	<u>\$ 99,028,485</u>	<u>\$ 101,518,180</u>	<u>\$ 100,824,385</u>	<u>\$ 101,282,104</u>	<u>\$ 100,970,090</u>	<u>\$ 100,259,283</u>	<u>\$ 113,643,544</u>	<u>\$ 112,263,669</u>	<u>\$ 123,645,455</u>

(1) = Unrestricted net position has been revised to reflect the implementation of GASB Statement #68.

Changes in Net Position

Last Ten Years

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses										
Governmental activities:										
General government.....	\$ 3,328,181	\$ 3,606,616	\$ 3,686,678	\$ 3,942,177	\$ 3,974,258	\$ 4,293,359	\$ 5,128,146	\$ 5,085,169	\$ 4,762,290	\$ 5,069,723
Public safety.....	7,918,377	8,450,057	8,522,903	9,850,181	9,710,965	10,039,369	10,964,082	11,307,480	11,087,856	11,467,443
Education.....	40,478,391	43,337,224	44,398,693	50,478,418	50,300,591	52,156,368	53,522,811	56,017,363	54,816,225	53,150,719
Public works.....	5,073,683	5,480,877	5,194,930	5,911,232	5,258,010	5,453,666	5,724,373	6,068,943	6,130,939	6,058,919
Human services.....	605,610	694,237	710,722	857,340	891,585	945,904	1,054,046	1,220,090	1,262,417	1,222,376
Culture and recreation.....	2,333,285	2,258,491	2,742,203	2,923,774	2,731,672	2,692,071	2,642,103	2,752,739	2,593,462	2,563,386
Community Preservation.....	72,667	239,207	200,192	147,179	189,761	349,793	376,498	255,580	452,800	243,827
Interest.....	1,015,461	1,157,136	784,810	637,234	592,335	477,255	489,622	2,351,280	2,682,114	2,360,916
Total government activities expenses.....	60,825,655	65,223,845	66,241,131	74,747,535	73,649,177	76,407,785	79,901,681	85,058,644	83,788,103	82,137,309
Business-type activities:										
Water.....	1,787,554	2,162,105	2,487,440	2,323,558	2,197,814	2,350,547	2,628,618	2,753,314	2,508,246	2,612,985
Percy Walker Pool.....	-	-	-	-	33,774	380,020	459,274	503,243	467,604	534,863
Total business-type activities expenses.....	1,787,554	2,162,105	2,487,440	2,323,558	2,231,588	2,730,567	3,087,892	3,256,557	2,975,850	3,147,848
Total primary government expenses.....	\$ 62,613,209	\$ 67,385,950	\$ 68,728,571	\$ 77,071,093	\$ 75,880,765	\$ 79,138,352	\$ 82,989,573	\$ 88,315,201	\$ 86,763,953	\$ 85,285,157
Program Revenues										
Governmental activities:										
Education charges for services.....	\$ 4,602,485	\$ 6,132,491	\$ 6,232,869	\$ 6,441,625	\$ 6,099,245	\$ 6,046,720	\$ 5,942,281	\$ 6,548,587	\$ 6,468,917	\$ 6,628,568
Public works charges for services.....	1,635,482	2,024,082	1,698,068	2,920,314	1,755,578	1,818,978	1,801,734	1,928,235	1,913,976	1,801,517
Culture and recreation charges for services.....	1,960,026	2,032,198	2,141,441	2,106,940	2,174,635	2,082,263	2,306,106	2,143,397	2,191,537	2,188,621
Other charges for services.....	1,974,422	2,510,745	2,223,067	2,939,352	2,557,845	2,527,548	3,414,885	3,170,531	3,284,393	4,171,799
Operating grants and contributions.....	10,421,134	10,414,641	10,749,772	12,761,352	13,460,616	14,269,178	13,958,828	13,969,717	15,014,771	11,256,335
Capital grant and contributions.....	2,923,241	1,191,310	1,250,418	1,286,073	799,351	1,128,082	2,371,488	19,383,562	22,173,296	7,112,572
Total government activities program revenues.....	23,516,790	24,305,467	24,295,635	28,455,656	26,847,270	27,872,769	29,795,322	47,144,029	51,046,890	33,159,412
Business-type activities:										
Charges for services - water.....	2,795,272	2,783,180	2,901,469	2,460,603	2,990,133	3,101,148	3,008,160	3,009,145	3,274,399	3,401,453
Charges for services - Percy Walker Pool.....	-	-	-	-	46,497	304,513	313,563	372,637	315,811	283,813
Total business-type activities program revenues.....	2,795,272	2,783,180	2,901,469	2,460,603	3,036,630	3,405,661	3,321,723	3,381,782	3,590,210	3,685,266
Total primary government program revenues.....	\$ 26,312,062	\$ 27,088,647	\$ 27,197,104	\$ 30,916,259	\$ 29,883,900	\$ 31,278,430	\$ 33,117,045	\$ 50,525,811	\$ 54,637,100	\$ 36,844,678
Net (Expense)/Revenue										
Governmental activities.....	\$ (37,308,865)	\$ (40,918,378)	\$ (41,945,496)	\$ (46,291,879)	\$ (46,801,907)	\$ (48,535,016)	\$ (50,106,359)	\$ (37,914,615)	\$ (32,741,213)	\$ (48,977,897)
Business-type activities.....	1,007,718	621,075	414,029	137,045	805,042	675,094	233,831	125,225	614,360	537,418
Total primary government net expense.....	\$ (36,301,147)	\$ (40,297,303)	\$ (41,531,467)	\$ (46,154,834)	\$ (45,996,866)	\$ (47,859,922)	\$ (49,872,528)	\$ (37,789,390)	\$ (32,126,853)	\$ (48,440,479)
General Revenues and other Changes in Net Position										
Governmental activities:										
Real estate and personal property taxes, net of tax refunds payable.....	\$ 35,101,777	\$ 36,999,317	\$ 38,483,995	\$ 40,555,656	\$ 40,995,795	\$ 41,964,019	\$ 43,943,583	\$ 45,330,505	\$ 52,613,168	\$ 54,467,814
Tax liens.....	168,191	134,662	126,079	48,105	220,392	133,744	20,397	74,317	128,258	17,656
Motor vehicle and other excise taxes.....	2,388,823	2,308,774	2,262,861	2,117,119	2,114,070	2,236,742	2,227,654	2,433,608	2,552,550	2,695,218
Community preservation taxes.....	1,011,323	1,077,315	1,110,178	1,171,545	1,187,673	1,204,247	1,285,151	1,322,525	444,959	452,436
Penalties and interest on taxes.....	146,205	138,442	108,421	155,068	177,297	157,119	239,386	208,925	241,339	240,792
Payments in lieu of taxes.....	3,913	7,917	28,750	12,804	9,321	4,250	10,950	12,956	12,934	15,965
Grants and contributions not restricted to specific programs.....	991,109	1,275,273	1,385,213	1,145,359	872,532	994,936	904,812	982,014	995,264	1,062,816
Unrestricted investment income.....	682,910	904,835	484,751	255,383	877,505	852,850	529,788	808,801	1,247,143	656,988
Miscellaneous.....	104,981	223,442	30,914	-	-	-	-	-	-	-
Gain on sale of capital assets.....	-	-	-	-	-	-	-	-	-	212,580
Transfers.....	250,000	285,000	309,109	313,716	276,806	149,908	(109,696)	(138,378)	(112,976)	(210,612)
Total governmental activities.....	40,849,232	43,354,977	44,330,271	45,774,755	46,731,391	47,697,815	49,052,025	51,035,273	58,122,639	59,611,653
Business-type activities:										
Transfers.....	(250,000)	(285,000)	(309,109)	(313,716)	(276,806)	(149,908)	109,696	138,378	112,976	210,612
Total primary government	\$ 40,599,232	\$ 43,069,977	\$ 44,021,162	\$ 45,461,039	\$ 46,454,585	\$ 47,547,907	\$ 49,161,721	\$ 51,173,651	\$ 58,235,615	\$ 59,822,265
Changes in Net Position										
Governmental activities.....	\$ 3,540,367	\$ 2,436,599	\$ 2,384,775	\$ (517,124)	\$ (70,516)	\$ (837,201)	\$ (1,054,334)	\$ 13,120,658	\$ 25,381,426	\$ 10,633,756
Business-type activities.....	757,718	336,075	104,920	(176,671)	528,236	525,186	343,527	263,603	727,336	748,030
Total primary government.....	\$ 4,298,085	\$ 2,772,674	\$ 2,489,695	\$ (693,795)	\$ 457,720	\$ (312,015)	\$ (710,807)	\$ 13,384,261	\$ 26,108,762	\$ 11,381,786

Fund Balances, Governmental Funds

Last Ten Years

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General Fund										
Reserved.....	\$ 668,372	\$ 774,504	\$ 474,343	\$ 823,067	\$ 771,541	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved.....	5,077,896	5,076,300	4,441,420	4,731,295	5,882,157	-	-	-	-	-
Restricted.....	-	-	-	-	-	-	-	7,013,483	6,612,344	6,071,276
Committed.....	-	-	-	-	-	1,000,645	1,332,306	2,032,555	2,257,522	2,606,405
Assigned.....	-	-	-	-	-	2,054,451	1,698,230	2,234,372	1,474,689	1,785,239
Unassigned.....	-	-	-	-	-	6,606,737	7,868,426	6,504,610	7,823,978	6,775,272
Total general fund.....	\$ 5,746,268	\$ 5,850,804	\$ 4,915,763	\$ 5,554,362	\$ 6,653,698	\$ 9,661,833	\$ 10,898,962	\$ 17,785,020	\$ 18,168,533	\$ 17,238,192
All Other Governmental Funds										
Reserved.....	\$ 1,666,623	\$ 1,686,435	\$ 1,788,474	\$ 1,871,270	\$ 1,926,345	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds.....	4,795,975	4,187,509	6,704,198	5,252,915	7,438,997	-	-	-	-	-
Capital projects funds.....	74,050	(143,230)	103,266	(82,588)	102,903	-	-	-	-	-
Permanent funds.....	422,294	633,668	406,604	263,675	430,125	-	-	-	-	-
Nonspendable.....	-	-	-	-	-	1,971,395	2,034,870	2,077,070	2,152,855	2,205,823
Restricted.....	-	-	-	-	-	7,132,302	11,664,137	47,844,142	14,581,241	11,814,850
Unassigned.....	-	-	-	-	-	(961,306)	(255,726)	(498,150)	-	-
Total all other governmental funds.....	\$ 6,958,942	\$ 6,364,382	\$ 9,002,542	\$ 7,305,272	\$ 9,898,370	\$ 8,142,391	\$ 13,443,281	\$ 49,423,062	\$ 16,734,096	\$ 14,020,673

The Town implemented GASB 54 in year 2011, fund balances prior to year 2011 have been reported in the pre-GASB 54 format.

Changes in Fund Balances, Governmental Funds

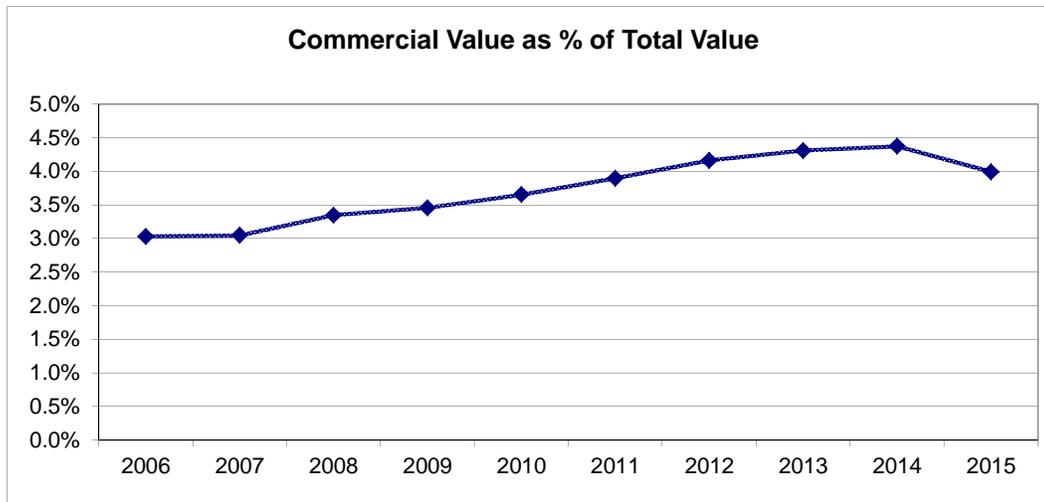
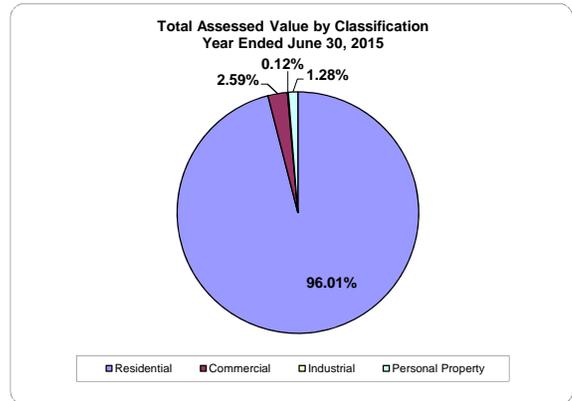
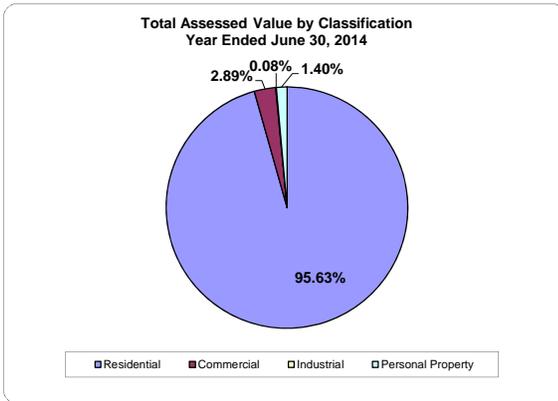
Last Ten Years

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues:										
Real estate and personal property taxes,										
net of tax refunds.....	\$ 35,160,519	\$ 36,977,095	\$ 38,456,971	\$ 40,270,024	\$ 40,844,508	\$ 41,658,119	\$ 43,933,438	\$ 45,288,464	\$ 52,513,892	\$ 54,204,322
Tax and trash liens.....	197,592	151,902	101,964	123,783	216,803	84,186	91,948	69,547	34,594	17,656
Motor vehicle and other excise taxes.....	2,431,468	2,303,816	2,281,039	2,135,478	2,099,164	2,107,443	2,304,289	2,264,283	2,630,758	2,492,965
Sewer charges.....	278,132	305,628	320,752	365,785	295,819	319,396	304,243	287,269	296,186	212,226
Trash disposal.....	491,862	542,227	315,661	544,505	568,964	633,692	604,833	591,499	599,680	605,573
Intergovernmental.....	40,668,323	13,043,745	14,015,696	14,682,388	15,069,862	15,405,675	17,004,600	32,930,015	38,635,421	18,317,424
Departmental and other.....	6,557,484	7,508,046	8,779,635	9,621,256	9,198,751	9,016,882	10,107,279	10,601,027	10,543,232	11,577,762
Community preservation taxes.....	1,011,323	1,077,315	1,110,178	1,171,545	1,187,673	1,204,247	1,285,151	1,322,525	444,959	452,436
Contributions.....	107,072	104,533	84,246	537,054	275,223	341,316	348,240	302,255	290,207	319,020
Investment income.....	776,444	1,161,588	327,076	255,659	812,935	753,198	464,529	728,342	1,072,436	554,845
Total Revenues.....	87,680,219	63,175,895	65,793,218	69,707,477	70,569,702	71,524,154	76,448,550	94,385,226	107,061,365	88,754,229
Expenditures:										
General government.....	2,043,729	2,364,317	2,498,132	2,394,190	2,652,335	2,923,274	3,236,553	3,668,986	3,421,889	3,619,149
Public safety.....	5,416,025	5,602,814	5,790,187	6,210,899	6,308,590	6,139,513	7,110,163	7,272,844	7,456,518	8,076,183
Education.....	28,301,899	29,804,161	30,667,459	31,933,772	32,759,722	33,097,960	33,962,562	36,483,547	36,443,826	38,288,116
Public works.....	3,364,200	3,770,837	3,462,378	3,919,387	3,443,754	3,671,585	3,731,811	3,884,382	4,162,988	4,255,555
Human services.....	488,701	547,525	551,566	642,844	652,303	694,772	765,164	928,925	935,898	887,962
Culture and recreation.....	1,532,698	1,397,860	1,886,953	1,853,985	1,746,958	1,277,439	1,639,688	1,796,905	1,722,918	1,706,659
Community preservation.....	72,667	234,074	192,695	99,858	100,102	635,483	718,536	163,408	260,986	52,013
Pension benefits - Town.....	1,335,123	1,490,088	1,790,855	1,879,350	1,937,647	2,199,485	2,159,162	2,422,765	2,525,382	2,840,847
Pension benefits - School.....	3,528,000	4,266,000	4,970,000	5,556,000	5,916,000	6,521,227	6,666,279	6,882,597	7,487,437	3,684,521
Property and liability insurance.....	289,216	249,654	265,802	274,266	223,935	239,620	186,966	253,465	280,147	380,564
Employee benefits.....	6,687,718	7,216,358	7,209,088	7,597,692	6,799,445	6,785,582	6,806,418	6,692,042	6,916,638	6,973,526
State and county charges.....	283,710	244,562	251,548	259,473	251,333	273,473	327,762	296,362	448,529	485,681
Capital outlay.....	4,033,641	3,960,064	1,499,905	4,908,558	3,121,296	3,917,109	16,632,384	53,127,988	61,056,139	16,721,338
Debt service:										
Principal.....	1,161,862	2,554,906	2,746,985	2,584,860	1,761,774	1,543,513	1,482,726	1,363,792	4,301,886	6,276,053
Interest.....	995,249	930,217	787,513	673,298	590,079	520,706	502,267	505,484	4,576,710	3,112,964
Total Expenditures.....	59,534,438	64,633,437	64,571,066	70,788,432	68,265,273	70,440,741	85,928,441	125,743,492	141,997,891	97,361,131
Excess (deficiency) of revenues over (under) expenditures.....	28,145,781	(1,457,542)	1,222,152	(1,080,955)	2,304,429	1,083,413	(9,479,891)	(31,358,266)	(34,936,526)	(8,606,902)
Other Financing Sources (Uses):										
Issuance of bonds and notes.....	15,052,000	674,000	125,000	-	787,000	-	16,098,000	67,349,000	2,200,000	4,500,000
Issuance of refunding bonds.....	-	-	1,300,000	-	-	-	-	-	425,000	282,000
Premium from issuance of bonds and notes.....	71,608	8,518	17,918	-	32,767	18,834	29,606	7,013,483	119,049	150,750
Premium from issuance of refunding bonds.....	-	-	23,014	-	-	-	-	-	-	-
Payments to refunded bond escrow agent.....	-	-	(1,294,074)	-	-	-	-	-	-	-
Sale of capital assets.....	-	-	-	-	-	-	-	-	-	241,000
Transfers in.....	960,181	1,205,179	1,241,414	1,306,323	1,418,382	765,242	404,377	527,892	254,154	375,344
Transfers out.....	(710,181)	(920,179)	(932,305)	(992,607)	(1,141,576)	(615,334)	(514,073)	(666,270)	(367,130)	(585,956)
Total other financing sources (uses).....	15,373,608	967,518	480,967	313,716	1,096,573	168,742	16,017,910	74,224,105	2,631,073	4,963,138
Net change in fund balance.....	\$ 43,519,389	\$ (490,024)	\$ 1,703,119	\$ (767,239)	\$ 3,401,002	\$ 1,252,155	\$ 6,538,019	\$ 42,865,839	\$ (32,305,453)	\$ (3,643,764)
Debt service as a percentage of noncapital expenditures....	3.89%	5.74%	5.60%	4.95%	3.61%	3.10%	2.86%	2.57%	10.97%	11.64%

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

Last Ten Years

Year		Assessed and Actual Values and Tax Rates								Total Town Value
		Residential Value	Residential & Personal Property Tax Rate	Commercial Value	Industrial Value	Personal Property	Total Commercial Value	Commercial Tax Rate	Total Direct Rate (2)	
2006	(1)	\$3,484,297,092	\$9.84	\$83,823,108	\$2,042,500	\$23,009,700	\$108,875,308	\$9.84	\$9.84	\$3,593,172,400
2007		\$3,556,472,301	\$10.14	\$84,874,799	\$2,095,500	\$24,798,370	\$111,768,669	\$10.14	\$10.14	\$3,668,240,970
2008		\$3,529,253,752	\$10.61	\$91,783,748	\$2,155,600	\$28,288,280	\$122,227,628	\$10.61	\$10.61	\$3,651,481,380
2009	(1)	\$3,605,653,048	\$10.91	\$92,736,552	\$2,174,600	\$34,180,600	\$129,091,752	\$10.91	\$10.91	\$3,734,744,800
2010		\$3,374,398,059	\$11.81	\$89,418,341	\$2,233,500	\$36,242,040	\$127,893,881	\$11.81	\$11.81	\$3,502,291,940
2011		\$3,222,272,471	\$12.60	\$87,896,029	\$2,319,500	\$40,395,200	\$130,610,729	\$12.60	\$12.60	\$3,352,883,200
2012	(1)	\$3,067,422,072	\$13.79	\$88,685,699	\$2,844,400	\$41,683,140	\$133,213,239	\$13.79	\$13.79	\$3,200,635,311
2013		\$3,076,141,600	\$14.19	\$92,204,500	\$2,735,800	\$43,585,780	\$138,526,080	\$14.19	\$14.19	\$3,214,667,680
2014		\$3,133,284,628	\$16.15	\$94,583,642	\$2,779,800	\$45,889,560	\$143,253,002	\$16.15	\$16.15	\$3,276,537,630
2015	(1)	\$3,366,472,285	\$15.60	\$90,881,004	\$4,128,976	\$44,938,420	\$139,948,400	\$15.60	\$15.60	\$3,506,420,685



(1) Revaluation year.

(2) Weighted average direct tax rate, calculated as weighted average of residential, commercial and personal property tax rates.

Source: Assessor's Department, Town of Duxbury

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

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

Principal Taxpayers

Current Year and Nine Years Ago

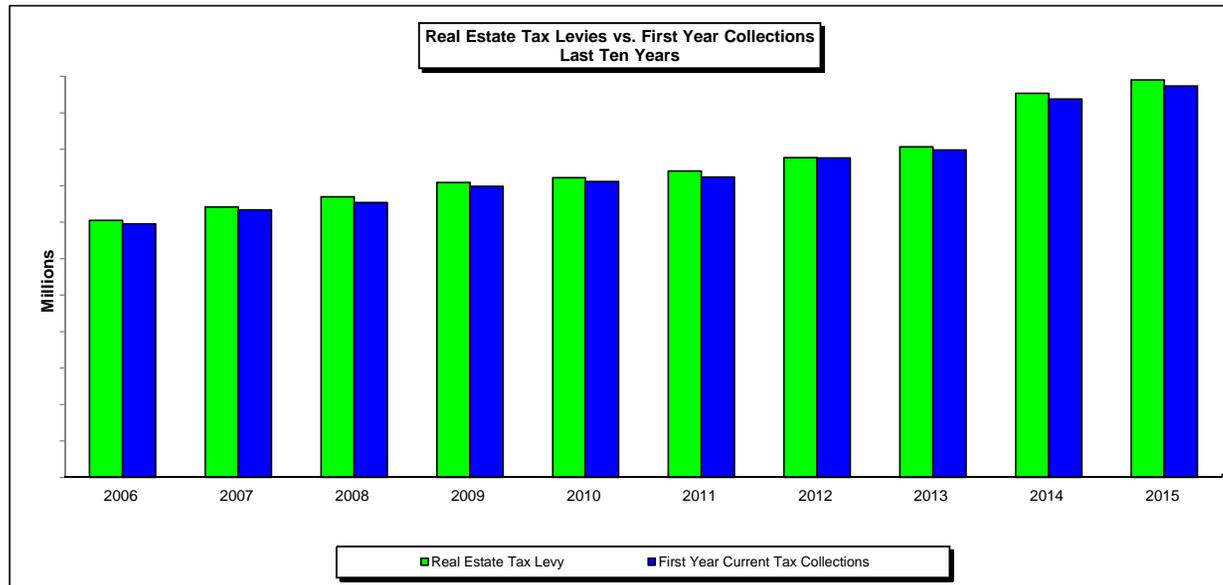
Name	Nature of Business	2015			2006		
		Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value	Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value
The Village at Duxbury - Assisted Living	Retirement Community	\$31,702,800	1	0.90%	\$37,590,570	1	1.05%
Nstar Service	Utility	\$16,431,000	2	0.47%	\$8,975,130	3	0.25%
The Village at Duxbury - 30 Apartments	Retirement Community	\$11,811,600	3	0.34%	\$12,468,800	2	0.35%
Verizon New England	Utility	\$9,471,000	4	0.27%	-	-	-
Bay State Gas	Public Utility	\$7,741,390	5	0.22%	-	-	-
Individual	Residence	\$7,724,500	6	0.22%	\$8,922,600	4	0.25%
Standish LLC	Medical Office Building	\$7,095,200	7	0.20%	\$6,176,200	8	0.17%
Individual	Residence	\$5,822,200	8	0.17%	\$8,008,670	6	0.22%
Island Creek Village East	Subsidized Housing	\$5,229,600	9	0.15%	-	-	-
Individual	Residence	\$4,796,200	10	0.14%	\$8,679,900	5	0.24%
Individual	Residence	-	-	-	\$6,882,600	7	0.19%
Kellywood Nominee Trust	Real Estate	-	-	-	\$4,530,500	9	0.13%
Individual	Residence	-	-	-	\$4,407,100	10	0.12%
	Totals	<u>\$107,825,490</u>		<u>3.08%</u>	<u>\$106,642,070</u>		<u>2.97%</u>

Source: Assessor's Department

Property Tax Levies and Collections

Last Ten Years

Year		(2) Total Tax Levy	Less Reserve for Abatements & Exemptions	(2) Net Tax Levy	Net as % of Total	First Year Current Tax Collections	Percent of Net Levy Collected	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections to Net Tax Levy (3)
2006	(1)	\$35,356,818	\$94,249	\$35,262,569	99.73%	\$34,780,185	98.63%	\$481,586	\$35,261,771	100.00%
2007		\$37,195,963	\$102,370	\$37,093,593	99.72%	\$36,703,997	98.95%	\$336,317	\$37,040,314	99.86%
2008		\$38,742,217	\$278,653	\$38,463,564	99.28%	\$37,686,962	97.98%	\$537,732	\$38,224,694	99.38%
2009	(1)	\$40,746,066	\$298,044	\$40,448,022	99.27%	\$39,912,037	98.67%	\$446,809	\$40,358,846	99.78%
2010		\$41,362,073	\$252,238	\$41,109,835	99.39%	\$40,569,284	98.69%	\$532,412	\$41,101,696	99.98%
2011		\$42,246,328	\$248,028	\$41,998,300	99.41%	\$41,174,757	98.04%	\$765,813	\$41,940,570	99.86%
2012	(1)	\$44,136,761	\$268,633	\$43,868,128	99.39%	\$43,785,222	99.81%	\$551,104	\$44,336,326	101.07%
2013		\$45,616,134	\$285,269	\$45,330,865	99.37%	\$44,899,174	99.05%	\$935,072	\$45,834,246	101.11%
2014		\$52,916,083	\$232,932	\$52,683,151	99.56%	\$51,883,927	98.48%	\$589,775	\$52,473,702	99.60%
2015	(1)	\$54,700,163	\$214,125	\$54,486,038	99.61%	\$53,668,095	98.50%	\$0	\$53,668,095	98.50%



(1) Revaluation year.

(2) Includes tax liens.

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

Source: Official Statements, Town of Duxbury.

Ratios of Outstanding Debt and General Bonded Debt

Last Ten Years

Year	U. S. Census Population	Personal Income	Assessed Value	Governmental Activities Debt				
				General Obligation Bonds	Capital Leases	Per Capita	Percentage of Personal Income	Percentage of Assessed Value
2006	15,241	\$643,993,214	\$3,593,172,400	\$21,783,991	\$0	\$1,429	3.38%	0.61%
2007	15,294	\$676,117,152	\$3,668,240,970	\$19,903,085	\$0	\$1,301	2.94%	0.54%
2008	15,360	\$712,986,624	\$3,651,481,380	\$17,341,100	\$0	\$1,129	2.43%	0.47%
2009	15,372	\$726,034,932	\$3,734,744,800	\$14,756,240	\$0	\$960	2.03%	0.40%
2010	15,059	\$707,697,705	\$3,502,291,940	\$13,781,466	\$0	\$915	1.95%	0.39%
2011	15,274	\$715,052,310	\$3,352,883,200	\$12,237,953	\$0	\$801	1.71%	0.36%
2012	15,290	\$742,054,280	\$3,200,635,311	\$26,853,227	\$0	\$1,756	3.62%	0.84%
2013	15,582	\$767,553,738	\$3,214,667,680	\$99,851,918	\$0	\$6,408	13.01%	3.11%
2014	15,560	\$853,497,120	\$3,276,537,630	\$96,923,893 *	\$0	\$6,229	11.36%	2.96%
2015	15,636	\$960,363,120	\$3,506,420,685	\$95,311,772 *	\$0	\$6,096	9.92%	2.72%

Year	Business-type Activities		Total Primary Government			
	General Obligation Bonds	Capital Leases	Total Debt Outstanding	Per Capita	Percentage of Personal Income	Percentage of Assessed Value
2006	\$3,570,000	\$0	\$25,353,991	\$1,664	3.94%	0.71%
2007	\$3,496,000	\$0	\$23,399,085	\$1,530	3.46%	0.64%
2008	\$4,559,000	\$0	\$21,900,100	\$1,426	3.07%	0.60%
2009	\$6,944,000	\$0	\$21,700,240	\$1,412	2.99%	0.58%
2010	\$8,523,149	\$0	\$22,304,615	\$1,481	3.15%	0.64%
2011	\$7,623,610	\$0	\$19,861,563	\$1,300	2.78%	0.59%
2012	\$6,729,413	\$0	\$33,582,640	\$2,196	4.53%	1.05%
2013	\$5,957,505	\$0	\$105,809,423	\$6,790	13.79%	3.29%
2014	\$6,101,831	\$0	\$103,025,724	\$6,621	12.07%	3.14%
2015	\$5,450,336	\$0	\$100,762,108	\$6,444	10.49%	2.87%

Source: Audited Financial Statements, U. S. Census

* Net of amounts available and paid in July.

Direct and Overlapping Governmental Activities Debt

As of June 30, 2015

<u>Overlapping Entities</u>	<u>Debt Outstanding</u>	<u>Percentage Applicable</u>	<u>Share of Overlapping Debt</u>
Debt repaid with property taxes Plymouth County.....	\$ 2,750,000	4.94%	\$ 135,850
Town direct debt.....			<u>95,311,772</u>
Total direct and overlapping debt.....			<u>\$ 95,447,622</u>

Source: Official Statements

Note: The Town obtains the debt outstanding and percentages directly from Plymouth County.

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

Computation of Legal Debt Margin

Last Ten Years

(Amounts in Thousands)

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Equalized Valuation.....	\$ <u>3,133,658</u>	\$ <u>3,837,216</u>	\$ <u>3,837,216</u>	\$ <u>4,026,593</u>	\$ <u>4,026,593</u>	\$ <u>3,853,684</u>	\$ <u>3,853,684</u>	\$ <u>3,466,188</u>	\$ <u>3,466,188</u>	\$ <u>3,475,391</u>
Debt Limit -5% of Equalized Valuation.....	\$ 156,683	\$ 191,861	\$ 191,861	\$ 201,330	\$ 201,330	\$ 192,684	\$ 192,684	\$ 173,309	\$ 173,309	\$ 173,770
Less:										
Outstanding debt applicable to limit.....	19,385	17,889	15,612	13,287	14,936	13,315	11,758	29,227	29,061	26,477
Authorized and unissued debt applicable to limit.....	<u>5,286</u>	<u>4,695</u>	<u>3,579</u>	<u>13</u>	<u>-</u>	<u>-</u>	<u>3,325</u>	<u>1,900</u>	<u>200</u>	<u>200</u>
Legal debt margin.....	\$ <u>132,012</u>	\$ <u>169,277</u>	\$ <u>172,670</u>	\$ <u>188,030</u>	\$ <u>186,394</u>	\$ <u>179,369</u>	\$ <u>177,601</u>	\$ <u>142,182</u>	\$ <u>144,048</u>	\$ <u>147,093</u>
Total debt applicable to the limit as a percentage of debt limit.....	15.75%	11.77%	10.00%	6.61%	7.42%	6.91%	7.83%	17.96%	16.88%	15.35%

Source: Assessor's Office

Demographic and Economic Statistics

Last Ten Years

Year	Population Estimates	Personal Income	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2005	15,210	\$ 612,080,820	\$ 40,242	40.3	3,282	3.2%
2006	15,241	\$ 643,993,214	\$ 42,254	40.3	3,405	3.8%
2007	15,294	\$ 676,117,152	\$ 44,208	40.3	3,402	3.5%
2008	15,360	\$ 712,986,624	\$ 46,418	41.0	3,324	3.8%
2009	15,372	\$ 726,034,932	\$ 47,231	41.0	3,341	3.8%
2010	15,059	\$ 707,697,705	\$ 46,995	40.0	3,291	4.0%
2011	15,274	\$ 715,052,310	\$ 46,815	40.0	3,219	5.7%
2012	15,290	\$ 742,054,280	\$ 48,532	42.2	3,184	4.9%
2013	15,582	\$ 767,553,738	\$ 49,259	43.0	3,181	5.2%
2014	15,560	\$ 853,497,120	\$ 54,852	45.2	3,187	4.5%
2015	15,636	\$ 960,363,120	\$ 61,420	47.3	3,242	4.3%

Source: U. S. Census, Division of Local Services
 Median age is based on most recent census data

Principal Employers (excluding Town)

Current Year and Nine Years Ago

Employer	Nature of Business	2015			2006		
		Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
Bay Path Nursing Home	Nursing Home	176	1	2.43%	176	1	2.52%
The Village at Duxbury	Retirement Condos	160	2	2.21%	160	2	2.29%
Batelle Labs	Science and Technology Research	70	3	0.97%	70	3	1.00%
Duxbury Yacht Club	Yacht Club, Golf Course, Tennis	70	4	0.97%	70	4	1.00%
Foodies	Grocery Store	60	5	0.83%	-	-	-
Plymouth Bay Orthopedic Associates	Physician Services	54	6	0.75%	54	5	0.77%
South Shore Conservatory	Music and Art Institution	50	7	0.69%	50	6	0.72%
Millbrook Motors	Automotive	39	8	0.54%	39	7	0.56%
U.S. Post Office	Mail	28	9	0.39%	28	8	0.40%
Verc Enterprises	Convenience Stores, Gasoline Sales	-	-	-	7	9	0.10%
Totals		<u>707</u>		<u>9.76%</u>	<u>654</u>		<u>9.37%</u>

For year 2015 and 2006 only information on the 9 largest employers is available.

Source: Massachusetts Department of Employment and Training and Official Statements

Full-time Equivalent Town Employees by Function

Last Ten Years

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Function										
General government.....	28	25	30	30	29	29	29	30	32	32
Public safety.....	62	68	73	72	68	69	68	70	72	72
Education.....	305	320	391	411	398	382	392	392	387	385
Public works.....	46	37	44	42	44	46	46	45	48	48
Human services.....	3	4	4	4	4	5	5	5	6	5
Culture and recreation.....	21	15	23	21	24	25	20	20	21	20
Total	<u>465</u>	<u>469</u>	<u>565</u>	<u>580</u>	<u>567</u>	<u>556</u>	<u>560</u>	<u>562</u>	<u>566</u>	<u>562</u>

Source: Various Town Departments

Operating Indicators by Function/Program

Last Ten Years

<u>Function/Program</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Fire Department										
Fire related calls.....	881	719	810	805	606	817	1,035	1,131	847	1,066
Rescue/EMS.....	1,113	1,159	1,199	1,247	1,328	1,281	1,245	1,323	1,291	1,345
Inspectional Services Department										
Number of building permits (quick and zoning).....	668	697	762	626	522	491	794	573	593	699
Number of electrical permits.....	510	516	483	343	362	368	429	477	606	536
Number of plumbing/gas permits.....	668	685	658	529	531	543	618	739	871	796
Water/Sewer										
Number of gallons pumped (millions).....	583,674	504,641	543,000	492,250	410,896	500,002	499,754	469,000	502,942	552,891
Number of new services added.....	16	22	15	13	15	8	11	6	6	4
Number of additional mains installed.....	1	-	10,810	-	-	-	-	1	1	-
Number of main improvements.....	-	-	2	1	-	2	1	2	2	1
Highway										
Number of miles completed-road rehab.....	7	4	3	3	4	2	2	3	3	4
Number of snow operations.....	35	24	35	54	39	31	2	30	36	48
Cemetery										
Cremations.....	2,940	2,885	3,240	3,624	3,014	3,008	3,184	3,248	3,382	2,956
Recreation										
Number of programs offered.....	52	52	52	52	60	56	65	68	64	70
Number of participants-winter.....	491	511	585	578	588	555	504	522	595	739
Number of participants-spring.....	253	250	349	342	320	272	397	325	302	469
Number of participants-summer.....	802	1,033	737	788	822	762	955	798	702	848
Number of participants-fall.....	573	600	638	642	658	558	507	439	440	442
Parking Sticker Sales										
Non resident over sand.....	2,561	2,789	3,075	2,948	3,512	3,653	3,771	3,281	2,981	3,122
Over sand.....	2,763	2,859	2,935	3,331	3,051	3,127	3,203	2,730	3,267	3,873
Parking lot.....	3,569	3,554	3,569	3,895	3,511	3,423	3,276	2,799	2,204	2,631
Transfer station.....	6,371	6,306	6,178	6,376	6,122	5,822	5,617	5,088	5,207	6,129
Senior Center										
Number of visitors.....	23,776	27,954	24,585	34,200	31,940	32,500	27,902	28,000	32,381	34,083
Number of activities.....	2,208	2,208	1,788	2,234	2,364	2,256	2,308	2,602	10,339	3,492
Number of congregate meals.....	4,169	5,430	4,986	4,693	5,356	4,867	5,367	5,384	5,949	5,050
Number of delivered meals.....	7,213	6,756	7,064	7,005	4,218	5,301	4,025	4,515	4,440	3,996
Number of meals served from the café.....	-	-	-	-	-	-	-	-	-	5,537
Number of paying rentals.....	108	166	357	172	135	322	376	118	27	25
Number of committee meetings.....	293	387	382	325	340	59	43	180	294	300
Duxbury Free Library										
Holdings.....	119,524	124,035	121,685	121,609	116,948	115,006	117,461	109,437	112,783	253,933
Reference questions answered.....	9,957	9,406	6,857	7,887	8,537	8,159	7,829	6,862	6,788	6,368
Print materials loaned.....	153,603	157,537	167,153	167,206	174,542	168,838	202,980	157,088	151,582	139,986
Videos loaned.....	49,239	48,407	75,445	93,416	82,615	48,883	47,071	44,584	41,254	37,444
All loans.....	237,464	237,562	242,598	260,622	257,457	247,909	250,059	236,207	229,079	213,943
Loans provided to other towns.....	31,390	33,764	35,212	37,978	39,594	39,282	41,306	38,109	22,163	20,419
Materials borrowed from other towns.....	22,330	25,678	27,610	31,847	32,107	30,564	29,639	25,625	14,768	13,327
Children's programs held.....	235	241	246	248	234	259	238	228	338	334
Children's program attendance.....	6,372	6,144	7,056	6,871	6,646	6,413	6,316	5,558	6,856	6,057
Adult & Teen programs held.....	180	243	214	236	241	228	262	332	445	467
Adult & Teen program attendance.....	3,740	3,948	4,849	3,218	3,690	3,901	4,234	4,618	4,300	4,402
Public computers.....	30	26	16	17	30	30	30	30	37	31
Public meeting room use.....	805	1,076	888	979	998	975	941	842	964	918

Source: Various Town Departments

Capital Asset Statistics by Function/Program

Last Ten Years

<u>Function/Program</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General Government										
Number of buildings.....	5	5	5	5	5	5	5	5	5	5
Police										
Number of stations.....	1	1	1	1	1	1	1	2	2	2
Animal control facilities.....	1	1	1	1	1	1	1	1	1	1
Fire										
Number of stations.....	2	2	2	2	2	2	2	2	2	2
Antique apparatus storage.....	1	1	1	1	1	1	1	1	1	1
Harbormaster										
Number of buildings.....	2	2	2	2	2	2	2	2	2	2
Public beaches.....	3	3	3	3	3	3	3	3	3	3
Public landings.....	16	16	16	16	16	16	16	16	16	16
Education										
Number of elementary schools.....	2	2	2	2	2	2	2	2	2	2
Number of middle schools.....	1	1	1	1	1	1	1	1	1	1
Number of high schools.....	1	1	1	1	1	1	1	1	1	1
Performing arts center.....	1	1	1	1	1	1	1	1	1	1
Public Works										
Water pumping stations.....	13	13	13	13	13	13	13	13	13	13
Water towers.....	2	2	2	2	2	3	3	3	3	3
Water other.....	3	3	3	3	3	3	3	3	3	3
Sewage treatment plant.....	1	1	1	1	1	1	1	1	1	1
Shared septic systems.....	2	2	2	2	2	2	2	2	2	2
Public works buildings.....	11	11	11	11	11	11	11	11	11	11
Crematories.....	1	1	1	1	1	1	1	1	1	1
Cemetery buildings.....	3	3	3	3	3	3	3	3	3	3
Human Services										
Council on aging - senior center.....	1	1	1	1	1	1	1	1	1	1
Culture and Recreation										
Recreation land (acreage).....	118.5	179.5	179.5	179.5	179.5	182.5	187.5	190.5	190.5	190.5
Playgrounds*.....	3	3	3	3	3	3	3	3	3	3
Ball fields*.....	29	29	29	29	29	29	29	29	29	29
Basketball courts.....	3	3	3	3	3	3	3	3	3	3
Tennis courts.....	14	14	14	14	14	14	14	14	14	14
Pools.....	1	1	1	1	1	1	1	1	1	1
Golf courses.....	1	1	1	1	1	1	1	1	1	1
Golf clubhouses.....	1	1	1	1	1	1	1	1	1	1
Golf course buildings.....	4	4	4	4	4	3	3	3	3	3
Libraries.....	1	1	1	1	1	1	1	1	1	1

Source: Various Town Departments

* The Town has significantly improved fields/recreational facilities during the last ten years. Most of the fields have new irrigation systems.



Duxbury Harbor Pier