

# **TOWN OF MANSFIELD, MASSACHUSETTS**

## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**



**FOR THE YEAR ENDED JUNE 30, 2017**

**On the Cover: Snowy Common:** South Common gazebo following snowfall during winter of 2017.



**9-11-17:** Members of the Mansfield Police Department salute the flag at a September 11<sup>th</sup> remembrance.

**The Town of  
Mansfield, Massachusetts**



**Comprehensive  
Annual Financial Report**

**For the Year Ended  
June 30, 2017**

**Prepared by:  
John F. Stanbrook  
Finance Director/Town Accountant**

TOWN OF MANSFIELD, MASSACHUSETTS  
COMPREHENSIVE ANNUAL FINANCIAL REPORT

June 30, 2017

**TABLE OF CONTENTS**

<b>Introductory Section.....</b>	<b>1</b>
Letter of Transmittal .....	3
Certificate of Achievement for Excellence in Financial Reporting .....	7
Organizational Chart .....	8
Principal Town Officials.....	9
<b>Financial Section .....</b>	<b>11</b>
Independent Auditor’s Report .....	13
Management’s Discussion and Analysis .....	15
Basic Financial Statements.....	25
Statement of Net Position.....	27
Statement of Activities.....	28
Governmental Funds – Balance Sheet .....	30
Reconciliation of the Governmental Funds Balance Sheet Total Fund Balances to the Statement of Net Position.....	31
Governmental Funds – Statement of Revenues, Expenditures and Changes in Fund Balances .....	32
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	33
Proprietary Funds – Statement of Net Position.....	34
Proprietary Funds – Statement of Revenues, Expenses and Changes in Net Position .....	35
Proprietary Funds – Statement of Cash Flows .....	36
Fiduciary Funds – Statement of Fiduciary Net Position .....	37
Fiduciary Funds – Statement of Changes in Fiduciary Net Position.....	38
Notes to Basic Financial Statements .....	39
Required Supplementary Information .....	76
General Fund Budgetary Comparison Schedule .....	77
Schedule of Revenues, Expenditures and Changes in Fund Balance – General Fund – Budget and Actual.....	78
Pension Plan Schedules - Town .....	82
Schedule of the Town’s Proportionate Share of the Net Pension Liability.....	83
Schedule of Town Contributions.....	84

Schedule of the Special Funding Amounts of the Net Pension Liability.....	85
Other Postemployment Benefits Plan Schedules .....	86
Schedule of Town's net OPEB Liability and Related Ratios .....	87
Schedule of Town Contributions.....	88
Schedule of Investment Returns .....	89
Schedule of Funding Progress and Employer Contributions.....	90
Actuarial Methods and Assumptions .....	91
Notes to Required Supplementary Information .....	92
Other Supplementary Information.....	96
Combining and Individual Fund Statements .....	97
Nonmajor Governmental Funds .....	98
Nonmajor Governmental Funds – Combining Balance Sheet.....	100
Nonmajor Governmental Funds – Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	102
Agency Fund .....	104
Agency Fund – Statement of Changes in Assets and Liabilities.....	105
<b>Statistical Section.....</b>	<b>107</b>
Net Position by Component – Last Ten Years.....	108
Changes in Net Position – Last Ten Years.....	109
Fund Balances – Governmental Funds – Last Ten Years.....	110
Changes in Fund Balances – Governmental Funds – Last Ten Years .....	111
Assessed and Actual Values of Taxable Property by Classification and Tax Rates - Last Ten Years .....	112
Principal Taxpayers – Current Year and Nine Years Ago .....	113
Property Tax Levies and Collections – Last Ten Years.....	114
Ratios of Outstanding Debt by Type – Last Ten Years .....	115
Ratios of Outstanding Debt and General Bonded Debt – Last Ten Years .....	116
Direct and Overlapping Governmental Activities Debt.....	117
Computation of Legal Debt Margin – Last Ten Years.....	118
Demographic and Economic Statistics – Last Ten Years.....	119
Principal Employers – Current Year and Nine Years Ago .....	120
Full-Time Equivalent Town Employees by Function – Last Ten Years .....	121
Operating Indicators by Function/Program – Last Ten Years .....	122
Capital Asset Statistics by Function/Program – Last Ten Years .....	124

# *Introductory Section*



**Memorial Day 2017-2:** The Mansfield High School marching band at the Memorial Day Parade.

Town of Mansfield, Massachusetts  
Comprehensive Annual Financial Report  
For the year ended June 30, 2017

# ***Introductory Section***

This page intentionally left blank.



## *Town of Mansfield*

*6 Park Row, Mansfield, Massachusetts 02048*

*Acting Town Manager*  
*John F. Stanbrook*

### **Letter of Transmittal**

December 19, 2017

To the Honorable Members of the Board of Selectmen and Citizens of the Town of Mansfield:

State law requires the Town of Mansfield to publish at the close of each year 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 this **Comprehensive Annual Financial Report (CAFR)** of the Town of Mansfield, Massachusetts, for the year ended June 30, 2017.

The report is designed to be used by 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. Equally as important, the design and format of this report is aimed at providing the residents and taxpayers of Mansfield 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 Mansfield. 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 of the Town has established an internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Town's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Town's framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement.

The Town of Mansfield'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 Mansfield for the year ended June 30, 2017, are free from 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 that the Town of Mansfield's financial statements for the year ended June 30, 2017, are 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 Mansfield 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 Town'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 Mansfield'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 Mansfield's MD&A can be found immediately following the report of the independent auditors.

## **Profile of the Government**

The Town of Mansfield was incorporated in 1775 and is located in Northern Bristol County, approximately 28 miles south of Boston and 19 miles north of Providence. Mansfield is bordered by the Towns of Foxborough, Sharon, Easton, Norton and the City of Attleboro. Mansfield has approximately 21 square miles of land area, and 127 miles of roadways.

Mansfield is serviced by two major highway systems, Interstate 95 and 495, and a number of secondary roadways including Routes 140 and 106. Public transportation is available via a commuter rail service station from Mansfield to the metropolitan Boston area provided by the Massachusetts Bay Transportation Authority (MBTA), and a regional bus service provided by the Greater Attleboro-Taunton Regional Transit Authority (GATRA).

Mansfield is known for its forward thinking government, committed to quality, responsiveness, and service. The Town's governing Charter authorizes an Open Town Meeting-Board of Selectmen-Town Manager form of government. The Town is overseen by a five-member Board of Selectmen, elected on an at-large basis for staggered three-year terms, and is administered by an appointed professional Town Manager. Mansfield's public schools are overseen by an elected five-member School Committee, and administered by an appointed professional Superintendent. There are various elected and appointed boards and committees which have specific responsibilities concerning various aspects of Town governance.

Town Meeting, which is generally unique to New England, serves as Mansfield's legislative body. It offers all registered voters of the community the opportunity to participate in the major decisions of the Town. Town Meeting is facilitated by an elected Town Moderator. The Board of Selectmen appoints a seven-member Finance Committee, which is responsible for advising Town Meeting on matters brought before it.

The Town provides a full array of quality services to the general public. These services include: full-time police and fire protection; education for grades kindergarten through 12 (three elementary schools, one middle school, one high school, and one regional vocational technical high school); street maintenance and snow removal; solid waste and recycling; public health and natural resource protection; community planning and development; elder, youth, and/or veterans services; full service library; playgrounds, parks, conservation lands, and recreational programs. The Town operates its own electric department and water supply/treatment/distribution system. Wastewater services are provided by a newly created regional district known as the MFN (Mansfield, Foxborough, Norton) Regional Wastewater District.

## **Factors Affecting Financial Condition**

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

**Local Economy.** Mansfield is home to many businesses of varying sizes. The Town is known for its diversified local economy. With its major intersecting highways, active rail line, and proximity to airports in Boston and

Providence, Mansfield is a “cross roads” for business. The Town offers a thriving industrial park, active downtown central business district, and a number of mixed use commercial areas.

**Tax Base.** Total assessed valuation for the Town increased to \$3.6 billion in 2017, reflecting a 7.3% increase from the 2016 value of \$3.3 billion. Property values have stabilized as the Town is no longer experiencing the declines that occurred following the 2008 recession. The tax base includes over \$828.8 million of commercial, industrial, and personal property values. The tax levy for 2017 was \$57.8 million, which was \$31 million less than the levy ceiling. The excess capacity between the tax levy and the levy ceiling can only be accessed by a voter approved override.

**Financial Planning.** The Town of Mansfield has maintained a solid financial position, as indicated by its “AA2” and “AA+” credit ratings assigned by Moody’s and Standard & Poor’s, respectively. The Town’s financial actions are generally guided by a number of formal financial policies including long range planning tools such as a five-year Budget Forecast, a five-year Capital Plan, prioritizing spending plans and identifying discretionary spending, long-term planning for all liabilities including pension and other postemployment benefits, and municipal best practices, which are reviewed annually at the beginning of each budget development cycle.

The Town is currently managing approximately \$58.7 million of current and noncurrent long-term debt. This indebtedness consists of approximately \$40.5 million of governmental bonds and \$18.2 million of enterprise fund bonds which are self-supporting through enterprise fund revenues. The Town has authorized but unissued debt of \$9.5 million, primarily targeted for infrastructure improvements and the new East Street Municipal Complex.

An Audit Committee assists the Town Manager with the selection of the independent auditor, oversight of the audit process, and resolution of audit findings.

**Annual Budget.** The Town Manager is responsible for preparing and presenting the budget to the Board of Selectmen and the Finance Committee. The Selectmen review all requests and Town-wide issues and present a recommended budget to Town Meeting for approval. A seven-member Finance Committee reviews the budget and makes its independent recommendations to Town Meeting.

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 Finance Director/Town Accountant is responsible for ensuring all payroll and invoices are within the budgetary control level before authorizing payment. Additional or supplemental appropriations may be approved at subsequent Town Meetings.

### **Major Initiatives and Highlights**

The Town engaged the community to contribute toward development of long-range planning reports. Copies of these reports may be found on the Town’s website.

**Strategic Plan.** The Strategic Plan includes numerous priorities and strategies for meeting the long-term goals of Mansfield. Some of these goals included improving the financial base of the community, economic development, infrastructure improvements, and coordination of municipal and school budget and operational needs.

**Operational Review.** This report focused on Mansfield’s financial and administrative functions, with an emphasis on streamlining the organization. The Town has created a Finance Department and developed policies and procedures to guide the Town’s financial operations.

## **Awards and Acknowledgements**

The government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Mansfield for its Comprehensive Annual financial Report (CAFR) for the year ended June 30, 2016. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of a state and local government financial report.

The preparation of this report would not have been possible without the efficient and dedicated services of the staff of the Town Manager and the Finance Department. We would like to express our appreciation to all members of the departments who assisted and contributed to the preparation of this report. Credit must also be given to the Board of Selectmen for their unfailing support for maintaining the highest standards of professionalism in the management of the Town of Mansfield's finances.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "John F. Stanbrook".

John F. Stanbrook  
Acting Town Manager and Finance Director



Government Finance Officers Association

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

Presented to

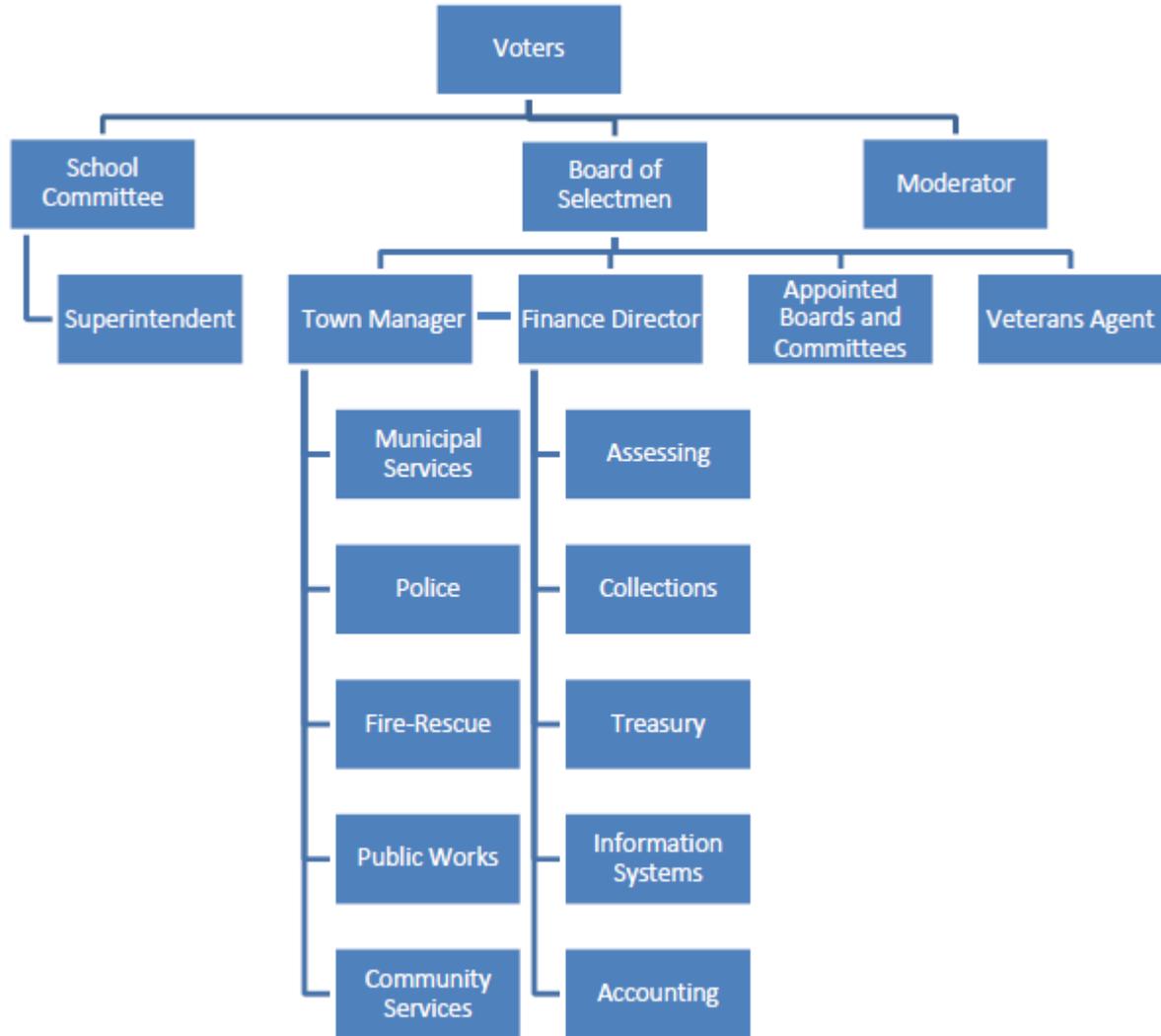
**Town of Mansfield  
Massachusetts**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2016**

Executive Director/CEO

# Town of Mansfield Organizational Chart



## Principal Town Officials

Elected Officials	Term Expires
-------------------	--------------

Board of Selectmen

Michael Trowbridge, Sr., Chairman	2019
Jess Aptowitz, Vice-Chairman	2020
Frank DelVecchio, Clerk	2020
George Dentino, Selectman	2018
Steve Schoonveld, Selectman	2019

School Committee

Kiera O'Neil, Chair	2020
Lynn Cavicchi, Vice-Chair	2019
Linda Fernando	2019
Jennifer Walsh	2018
Lauren Scher	2020
Cyrus Bernstein, MHS Rep non-voting	2018

Appointed Officials
---------------------

Town Manager (Acting)	John Stanbrook
Superintendent of Schools	Teresa Murphy
Finance Director	John Stanbrook
Treasurer/Collector	Jacqueline Boudreau
Assessor/Appraiser	Nancy Hinote
Town Clerk	Marianne Staples
Town Counsel	Paul DeRensis
Police Chief	Ronald Sellon
Fire Chief	Neal Boldrighini
Public Works Director	Lee Azinheira
Electric Director	Joseph Sollecito

This page intentionally left blank.

# *Financial Section*



**Tower1:** Mansfield Tower 1 is ready to roll.

Town of Mansfield, Massachusetts  
Comprehensive Annual Financial Report  
For the year ended June 30, 2017

# ***Financial Section***

This page intentionally left blank.



100 Quannapowitt Parkway  
Suite 101  
Wakefield, MA 01880  
T. 781-914-1700  
F. 781-914-1701  
[www.powersandsullivan.com](http://www.powersandsullivan.com)

## Independent Auditor's Report

To the Honorable Board of Selectmen and the Audit Committee  
Town of Mansfield, Massachusetts

## Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Mansfield, Massachusetts as of and for the year ended June 30, 2017, 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 Mansfield, Massachusetts, as of June 30, 2017, 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 Mansfield's basic financial statements. The introductory section, combining and individual fund statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2017 on our consideration of the Town of Mansfield, 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 Town of Mansfield, Massachusetts' internal control over financial reporting and compliance.



December 19, 2017

# ***Management's Discussion and Analysis***

This page intentionally left blank.

## ***Management's Discussion and Analysis***

As management of the Town of Mansfield, we offer readers of these financial statements this narrative overview and analysis of the financial activities for the year ended June 30, 2017. We encourage readers to consider the information presented in this report. All amounts, unless otherwise indicated, are expressed in whole dollars.

The Governmental Accounting Standards Board (GASB) is the authoritative standard setting body that provides guidance on how to prepare financial statements in conformity with generally accepted accounting principles (GAAP) for states and local governmental entities. Users of these financial statements (such as investors, rating agencies and management) rely on the GASB to establish consistent reporting standards for all governments in the United States. This consistent application is the only way users (including citizens, the media, legislators and others) can assess the financial condition of one government compared to others.

### **Financial Overview**

- The assets and deferred outflows of resources of the Town of Mansfield exceeded the liabilities and deferred inflows of resources at the close of the most recent year by \$102.1 million (net position).
- At the close of the current year, the Town's general fund reported a fund balance of \$13.4 million, an increase of \$644,000 in comparison with the prior year. Total fund balance represents 13.6% of general fund expenditures.
- The Town's governmental long-term debt increased by \$24.8 million during the current year. This change was due to the issuance of \$26.6 million of long-term debt, most of which was the permanent financing of construction costs for the new East Street Municipal Complex, offset by \$2.7 million in principal payments on long-term debt.
- The Town's business-type debt decreased by \$1.6 million during the current year. This change was entirely due to principal payments on long-term debt.
- GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pensions Plans*, was implemented this year. This standard added Note disclosures and Required Supplemental Information for the Town's OPEB Trust fund. Its sister standard, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment benefits Other Than Pensions*, is required to be implemented in FY2018. This standard will affect the financial statements themselves by requiring the Town to record its OPEB assets, liabilities, and deferred financial statement elements for the first time.

### ***Overview of the Financial Statements***

This discussion and analysis are intended to serve as an introduction to the Town of Mansfield's basic financial statements. These basic financial statements comprise of 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, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position 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, and interest. The business-type activities include the activities of the water, sewer, airport, parking, and electric light activities.

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

**Governmental funds.** *Governmental funds* are used to account for essentially the same functions reported as governmental activities in the governmental-wide financial statements. However, unlike the government-wide financial statements, governmental fund statements focus on near-term inflows of spendable resources, as well as on balances of spendable resources available at the end of the 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 Mansfield adopts an annual appropriated budget for its general fund. A budget to actual schedule has been provided for the general fund to demonstrate compliance with this budget.

**Proprietary funds.** The Town maintains one type of proprietary fund.

*Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Town uses enterprise funds to account for its water, sewer, airport, parking, and electric light operations, all of which are considered to be major funds.

**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 statement 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 propriety funds.

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

## Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. Mansfield's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$102.1 million at the close of 2017, which was a decrease of \$1.4 million from the prior year.

Net position includes \$129.7 million as the net investment in capital assets (e.g., land, buildings and building improvements, machinery and equipment and infrastructure); less any related debt used to acquire those assets that are still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the investment in its capital assets is reported net of its related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the net position, \$6.9 million, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position has a year-end deficit balance of \$34.5 million. The primary reason for this deficit balance is the recognition of the \$43.6 million OPEB liability and the \$37.4 million net pension liability.

At the end of the current year, the Town is able to report positive balances in two of the three categories of net position, for the Town as a whole and for its governmental activities. Its business-type activities report positive balances in all categories.

The governmental activity and business-type activity components of the Town are presented on the following pages.

**Governmental Activities.** The Town of Mansfield's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources for governmental activities by \$8.1 million at the close of 2017.

	<u>2017</u>	<u>2016</u>
<b>Assets:</b>		
Current assets.....	\$ 56,403,971	\$ 32,546,966
Noncurrent assets (excluding capital).....	1,417,837	3,116,399
Capital assets, non depreciable.....	14,010,845	6,100,072
Capital assets, net of accumulated depreciation.....	<u>56,947,102</u>	<u>57,846,112</u>
<b>Total assets.....</b>	<b><u>128,779,755</u></b>	<b><u>99,609,549</u></b>
<b>Deferred outflows of resources:</b>		
Deferred charges on refunding.....	25,541	83,021
Deferred outflows of resources related to pensions.....	<u>6,014,195</u>	<u>6,794,460</u>
<b>Total deferred outflows of resources.....</b>	<b><u>6,039,736</u></b>	<b><u>6,877,481</u></b>
<b>Liabilities:</b>		
Current liabilities (excluding debt).....	9,472,514	6,799,973
Noncurrent liabilities (excluding debt).....	74,747,216	69,907,903
Current debt.....	4,347,435	2,716,320
Noncurrent debt.....	<u>36,161,561</u>	<u>11,953,489</u>
<b>Total liabilities.....</b>	<b><u>124,728,726</u></b>	<b><u>91,377,685</u></b>
<b>Deferred inflows of resources:</b>		
Deferred inflows of resources related to pensions.....	<u>1,983,018</u>	<u>2,701,502</u>
<b>Net position:</b>		
Net investment in capital assets.....	59,563,385	55,397,087
Restricted.....	2,548,061	3,060,189
Unrestricted.....	<u>(54,003,699)</u>	<u>(46,049,433)</u>
<b>Total net position.....</b>	<b><u>\$ 8,107,747</u></b>	<b><u>\$ 12,407,843</u></b>

	<u>2017</u>	<u>2016</u>
<b>Program Revenues:</b>		
Charges for services.....	\$ 7,816,849	\$ 7,867,314
Operating grants and contributions.....	33,070,579	30,787,377
Capital grants and contributions.....	2,634,349	1,649,069
<b>General Revenues:</b>		
Real estate and personal property taxes.....	57,523,819	54,836,575
Motor vehicle and other excise taxes.....	4,475,359	4,213,318
Nonrestricted grants and contributions.....	2,791,041	2,536,501
Unrestricted investment income.....	240,340	299,766
Other revenues.....	<u>240,422</u>	<u>256,908</u>
<b>Total revenues.....</b>	<b><u>108,792,758</u></b>	<b><u>102,446,828</u></b>
<b>Expenses:</b>		
General government.....	5,265,290	5,125,295
Public safety.....	18,664,418	19,480,111
Education.....	78,795,840	70,290,616
Public works.....	7,744,835	7,162,712
Human services.....	1,126,036	1,256,961
Culture and recreation.....	1,592,928	1,605,019
Interest.....	<u>546,995</u>	<u>557,164</u>
<b>Total expenses.....</b>	<b><u>113,736,342</u></b>	<b><u>105,477,878</u></b>
<b>Excess (Deficiency) before transfers.....</b>	<b>(4,943,584)</b>	<b>(3,031,050)</b>
<b>Transfers.....</b>	<b><u>643,488</u></b>	<b><u>474,420</u></b>
<b>Change in net position.....</b>	<b>(4,300,096)</b>	<b>(2,556,630)</b>
<b>Net position - beginning of year.....</b>	<b><u>12,407,843</u></b>	<b><u>14,964,473</u></b>
<b>Net position - end of year.....</b>	<b><u>\$ 8,107,747</u></b>	<b><u>\$ 12,407,843</u></b>

The governmental expenses totaled \$113.7 million of which \$43.5 million (38%) was directly supported by program revenues consisting of charges for services, operating and capital grants and contributions. General revenues totaled \$65.3 million, primarily coming from property taxes, motor vehicle excise, payments in lieu of taxes, and non-restricted state aid.

The governmental net position decreased by \$4.3 million during the current year as a result of several offsetting factors. Governmental net position increased due to the receipt of \$2.6 million of capital grant revenues through the Commonwealth's Chapter 90 highway improvement program and the Commonwealth's MassWorks program. Net position decreased as a result of a \$5.0 million increase in the other postemployment benefit liability, as well as due to depreciation expense exceeding principal payments on long term debt by \$2.2 million.

**Business-type Activities.** The Town of Mansfield's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources for business-type activities by \$94.0 million at the close of 2017.

	<u>2017</u>	<u>2016</u>
<b>Assets:</b>		
Current assets.....	\$ 27,026,802	\$ 26,807,401
Noncurrent assets (excluding capital).....	7,451,396	6,741,508
Capital assets, non depreciable.....	5,764,358	5,362,040
Capital assets, net of accumulated depreciation.....	<u>82,285,441</u>	<u>82,706,133</u>
<b>Total assets.....</b>	<b><u>122,527,997</u></b>	<b><u>121,617,082</u></b>
<b>Deferred outflows of resources:</b>		
Deferred outflows of resources related to pensions.....	<b>942,789</b>	<b>1,065,103</b>
<b>Liabilities:</b>		
Current liabilities (excluding debt).....	2,833,471	3,321,724
Non-current liabilities (excluding debt).....	8,193,515	8,059,016
Current debt.....	1,683,674	1,665,572
Noncurrent debt.....	<u>16,496,809</u>	<u>18,180,483</u>
<b>Total liabilities.....</b>	<b><u>29,207,469</u></b>	<b><u>31,226,795</u></b>
<b>Deferred inflows of resources:</b>		
Deferred inflows of resources related to pensions.....	<b>310,859</b>	<b>423,489</b>
<b>Net Position:</b>		
Net investment in capital assets.....	70,090,910	68,443,713
Restricted.....	4,390,069	3,607,059
Unrestricted.....	<u>19,471,479</u>	<u>18,981,129</u>
<b>Total net position.....</b>	<b><u>\$ 93,952,458</u></b>	<b><u>\$ 91,031,901</u></b>
<b>Program Revenues:</b>		
Charges for services.....	\$ 37,018,958	\$ 36,912,251
Operating grants and contributions.....	98,726	85,234
Capital grants and contributions.....	876,909	3,130,684
<b>General Revenues:</b>		
Unrestricted investment income.....	<u>112,113</u>	<u>88,367</u>
<b>Total revenues.....</b>	<b><u>38,106,706</u></b>	<b><u>40,216,536</u></b>
<b>Expenses:</b>		
Water.....	4,723,551	3,970,077
Sewer.....	5,045,866	4,632,762
Airport.....	611,727	441,027
Parking.....	600,604	572,372
Electric light.....	<u>23,560,913</u>	<u>23,407,132</u>
<b>Total expenses.....</b>	<b><u>34,542,661</u></b>	<b><u>33,023,370</u></b>
<b>Excess (Deficiency) before special item and transfers.....</b>	<b>3,564,045</b>	<b>7,193,166</b>
<b>Special Item, Gain/(Loss) on MFN Transaction.....</b>	<b>-</b>	<b>400,000</b>
<b>Transfers.....</b>	<b><u>(643,488)</u></b>	<b><u>(474,420)</u></b>
<b>Change in net position.....</b>	<b>2,920,557</b>	<b>7,118,746</b>
<b>Net position - beginning of year.....</b>	<b><u>91,031,901</u></b>	<b><u>83,913,155</u></b>
<b>Net position - end of year.....</b>	<b><u>\$ 93,952,458</u></b>	<b><u>\$ 91,031,901</u></b>

Business-type net position of \$70.1 million represents the net investment in capital assets, \$4.4 million is restricted, and \$19.5 million is unrestricted. The Town's business-type activities net position increased by \$2.9 million in the current year.

The water enterprise fund net position increased by \$596,000 during 2017 compared to an increase of \$1.3 million in 2016. This difference is associated with the Town reducing the amount of capital outlay funded through user charges in the current year.

The sewer enterprise fund net position increased by \$338,000 during 2017 primarily due to increased user charges.

The airport enterprise fund net position increased by \$420,000 during 2017 primarily due to increased user charges and the placed use of net position for operations.

The parking enterprise fund net position decreased by \$34,000 during 2017. This decrease was due to the planned use of net position for operations.

The electric light enterprise fund net position increased by \$1.6 million during 2017. This increase is due to favorable operating results comparable to those of the prior year.

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

As of the end of the current year, governmental funds reported combined ending fund balances of \$43.0 million, of which \$13.4 million is for the general fund, \$21.6 million is for Municipal Projects, and \$8.0 million is for nonmajor governmental funds. Cumulatively there was an increase of \$20.7 million in fund balances 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 \$10.4 million, while total fund balance was \$13.4 million. \$2.3 million of fund balance has been committed for capital articles carried forward to the next year, and \$767,000 has been assigned for encumbrances. Total fund balance represents 13.6% of general fund expenditures; the Town's general fund increased by \$644,000 in 2017 which was due to favorable budgetary results.

The municipal projects fund increased by \$20.1 million in 2017 which was due to the permanent financing of construction costs associated with the new East Street Municipal Complex.

The nonmajor governmental funds decreased by \$95,000 in 2017, which is due to a timing difference between the receipt and expenditure of state and federal grant funds.

## ***General Fund Budgetary Highlights***

The original 2017 approved budget for the General Fund authorized \$88.9 million in appropriations and other amounts to be raised, as well as \$3.0 million of encumbrances and continuing appropriations carried forward from the prior year. During 2017 Town meeting authorized \$885,000 of supplemental appropriations including \$739,000 for education related capital articles, as well as \$143,000 to fund snow & ice costs.

## ***Capital Asset and Debt Administration***

**Capital Assets.** In conjunction with the annual 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 investment in capital assets for its governmental and business-type activities as of June 30, 2017, amounts to \$159.0 million (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and building improvements, machinery and equipment, library books, vehicles, and other infrastructure. The Town invested \$15.5 million for capital asset additions throughout the Town in 2017.

The major governmental capital asset events during the current year include construction of the new East Street Municipal complex, roadway improvement projects, as well as various equipment and vehicle purchases.

The major business-type capital asset events during the current year consisted of improvements to water and sewer infrastructure, airport runway improvements, as well as various improvements to the distribution and general plant at the Mansfield Electric Light Department.

**Debt Administration.** Outstanding gross long-term governmental debt, as of June 30, 2017, totaled \$39.5 million, an increase of \$24.8 million from the prior year. This increase was due to the issuance of general obligation bonds and premiums totaling \$27.6 million mainly associated with the new East Street Municipal Complex, offset by principal payments totaling \$2.7 million.

Outstanding gross long-term debt of the water enterprise fund as of June 30, 2017 totaled \$16.4 million, a decrease of \$1.5 million from the prior year due to principal payments.

Outstanding gross long-term debt of the sewer enterprise fund as of June 30, 2017 totaled \$1.8 million, a decrease of \$210,000 from the prior year due to principal payments.

Please refer to notes 4, 6, 7 and 8 to the basic financial statements for further discussion of the major capital and debt activity.

## ***Requests for Information***

This financial report is designed to provide a general overview of the Town of Mansfield'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, 6 Park Row, Mansfield, Massachusetts 02048.

This page intentionally left blank.

# ***Basic Financial Statements***

This page intentionally left blank.

**STATEMENT OF NET POSITION**

JUNE 30, 2017

	<i>Primary Government</i>		
	Governmental	Business-type	Total
	Activities	Activities	
<b>ASSETS</b>			
<b>CURRENT:</b>			
Cash and cash equivalents.....	\$ 47,394,199	\$ 18,164,447	\$ 65,558,646
Investments.....	4,354,417	-	4,354,417
Receivables, net of allowance for uncollectibles:			
Real estate and personal property taxes.....	619,775	-	619,775
Tax liens.....	386,935	-	386,935
Motor vehicle and other excise taxes.....	277,494	-	277,494
User fees.....	-	6,013,776	6,013,776
Departmental and other.....	504,394	-	504,394
Intergovernmental.....	2,866,757	16,289	2,883,046
Special assessments.....	-	28,737	28,737
Inventory.....	-	570,277	570,277
Prepaid expenses.....	-	101,738	101,738
Purchased power working capital.....	-	2,131,538	2,131,538
<b>Total current assets.....</b>	<b>56,403,971</b>	<b>27,026,802</b>	<b>83,430,773</b>
<b>NONCURRENT:</b>			
Cash and cash equivalents.....	-	5,448,734	5,448,734
MMWEC reserve trust fund.....	-	1,702,316	1,702,316
Receivables, net of allowance for uncollectibles:			
Intergovernmental.....	1,417,837	121,953	1,539,790
Special assessments.....	-	112,460	112,460
Investment in Hydro Quebec.....	-	12,638	12,638
Other postemployment benefits assets.....	-	53,295	53,295
Capital assets, non depreciable.....	14,010,845	5,764,358	19,775,203
Capital assets, net of accumulated depreciation.....	56,947,102	82,285,441	139,232,543
<b>Total noncurrent assets.....</b>	<b>72,375,784</b>	<b>95,501,195</b>	<b>167,876,979</b>
<b>TOTAL ASSETS.....</b>	<b>128,779,755</b>	<b>122,527,997</b>	<b>251,307,752</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred charges on refunding.....	25,541	-	25,541
Deferred outflows of resources related to pensions.....	6,014,195	942,789	6,956,984
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES.....</b>	<b>6,039,736</b>	<b>942,789</b>	<b>6,982,525</b>
<b>LIABILITIES</b>			
<b>CURRENT:</b>			
Warrants payable.....	4,050,625	1,995,939	6,046,564
Accrued liabilities.....	-	279,742	279,742
Accrued payroll.....	4,063,210	49,363	4,112,573
Accrued interest.....	295,929	215,905	511,834
Capital lease obligations.....	46,343	-	46,343
Landfill closure.....	17,000	-	17,000
Compensated absences.....	999,407	292,522	1,291,929
Notes payable.....	1,000,000	-	1,000,000
Bonds payable.....	3,347,435	1,683,674	5,031,109
<b>Total current liabilities.....</b>	<b>13,819,949</b>	<b>4,517,145</b>	<b>18,337,094</b>
<b>NONCURRENT:</b>			
Capital lease obligations.....	85,565	-	85,565
Landfill closure.....	136,000	-	136,000
Compensated absences.....	511,299	88,039	599,338
Customer deposits payable.....	-	1,167,070	1,167,070
Other postemployment benefits.....	41,721,259	1,876,118	43,597,377
Net pension liability.....	32,293,093	5,062,288	37,355,381
Bonds payable.....	36,161,561	16,496,809	52,658,370
<b>Total noncurrent liabilities.....</b>	<b>110,908,777</b>	<b>24,690,324</b>	<b>135,599,101</b>
<b>TOTAL LIABILITIES.....</b>	<b>124,728,726</b>	<b>29,207,469</b>	<b>153,936,195</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows of resources related to pensions.....	1,983,018	310,859	2,293,877
<b>NET POSITION</b>			
Net investment in capital assets.....	59,563,385	70,090,910	129,654,295
Restricted for:			
Depreciation.....	-	4,390,069	4,390,069
Permanent funds:			
Expendable.....	407,592	-	407,592
Nonexpendable.....	131,890	-	131,890
Grants and gifts.....	2,008,579	-	2,008,579
Unrestricted.....	(54,003,699)	19,471,479	(34,532,220)
<b>TOTAL NET POSITION.....</b>	<b>\$ 8,107,747</b>	<b>\$ 93,952,458</b>	<b>\$ 102,060,205</b>

See notes to basic financial statements.

**STATEMENT OF ACTIVITIES**

YEAR ENDED JUNE 30, 2017

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Primary Government:</b>					
<i>Governmental Activities:</i>					
General government.....	\$ 5,265,290	\$ 237,943	\$ 322,401	\$ -	\$ (4,704,946)
Public safety.....	18,664,418	3,688,189	141,707	-	(14,834,522)
Education.....	78,795,840	3,518,133	32,211,767	-	(43,065,940)
Public works.....	7,744,835	110,485	70,350	2,634,349	(4,929,651)
Human services.....	1,126,036	41,254	187,178	-	(897,604)
Culture and recreation.....	1,592,928	220,845	120,622	-	(1,251,461)
Interest.....	546,995	-	16,554	-	(530,441)
<b>Total Governmental Activities.....</b>	<b>113,736,342</b>	<b>7,816,849</b>	<b>33,070,579</b>	<b>2,634,349</b>	<b>(70,214,565)</b>
<i>Business-Type Activities:</i>					
Water.....	4,723,551	5,200,634	87,405	-	564,488
Sewer.....	5,045,866	5,345,928	11,321	-	311,383
Airport.....	611,727	154,426	-	876,909	419,608
Parking.....	600,604	564,033	-	-	(36,571)
Electric light.....	23,560,913	25,753,937	-	-	2,193,024
<b>Total Business-Type Activities.....</b>	<b>34,542,661</b>	<b>37,018,958</b>	<b>98,726</b>	<b>876,909</b>	<b>3,451,932</b>
<b>Total Primary Government.....</b>	<b>\$ 148,279,003</b>	<b>\$ 44,835,807</b>	<b>\$ 33,169,305</b>	<b>\$ 3,511,258</b>	<b>\$ (66,762,633)</b>

(Continued)

See notes to basic financial statements.

**STATEMENT OF ACTIVITIES**

YEAR ENDED JUNE 30, 2017

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>Changes in net position:</b>			
Net (expense) revenue from previous page.....	\$ <b>(70,214,565)</b>	\$ <b>3,451,932</b>	\$ <b>(66,762,633)</b>
<i>General revenues:</i>			
Real estate and personal property taxes, net of tax refunds.....	57,523,819	-	57,523,819
Motor vehicle and other excise taxes.....	3,676,173	-	3,676,173
Hotel/motel tax.....	329,957	-	329,957
Meals tax.....	469,229	-	469,229
Penalties and interest on taxes.....	200,040	-	200,040
Payments in lieu of taxes.....	5,412	-	5,412
Grants and contributions not restricted to specific programs.....	2,791,041	-	2,791,041
Unrestricted investment income.....	240,340	112,113	352,453
Miscellaneous.....	34,970	-	34,970
<i>Transfers, net</i> .....	643,488	(643,488)	-
Total general revenues and transfers.....	65,914,469	(531,375)	65,383,094
Change in net position.....	(4,300,096)	2,920,557	(1,379,539)
<i>Net position:</i>			
Beginning of year.....	12,407,843	91,031,901	103,439,744
End of year.....	\$ <u>8,107,747</u>	\$ <u>93,952,458</u>	\$ <u>102,060,205</u>

(Concluded)

See notes to basic financial statements.

**GOVERNMENTAL FUNDS  
BALANCE SHEET**

JUNE 30, 2017

	General	Municipal Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash and cash equivalents.....	\$ 15,042,583	\$ 24,412,104	\$ 7,939,512	\$ 47,394,199
Investments.....	3,318,197	-	1,036,220	4,354,417
Receivables, net of uncollectibles:				
Real estate and personal property taxes.....	619,775	-	-	619,775
Tax liens.....	386,935	-	-	386,935
Motor vehicle and other excise taxes.....	277,494	-	-	277,494
Departmental and other.....	237,662	-	266,732	504,394
Intergovernmental.....	3,262,377	-	1,022,217	4,284,594
Due from other funds.....	90,898	-	-	90,898
<b>TOTAL ASSETS.....</b>	<b>\$ 23,235,921</b>	<b>\$ 24,412,104</b>	<b>\$ 10,264,681</b>	<b>\$ 57,912,706</b>
<b>LIABILITIES</b>				
Warrants payable.....	\$ 1,421,745	\$ 1,780,634	\$ 848,246	\$ 4,050,625
Accrued payroll.....	3,899,197	20,166	143,847	4,063,210
Due to other funds.....	-	-	90,898	90,898
Notes payable.....	-	1,000,000	-	1,000,000
<b>TOTAL LIABILITIES.....</b>	<b>5,320,942</b>	<b>2,800,800</b>	<b>1,082,991</b>	<b>9,204,733</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues.....	4,475,713	-	1,196,507	5,672,220
<b>FUND BALANCES</b>				
Nonspendable.....	-	-	131,890	131,890
Restricted.....	-	21,611,304	7,853,293	29,464,597
Committed.....	2,307,097	-	-	2,307,097
Assigned.....	766,780	-	-	766,780
Unassigned.....	10,365,389	-	-	10,365,389
<b>TOTAL FUND BALANCES.....</b>	<b>13,439,266</b>	<b>21,611,304</b>	<b>7,985,183</b>	<b>43,035,753</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES.....</b>	<b>\$ 23,235,921</b>	<b>\$ 24,412,104</b>	<b>\$ 10,264,681</b>	<b>\$ 57,912,706</b>

See notes to basic financial statements.

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

JUNE 30, 2017

Total governmental fund balances.....	\$	43,035,753
Capital assets (net) used in governmental activities are not financial resources and, therefore, are not reported in the funds.....		70,957,947
Accounts receivable are not available to pay for current-period expenditures and, therefore, are unavailable in the funds.....		5,672,220
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/(inflows) of resources or (deferred inflows of resources) related to pensions.....		4,031,177
In the statement of activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due.....		(295,929)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:		
Bonds payable.....	(38,178,600)	
Unamortized premium on bonds payable.....	(1,330,396)	
Deferred charges on refunding.....	25,541	
Landfill closure.....	(153,000)	
Other postemployment benefits.....	(41,721,259)	
Capital lease obligations.....	(131,908)	
Net pension liability.....	(32,293,093)	
Compensated absences.....	(1,510,706)	
Net effect of reporting long-term liabilities.....		<u>(115,293,421)</u>
Net position of governmental activities.....	\$	<u>8,107,747</u>

See notes to basic financial statements.

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

YEAR ENDED JUNE 30, 2017

	General	Municipal Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>				
Real estate and personal property taxes, net of tax refunds.....	\$ 57,416,495	\$ -	\$ -	\$ 57,416,495
Tax liens.....	187,581	-	-	187,581
Motor vehicle and other excise taxes.....	3,712,352	-	-	3,712,352
Hotel/motel tax.....	329,957	-	-	329,957
Meals tax.....	469,229	-	-	469,229
Charges for services.....	-	-	4,412,856	4,412,856
Penalties and interest on taxes.....	200,040	-	-	200,040
Fees and rentals.....	1,273,280	-	-	1,273,280
Payments in lieu of taxes.....	5,412	-	-	5,412
Licenses and permits.....	732,202	-	-	732,202
Fines and forfeitures.....	83,796	-	-	83,796
Intergovernmental.....	33,884,755	-	5,723,086	39,607,841
Departmental and other.....	-	-	1,878,945	1,878,945
Special assessments.....	1,317	-	-	1,317
Contributions.....	-	-	290,977	290,977
Investment income.....	213,337	-	27,642	240,979
Miscellaneous.....	34,970	-	-	34,970
<b>TOTAL REVENUES.....</b>	<b>98,544,723</b>	<b>-</b>	<b>12,333,506</b>	<b>110,878,229</b>
<b>EXPENDITURES:</b>				
Current:				
General government.....	3,577,448	5,612,125	430,206	9,619,779
Public safety.....	13,757,194	-	2,128,502	15,885,696
Education.....	48,227,559	-	6,297,042	54,524,601
Public works.....	5,750,292	1,759,371	3,081,590	10,591,253
Human services.....	877,009	-	48,367	925,376
Culture and recreation.....	1,028,907	-	232,303	1,261,210
Insurance/employee benefits.....	20,737,346	-	-	20,737,346
State and county charges.....	1,867,116	-	-	1,867,116
Debt service:				
Principal.....	2,627,900	-	-	2,627,900
Interest.....	490,426	-	-	490,426
<b>TOTAL EXPENDITURES.....</b>	<b>98,941,197</b>	<b>7,371,496</b>	<b>12,218,010</b>	<b>118,530,703</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>(396,474)</b>	<b>(7,371,496)</b>	<b>115,496</b>	<b>(7,652,474)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Issuance of long-term debt.....	-	26,550,000	-	26,550,000
Premium from issuance of bonds.....	55,075	950,432	-	1,005,507
Capital lease financing.....	131,908	-	-	131,908
Transfers in.....	858,730	-	9,753	868,483
Transfers out.....	(5,160)	-	(219,835)	(224,995)
<b>TOTAL OTHER FINANCING SOURCES (USES).....</b>	<b>1,040,553</b>	<b>27,500,432</b>	<b>(210,082)</b>	<b>28,330,903</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>644,079</b>	<b>20,128,936</b>	<b>(94,586)</b>	<b>20,678,429</b>
<b>FUND BALANCES AT BEGINNING OF YEAR.....</b>	<b>12,795,187</b>	<b>1,482,368</b>	<b>8,079,769</b>	<b>22,357,324</b>
<b>FUND BALANCES AT END OF YEAR.....</b>	<b>\$ 13,439,266</b>	<b>\$ 21,611,304</b>	<b>\$ 7,985,183</b>	<b>\$ 43,035,753</b>

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, 2017

Net change in fund balances - total governmental funds.....		\$ 20,678,429
<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.....	11,879,474	
Depreciation expense.....	<u>(4,867,711)</u>	
Net effect of reporting capital assets.....		7,011,763
<p>Revenues in the Statement of Activities that do not provide current financial resources are unavailable 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 unavailable revenue.....</p>		
		(2,085,471)
<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 unavailable and amortized in the Statement of Activities.</p>		
Capital lease financing.....	(131,908)	
Principal payments on capital leases.....	85,097	
Issuance of bonds and notes.....	(26,550,000)	
Premium from the issuance of bonds.....	(1,005,507)	
Debt service principal payments.....	2,627,900	
Amortization of bond premium.....	88,420	
Amortization of deferred charge on refunding.....	<u>(57,480)</u>	
Net effect of reporting long-term debt.....		(24,943,478)
<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.....	(63,751)	
Net change in accrued interest on long-term debt.....	(87,509)	
Net change in landfill closure accrual.....	17,000	
Net change in other postemployment benefits accrual.....	(5,015,127)	
Net change in deferred outflow/(inflow) of resources related to pensions.....	(61,781)	
Net change in net pension liability.....	<u>249,829</u>	
Net effect of recording long-term liabilities.....		<u>(4,961,339)</u>
Change in net position of governmental activities.....		<u>\$ (4,300,096)</u>

See notes to basic financial statements.

**PROPRIETARY FUNDS**  
**STATEMENT OF NET POSITION**

JUNE 30, 2017

	Business-type Activities - Enterprise Funds					
	Water	Sewer	Airport	Parking	Electric Light	Total
<b>ASSETS</b>						
<b>CURRENT:</b>						
Cash and cash equivalents.....	\$ 1,574,121	\$ 3,850,150	\$ 16,807	\$ 712,978	\$ 12,010,391	\$ 18,164,447
Receivables, net of allowance for uncollectibles:						
User fees.....	1,347,350	914,998	-	47,353	3,704,075	6,013,776
Intergovernmental.....	-	16,289	-	-	-	16,289
Special assessments.....	602	28,135	-	-	-	28,737
Inventory.....	-	-	-	-	570,277	570,277
Prepaid expenses.....	-	-	-	-	101,738	101,738
Purchased power working capital.....	-	-	-	-	2,131,538	2,131,538
<b>Total current assets.....</b>	<b>2,922,073</b>	<b>4,809,572</b>	<b>16,807</b>	<b>760,331</b>	<b>18,518,019</b>	<b>27,026,802</b>
<b>NONCURRENT:</b>						
Cash and cash equivalents:						
Depreciation fund.....	-	-	-	-	4,390,069	4,390,069
Customer deposits.....	-	-	-	-	1,058,665	1,058,665
MMWEC reserve trust fund.....	-	-	-	-	1,702,316	1,702,316
Receivables, net of allowance for uncollectibles:						
Intergovernmental.....	62,949	59,004	-	-	-	121,953
Special assessments.....	5,248	107,212	-	-	-	112,460
Investment in Hydro Quebec.....	-	-	-	-	12,638	12,638
Other postemployment benefits assets.....	-	-	-	-	53,295	53,295
Capital assets, non depreciable.....	5,178,708	-	107,800	-	477,850	5,764,358
Capital assets, net of accumulated depreciation.....	32,446,258	8,738,287	8,386,571	59,622	32,654,703	82,285,441
<b>Total noncurrent assets.....</b>	<b>37,693,163</b>	<b>8,904,503</b>	<b>8,494,371</b>	<b>59,622</b>	<b>40,349,536</b>	<b>95,501,195</b>
<b>TOTAL ASSETS.....</b>	<b>40,615,236</b>	<b>13,714,075</b>	<b>8,511,178</b>	<b>819,953</b>	<b>58,867,555</b>	<b>122,527,997</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Deferred outflows of resources related to pensions.....	169,571	220,090	-	1,478	551,650	942,789
<b>LIABILITIES</b>						
<b>CURRENT:</b>						
Warrants payable.....	128,177	42,656	8,543	28,220	1,788,343	1,995,939
Accrued liabilities.....	-	-	-	-	279,742	279,742
Accrued payroll.....	26,850	19,863	-	2,650	-	49,363
Accrued interest.....	189,090	26,815	-	-	-	215,905
Compensated absences.....	37,784	111,785	-	4,334	138,619	292,522
Bonds payable.....	1,473,360	210,314	-	-	-	1,683,674
<b>Total current liabilities.....</b>	<b>1,855,261</b>	<b>411,433</b>	<b>8,543</b>	<b>35,204</b>	<b>2,206,704</b>	<b>4,517,145</b>
<b>NONCURRENT:</b>						
Compensated absences.....	32,680	27,798	-	-	27,561	88,039
Customer deposits payable.....	-	-	-	-	1,167,070	1,167,070
Other postemployment benefits.....	998,420	832,221	-	45,477	-	1,876,118
Net pension liability.....	910,507	1,181,771	-	7,938	2,962,072	5,062,288
Bonds payable.....	14,895,374	1,601,435	-	-	-	16,496,809
<b>Total noncurrent liabilities.....</b>	<b>16,836,981</b>	<b>3,643,225</b>	<b>-</b>	<b>53,415</b>	<b>4,156,703</b>	<b>24,690,324</b>
<b>TOTAL LIABILITIES.....</b>	<b>18,692,242</b>	<b>4,054,658</b>	<b>8,543</b>	<b>88,619</b>	<b>6,363,407</b>	<b>29,207,469</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred inflows of resources related to pensions.....	55,911	72,569	-	487	181,892	310,859
<b>NET POSITION</b>						
Net investment in capital assets.....	21,477,826	6,926,538	8,494,371	59,622	33,132,553	70,090,910
Restricted for:						
Depreciation.....	-	-	-	-	4,390,069	4,390,069
Unrestricted.....	558,828	2,880,400	8,264	672,703	15,351,284	19,471,479
<b>TOTAL NET POSITION.....</b>	<b>\$ 22,036,654</b>	<b>\$ 9,806,938</b>	<b>\$ 8,502,635</b>	<b>\$ 732,325</b>	<b>\$ 52,873,906</b>	<b>\$ 93,952,458</b>

See notes to basic financial statements.

**PROPRIETARY FUNDS**  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEAR ENDED JUNE 30, 2017

	Business-type Activities - Enterprise Funds					
	Water	Sewer	Airport	Parking	Electric Light	Total
<b>OPERATING REVENUES:</b>						
Charges for services .....	\$ 5,200,634	\$ 3,861,791	\$ 154,426	\$ 564,033	\$ 25,567,385	\$ 35,348,269
Contracted services - MFN.....	-	1,484,137	-	-	-	1,484,137
Other operating revenue.....	-	-	-	-	186,552	186,552
<b>TOTAL OPERATING REVENUES .....</b>	<b>5,200,634</b>	<b>5,345,928</b>	<b>154,426</b>	<b>564,033</b>	<b>25,753,937</b>	<b>37,018,958</b>
<b>OPERATING EXPENSES:</b>						
Cost of services and administration .....	3,136,673	4,593,847	161,316	589,671	21,897,136	30,378,643
Depreciation.....	1,101,279	376,820	450,411	10,933	1,660,651	3,600,094
<b>TOTAL OPERATING EXPENSES .....</b>	<b>4,237,952</b>	<b>4,970,667</b>	<b>611,727</b>	<b>600,604</b>	<b>23,557,787</b>	<b>33,978,737</b>
<b>OPERATING INCOME (LOSS).....</b>	<b>962,682</b>	<b>375,261</b>	<b>(457,301)</b>	<b>(36,571)</b>	<b>2,196,150</b>	<b>3,040,221</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>						
Investment income.....	26,700	26,811	251	2,276	56,075	112,113
Interest expense.....	(485,599)	(75,199)	-	-	(3,126)	(563,924)
Intergovernmental - MCWT debt service subsidy.....	87,405	11,321	-	-	-	98,726
<b>TOTAL NONOPERATING REVENUES (EXPENSES), NET.....</b>	<b>(371,494)</b>	<b>(37,067)</b>	<b>251</b>	<b>2,276</b>	<b>52,949</b>	<b>(353,085)</b>
<b>INCOME (LOSS) BEFORE TRANSFERS.....</b>	<b>591,188</b>	<b>338,194</b>	<b>(457,050)</b>	<b>(34,295)</b>	<b>2,249,099</b>	<b>2,687,136</b>
<b>CAPITAL CONTRIBUTION.....</b>	<b>-</b>	<b>-</b>	<b>876,909</b>	<b>-</b>	<b>-</b>	<b>876,909</b>
<b>TRANSFERS:</b>						
Transfers in.....	5,160	-	-	-	-	5,160
Transfers out.....	-	-	-	-	(648,648)	(648,648)
<b>TOTAL TRANSFERS.....</b>	<b>5,160</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(648,648)</b>	<b>(643,488)</b>
<b>CHANGE IN NET POSITION.....</b>	<b>596,348</b>	<b>338,194</b>	<b>419,859</b>	<b>(34,295)</b>	<b>1,600,451</b>	<b>2,920,557</b>
<b>NET POSITION AT BEGINNING OF YEAR.....</b>	<b>21,440,306</b>	<b>9,468,744</b>	<b>8,082,776</b>	<b>766,620</b>	<b>51,273,455</b>	<b>91,031,901</b>
<b>NET POSITION AT END OF YEAR.....</b>	<b>\$ 22,036,654</b>	<b>\$ 9,806,938</b>	<b>\$ 8,502,635</b>	<b>\$ 732,325</b>	<b>\$ 52,873,906</b>	<b>\$ 93,952,458</b>

See notes to basic financial statements.

**PROPRIETARY FUNDS**  
**STATEMENT OF CASH FLOWS**

YEAR ENDED JUNE 30, 2017

Business-type Activities - Enterprise Funds						
	Water	Sewer	Airport	Parking	Electric Light	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>						
Receipts from customers and users.....	\$ 5,258,149	\$ 3,828,946	\$ 154,426	\$ 516,680	\$ 25,983,644	\$ 35,741,845
Receipts from contracted services - MFN.....	-	1,484,137	-	-	-	1,484,137
Payments to vendors.....	(1,995,928)	(3,333,014)	(692,121)	(444,842)	(19,136,386)	(25,602,291)
Payments to employees.....	(1,382,462)	(1,219,960)	(1,652)	(121,542)	(2,287,081)	(5,012,697)
<b>NET CASH FROM OPERATING ACTIVITIES.....</b>	<b>1,879,759</b>	<b>760,109</b>	<b>(539,347)</b>	<b>(49,704)</b>	<b>4,560,177</b>	<b>6,610,994</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>						
Transfers in.....	5,160	-	-	-	-	5,160
Transfers out.....	-	-	-	-	(648,648)	(648,648)
Prefunding transfer for other postemployment benefits.....	-	-	-	-	50,400	50,400
<b>NET CASH FROM NONCAPITAL FINANCING ACTIVITIES.....</b>	<b>5,160</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(598,248)</b>	<b>(593,088)</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>						
Acquisition and construction of capital assets.....	(588,379)	(183,091)	(397,491)	-	(2,412,759)	(3,581,720)
Principal payments on bonds and notes.....	(1,455,258)	(210,314)	-	-	-	(1,665,572)
Interest expense.....	(516,521)	(78,630)	-	-	(3,126)	(598,277)
Intergovernmental - capital contribution.....	87,405	11,321	876,909	-	-	975,635
<b>NET CASH FROM CAPITAL AND RELATED FINANCING ACTIVITIES....</b>	<b>(2,472,753)</b>	<b>(460,714)</b>	<b>479,418</b>	<b>-</b>	<b>(2,415,885)</b>	<b>(4,869,934)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>						
Investment income.....	26,700	26,811	251	2,276	56,075	112,113
(Increase)/decrease in MMWEC reserve trust fund.....	-	-	-	-	(13,477)	(13,477)
<b>NET CASH FROM INVESTING ACTIVITIES.....</b>	<b>26,700</b>	<b>26,811</b>	<b>251</b>	<b>2,276</b>	<b>42,598</b>	<b>98,636</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS.....</b>	<b>(561,134)</b>	<b>326,206</b>	<b>(59,678)</b>	<b>(47,428)</b>	<b>1,588,642</b>	<b>1,246,608</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR.....</b>	<b>2,135,255</b>	<b>3,523,944</b>	<b>76,485</b>	<b>760,406</b>	<b>15,870,483</b>	<b>22,366,573</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR.....</b>	<b>\$ 1,574,121</b>	<b>\$ 3,850,150</b>	<b>\$ 16,807</b>	<b>\$ 712,978</b>	<b>\$ 17,459,125</b>	<b>\$ 23,613,181</b>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES:</b>						
Operating income (loss).....	\$ 962,682	\$ 375,261	\$ (457,301)	\$ (36,571)	\$ 2,196,150	\$ 3,040,221
Adjustments to reconcile operating income to net cash from operating activities:						
Depreciation.....	1,101,279	376,820	450,411	10,933	1,660,651	3,600,094
Deferred (outflows)/inflows related to pensions.....	1,741	2,261	-	15	5,667	9,684
Changes in assets and liabilities:						
User fees.....	57,949	(60,980)	-	(47,353)	227,642	177,258
Special assessments.....	(434)	28,135	-	-	-	27,701
Intergovernmental.....	-	15,528	-	-	-	15,528
Inventory.....	-	-	-	-	30,530	30,530
Prepaid expenses.....	-	-	-	-	29,379	29,379
Warrants payable.....	(320,129)	(58,448)	(532,440)	15,814	405,857	(489,346)
Accrued payroll.....	(120)	2,678	(17)	487	-	3,028
Compensated absences.....	(5,300)	21,322	-	(959)	25,152	40,215
Customer deposits.....	-	-	-	-	2,065	2,065
Other postemployment benefits.....	89,135	66,675	-	7,991	-	163,801
Net pension liability.....	(7,044)	(9,143)	-	(61)	(22,916)	(39,164)
<b>Total adjustments.....</b>	<b>917,077</b>	<b>384,848</b>	<b>(82,046)</b>	<b>(13,133)</b>	<b>2,364,027</b>	<b>3,570,773</b>
<b>NET CASH FROM OPERATING ACTIVITIES.....</b>	<b>\$ 1,879,759</b>	<b>\$ 760,109</b>	<b>\$ (539,347)</b>	<b>\$ (49,704)</b>	<b>\$ 4,560,177</b>	<b>\$ 6,610,994</b>

See notes to basic financial statements.

**FIDUCIARY FUNDS**  
STATEMENT OF FIDUCIARY NET POSITION

JUNE 30, 2017

	Other Postemployment Benefit Trust Fund	Private Purpose Trust Funds	Agency Funds
<b>ASSETS</b>			
Cash and cash equivalents.....	\$ 13,369	\$ 218,263	\$ 789,574
Investments:			
Equity mutual funds.....	2,349,177	-	-
Fixed income mutual funds.....	1,495,821	-	-
Daily liquid mutual funds.....	935,107	-	-
<b>TOTAL ASSETS.....</b>	<b>4,793,474</b>	<b>218,263</b>	<b>789,574</b>
<b>LIABILITIES</b>			
Warrants payable.....	-	-	40,815
Payroll withholdings.....	-	-	620,227
Liabilities due depositors.....	-	-	128,532
<b>TOTAL LIABILITIES.....</b>	<b>-</b>	<b>-</b>	<b>789,574</b>
<b>NET POSITION</b>			
Restricted for other postemployment benefits.....	4,793,474	-	-
Held in trust for other purposes.....	-	218,263	-
<b>TOTAL NET POSITION.....</b>	<b>4,793,474</b>	<b>218,263</b>	<b>-</b>

See notes to basic financial statements.

**FIDUCIARY FUNDS**  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

YEAR ENDED JUNE 30, 2017

	Other Postemployment Benefit Trust Fund	Private Purpose Trust Funds
<b>ADDITIONS:</b>		
Contributions:		
Employer contributions to the trust.....	\$ 665,935	\$ -
Employer contributions to pay for OPEB benefits.....	2,833,368	-
Private donations.....	-	25,079
Total contributions.....	3,499,303	25,079
Net investment income:		
Net change in fair value of investments.....	211,335	-
Interest.....	-	454
Dividends.....	147,497	-
Total investment income.....	358,832	454
Less: investment expense.....	(14,607)	-
Net investment income.....	344,225	454
TOTAL ADDITIONS.....	3,843,528	25,533
<b>DEDUCTIONS:</b>		
OPEB benefits.....	2,833,368	-
Educational scholarships.....	-	24,180
TOTAL DEDUCTIONS.....	2,833,368	24,180
CHANGE IN NET POSITION.....	1,010,160	1,353
NET POSITION AT BEGINNING OF YEAR.....	3,783,314	216,910
NET POSITION AT END OF YEAR.....	\$ 4,793,474	\$ 218,263

See notes to basic financial statements.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**A. Reporting Entity**

The Town was incorporated in 1775 under the statutes of the Commonwealth of Massachusetts (the “Commonwealth”). The Town is a municipal corporation governed by an elected board of Selectmen.

For financial reporting purposes, the Town has included all funds, organizations, agencies, boards, commissions and institutions. The Town has also considered all potential component units for which it is financially accountable as well as other organizations for which the nature and significance of their relationship with the Town are such that exclusion would cause the basic financial statements to be misleading or incomplete. As required by GAAP, these basic financial statements present the Town (the primary government) and its component units. It has been determined that there are no component units that meet the requirements for inclusion in the Town’s financial statements.

**Joint Ventures**

A joint venture is an organization (resulting from a contractual arrangement) that is owned, operated and governed by two or more participants as a separate and specific activity subject to joint control in which the participants retain an ongoing financial interest or ongoing financial responsibility. Joint control means that no single participant has the ability to unilaterally control the financial or operating policies of the joint venture. The Town participates in the following joint ventures with other municipalities to pool resources and share the costs, risks, and rewards of providing goods and services to venture participants directly, or for the benefit of the general public or specified recipients.

***MFN Regional Wastewater District (MFN)***

The Town has entered into a joint venture for the MFN (Mansfield, Foxborough, Norton) Regional Wastewater District along with the Towns of Foxborough and Norton to pool resources and share costs, risks, and rewards of operating a regional wastewater treatment facility. The District was formed on July 1, 2014, and assessments from each Community are based on volumes and other criteria from the Operating Agreement. The Town of Mansfield does not have an equity interest in MFN and its assessment for FY2017 amounted to \$2,802,492. The MFN is governed by a seven member board of Commissioners consisting of two appointed representatives from each Town with an additional member appointed by the Town of Mansfield. The MFN issues a publically available financial report that includes its financial statements. That report may be obtained by writing to the Treasurer of the MFN at 6 Park Row, Mansfield, Massachusetts 02048.

***Southeastern Regional Vocational Technical High School (SERSD)***

The Town is a member of the SERSD that serves the member students from 10 area communities seeking an education in academic and technical studies. The members share in the operations of the School and each member is responsible for its proportionate share of the operational and capital costs of the School, which are paid in the form of assessments. The Town does not have an equity interest in the School and the 2017 assessment was \$782,459. Separate financial statements may be obtained by writing the business manager of the SERSD at 250 Foundry Street, South Easton, MA 02375.

## 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 activities) report information on all of the non-fiduciary activities of the primary government.

*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 the 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.

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 are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when due, and certain compensated absences, claims and judgments which are recognized when the obligations are expected to be liquidated with current expendable available resources.

Real estate and personal property tax revenues are considered available if they are collected within 60 days after 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 *municipal projects fund* is used to account for financial resources associated with the construction of Town capital facilities and other ongoing construction projects.

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

The *special revenue fund* is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure 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 water distribution activities.

The *sewer enterprise fund* is used to account for wastewater treatment activities.

The *airport enterprise fund* is used to account for municipal airport activities.

The *parking enterprise fund* is used to account for commuter-rail parking lot activities.

The *electric light enterprise fund* is used to account for municipal light plant activities.

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

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 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 trust funds have donor restrictions and trustee policies that do not allow the endowment portion and any unrealized appreciation to be spent. These restrictions and trustee policies only allows the trustees to approve spending of the realized investment earnings. The Town's educational scholarships are accounted for in this fund.

The *agency fund* is used to account for assets held in a purely custodial capacity. The Town's agency fund mainly consists of off-duty work details, insurance withholdings, unclaimed checks, and fees collected on behalf of other governments. Agency funds apply the accrual basis of accounting but do not have a measurement focus.

#### 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. Fair Value Measurements

The Town reports required types of financial instruments in accordance with the fair value standards. These standards require an entity to maximize the use of observable inputs (such as quoted prices in active markets) and minimize the use of unobservable inputs (such as appraisals or valuation techniques) to determine fair value. Fair value standards also require the government to classify these financial instruments into a three-level hierarchy, based on the priority of inputs to the valuation technique or in accordance with net asset value practical expedient rules, which allow for either Level 2 or Level 3 depending on lock up and notice periods associated with the underlying funds.

Instruments measured and reported at fair value are classified and disclosed in one of the following categories:

Level 1 – Quoted prices are available in active markets for identical instruments as of the reporting date. Instruments, which are generally included in this category, include actively traded equity and debt securities, U.S. government obligations, and mutual funds with quoted market prices in active markets.

Level 2 – Pricing inputs are other than quoted in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies. Certain fixed income securities, primarily corporate bonds, are classified as Level 2 because fair values are estimated using pricing models, matrix pricing, or discounted cash flows.

Level 3 – Pricing inputs are unobservable for the instrument and include situations where there is little, if any, market activity for the instrument. The inputs into the determination of fair value require significant management judgment or estimation.

In some instances the inputs used to measure fair value may fall into different levels of the fair value hierarchy and is based on the lowest level of input that is significant to the fair value measurement.

Market price is affected by a number of factors, including the type of instrument and the characteristics specific to the instrument. Instruments with readily available active quoted prices generally will have a higher degree of market price observability and a lesser degree of judgment used in measuring fair value. It is reasonably possible that change in values of these instruments will occur in the near term and that such changes could materially affect amounts reported in these financial statements. For more information on the fair value of the Town's financial instruments, see Note 2 – Cash and Investments.

## F. Accounts Receivable

### *Government-Wide and Fund Financial Statements*

The recognition of revenue related to accounts receivable reported in the government-wide financial statements and proprietary 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 1<sup>st</sup> 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 1<sup>st</sup>, November 1<sup>st</sup>, February 1<sup>st</sup> and May 1<sup>st</sup> 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.

Tax liens are imposed three years after the original tax is considered delinquent and are processed subsequent to July 1<sup>st</sup> every year.

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 Excise Taxes***

Motor vehicle excise taxes are assessed annually for each vehicle registered in the Town 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.

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

### ***Room Occupancy Tax***

The Town levies 6% of the cost of renting hotel, motel, lodging house and bed and breakfast rooms in accordance with Massachusetts General Law, Chapter 64G, Section 3A. The tax is paid by the operator of each establishment to the State Commissioner of Revenue, who in turn pays the tax back to the Town in quarterly distributions. The room occupancy tax receivable is categorized as an intergovernmental receivable.

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

### ***Meals Tax***

The Town levies 0.75% for the sale of restaurant meals in accordance with Massachusetts General Law, Chapter 64L, Section 2. The tax is paid by the operator of each establishment to the State Commissioner of Revenue, who in turn pays the tax back to the Town in quarterly distributions.

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

***Water, Sewer and Electric Light Department***

User fees are levied monthly based on individual meter readings and are subject to penalties and interest if they are not paid by the respective due date. Water and sewer liens are processed in December of every year and included as a lien on the property owner's tax bill. Water and sewer charges and related 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 primarily of police details and ambulance fees, which are recorded as receivables in the fiscal year accrued. The allowance for uncollectibles is estimated based on historical trends and specific account analysis.

***Intergovernmental***

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

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

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

Inventories of the governmental funds, as well as the water, sewer, airport and parking enterprise funds are recorded as expenditures/expenses at the time of purchase. Such inventories are not material in total to the basic financial statements, and therefore are not reported.

Inventories of the electric light enterprise fund are stated at historical cost. Cost for materials and supplies inventories are determined by the first-in, first-out method.

**H. 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 activities 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; donated works of art, historical treasures and similar assets; and capital assets received in service concession arrangements are recorded at acquisition value. 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.

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

<u>Capital Asset Type</u>	<u>Estimated Useful Life (in years)</u>
Buildings and improvements.....	40
Improvements other than buildings.....	20-30
Machinery and equipment.....	5-20
Vehicles.....	5-15
Books.....	3-10
Infrastructure.....	20-50
Electric light distribution plant.....	10-33
Electric light general plant.....	5-33

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.

I. Deferred Outflows/Inflows of Resources

*Government-Wide Financial Statements (Net Position)*

In addition to assets, the statement of financial 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. As of June 30, 2017 the Town has reported deferred outflows of resources related to pensions in this category, as well as deferred charges on refunding.

In addition to liabilities, the statement of financial 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. As of June 30, 2017 the Town has reported deferred inflows of resources related to pensions 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.

J. 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.

K. Interfund Transfers

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

*Government-Wide Financial Statements*

Transfers 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 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.

L. 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.

M. 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.

Net position is reported as restricted when amounts that 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:

"Depreciation – represents amounts restricted in the Electric department for the statutory reserve for funded depreciation.

“Permanent funds - expendable” represents amounts 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.

“Permanent funds - nonexpendable” represents the endowment portion of donor restricted trusts.

“Grants and gifts” represents amounts held for school and other Town grants, and for gift funds.

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 equity is classified as fund balance. Fund balance is further classified 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 is the highest level of decision making authority that can, by adoption of a Town Meeting warrant article, commit funds for specific purposes. Once voted, the limitation imposed by the vote remains in place until the funds are used for their intended purpose or a vote is taken to rescind 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 Finance Director/Town Accountant to assign fund balance. Assignments generally only exist 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. The general fund is the only fund that reports a positive unassigned fund balance. 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.

The Town’s spending policy is to spend restricted fund balance first, followed by committed, assigned and unassigned fund balance. Most governmental funds are designated for one purpose at the time of their creation. Therefore, any expenditure from the fund will be allocated to the applicable fund balance classifications in the order of the aforementioned spending policy. The general fund and certain other funds may have more than one purpose.

#### N. 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 Bristol County 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.

#### O. 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.

#### P. 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 maintained in those funds.

#### Q. 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*

Compensated absences are reported in the governmental funds only if they have matured as a result of employee resignations or retirements. 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.

#### R. 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.

## 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 (the "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.

### Custodial Credit Risk – Deposits

In the case of deposits, this is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. The Town does not have a deposit policy for custodial risk. At year-end, the carrying amount of deposits totaled \$70,917,780, and the bank balances totaled \$73,428,629. Of the bank balance, \$4,351,470 was covered by Federal Depository Insurance, \$6,574,446 was covered by the Share Insurance Fund, \$32,564,920 was covered by the Depositors Insurance Fund, \$1,296,020 was collateralized and \$28,641,773 was exposed to custodial credit risk because it was uninsured and uncollateralized.

Investments

As of June 30, 2017, the Town had the following investments and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities</u>	
		<u>Under 1 Year</u>	<u>1-5 Years</u>
<u>Debt Securities:</u>			
Government Sponsored Enterprises.....	\$ 2,612,283	\$ -	\$ 2,612,283
Corporate Bonds.....	<u>892,850</u>	<u>129,958</u>	<u>762,892</u>
Total Debt Securities.....	3,505,133	<u>\$ 129,958</u>	<u>\$ 3,375,175</u>
<u>Other Investments:</u>			
Equity Securities.....	575,483		
Equity Mutual Funds.....	2,349,177		
Fixed Income Mutual Funds.....	1,769,622		
Daily Liquid Mutual Funds.....	935,107		
Money Market Mutual Funds.....	<u>1,110,806</u>		
Total Investments.....	<u>\$ 10,245,328</u>		

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 security that are in the possession of an outside party. The Town has custodial credit risk exposure relating to its \$3,505,133 investments in Government Sponsored Enterprises and Corporate Bonds, as well as \$575,483 in Equity Securities because the securities are uninsured, unregistered, and held by the counterparty. The Town does not have an investment policy for custodial credit risk.

Interest Rate Risk

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

Credit Risk

The Town has not adopted a formal policy related to Credit Risk. The Town’s investments are rated as follows by Moody’s Investor’s Services:

<u>Rated Debt Investments</u>	<u>Fair Value</u>	<u>Quality Ratings</u>				
		<u>AA+</u>	<u>A</u>	<u>A-</u>	<u>BBB+</u>	<u>BBB</u>
Government Sponsored Enterprises.....	\$ 2,612,283	\$ 2,612,283	\$ -	\$ -	\$ -	\$ -
Corporate Bonds.....	<u>892,850</u>	-	<u>249,929</u>	<u>244,172</u>	<u>224,164</u>	<u>174,585</u>
Total.....	<u>\$ 3,505,133</u>	<u>\$ 2,612,283</u>	<u>\$ 249,929</u>	<u>\$ 244,172</u>	<u>\$ 224,164</u>	<u>\$ 174,585</u>

Concentration of Credit Risk

The Town places no limit on the amount the Town may invest in any one issuer. No investments with any one issuer exceeded 5% of the total investments of the Town.

Fair Value of Investments

The Town holds investments that are measured at fair value on a recurring basis. Because investing is not a core part of the Town’s mission, the Town determines that the disclosures related to these investments only need to be disaggregated by major type. The Town chooses a tabular format for disclosing the levels within the fair value hierarchy.

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

The Town has the following recurring fair value measurements as of June 30, 2017:

Investment Type	June 30, 2017	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>Investments by fair value level:</b>				
<u>Debt Securities:</u>				
Government Sponsored Enterprises.....	\$ 2,612,283	\$ 2,612,283	\$ -	\$ -
Corporate Bonds.....	892,850	-	892,850	-
Total debt securities.....	3,505,133	2,612,283	892,850	-
<u>Other investments:</u>				
Equity Securities.....	575,483	575,483	-	-
Equity Mutual Funds.....	2,349,177	2,349,177	-	-
Fixed Income Mutual Funds.....	1,769,622	1,769,622	-	-
Daily Liquid Mutual Funds.....	935,107	935,107	-	-
Money Market Mutual Funds.....	1,110,806	1,110,806	-	-
Total other investments.....	6,740,195	6,740,195	-	-
Total investments measured at fair value.....	\$ 10,245,328	\$ 9,352,478	\$ 892,850	\$ -

Government sponsored enterprises, equity securities, equity mutual funds, fixed income mutual funds, and money market mutual funds classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Corporate bonds classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities’ relationship to benchmark quoted prices.

**NOTE 3 – RECEIVABLES**

At June 30, 2017, receivables for the individual major and nonmajor governmental 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.....	\$ 619,775	\$ -	\$ 619,775
Tax liens.....	386,935	-	386,935
Motor vehicle and other excise taxes.....	277,494	-	277,494
Departmental and other.....	1,296,393	(791,999)	504,394
Intergovernmental.....	4,284,594	-	4,284,594
Total.....	<u>\$ 6,865,191</u>	<u>\$ (791,999)</u>	<u>\$ 6,073,192</u>

At June 30, 2017, receivables for the proprietary funds consist of the following:

	Gross Amount	Allowance for Uncollectibles	Net Amount
<u>Receivables:</u>			
User fees.....	\$ 6,013,776	\$ -	\$ 6,013,776
Special assessments.....	141,197	-	141,197
Intergovernmental.....	138,242	-	138,242
Total.....	<u>\$ 6,293,215</u>	<u>\$ -</u>	<u>\$ 6,293,215</u>

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	Nonmajor Governmental Funds	Total
<u>Receivables and other asset types:</u>			
Real estate and personal property taxes.....	\$ 311,246	\$ -	\$ 311,246
Tax liens.....	386,935	-	386,935
Motor vehicle and other excise taxes.....	277,494	-	277,494
Departmental and other.....	237,661	266,732	504,393
Intergovernmental.....	3,262,377	929,775	4,192,152
Total.....	<u>\$ 4,475,713</u>	<u>\$ 1,196,507</u>	<u>\$ 5,672,220</u>

**NOTE 4 – CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2017, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities:</b>				
<u>Capital assets not being depreciated:</u>				
Land.....	\$ 4,581,636	\$ -	\$ -	\$ 4,581,636
Construction in progress.....	1,518,436	8,024,690	(113,917)	9,429,209
Total capital assets not being depreciated.....	6,100,072	8,024,690	(113,917)	14,010,845
<u>Capital assets being depreciated:</u>				
Buildings.....	66,954,933	-	-	66,954,933
Improvements other than buildings.....	5,960,012	160,798	-	6,120,810
Machinery and equipment.....	7,489,517	806,626	-	8,296,143
Vehicles.....	6,793,390	317,095	(186,111)	6,924,374
Books.....	4,178,033	210,285	-	4,388,318
Infrastructure.....	31,601,162	2,473,897	-	34,075,059
Total capital assets being depreciated.....	122,977,047	3,968,701	(186,111)	126,759,637
<u>Less accumulated depreciation for:</u>				
Buildings.....	(32,395,301)	(1,497,399)	-	(33,892,700)
Improvements other than buildings.....	(2,913,062)	(414,872)	-	(3,327,934)
Machinery and equipment.....	(5,495,749)	(390,928)	-	(5,886,677)
Vehicles.....	(4,351,694)	(660,577)	186,111	(4,826,160)
Books.....	(3,401,261)	(294,854)	-	(3,696,115)
Infrastructure.....	(16,573,868)	(1,609,081)	-	(18,182,949)
Total accumulated depreciation.....	(65,130,935)	(4,867,711)	186,111	(69,812,535)
Total capital assets being depreciated, net.....	57,846,112	(899,010)	-	56,947,102
Total governmental activities capital assets, net.....	\$ 63,946,184	\$ 7,125,680	\$ (113,917)	\$ 70,957,947

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Business-Type Activities:</b>				
<u>Capital assets not being depreciated:</u>				
Land.....	\$ 4,828,345	\$ -	\$ -	\$ 4,828,345
Construction in progress.....	533,695	402,318	-	936,013
Total capital assets not being depreciated.....	5,362,040	402,318	-	5,764,358
<u>Capital assets being depreciated:</u>				
Buildings and improvements.....	12,402,675	23,956	-	12,426,631
Improvements other than buildings.....	4,267,476	373,535	-	4,641,011
Electric light distribution plant.....	49,522,467	994,640	(109,550)	50,407,557
Electric light general plant.....	4,925,118	1,253,474	(80,000)	6,098,592
Machinery and equipment.....	1,637,945	272,706	-	1,910,651
Vehicles.....	817,617	78,000	-	895,617
Infrastructure.....	54,649,982	183,091	-	54,833,073
Total capital assets being depreciated.....	128,223,280	3,179,402	(189,550)	131,213,132
<u>Less accumulated depreciation for:</u>				
Buildings and improvements.....	(2,497,942)	(308,858)	-	(2,806,800)
Improvements other than buildings.....	(1,676,464)	(140,870)	-	(1,817,334)
Electric light distribution plant.....	(19,025,055)	(1,487,688)	109,550	(20,403,193)
Electric light general plant.....	(3,355,290)	(172,963)	80,000	(3,448,253)
Machinery and equipment.....	(1,096,088)	(132,714)	-	(1,228,802)
Vehicles.....	(699,130)	(55,975)	-	(755,105)
Infrastructure.....	(17,167,178)	(1,301,026)	-	(18,468,204)
Total accumulated depreciation.....	(45,517,147)	(3,600,094)	189,550	(48,927,691)
Total capital assets being depreciated, net.....	82,706,133	(420,692)	-	82,285,441
Total business-type activities capital assets, net.....	\$ 88,068,173	\$ (18,374)	\$ -	\$ 88,049,799

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

**Governmental Activities:**

General government.....	\$ 177,263
Public safety.....	627,215
Education.....	1,761,957
Public works.....	1,913,876
Human services.....	35,232
Culture and recreation.....	352,168
Total depreciation expense - governmental activities.....	\$ 4,867,711

**Business-Type Activities:**

Water.....	\$ 1,101,279
Sewer.....	376,820
Airport.....	450,411
Commuter parking.....	10,933
Electric light.....	1,660,651
Total depreciation expense - business-type activities.....	\$ 3,600,094

**NOTE 5 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS**

At June 30, 2017, the Town has an interfund receivable/payable totaling \$90,898 which exists between the general fund and highway improvements fund. The purpose of this balance is to cover short-term cash needs that will be funded by future grant proceeds.

Interfund transfers for the year ended June 30, 2017, are summarized as follows:

Transfers Out:	Transfers In:			Total
	General Fund	Nonmajor Governmental Funds	Water Enterprise Fund	
General Fund.....	\$ -	\$ -	\$ 5,160	\$ 5,160 (1)
Nonmajor Governmental Funds.....	210,082	9,753	-	219,835 (2)
Electric Light Enterprise Fund.....	648,648	-	-	648,648 (3)
Total.....	<u>\$ 858,730</u>	<u>\$ 9,753</u>	<u>\$ 5,160</u>	<u>\$ 873,643</u>

- (1) Budgeted transfer to the water enterprise fund for excluded debt service, as well as to Municipal Projects for construction costs.
- (2) Budgeted transfers to the general fund from wetlands protection receipts reserved for appropriation.
- (3) Budgeted payment in lieu of tax payment from the Mansfield Electric Light Department.

**NOTE 6 – LEASES**

Capital Leases

The Town has entered into a lease agreement to finance the acquisition of police vehicles. The lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the future minimum lease payments as of the inception date. The following identifies the assets acquired through capital lease agreements:

Asset:	Governmental Activities
Vehicles.....	\$ 387,395
Less: accumulated depreciation.....	<u>(127,743)</u>
Total.....	<u>\$ 259,652</u>

The following schedule presents the future minimum lease payments as of June 30, 2017:

Year Ending June 30:	Governmental Activities
2018.....	\$ 46,343
2019.....	46,343
2020.....	<u>46,344</u>
Total minimum lease payments.....	139,030
Less: amounts representing interest.....	<u>(7,122)</u>
Present value of minimum lease payments....	<u>\$ 131,908</u>

**NOTE 7 – SHORT-TERM FINANCING**

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

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

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

Details related to the short-term debt activity for the year-ended June 30, 2017, are as follows:

Type	Purpose	Rate (%)	Due Date	Balance at June 30, 2016	Renewed/ Issued	Retired/ Redeemed	Balance at June 30, 2017
<b>Governmental Funds:</b>							
BAN	Bond anticipation note.....	1.30	06/22/18	\$ -	\$ 1,000,000	\$ -	\$ 1,000,000

**NOTE 8 – 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 Town's general obligation indebtedness at June 30, 2017, and the debt service requirements are as follows:

### Bonds and Notes Payable Schedule – Governmental Funds

Project	Maturities Through Year	Original Loan Amount	Interest Rate (%)	Outstanding at June 30, 2016	Issued	Redeemed	Outstanding at June 30, 2017
Municipal Purpose Loan of 2004.....	2017	\$ 2,025,000	2.25 - 4.50	\$ 130,000	\$ -	\$ (130,000)	-
Massachusetts Clean Water Trust.....	2023	880,933	2.00	395,000	-	(50,000)	345,000
Municipal Purpose Loan of 2006.....	2019	17,885,450	2.00 - 4.50	3,721,500	-	(1,737,900)	1,983,600
Municipal Purpose Loan of 2014.....	2028	2,608,800	1.30 - 2.35	1,700,000	-	(170,000)	1,530,000
Municipal Purpose Loan of 2015.....	2025	3,400,000	2.00 - 4.00	3,060,000	-	(340,000)	2,720,000
Municipal Purpose Loan of 2016.....	2042	11,050,000	2.00 - 5.00	5,250,000	5,800,000	(200,000)	10,850,000
Municipal Purpose Loan of 2017.....	2042	20,750,000	3.00 - 5.00	-	20,750,000	-	20,750,000
Total governmental bonds payable.....				14,256,500	26,550,000	(2,627,900)	38,178,600
Add: unamortized premium.....				413,309	1,005,507	(88,420)	1,330,396
Total governmental bonds payable, net.....				\$ 14,669,809	\$ 27,555,507	\$ (2,716,320)	\$ 39,508,996

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

Year	Principal	Interest	Total
2018.....	\$ 3,197,000	\$ 1,162,500	\$ 4,359,500
2019.....	1,951,600	1,071,572	3,023,172
2020.....	1,610,000	1,007,604	2,617,604
2021.....	1,650,000	946,688	2,596,688
2022.....	1,680,000	885,944	2,565,944
2023.....	1,715,000	823,669	2,538,669
2024.....	1,675,000	762,894	2,437,894
2025.....	1,715,000	708,164	2,423,164
2026.....	1,410,000	656,614	2,066,614
2027.....	1,240,000	610,161	1,850,161
2028.....	1,240,000	573,611	1,813,611
2029.....	1,200,000	536,581	1,736,581
2030.....	1,235,000	500,131	1,735,131
2031.....	1,275,000	462,431	1,737,431
2032.....	1,235,000	423,431	1,658,431
2033.....	1,220,000	392,881	1,612,881
2034.....	1,255,000	361,875	1,616,875
2035.....	1,295,000	328,417	1,623,417
2036.....	1,340,000	293,874	1,633,874
2037.....	1,385,000	258,187	1,643,187
2038.....	1,430,000	219,754	1,649,754
2039.....	1,480,000	178,725	1,658,725
2040.....	1,530,000	136,290	1,666,290
2041.....	1,580,000	92,400	1,672,400
2042.....	1,635,000	46,990	1,681,990
Total.....	\$ 38,178,600	\$ 13,441,388	\$ 51,619,988

The Commonwealth has approved school construction assistance. The assistance program, which is administered by the Massachusetts School Building Authority, provides resources for future debt service of general obligation school bonds outstanding. During 2017, \$1,690,372 of such assistance was received; \$3,028,063 will be received in future years. Accordingly, a \$3,028,063 intergovernmental receivable and corresponding deferred inflow of resources - unavailable revenue has been reported in the governmental fund financial statements. The unavailable revenue has been recognized as revenue in the conversion to the government-wide financial statements.

**Bonds and Notes Payable Schedule – Water Enterprise Fund**

Project	Maturities Through Year	Original Loan Amount	Interest Rate (%)	Outstanding at June 30, 2016	Issued	Redeemed	Outstanding at June 30, 2017
Municipal Purpose Loan of 2001.....	2021	\$ 900,000	4.50	\$ 225,000	\$ -	\$ (45,000)	\$ 180,000
Municipal Purpose Loan of 2006.....	2021	3,167,200	3.25 - 5.00	953,500	-	(272,100)	681,400
Municipal Purpose Loan of 2009.....	2028	2,565,000	3.25 - 5.00	1,620,000	-	(135,000)	1,485,000
Municipal Purpose Loan of 2013.....	2028	930,000	1.30 - 2.35	735,000	-	(65,000)	670,000
Massachusetts Clean Water Trust.....	2033	16,627,532	2.00	12,826,322	-	(773,887)	12,052,435
Municipal Purpose Loan of 2016.....	2026	1,325,000	2.00 - 5.00	1,325,000	-	(135,000)	1,190,000
Total water bonds payable.....				17,684,822	-	(1,425,987)	16,258,835
Add: unamortized premium.....				139,170	-	(29,271)	109,899
Total water bonds payable, net.....				\$ 17,823,992	\$ -	\$ (1,455,258)	\$ 16,368,734

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

Year	Principal	Interest	Total
2018.....	\$ 1,447,277	\$ 452,341	\$ 1,899,618
2019.....	1,383,272	400,997	1,784,269
2020.....	1,395,721	352,414	1,748,135
2021.....	1,281,810	305,987	1,587,797
2022.....	1,213,114	263,718	1,476,832
2023.....	1,239,666	221,362	1,461,028
2024.....	1,266,472	177,576	1,444,048
2025.....	1,283,584	140,452	1,424,036
2026.....	907,802	119,269	1,027,071
2027.....	790,469	97,664	888,133
2028.....	803,410	78,261	881,671
2029.....	621,633	61,574	683,207
2030.....	635,144	49,069	684,213
2031.....	648,947	36,292	685,239
2032.....	663,052	23,235	686,287
2033.....	677,462	9,898	687,360
Total.....	\$ 16,258,835	\$ 2,790,109	\$ 19,048,944

**Bonds and Notes Payable Schedule – Sewer Enterprise Fund**

Project	Maturities Through Year	Original Loan Amount	Interest Rate (%)	Outstanding at June 30, 2016	Issued	Redeemed	Outstanding at June 30, 2017
Municipal Purpose Loan of 2008.....	2028	\$ 2,590,000	3.25 - 5.00	\$ 1,605,000	\$ -	\$ (140,000)	\$ 1,465,000
Massachusetts Clean Water Trust.....	2033	14,726,165	0.00 - 2.00	417,063	-	(70,314)	346,749
Total sewer bonds payable.....				\$ 2,022,063	\$ -	\$ (210,314)	\$ 1,811,749

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

Year	Principal	Interest	Total
2018.....	\$ 210,314	\$ 69,622	\$ 279,936
2019.....	210,315	61,302	271,617
2020.....	215,315	53,793	269,108
2021.....	170,315	45,122	215,437
2022.....	173,497	38,414	211,911
2023.....	173,497	31,465	204,962
2024.....	173,496	24,450	197,946
2025.....	140,000	18,453	158,453
2026.....	140,000	12,287	152,287
2027.....	140,000	6,075	146,075
2028.....	65,000	1,463	66,463
Total.....	\$ 1,811,749	\$ 362,446	\$ 2,174,195

The Town is scheduled to be subsidized by the Massachusetts Clean Water Trust (MCWT) on a periodic basis for principal in the amount of \$233,000 and interest costs for \$382,000. The principal subsidies are guaranteed and therefore a \$94,000 governmental, \$63,000 water and a \$75,000 sewer intergovernmental receivable and corresponding revenue have been reported in the Town’s financial statements. Since the Town is legally obligated for the total amount of the debt, such amounts have been reported in the accompanying basic financial statements. In 2017, the Town was subsidized for principal in the amount of \$30,000, and interest in the amount of \$109,000.

Authorized and unissued debt

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, 2017, the Town had the following authorized and unissued debt:

Purpose	Amount
East Street Municipal Complex.....	\$ 6,249,567
Road/Bridge/Sidewalk Maintenance.....	2,000,000
High School Windows/Doors Repairs.....	1,300,000
Total.....	\$ 9,549,567

Changes in Long-term Liabilities

During the year ended June 30, 2017, the following changes occurred in long-term liabilities:

	Beginning Balance	Bonds and Notes Issued	Bonds and Notes Redeemed	Other Increases	Other Decreases	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>							
Long-term bonds payable.....	\$ 14,256,500	\$ 26,550,000	\$ (2,627,900)	\$ -	\$ -	\$ 38,178,600	\$ 3,197,000
Add: Unamortized premium on bonds.....	413,309	-	-	1,005,507	(88,420)	1,330,396	150,435
Total bonds payable.....	14,669,809	26,550,000	(2,627,900)	1,005,507	(88,420)	39,508,996	3,347,435
Compensated absences.....	1,446,955	-	-	1,004,857	(941,106)	1,510,706	999,407
Capital lease obligations.....	85,097	-	-	131,908	(85,097)	131,908	46,343
Landfill postclosure care.....	170,000	-	-	-	(17,000)	153,000	17,000
Other postemployment benefits.....	36,706,132	-	-	7,994,943	(2,979,816)	41,721,259	-
Net pension liability.....	32,542,922	-	-	3,579,003	(3,828,832)	32,293,093	-
Total governmental activity long-term liabilities.....	\$ 85,620,915	\$ 26,550,000	\$ (2,627,900)	\$ 13,716,218	\$ (7,940,271)	\$ 115,318,962	\$ 4,410,185
<b>Business-Type Activities:</b>							
Long-term bonds payable.....	\$ 19,706,885	\$ -	\$ (1,636,301)	\$ -	\$ -	\$ 18,070,584	\$ 1,657,591
Add: Unamortized premium on bonds.....	139,170	-	-	-	(29,271)	109,899	26,083
Total bonds payable.....	19,846,055	-	(1,636,301)	-	(29,271)	18,180,483	1,683,674
Compensated absences.....	340,346	-	-	300,319	(260,104)	380,561	292,522
Customer deposits payable.....	1,165,005	-	-	2,065	-	1,167,070	-
Other postemployment benefits.....	1,712,317	-	-	683,288	(519,487)	1,876,118	-
Net pension liability.....	5,101,452	-	-	561,046	(600,210)	5,062,288	-
Total business-type activity long-term liabilities.....	\$ 28,165,175	\$ -	\$ (1,636,301)	\$ 1,546,718	\$ (1,409,072)	\$ 26,666,520	\$ 1,976,196

The governmental activities long-term liabilities are generally liquidated by the general fund. Business-type activities long-term liabilities are liquidated by each respective fund.

**NOTE 9 – GOVERNMENTAL FUND BALANCE CLASSIFICATIONS**

The Town has adopted GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The intention of the GASB is to provide a more structured classification of fund balance and to improve the usefulness of fund balance reporting to the users of the Town’s financial statements. The reporting standard establishes a hierarchy for fund balance classifications and the constraints imposed on the uses of those resources.

GASB 54 provides for 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, GASB 54 has provided a hierarchy of spendable fund balances, 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. The Town’s highest level of decision making is made by Town Meeting.

- **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. The general fund is the only fund that reports a positive unassigned fund balance.

Massachusetts General Law Ch.40 §5B allows for the establishment of Stabilization funds for one or more different purposes. The creation of a fund requires a two-thirds vote of the legislative body and must clearly define the purpose of the fund. Any change to the purpose of the fund along with any additions to or appropriations from the fund requires a two-thirds vote of the legislative body.

In accordance with Statement No. 54, the stabilization funds have been reported as unassigned fund balance in the general fund. At year end the balance of the general stabilization fund is \$4,102,608, the balance of the capital stabilization fund is \$51,870, and the compensated absences stabilization is \$1,794.

The Town has classified its fund balances with the following hierarchy:

	General	Municipal Projects	Nonmajor Governmental Funds	Total Governmental Funds
Fund Balances:				
Nonspendable:				
Trust fund principal..... \$	-	-	131,890	131,890
Restricted for:				
Municipal Projects.....	-	21,611,304	-	21,611,304
Federal Grants.....	-	-	343,876	343,876
State Grants.....	-	-	1,010,433	1,010,433
Receipts Reserved.....	-	-	28,447	28,447
Revolving Funds.....	-	-	3,206,492	3,206,492
Special Revolving.....	-	-	775,266	775,266
School Lunch.....	-	-	70,142	70,142
Gifts & Donations.....	-	-	654,270	654,270
Other Special Revenue.....	-	-	1,356,775	1,356,775
Cemetaries Permanent Funds.....	-	-	407,592	407,592
Committed to:				
Articles and continuing appropriations:				
General government.....	420,013	-	-	420,013
Education.....	1,618,628	-	-	1,618,628
Public works.....	138,456	-	-	138,456
Culture and recreation.....	130,000	-	-	130,000
Assigned to:				
Encumbrances:				
General government.....	14,240	-	-	14,240
Public safety.....	6,628	-	-	6,628
Education.....	681,753	-	-	681,753
Public works.....	44,159	-	-	44,159
Employee benefits.....	20,000	-	-	20,000
Unassigned.....	<u>10,365,389</u>	<u>-</u>	<u>-</u>	<u>10,365,389</u>
Total Fund Balances..... \$	<u>13,439,266</u>	<u>21,611,304</u>	<u>7,985,183</u>	<u>43,035,753</u>

The details for the Committed and Assigned amounts in the table above are provided on the Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual in the *Required Supplementary Information* section of this Report. The amounts are listed under the column titled Amounts Carried Forward to Next Year. The Restricted amounts presented above are for funds that are subject to externally imposed constraints relating to grants, contributions, or laws and regulations by other governments.

**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 a member of the Southeastern Massachusetts Health Group, which is a Massachusetts Municipal Health Insurance joint purchasing group. The group provides health care coverage for employees and retirees that qualify for and select health care coverage as an employee benefit. Employees and retirees in the group pay a percentage of the estimated health insurance premium. In the event of the dissolution of the Health Group or if the assets of the Health Group are insufficient to pay claims which occur, the Town remains liable for its proportionate share. At June 30, 2017, based on the most recent audited information available, the Southeastern Massachusetts Health Group had an ending net position of \$4.1 million which appears sufficient to cover future claims.

**NOTE 11 – PENSION PLAN**

The Town is a member of the Bristol County Contributory Retirement System (BCRS or "System"), a cost-sharing multiple-employer defined benefit pension plan covering eligible employees of the 28 member units. The system 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 their website at <http://www.bristolcountyretirement.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, 2017. The Town's portion of the collective pension expense, contributed by the Commonwealth, of \$10,563,831 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 \$103.6 million 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.

*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 BCRS 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, 2016 which was \$4,429,042, or 21.72% 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, 2017, the Town reported a liability of \$37,355,381 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2016. Accordingly, update procedures were used to roll forward the total pension liability to the measurement date. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating members. At December 31, 2016, the Town's proportion was 11.19%, the same proportion as of December 31, 2015.

*Pension Expense*

For the year ended June 30, 2017, the Town recognized pension expense of \$4,211,514. At June 30, 2017, the Town reported deferred outflows of resources related to pensions of \$6,956,984, and deferred inflows of resources related to pensions of \$2,293,877.

The balances of deferred outflows and inflows at June 30, 2017 consist of the following:

Deferred category	Deferred Outflows of Resources	Deferred Inflows of Resources	Total
Differences between expected and actual experience.....	\$ 1,525,367	\$ -	\$ 1,525,367
Changes of assumptions.....	-	(895,863)	(895,863)
Difference between projected and actual earnings.....	5,142,605	-	5,142,605
Changes in proportionate share of contributions.....	289,012	(1,398,014)	(1,109,002)
Total Deferred Outflows/(Inflows) of Resources.....	\$ 6,956,984	\$ (2,293,877)	\$ 4,663,107

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

Years ended June 30:	Deferred Outflows/(Inflows)
2018.....	\$ 1,535,934
2019.....	1,535,935
2020.....	1,313,103
2021.....	278,135
Total.....	\$ 4,663,107

*Investment policy*

The pension plan’s policy in regard to the allocation of invested assets is established and may be amended by the Board. 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 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, 2016 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equity.....	46.5%	7.8%
Fixed Income.....	24.5%	5.0%
Private Equity.....	8.5%	11.3%
Real estate.....	7.5%	6.3%
Hedge Funds.....	5.0%	7.1%
Infrastructure.....	5.0%	8.0%
Timber.....	3.0%	7.5%
	100.00%	

*Changes of Assumptions*

The most recent actuarial valuation as of January 1, 2016 included several changes of assumptions from the prior actuarial valuation. These changes include a decrease in the assumed discount rate from 8.00% down to 7.75%, as well as changes in the applied mortality tables, rates of disability, and cost of living adjustments.

*Changes of Plan Provisions*

Chapter 176 of the Acts of 2011, An Act Providing for Pension Reform and Benefit Modernization made a number of changes to the Chapter 32 pension law. There are several changes that will have the most impact on decreasing plan liabilities over the longer term. These include an increase in the normal retirement age by two years (for example, from age 65 to age 67 for Group 1 members), an increase in the age (early retirement) reduction factor for ages below the maximum age (from a 4.0% to a 6.0% annual reduction), and an increase in the period for determining a member's average annual compensation (from 3 years to 5 years).

*Actuarial Assumptions*

The total pension liability in the January 1, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement that was updated to December 31, 2016:

Valuation date.....	January 1, 2016	
Actuarial cost method.....	Entry Age Normal Cost Method.	
Amortization method.....	Level percent, open group	
Remaining amortization period.....	12 years	
Asset valuation method.....	Actuarial valued using a five-year smoothing of assets returns greater than or less than the assumed rate of return.	
Investment rate of return/Discount rate.....	7.75%	
Inflation rate.....	4.00%	
Projected salary increases.....	<u>Service</u>	<u>Rate</u>
	0-1	5.50%
	2	4.00%
	3-4	3.50%
	5-7	3.00%
	8+	2.75%
Cost of living adjustments.....	3.0% of the lesser of the pension amount and \$18,000 per year.	
Rates of retirement.....	Varies based upon age for general employees, police, and fire employees	
Rates of disability.....	For general employees 35% of all disabilities are ordinary (65% are service connected). For police and fire employees, 5% of all disabilities are assumed to be ordinary (95% are service connected).	

Mortality Rates..... Pre-Retirement - RP-2014 Blue Collar Mortality Table with Scale MP-2014, fully generational.  
 Health Retiree - Group 1 & 2 retirees are represented by the RP-2000 Mortality Table set forward five years for males and 3 years for females, fully generational. Group 4 retirees are represented by the RP-2000 Mortality Table set forward three years for males and six years for females, fully generational.  
 Disabled Retiree - Group 1 & 2 disabled retirees are represented by the RP-2000 Mortality Table set forward six years. Group 4 disabled retirees are represented by the RP-2000 Mortality Table set forward two years. Generational adjusting is based on Scale MP-2014.

*Rate of return*

For the year ended December 31, 2016, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 5.29%. 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 7.75%. 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 7.75%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75%) or 1-percentage-point higher (8.75%) than the current rate:

	<u>1% Decrease (6.75%)</u>	<u>Current Discount (7.75%)</u>	<u>1% Increase (8.75%)</u>
The Town's proportionate share of the net pension liability.....	\$ <u>51,273,339</u>	\$ <u>37,355,381</u>	\$ <u>27,510,073</u>

**NOTE 12 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS**

*Plan Description* – The Town of Mansfield administers a single-employer defined benefit healthcare plan (“the Retiree Health Plan”). The plan provides health, dental and life insurance for eligible retirees and their spouses through a single-employer defined Other Postemployment Benefit (OPEB) plan. 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.

*Funding Policy* – The contribution requirements of plan members and the Town are established and may be amended by the Town. The required contribution is based on a pay-as-you-go financing requirement. Retired plan members and beneficiaries currently receiving benefits are required to contribute 25% of the cost medical benefits and 50% of the cost of dental and life benefits provided depending. The Town is required to contribute the balance of the current premiums and may contribute additional amounts to pre-fund benefits. For 2017, the Town’s age-adjusted contribution to the plan totaled \$3.5 million. For the year ended June 30, 2017, the Town’s average contribution rate was 6.81% of covered-employee payroll.

The Commonwealth of Massachusetts passed special legislation that has allowed the Town to establish a postemployment benefit trust fund and to enable the Town to raise taxes necessary to begin pre-funding its OPEB liabilities. During 2017, the Town pre-funded future OPEB liabilities totaling \$665,935 by contributing funds to the Other Postemployment Benefit Fund in excess of the pay-as-you-go required contribution. These funds are reported within the Fiduciary Funds financial statements. As of June 30, 2017, the balance of this fund totaled \$4.8 million.

The annual money-weighted rate of return on OPEB plan investments was 8.36%. The money-weighted rate of return expresses investment performance, net of OPEB plan investment expense, adjusted for the changing amounts actually invested.

*Plan Membership* – The following table represents the Plan’s membership at June 30, 2017:

Current retirees, beneficiaries, and dependents.....	522
Current active members.....	<u>763</u>
Total.....	<u><u>1,285</u></u>

*Components of OPEB Liability* – The following table represents the components of the Plan’s OPEB liability as of June 30, 2017:

Total OPEB liability.....	\$ 86,226,860
Less: OPEB plan's fiduciary net position.....	<u>(4,793,474)</u>
Net OPEB liability.....	<u><u>\$ 81,433,386</u></u> (1)
The OPEB plan's fiduciary net position	
as a percentage of the total OPEB liability.....	5.56%

(1) The Net OPEB Liability will be fully recorded in the financial statements at June 30, 2018 when GASB Statement No. 75 is required to be implemented.

*Significant Actuarial Methods and Assumptions* – The total OPEB liability in the June 30, 2015 actuarial valuation was determined by using the following actuarial assumptions actuarial, applied to all periods including the measurement date that was updated to June 30, 2017 to be in accordance with GASB #74:

Valuation date.....	Actuarially determined contribution was calculated as of June 30, 2017
Actuarial cost method.....	Individual Entry Age Normal
Asset valuation method.....	Market value of assets as of the reporting date, June 30, 2017
Investment rate of return.....	7.07%, net of OPEB plan investment expense, including inflation
Single equivalent discount rate.....	5.50% as of June 30, 2017 and 4.00% as of June 30, 2016, net of OPEB plan investment expense, including inflation
Inflation.....	2.75% as of June 30, 2017 and for future periods
Salary increases.....	3.00% annually as of June 30, 2017 and for future periods
Healthcare cost trend rate.....	5.0% decreasing to 4.5% for periods starting in 2017
Pre-Retirement mortality.....	RP-2000 Employees Mortality Table projected generationally with scale BB and a base year 2009 for males and females
Post-Retirement mortality.....	RP-2000 Healthy Annuitant Mortality Table projected generationally with scale BB and a base year 2009 for males and females
Disabled mortality.....	RP-2000 Healthy Annuitant Table projected generationally with scale BB and a base year 2012 for males and females

*Investment Policy*

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

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of returns (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 of by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The Plan’s expected future real rate of return of 4.32% is added to the expected inflation of 2.75% to produce the long-term expected nominal rate of return of 7.07%. Best estimates of geometric real rates of return for each major asset class included in the OPEB plan’s target asset allocation as of June 30, 2017 are summarized in the following table:

Asset Class	Long-Term Expected Asset Allocation	Long-Term Expected Real Rate of Return
Domestic Equity - Large Cap.....	21.00%	4.00%
Domestic Equity - Small/Mid Cap.....	10.50%	6.00%
International Equity - Developed Market.....	10.75%	4.50%
International Equity - Emerging Market.....	5.50%	7.00%
Domestic Fixed Income.....	25.75%	2.00%
International Fixed Income.....	6.50%	3.00%
Alternatives.....	19.50%	6.50%
Real Estate.....	0.00%	6.25%
Cash.....	0.50%	0.00%
Total.....	<u>100.00%</u>	

*Discount rate* – The discount rate used to measure the total OPEB liability was 5.50% as of June 30, 2017, and 4.00% as of June 30, 2016. The discount rate is a blend of the long-term expected rate of return on OPEB trust Fund assets and a yield or index rate for 20 year, tax exempt general obligation municipal bonds with an average rate of AA/Aa or higher; which was selected from a range of indices including the Bond Buyer 20 – Bond Municipal Bond Index (3.53% for 2017 and 2.85% for 2016), S&P Municipal Bond 0 – Year High Grade Rate Index (3.13% for 2017 and 2.71% for 2016), and the Fidelity 20 – Year Municipal Bond Index (3.56% for 2017 and 2.92% for 2016). The blending is based on the sufficiency fo projected assets to make projected benefit payments.

*Sensitivity of the other postemployment benefit liability to changes in the discount rate* – The following table presents the net other postemployment benefit liability, calculated using the discount rate of 5.50%, as well as what the net other postemployment benefit liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.50%) or 1-percentage-point higher (6.50%) than the current rate.

	1% Decrease (4.50%)	Current Discount Rate (5.50%)	1% Increase (6.50%)
Net OPEB liability.....	\$ <u>95,942,457</u>	\$ <u>81,433,386</u>	\$ <u>70,299,704</u>

*Sensitivity of the net other postemployment benefit liability to changes in the healthcare trend* – The following table presents the net other postemployment benefit liability, calculated using the current healthcare trend rate of 5.00%, as well as what the net other postemployment benefit liability would be if it were calculated using a healthcare trend rate that is 1-percentage-point lower (4.00%) or 1-percentage-point higher (6.00%).

	1% Decrease (4.00%)	Current Trend (5.00%)	1% Increase (6.00%)
Net OPEB liability.....	\$ <u>65,140,131</u>	\$ <u>81,433,386</u>	\$ <u>102,920,218</u>

*Changes of Assumptions* — The July 1, 2016 actuarial valuation was prepared utilizing the individual entry age normal actuarial cost method. Additionally, the discount rate utilized to prepare schedules in accordance with GASB Statement No.45 was increased to 4.50%.

*Changes in Plan Provisions* – There were no changes in plan provisions.

*Annual OPEB Cost and Net OPEB Obligation* – The Town’s annual 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:

	Governmental Funds	Enterprise Funds				Total
		Water	Sewer	Parking	Electric Light	
Annual required contribution.....	\$ 8,499,575	\$ 191,183	\$ 225,167	\$ 10,011	\$ 329,443	9,255,379
Interest on net OPEB obligation.....	1,651,776	40,919	34,449	1,686	(4,666)	1,724,164
Adjustments to annual required contribution.....	<u>(2,156,408)</u>	<u>(53,419)</u>	<u>(44,974)</u>	<u>(2,203)</u>	<u>6,092</u>	<u>(2,250,912)</u>
Annual OPEB cost/expense.....	7,994,943	178,683	214,642	9,494	330,869	8,728,631
Contributions made.....	<u>(2,979,816)</u>	<u>(89,548)</u>	<u>(147,967)</u>	<u>(1,503)</u>	<u>(280,469)</u>	<u>(3,499,303)</u>
Increase/(Decrease) in net OPEB obligation.....	5,015,127	89,135	66,675	7,991	50,400	5,229,328
Net OPEB obligation/(asset) - beginning of year....	<u>36,706,132</u>	<u>909,285</u>	<u>765,546</u>	<u>37,486</u>	<u>(103,695)</u>	<u>38,314,754</u>
Net OPEB obligation/(asset) - end of year.....	\$ <u>41,721,259</u>	\$ <u>998,420</u>	\$ <u>832,221</u>	\$ <u>45,477</u>	\$ <u>(53,295)</u>	<u>43,544,082</u>

The annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the current and two previous years was as follows:

Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/2017	\$ 8,728,631	40%	\$ 43,544,082
6/30/2016	7,353,584	43%	38,314,754
6/30/2015	7,040,774	44%	34,087,383

*Funded Status and Funding Progress* – As of July 1, 2016, the most recent actuarial valuation date for GASB Statement #45, the actuarial accrued liability for benefits was \$95.3 million. The actuarial value of assets for the plan was \$3.8 million or a funded ratio of 3.97%. The remaining \$91.5 million was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$51.4 million, and the ratio of the UAAL to the covered payroll was 178.1%.

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 July 1, 2014, actuarial valuation, actuarial liabilities were determined using the projected unit credit cost method. The actuarial assumptions include an inflation rate of 2.5% and a 4.0% investment return assumption, which is based on the expected yield on the assets of the Town, calculated based on the funded level of the plan at the valuation date, and an annual medical/drug cost trend rate of 5%. The UAAL is being amortized over a 30 year closed period using a level percentage of projected payroll with amortization payments increasing at 3.0% per year. The remaining amortization period at July 1, 2016 is 22 years.

#### **NOTE 13 – LANDFILL POSTCLOSURE CARE COSTS**

State and Federal laws and regulations require the Town to perform certain maintenance and monitoring functions at the landfill site after closure. The Town has closed the landfill and has recorded its estimated postclosure care costs to be \$153,000 which has been recorded as a governmental activity liability at June 30, 2017. Actual costs may be higher or lower due to inflation and deflation, changes in technology or changes in regulations.

#### **NOTE 14 – COMMITMENTS AND CONTINGENCIES**

##### Commitments

The Town is committed to completing the East Street Municipal Complex and various road and bridge work projects that will be funded with long-term debt totaling \$37 million, of which approximately \$27 million was issued in 2017.

The Department is involved in legal proceedings and claims arising in the normal course of business. In the opinion of management and legal counsel, Mansfield Municipal Electric Department's liability, if any, would not materially affect its financial condition or results of operations.

Through its membership in MMWEC, the Department is contingently liable on various projects in which they participate as detailed below.

MMWEC has issued separate issues of revenue bonds for each of its eight Projects, which are payable solely from, and secured solely by, the revenues derived from the Project to which the bonds relate, plus available funds pledged under MMWEC's Amended and Restated General Bond Resolution (GBR) with respect to the bonds of that Project. The MMWEC revenues derived from each Project are used solely to provide for the payment of the bonds of any bond issue relating to such Project and to pay MMWEC's cost of owning and operating such Project and are not used to provide for the payment of the bonds of any bond issue relating to any other Project.

MMWEC operates the Stony Brook Intermediate Project and the Stony Brook Peaking Project, both fossil-fueled power plants. MMWEC has a 3.7% interest in the W.F. Wyman Unit No. 4 plant, which is operated and owned by its majority owner, FPL Energy Wyman IV, LLC, a subsidiary of NextEra Energy Resources LLC, and a 4.8% ownership interest in the Millstone Unit 3 nuclear unit, operated by Dominion Nuclear Connecticut, Inc. (DNCI), the majority owner and an indirect subsidiary of Dominion Resources, Inc. DNCI also owns and operates the Millstone Unit 2 nuclear unit. The operating license for the Millstone Unit 3 nuclear unit extends to November 25, 2045.

A substantial portion of MMWEC's plant investment and financing program is an 11.6% ownership interest in the Seabrook Station nuclear generating unit operated by NextEra Energy Seabrook, LLC (NextEra Seabrook) the

majority owner and an indirect subsidiary of NextEra Energy Resources LLC. The operating license for Seabrook Station extends to March 15, 2030. NextEra Seabrook has submitted an application to extend the Seabrook Station operating license for an additional 20 years.

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

Mansfield Municipal Electric Department has entered into PSAs and PPAs with MMWEC. Under both the PSAs and PPAs, the Department is required to make certain payments to MMWEC payable solely from Municipal Light Department revenues. Under the PSAs, each Participant is unconditionally obligated to make payments due to MMWEC whether or not the Project(s) is completed or operating and notwithstanding the suspension or interruption of the output of the Project(s).

MMWEC is involved in various legal actions. In the opinion of management, the outcome of such litigation or claims will not have a material adverse effect on the financial position of the company.

After the July 1, 2017 principal payment, total capital expenditures amounted to \$1,704,467,000, of which \$107,604,000 represents the amount associated with the Department’s Project Capability. MMWEC’s debt outstanding for the Projects from Power Supply System Revenue Bonds totals \$10,680,000, of which \$681,000 is associated with the Department’s share of Project Capability. After the July 1, 2017 principal payment, MMWEC’s total future debt service requirement on outstanding bonds issued for the Projects is \$11,540,000, of which \$742,000 is anticipated to be billed to the Department in the future.

The aggregate amount of Mansfield Municipal Electric Department’s required payments under the PSAs and PPAs, exclusive of the Reserve and Contingency Fund billings, to MMWEC at June 30, 2017 and estimated for future years is shown below:

<u>Years Ending June 30,</u>	<u>Estimated Annual Costs</u>
2018.....	\$ 109,000
2019.....	<u>633,000</u>
Total.....	<u><u>\$ 742,000</u></u>

In addition, under the PSAs, the Department is required to pay to MMWEC its share of the Operation and Maintenance (O&M) costs of the Projects in which it participates. The Department’s total O&M costs including debt service under the PSAs were \$5,146,000 and \$9,194,000 for the years ended June 30, 2017 and 2016, respectively.

### Contingencies

The District participates in a number of federal award programs. Although the grant programs have been audited in accordance with the provisions of the Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* through June 30, 2017, 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 against the Town. Litigation is subject to many uncertainties, and the outcome of individual litigated matters is not always predictable. Although the amount of liability, if any, at June 30, 2017, cannot be ascertained, management believes any resulting liability should not materially affect the financial position at June 30, 2017.

### **NOTE 15 – SUBSEQUENT EVENTS**

Management has evaluated subsequent events through December 19, 2017 which is the date the financial statements were available to be issued.

### **NOTE 16 – IMPLEMENTATION OF NEW GASB PRONOUNCEMENTS**

During 2017, the following GASB pronouncements were implemented:

- GASB Statement #74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. The basic financial statements, related notes and required supplementary information were changed to provide additional disclosure on the Other Postemployment Benefit Trust Fund.
- GASB Statement #77, *Tax Abatement Disclosures*. This pronouncement did not impact the basic financial statements.
- GASB Statement #78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*. The basic financial statements and related notes were updated to be in compliance with this pronouncement.
- GASB Statement #80, *Blending Requirements for Certain Component Units – an amendment of GASB Statement #14*. This pronouncement did not impact the basic financial statements.
- GASB Statement #82, *Pension Issues – an amendment of GASB Statements #67, #68, and #73*. The basic financial statements and related notes were updated to be in compliance with this pronouncement.

The following GASB pronouncements will be implemented in the future:

- 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 #81, *Irrevocable Split-Interest Agreements*, which is required to be implemented in 2018.

- The GASB issued Statement #83, *Certain Asset Retirement Obligations*, which is required to be implemented in 2019.
- The GASB issued Statement #84, *Fiduciary Activities*, which is required to be implemented in 2020.
- The GASB issued Statement #85, *Omnibus 2017*, which is required to be implemented in 2018.
- The GASB issued Statement #86, *Certain Debt Extinguishment Issues*, which is required to be implemented in 2018.
- The GASB issued Statement #87, *Leases*, which is required to be implemented in 2021.

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 of the Town's 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, 2017

	Budgeted Amounts		Actual Budgetary Amounts	Amounts Carried Forward To Next Year	Variance to Final Budget
	Original Budget	Final Budget			
<b>REVENUES:</b>					
Real estate and personal property taxes, net of tax refunds.....	\$ 57,318,539	\$ 57,318,539	\$ 57,235,279	\$ -	\$ (83,260)
Tax liens.....	-	-	187,581	-	187,581
Motor vehicle and other excise taxes.....	3,450,000	3,450,000	3,712,352	-	262,352
Hotel/motel tax.....	235,000	235,000	329,957	-	94,957
Meals tax.....	440,000	440,000	469,229	-	29,229
Penalties and interest on taxes.....	190,000	190,000	200,040	-	10,040
Fees and rentals.....	1,300,025	1,300,025	1,273,280	-	(26,745)
Payments in lieu of taxes.....	653,647	653,647	654,060	-	413
Licenses and permits.....	715,000	715,000	732,202	-	17,202
Fines and forfeitures.....	97,500	97,500	83,796	-	(13,704)
Intergovernmental.....	23,499,225	23,499,225	23,296,526	-	(202,699)
Special assessments.....	1,315	1,315	1,317	-	2
Investment income.....	95,000	95,000	161,710	-	66,710
Miscellaneous.....	-	-	34,970	-	34,970
<b>TOTAL REVENUES.....</b>	<b>87,995,251</b>	<b>87,995,251</b>	<b>88,372,299</b>	<b>-</b>	<b>377,048</b>
<b>EXPENDITURES:</b>					
Current:					
General Government:					
Selectmen					
Other Expenses.....	86,000	116,000	94,482	-	21,518
Town Manager					
Personal Services.....	341,501	349,001	330,104	-	18,897
Other Expenses.....	111,200	161,200	144,275	14,000	2,925
<b>Total.....</b>	<b>452,701</b>	<b>510,201</b>	<b>474,379</b>	<b>14,000</b>	<b>21,822</b>
Finance Committee					
Personal Services.....	5,000	5,000	249	-	4,751
Other Expenses.....	2,500	2,500	368	-	2,132
Reserve Fund.....	361,500	66,555	-	-	66,555
<b>Total.....</b>	<b>369,000</b>	<b>74,055</b>	<b>617</b>	<b>-</b>	<b>73,438</b>
Treasurer/Collector					
Personal Services.....	555,680	570,180	569,969	-	211
Other Expenses.....	83,000	83,000	79,783	100	3,117
<b>Total.....</b>	<b>638,680</b>	<b>653,180</b>	<b>649,752</b>	<b>100</b>	<b>3,328</b>
Finance - Accountant					
Personal Services.....	343,870	342,370	339,844	-	2,526
Other Expenses.....	43,550	54,950	53,012	-	1,938
<b>Total.....</b>	<b>387,420</b>	<b>397,320</b>	<b>392,856</b>	<b>-</b>	<b>4,464</b>
Finance - Assessors					
Personal Services.....	265,508	264,008	263,483	-	525
Other Expenses.....	27,320	27,320	26,208	-	1,112
Articles.....	88,465	88,465	54,645	30,000	3,820
<b>Total.....</b>	<b>381,293</b>	<b>379,793</b>	<b>344,336</b>	<b>30,000</b>	<b>5,457</b>
Personnel					
Personal Services.....	57,252	57,252	54,816	-	2,436
Other Expenses.....	39,450	39,450	35,836	-	3,614
<b>Total.....</b>	<b>96,702</b>	<b>96,702</b>	<b>90,652</b>	<b>-</b>	<b>6,050</b>
Finance - Management Information Systems					
Personal Services.....	292,643	292,643	278,943	-	13,700
Other Expenses.....	291,039	291,039	226,821	-	64,218
Capital Outlay.....	146,900	146,900	130,570	-	16,330
<b>Total.....</b>	<b>730,582</b>	<b>730,582</b>	<b>636,334</b>	<b>-</b>	<b>94,248</b>

(Continued)

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

YEAR ENDED JUNE 30, 2017

	Budgeted Amounts		Actual Budgetary Amounts	Amounts Carried Forward To Next Year	Variance to Final Budget
	Original Budget	Final Budget			
<b>Town Clerk</b>					
Personal Services.....	294,121	302,121	299,388	-	2,733
Other Expenses.....	48,400	55,900	46,689	-	9,211
Articles.....	30,000	30,000	12,249	17,000	751
Total.....	372,521	388,021	358,326	17,000	12,695
<b>Conservation</b>					
Personal Services.....	75,302	76,052	75,716	-	336
Other Expenses.....	3,390	3,390	2,526	-	864
Total.....	78,692	79,442	78,242	-	1,200
<b>Planning Board</b>					
Personal Services.....	132,615	133,365	133,095	-	270
Other Expenses.....	1,550	1,550	524	-	1,026
Total.....	134,165	134,915	133,619	-	1,296
<b>Zoning Board of Appeals</b>					
Other Expenses.....	402	402	21	-	381
<b>Boards/Committees</b>					
Personal Services.....	500	500	396	-	104
Other Expenses.....	2,600	2,600	100	-	2,500
Total.....	3,100	3,100	496	-	2,604
<b>Public Buildings</b>					
Personal Services.....	234,709	315,959	315,133	-	826
Other Expenses.....	328,445	328,445	323,877	140	4,428
Capital Outlay.....	71,000	71,000	37,209	-	33,791
Articles.....	425,360	425,360	51,772	373,013	575
Total.....	1,059,514	1,140,764	727,991	373,153	39,620
Total General Government.....	4,790,772	4,704,477	3,982,103	434,253	288,121
<b>Public Safety:</b>					
<b>Police</b>					
Personal Services.....	5,382,655	5,382,655	5,346,058	-	36,597
Other Expenses.....	523,665	523,665	475,522	6,628	41,515
Capital Outlay.....	302,809	302,809	272,028	-	30,781
Articles.....	87,000	87,000	68,708	-	18,292
Total.....	6,296,129	6,296,129	6,162,316	6,628	127,185
<b>Fire</b>					
Personal Services.....	5,306,997	5,306,997	5,004,136	-	302,861
Other Expenses.....	219,173	248,973	224,644	-	24,329
Capital Outlay.....	33,360	33,360	25,197	-	8,163
Articles.....	216,649	216,649	190,377	-	26,272
Total.....	5,776,179	5,805,979	5,444,354	-	361,625
<b>Emergency Medical Services</b>					
Personal Services.....	598,944	598,944	572,222	-	26,722
Other Expenses.....	128,318	128,318	116,338	-	11,980
Capital Outlay.....	2,587	2,587	2,140	-	447
Total.....	729,849	729,849	690,700	-	39,149
<b>Dispatchers</b>					
Personal Services.....	873,980	873,980	795,941	-	78,039
Other Expenses.....	22,050	22,050	12,368	-	9,682
Capital Outlay.....	3,000	3,000	2,244	-	756
Total.....	899,030	899,030	810,553	-	88,477
<b>Regulatory &amp; Inspection</b>					
Personal Services.....	481,276	480,026	469,060	-	10,966
Other Expenses.....	14,602	14,602	6,782	-	7,820
Total.....	495,878	494,628	475,842	-	18,786

(Continued)

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

YEAR ENDED JUNE 30, 2017

	Budgeted Amounts		Actual Budgetary Amounts	Amounts Carried Forward To Next Year	Variance to Final Budget
	Original Budget	Final Budget			
<b>Emergency Management</b>					
Personal Services.....	4,498	4,498	4,498	-	-
Other Expenses.....	42,780	42,780	34,339	-	8,441
Capital Outlay.....	5,000	5,000	2,684	-	2,316
Total.....	52,278	52,278	41,521	-	10,757
<b>Total Public Safety.....</b>	<b>14,249,343</b>	<b>14,277,893</b>	<b>13,625,286</b>	<b>6,628</b>	<b>645,979</b>
<b>Education:</b>					
Mansfield Public Schools.....	48,216,914	48,216,913	46,995,309	681,753	539,851
Town Expenditures for Education.....	42,657	42,657	42,657	-	-
Articles.....	1,287,214	2,026,214	407,134	1,618,628	452
Total.....	49,546,785	50,285,784	47,445,100	2,300,381	540,303
<b>Southeastern Regional Vocational School</b>					
Other Expenses.....	782,459	782,459	782,459	-	-
<b>Total Education.....</b>	<b>50,329,244</b>	<b>51,068,243</b>	<b>48,227,559</b>	<b>2,300,381</b>	<b>540,303</b>
<b>Public Works:</b>					
<b>Engineering</b>					
Articles.....	15,789	15,789	-	15,789	-
<b>DPW - Administration</b>					
Personal Services.....	285,409	413,409	411,035	-	2,374
Other Expenses.....	1,946,196	1,931,196	1,867,405	28,370	35,421
Total.....	2,231,605	2,344,605	2,278,440	28,370	37,795
<b>DPW - Highway</b>					
Personal Services.....	1,465,024	1,344,024	1,341,655	-	2,369
Other Expenses.....	904,391	1,022,531	1,020,476	-	2,055
Capital Outlay.....	42,000	42,000	27,500	-	14,500
Articles.....	621,644	621,644	475,258	138,456	7,930
Total.....	3,033,059	3,030,199	2,864,889	138,456	26,854
<b>DPW - Snow &amp; Ice</b>					
Other Expenses.....	389,440	653,735	652,582	-	1,153
<b>Total Public Works.....</b>	<b>5,669,893</b>	<b>6,044,328</b>	<b>5,795,911</b>	<b>182,615</b>	<b>65,802</b>
<b>Human Services:</b>					
<b>Health</b>					
Personal Services.....	114,915	107,915	97,103	-	10,812
Other Expenses.....	29,515	36,515	30,331	-	6,184
Total.....	144,430	144,430	127,434	-	16,996
<b>Right To Know</b>					
Personal Services.....	3,000	3,000	58	-	2,942
<b>Senior Citizens</b>					
Personal Services.....	398,029	378,779	354,706	-	24,073
Other Expenses.....	53,434	53,434	44,566	-	8,868
Total.....	451,463	432,213	399,272	-	32,941
<b>Veterans</b>					
Personal Services.....	106,587	107,087	106,689	-	398
Other Expenses.....	250,400	152,400	152,365	-	35
Total.....	356,987	259,487	259,054	-	433

(Continued)

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

YEAR ENDED JUNE 30, 2017

	Budgeted Amounts		Actual Budgetary Amounts	Amounts Carried Forward To Next Year	Variance to Final Budget
	Original Budget	Final Budget			
<b>Social Services</b>					
Personal Services.....	97,047	97,047	90,333	-	6,714
Other Expenses.....	935	935	244	-	691
Total.....	<u>97,982</u>	<u>97,982</u>	<u>90,577</u>	-	<u>7,405</u>
<b>Municipal Building Committee</b>					
Personal Services.....	2,500	2,500	604	-	1,896
Other Expenses.....	750	750	10	-	740
Total.....	<u>3,250</u>	<u>3,250</u>	<u>614</u>	-	<u>2,636</u>
Total Human Services.....	<u>1,057,112</u>	<u>940,362</u>	<u>877,009</u>	-	<u>63,353</u>
<b>Culture and Recreation:</b>					
<b>Library</b>					
Personal Services.....	631,642	631,642	607,140	-	24,502
Other Expenses.....	267,423	267,423	267,289	-	134
Total.....	<u>899,065</u>	<u>899,065</u>	<u>874,429</u>	-	<u>24,636</u>
<b>Parks &amp; Recreation</b>					
Personal Services.....	150,065	150,065	134,085	-	15,980
Other Expenses.....	21,200	21,200	17,140	-	4,060
Articles.....	130,000	130,000	-	130,000	-
Total.....	<u>301,265</u>	<u>301,265</u>	<u>151,225</u>	130,000	<u>20,040</u>
<b>Historical Commission</b>					
Other Expenses.....	1,300	1,300	553	-	747
<b>Arts Cultural Council</b>					
Other Expenses.....	2,700	2,700	2,700	-	-
Total Culture and Recreation.....	<u>1,204,330</u>	<u>1,204,330</u>	<u>1,028,907</u>	130,000	<u>45,423</u>
<b>Insurance/Employee Benefits</b>					
Town Insurance.....	968,514	968,514	843,594	-	124,920
Employee Benefits.....	9,075,601	9,141,101	9,093,254	20,000	27,847
Total Insurance/Employee Benefits.....	<u>10,044,115</u>	<u>10,109,615</u>	<u>9,936,848</u>	20,000	<u>152,767</u>
State and County Assessments.....	<u>2,315,938</u>	<u>2,320,067</u>	<u>1,867,116</u>	-	<u>452,951</u>
<b>Debt Service</b>					
Principal.....	2,613,901	2,613,901	2,613,901	-	-
Interest.....	712,465	593,165	480,027	-	113,138
Total.....	<u>3,326,366</u>	<u>3,207,066</u>	<u>3,093,928</u>	-	<u>113,138</u>
TOTAL EXPENDITURES.....	<u>92,987,113</u>	<u>93,876,381</u>	<u>88,434,667</u>	3,073,877	<u>2,367,837</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	<u>(4,991,862)</u>	<u>(5,881,130)</u>	<u>(62,368)</u>	<u>(3,073,877)</u>	<u>(1,990,789)</u>
<b>OTHER FINANCING SOURCES (USES):</b>					
Premium from issuance of bonds.....	-	-	55,075	-	55,075
Transfers in.....	892,663	892,663	892,663	-	-
Transfers out.....	<u>(1,076,930)</u>	<u>(1,072,801)</u>	<u>(1,072,801)</u>	-	-
TOTAL OTHER FINANCING SOURCES (USES).....	<u>(184,267)</u>	<u>(180,138)</u>	<u>(125,063)</u>	-	<u>55,075</u>
NET CHANGE IN FUND BALANCE.....	(5,176,129)	(6,061,268)	(187,431)	(3,073,877)	(1,935,714)
BUDGETARY FUND BALANCE, Beginning of year.....	9,161,894	9,161,894	9,161,894	-	-
BUDGETARY FUND BALANCE, End of year.....	<u>\$ 3,985,765</u>	<u>\$ 3,100,626</u>	<u>\$ 8,974,463</u>	<u>\$ (3,073,877)</u>	<u>\$ (1,935,714)</u>

(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 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  
BRISTOL COUNTY CONTRIBUTORY RETIREMENT SYSTEM**

	December 31, 2014	December 31, 2015	December 31, 2016
Town's proportion of the net pension liability (asset).....	12.833%	11.189%	11.189%
Town's proportionate share of the net pension liability (asset)..... \$	36,667,016	\$ 37,644,374	\$ 37,355,381
Town's covered employee payroll..... \$	18,207,233	\$ 20,056,126	\$ 20,390,681
Net pension liability as a percentage of covered-employee payroll.....	201.39%	187.70%	183.20%
Plan fiduciary net position as a percentage of the total pension liability.....	67.11%	62.95%	67.11%

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.

**SCHEDULE OF CONTRIBUTIONS**  
**BRISTOL COUNTY CONTRIBUTORY RETIREMENT SYSTEM**

	June 30, 2015	June 30, 2016	June 30, 2017
Actuarially determined contribution.....	\$ 3,802,886	\$ 4,037,340	\$ 4,429,042
Contributions in relation to the actuarially determined contribution.....	<u>3,802,886</u>	<u>4,037,340</u>	<u>4,429,042</u>
Contribution deficiency (excess).....	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll.....	\$ 18,207,233	\$ 20,056,126	\$ 20,390,681
Contributions as a percentage of covered- employee payroll.....	20.89%	20.13%	21.72%

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.

**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.

Fiscal Year	Commonwealth's 100% Share of the Net Pension Liability Associated with the Town	Town's Expense and Revenue Recognized for the Commonwealth's Support	Plan Fiduciary Net Position as a Percentage of the Total Liability
2017.....	\$ 103,560,316	\$ 10,563,831	52.73%
2016.....	98,974,373	8,027,703	55.38%
2015.....	74,443,153	5,171,923	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 Benefits Plan Schedules***

## *Schedules presented in accordance with GASB Statement No. 74*

The Schedule of Changes in the Town's Net Other Postemployment Benefit Liability and Related Ratios presents multi-year trend information on changes in the Plan's total OPEB liability, changes in the Plan's net position, and ending net OPEB liability. It also demonstrates the Plan's net position as a percentage of the total liability and the Plan's net other postemployment benefit liability as a percentage of covered employee payroll.

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

The Schedule of Investment Return presents multi-year trend information on the money-weighted investment return on the Plan's other postemployment assets, net of investment expense.

## *Schedules presented in accordance with GASB Statement No. 45*

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 presents, over time, the ratio of the actual annual employer contributions to the annual required contribution.

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

**SCHEDULE OF CHANGES IN THE  
TOWN'S NET OPEB LIABILITY AND RELATED RATIOS  
OTHER POSTEMPLOYMENT BENEFIT PLAN**

	June 30, 2017
<b>Total OPEB Liability</b>	
Service Cost.....	\$ 2,449,083
Interest.....	4,570,080
Changes of benefit terms.....	-
Differences between expected and actual experience.....	-
Changes of assumptions.....	-
Benefit payments.....	(2,833,368)
Net change in total OPEB liability.....	4,185,795
Total OPEB liability- beginning.....	82,041,065
Total OPEB liability- ending (a).....	\$ 86,226,860
<b>Plan fiduciary net position</b>	
Employer contributions to the trust.....	\$ 665,935
Employer contributions to pay for OPEB benefits.....	2,833,368
Net investment income.....	344,225
Benefit payments.....	(2,833,368)
Net change in plan fiduciary net position.....	1,010,160
Plan fiduciary net position- beginning.....	3,783,314
Plan fiduciary net position- ending (b).....	\$ 4,793,474
<b>Town's net OPEB liability- ending (a)-(b).....</b>	<b>\$ 81,433,386</b>
Plan fiduciary net position as a percentage of the total OPEB liability.....	5.56%
Covered-employee payroll.....	\$ 51,379,504
Town's net OPEB liability as a percentage of covered-employee payroll.....	158.49%

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.

**SCHEDULE OF TOWN CONTRIBUTIONS  
OTHER POSTEMPLOYMENT BENEFIT PLAN**

	June 30, 2017
Actuarially determined contribution.....	\$ 7,552,718
Contributions in relation to the actuarially determined contribution.....	(3,499,303)
Contribution deficiency (excess).....	\$ 4,053,415
Covered-employee payroll.....	\$ 51,379,504
Contributions as a percentage of covered- employee payroll.....	6.81%

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.

**SCHEDULE OF INVESTMENT RETURNS**  
**OTHER POSTEMPLOYMENT BENEFIT PLAN**

---

---

June 30,  
2017

---

Annual money-weighted rate of return, net of investment expense.....	8.36%
---	-------

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 BENEFITS 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)
7/1/2016	\$ 3,786,516	\$ 95,282,057	\$ 91,495,541	3.97%	\$ 51,379,504	178.08%
7/1/2014	2,330,487	70,900,437	68,569,950	3.29%	53,566,158	128.01%
7/1/2012	761,119	80,928,917	80,167,798	0.94%	49,546,063	161.80%
7/1/2010	194,314	79,241,809	79,047,495	0.25%	45,732,920	172.85%
7/1/2009	194,204	81,657,327	81,463,123	0.24%	42,951,000	189.67%
7/1/2008	-	77,242,387	77,242,387	0.00%	44,862,111	172.18%

**Schedule of Employer Contributions**

Year Ended	Annual Required Contribution (ARC)	Actual Contributions Made	Percentage of the ARC Contributed
6/30/2017	\$ 9,255,379	\$ 3,499,303	38%
6/30/2016	7,623,075	3,126,213	41%
6/30/2015	7,468,906	3,074,764	41%
6/30/2014	7,921,814	2,764,109	35%
6/30/2013	7,643,569	3,197,267	42%
6/30/2012	7,318,121	3,267,401	45%

See notes to required supplementary information.

**OTHER POSTEMPLOYMENT BENEFITS PLAN**  
**ACTUARIAL METHODS AND ASSUMPTIONS**

---

Actuarial Methods:

Valuation date.....	July 1, 2016
Actuarial cost method.....	Individual entry age normal actuarial cost method.
Amortization method.....	Level dollar amortization over 30 years.
Remaining amortization period.....	22 years at July 1, 2016.
Asset valuation method.....	Market value

Actuarial Assumptions:

Investment rate of return.....	4.50%
Inflation rate.....	2.75% per year
Projected salary increases.....	3.00% per year
Medical/drug cost trend rate.....	5.00% per year

Plan Membership:

Current retirees, beneficiaries, and dependents.....	522
Current active members.....	<u>763</u>
 Total.....	 <u><u>1,285</u></u>

See notes to required supplementary information.

**NOTE A – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**A. Budgetary Information

Municipal Law requires the adoption of a balanced budget that is approved by Town Meeting. The Town Manager presents an annual budget to Town Meeting, which includes estimates of revenues and other financing sources and recommendations of expenditures and other financing uses. Town Meeting adopts the expenditure budget by majority vote.

Increases or transfers between departments subsequent to the approval of the annual budget, requires majority Town Meeting approval via a Special Town Meeting.

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

Generally, expenditures may not exceed the legal level of spending (salaries, expenses and articles) 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 by majority vote of Town Meeting.

The original 2017 approved budget for the General Fund authorized \$88.9 million in appropriations and other amounts to be raised, as well as \$3.0 million of encumbrances and continuing appropriations carried forward from the prior year. During 2017 Town meeting authorized \$885,000 of supplemental appropriations including \$739,000 for education related capital articles, as well as \$143,000 to fund snow & ice costs.

The Finance Director/Town Accountant has the responsibility to ensure that budgetary control is maintained. Budgetary control is exercised through the 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, 2017, is presented below:

Net change in fund balance - budgetary basis.....	\$	(187,431)
<u>Perspective differences:</u>		
Activity of the stabilization fund recorded in the general fund for GAAP.....		650,294
<u>Basis of accounting differences:</u>		
Net change in recording 60 day receipts.....		181,216
Recognition of revenue for on-behalf payments.....		10,563,831
Recognition of expenditures for on-behalf payments.....		<u>(10,563,831)</u>
Net change in fund balance - GAAP basis.....	\$	<u>644,079</u>

**NOTE B – PENSION PLAN****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 Town's allocated percentage of the net pension liability (asset), the Town's proportionate share of the net pension liability, and the Town's covered employee payroll. It also demonstrates the Town's net position as a percentage of the Town's pension liability and the Town's net pension liability as a percentage of the Town's covered payroll.

**B. Schedule of Town's Contributions**

Governmental employers are required to pay an annual appropriation as established by PERAC. The Town's 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 Town's 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 Town 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 create 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 revenue and pension expense recognized by the Town; and the Plan's fiduciary net position as a percentage of the total liability.

**D. Changes of Assumptions**

The most recent actuarial valuation as of January 1, 2016 included several changes of assumptions from the prior actuarial valuation. These changes include a decrease in the assumed discount rate from 8.00% down to 7.75%, as well as changes in the applied mortality tables, rates of disability, and cost of living adjustments.

**E. Changes of Plan Provisions**

Chapter 176 of the Acts of 2011, An Act Providing for Pension Reform and Benefit Modernization made a number of changes to the Chapter 32 pension law. There are several changes that will have the most impact on decreasing plan liabilities over the longer term. These include an increase in the normal retirement age by two years (for example, from age 65 to age 67 for Group 1 members), an increase in the age (early retirement) reduction factor for ages below the maximum age (from a 4.0% to a 6.0% annual reduction), and an increase in the period for determining a member's average annual compensation (from 3 years to 5 years).

**NOTE C – OTHER POSTEMPLOYMENT BENEFITS**

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

***The Other Postemployment Benefit Plan*****A. The Schedule of Changes in the Town's Net Other Postemployment Benefit Liability and Related Ratios**

The Schedule of Changes in the Town's Net Other Postemployment Benefit Liability and Related Ratios presents multi-year trend information on changes in the Plan's total OPEB liability, changes in the Plan's net position, and ending net OPEB liability. It also demonstrates the Plan's net position as a percentage of the total liability and the Plan's net other postemployment benefit liability as a percentage of covered employee payroll.

**B. Schedule of the Town's Contributions**

The Schedule of the Town's Contributions includes the Town's annual required contribution to the Plan, along with the contributions made in relation to the actuarially determined contribution and the covered employee payroll. The Town is not required to fully fund this contribution. It also demonstrates the contributions as a percentage of covered payroll.

**C. Schedule of Investment Return**

The Schedule of Investment Return includes the money-weighted investment return on the Plan's other postemployment assets, net of investment expense.

***The Town***

The Town currently finances its other postemployment benefits (OPEB) on a combined pre-funded and 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 3.97%. 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.

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.

**A. The Schedule of Funding Progress**

The Schedule of Funding Progress presents multi-year trend information which compares, over time, the Town's actuarial accrued liability for benefits with the actuarial value of accumulated plan assets.

**B. The Schedule of Employer Contributions**

The Schedule of Employer Contributions presents multiyear trend information for the Town's required and actual contributions relating to the plan.

**C. Schedule of Actuarial Methods and Assumptions.**

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

D. Changes of Assumptions

The July 1, 2016 actuarial valuation was prepared utilizing the individual entry age normal actuarial cost method. Additionally, the discount rate utilized to prepare schedules in accordance with GASB Statement No.45 was increased to 4.50%.

E. Changes in Plan Provisions

None.

# ***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.

# ***Nonmajor Governmental Funds***

## ***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 specified purposes.

*Federal Grants* – this fund is used to account for grant funds received from the Federal government, which are designated for specific programs.

*State Grants* – this fund is used to account for grant funds received from the State government, which are designated for specific programs.

*Receipts Reserved* – this fund is used to account for proceeds that are earmarked for by law and placed in this fund, subject to appropriation for specific purposes.

*Revolving Funds* – this fund is used to account for revenues from a specific service that may be used to support the service.

*Special Revolving* – this fund is used to account for departmental services that are funded from related revenues that must be re-authorized each year at annual town meeting.

*School Lunch* – this fund is used to account for all cafeteria activities and is funded from user charges, federal and state grants, and commodities received.

*Gifts & Donations* – this fund is used to account for proceeds that are donated to the Town for specific purposes.

*Other* – this fund is used to account for other special revenue funds.

## ***Capital Project 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.

*Highway Improvements* – this fund is used to account for roadway improvement projects to be funded through reimbursements received from the Commonwealth's Chapter 90 program.

## ***Permanent Funds***

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support governmental programs.

*Trust funds* – this fund is used to account for contributions and bequests in which earnings may be expended for cemetery, school, library, and council on aging purposes.

This page left intentionally blank.

**NONMAJOR GOVERNMENTAL FUNDS**  
COMBINING BALANCE SHEET

JUNE 30, 2017

	<i>Special Revenue Funds</i>					
	Federal Grants	State Grants	Receipts Reserved	Revolving Funds	Special Revolving	School Lunch
<b>ASSETS</b>						
Cash and cash equivalents.....	\$ 377,151	\$ 1,535,579	\$ 28,447	\$ 3,473,051	\$ 869,473	\$ 90,815
Investments.....	-	-	-	-	-	-
Receivables, net of uncollectibles:						
Departmental and other.....	-	-	-	266,732	-	-
Intergovernmental.....	-	-	-	-	-	-
<b>TOTAL ASSETS.....</b>	<b>\$ 377,151</b>	<b>\$ 1,535,579</b>	<b>\$ 28,447</b>	<b>\$ 3,739,783</b>	<b>\$ 869,473</b>	<b>\$ 90,815</b>
<b>LIABILITIES</b>						
Warrants payable.....	\$ 5,098	\$ 522,198	-	\$ 190,648	\$ 57,797	\$ 20,673
Accrued payroll.....	28,177	2,948	-	75,911	36,410	-
Due to other funds.....	-	-	-	-	-	-
<b>TOTAL LIABILITIES.....</b>	<b>33,275</b>	<b>525,146</b>	<b>-</b>	<b>266,559</b>	<b>94,207</b>	<b>20,673</b>
<b>DEFERRED INFLOWS</b>						
Unavailable revenues.....	-	-	-	266,732	-	-
<b>FUND BALANCES</b>						
Nonspendable.....	-	-	-	-	-	-
Restricted.....	343,876	1,010,433	28,447	3,206,492	775,266	70,142
<b>TOTAL FUND BALANCES.....</b>	<b>343,876</b>	<b>1,010,433</b>	<b>28,447</b>	<b>3,206,492</b>	<b>775,266</b>	<b>70,142</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES.....</b>	<b>\$ 377,151</b>	<b>\$ 1,535,579</b>	<b>\$ 28,447</b>	<b>\$ 3,739,783</b>	<b>\$ 869,473</b>	<b>\$ 90,815</b>

			<i>Capital Project Fund</i>	<i>Permanent Fund</i>	Total Nonmajor Governmental Funds
<u>Gifts &amp; Donations</u>	<u>Other</u>	<u>Sub-total</u>	<u>Highway Improvements</u>	<u>Trust Funds</u>	
\$ 703,775	\$ 459,736	\$ 7,538,027	\$ -	\$ 401,485	\$ 7,939,512
-	897,222	897,222	-	138,998	1,036,220
-	-	266,732	-	-	266,732
-	-	-	1,022,217	-	1,022,217
<u>\$ 703,775</u>	<u>\$ 1,356,958</u>	<u>\$ 8,701,981</u>	<u>\$ 1,022,217</u>	<u>\$ 540,483</u>	<u>\$ 10,264,681</u>
\$ 49,104	\$ 183	\$ 845,701	\$ 1,544	\$ 1,001	\$ 848,246
401	-	143,847	-	-	143,847
-	-	-	90,898	-	90,898
<u>49,505</u>	<u>183</u>	<u>989,548</u>	<u>92,442</u>	<u>1,001</u>	<u>1,082,991</u>
-	-	266,732	929,775	-	1,196,507
-	-	-	-	131,890	131,890
<u>654,270</u>	<u>1,356,775</u>	<u>7,445,701</u>	<u>-</u>	<u>407,592</u>	<u>7,853,293</u>
<u>654,270</u>	<u>1,356,775</u>	<u>7,445,701</u>	<u>-</u>	<u>539,482</u>	<u>7,985,183</u>
<u>\$ 703,775</u>	<u>\$ 1,356,958</u>	<u>\$ 8,701,981</u>	<u>\$ 1,022,217</u>	<u>\$ 540,483</u>	<u>\$ 10,264,681</u>

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

YEAR ENDED JUNE 30, 2017

	<i>Special Revenue Funds</i>					
	Federal Grants	State Grants	Receipts Reserved	Revolving Funds	Special Revolving	School Lunch
<b>REVENUES:</b>						
Real estate and personal property taxes, Charges for services.....	\$ -	\$ -	\$ -	\$ 3,148,881	\$ 631,175	\$ 632,800
Intergovernmental.....	1,382,719	3,375,598	1,973	17,272	-	262,780
Departmental and other.....	8,245	-	-	1,867,346	3,187	167
Contributions.....	-	-	-	-	-	-
Investment income.....	639	2	-	-	-	231
<b>TOTAL REVENUES.....</b>	<b>1,391,603</b>	<b>3,375,600</b>	<b>1,973</b>	<b>5,033,499</b>	<b>634,362</b>	<b>895,978</b>
<b>EXPENDITURES:</b>						
Current:						
General government.....	-	4,026	1,753	268,946	-	-
Public safety.....	2,901	123,036	-	1,773,904	213,884	-
Education.....	1,388,088	1,269,293	-	2,619,103	1,848	906,181
Public works.....	2,816	2,344,713	-	6,220	-	-
Human services.....	-	33,087	-	-	-	-
Culture and recreation.....	-	37,632	-	-	149,516	-
<b>TOTAL EXPENDITURES.....</b>	<b>1,393,805</b>	<b>3,811,787</b>	<b>1,753</b>	<b>4,668,173</b>	<b>365,248</b>	<b>906,181</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>(2,202)</b>	<b>(436,187)</b>	<b>220</b>	<b>365,326</b>	<b>269,114</b>	<b>(10,203)</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in.....	-	-	-	-	-	-
Transfers out.....	-	-	(10,082)	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES).....</b>	<b>-</b>	<b>-</b>	<b>(10,082)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>(2,202)</b>	<b>(436,187)</b>	<b>(9,862)</b>	<b>365,326</b>	<b>269,114</b>	<b>(10,203)</b>
<b>FUND BALANCES AT BEGINNING OF YEAR.....</b>	<b>346,078</b>	<b>1,446,620</b>	<b>38,309</b>	<b>2,841,166</b>	<b>506,152</b>	<b>80,345</b>
<b>FUND BALANCES AT END OF YEAR.....</b>	<b>\$ 343,876</b>	<b>\$ 1,010,433</b>	<b>\$ 28,447</b>	<b>\$ 3,206,492</b>	<b>\$ 775,266</b>	<b>\$ 70,142</b>

		<b>Capital Project Funds</b>		<b>Permanent Fund</b>		
Gifts & Donations	Other	Sub-total	Highway Improvements	Trust Funds	Total Nonmajor Governmental Funds	
\$ -	\$ -	\$ 4,412,856	\$ -	\$ -	\$ 4,412,856	
-	-	5,040,342	682,744	-	5,723,086	
-	-	1,878,945	-	-	1,878,945	
287,587	2,050	289,637	-	1,340	290,977	
-	16,349	17,221	-	10,421	27,642	
<u>287,587</u>	<u>18,399</u>	<u>11,639,001</u>	<u>682,744</u>	<u>11,761</u>	<u>12,333,506</u>	
75,409	1,920	352,054	-	78,152	430,206	
1,465	13,312	2,128,502	-	-	2,128,502	
112,009	-	6,296,522	-	520	6,297,042	
45,097	-	2,398,846	682,744	-	3,081,590	
15,280	-	48,367	-	-	48,367	
44,554	-	231,702	-	601	232,303	
<u>293,814</u>	<u>15,232</u>	<u>11,455,993</u>	<u>682,744</u>	<u>79,273</u>	<u>12,218,010</u>	
<u>(6,227)</u>	<u>3,167</u>	<u>183,008</u>	<u>-</u>	<u>(67,512)</u>	<u>115,496</u>	
9,753	-	9,753	-	-	9,753	
(9,753)	(200,000)	(219,835)	-	-	(219,835)	
-	(200,000)	(210,082)	-	-	(210,082)	
(6,227)	(196,833)	(27,074)	-	(67,512)	(94,586)	
<u>660,497</u>	<u>1,553,608</u>	<u>7,472,775</u>	<u>-</u>	<u>606,994</u>	<u>8,079,769</u>	
<u>\$ 654,270</u>	<u>\$ 1,356,775</u>	<u>\$ 7,445,701</u>	<u>\$ -</u>	<u>\$ 539,482</u>	<u>\$ 7,985,183</u>	

# ***Agency Fund***

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

**AGENCY FUND**  
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

FOR THE YEAR ENDED JUNE 30, 2017

	Beginning of Year	Additions	Deletions	End of Year
<b>ASSETS</b>				
<b>CURRENT:</b>				
Cash and cash equivalents.....	\$ 758,987	\$ 1,479,501	\$ (1,448,914)	\$ 789,574
<b>LIABILITIES</b>				
Warrants payable.....	\$ 14,311	\$ 40,818	\$ (14,314)	\$ 40,815
Payroll withholdings.....	658,574	938,040	(976,387)	620,227
Liabilities due depositors.....	86,102	608,166	(565,736)	128,532
Total Liabilities.....	\$ 758,987	\$ 1,587,024	\$ (1,556,437)	\$ 789,574

This page intentionally left blank.

# *Statistical Section*

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



**Duck Race:** Families gather along the race route of the Mansfield Park & Recreation's annual Duck Race in anticipation of the release of the ducks.

Town of Mansfield, Massachusetts  
Comprehensive Annual Financial Report  
For the year ended June 30, 2017

# ***Statistical Section***

This part of the Town of Mansfield'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 audited financial reports for the relevant year or our Official Statements.*

**Net Position By Component**

**Last Ten Years**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<b>Governmental activities</b>										
Net investment in capital assets.....	\$ 57,779,912	\$ 57,303,618	\$ 57,418,679	\$ 57,122,668	\$ 57,692,168	\$ 55,402,470	\$ 57,518,481	\$ 56,276,179	\$ 55,397,087	\$ 59,563,385
Restricted.....	6,448,189	6,843,342	7,973,506	10,798,636	10,097,484	13,090,150	1,824,032	2,196,372	3,060,189	2,548,061
Unrestricted.....	<u>2,175,362</u>	<u>(4,056,197)</u>	<u>(7,684,626)</u>	<u>(9,774,917)</u>	<u>(11,334,459)</u>	<u>(17,207,184)</u>	<u>(41,904,757)</u>	<u>(45,163,698)</u>	<u>(46,049,433)</u>	<u>(54,003,699)</u>
Total governmental activities net position.....	<u>\$ 66,403,463</u>	<u>\$ 60,090,763</u>	<u>\$ 57,707,559</u>	<u>\$ 58,146,387</u>	<u>\$ 56,455,193</u>	<u>\$ 51,285,436</u>	<u>\$ 17,437,756</u>	<u>\$ 13,308,853</u>	<u>\$ 12,407,843</u>	<u>\$ 8,107,747</u>
<b>Business-type activities</b>										
Net investment in capital assets.....	\$ 75,303,562	\$ 72,724,429	\$ 73,063,447	\$ 72,593,535	\$ 80,114,494	\$ 79,929,336	\$ 77,245,262	\$ 62,337,905	\$ 68,443,713	\$ 70,090,910
Restricted.....	3,781,130	3,873,477	4,946,253	6,286,466	2,722,688	2,578,406	3,423,982	3,738,641	3,607,059	4,390,069
Unrestricted.....	<u>11,732,830</u>	<u>15,388,270</u>	<u>16,173,925</u>	<u>18,538,607</u>	<u>15,791,554</u>	<u>18,848,103</u>	<u>15,955,049</u>	<u>17,525,001</u>	<u>18,981,129</u>	<u>19,471,479</u>
Total business-type activities net position.....	<u>\$ 90,817,522</u>	<u>\$ 91,986,176</u>	<u>\$ 94,183,625</u>	<u>\$ 97,418,608</u>	<u>\$ 98,628,736</u>	<u>\$ 101,355,845</u>	<u>\$ 96,624,293</u>	<u>\$ 83,601,547</u>	<u>\$ 91,031,901</u>	<u>\$ 93,952,458</u>
<b>Primary government</b>										
Net investment in capital assets.....	\$ 133,083,474	\$ 130,028,047	\$ 130,482,126	\$ 129,716,203	\$ 137,806,662	\$ 135,331,806	\$ 134,763,743	\$ 118,614,084	\$ 123,840,800	\$ 129,654,295
Restricted.....	10,229,319	10,716,819	12,919,759	17,085,102	12,820,172	15,668,556	5,248,014	5,935,013	6,667,248	6,938,130
Unrestricted.....	<u>13,908,192</u>	<u>11,332,073</u>	<u>8,489,299</u>	<u>8,763,690</u>	<u>4,457,095</u>	<u>1,640,919</u>	<u>(25,949,708)</u>	<u>(27,638,697)</u>	<u>(27,068,304)</u>	<u>(34,532,220)</u>
Total primary government net position.....	<u>\$ 157,220,985</u>	<u>\$ 152,076,939</u>	<u>\$ 151,891,184</u>	<u>\$ 155,564,995</u>	<u>\$ 155,083,929</u>	<u>\$ 152,641,281</u>	<u>\$ 114,062,049</u>	<u>\$ 96,910,400</u>	<u>\$ 103,439,744</u>	<u>\$ 102,060,205</u>

(1) The 2014 unrestricted net position for governmental and business-type activities has been revised due to the implementation of GASB #68 and #71.

**Changes in Net Position**

**Last Ten Years**

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Expenses</b>										
<b>Governmental activities:</b>										
General government.....	\$ 4,454,140	\$ 4,642,881	\$ 4,762,872	\$ 4,303,623	\$ 4,786,242	\$ 5,464,179	\$ 5,205,022	\$ 4,944,833	\$ 5,125,295	\$ 5,265,290
Public safety.....	9,983,676	11,473,157	11,645,093	11,444,901	13,981,314	14,383,630	14,784,695	17,525,574	19,480,111	18,664,418
Education.....	55,250,558	62,665,592	63,811,714	63,164,533	64,057,501	65,403,655	68,696,434	67,250,195	70,290,616	78,795,840
Public works.....	5,568,772	5,679,588	5,128,283	5,738,932	5,860,210	6,000,976	6,297,714	7,259,644	7,162,712	7,744,835
Human services.....	854,879	1,459,791	1,198,113	897,070	1,012,856	1,112,817	1,156,779	1,198,739	1,256,961	1,126,036
Culture and recreation.....	1,240,710	1,329,818	1,232,248	1,349,457	1,250,102	1,445,265	1,390,269	1,489,284	1,605,019	1,592,928
Interest.....	1,319,145	1,407,540	1,100,573	850,791	702,323	638,296	527,565	554,131	557,164	546,995
<b>Total governmental activities expenses.....</b>	<b>78,671,880</b>	<b>88,658,367</b>	<b>88,878,896</b>	<b>87,749,307</b>	<b>91,650,548</b>	<b>94,448,818</b>	<b>98,058,478</b>	<b>100,222,400</b>	<b>105,477,878</b>	<b>113,736,342</b>
<b>Business-type activities:</b>										
Water.....	3,696,371	4,238,661	3,944,679	4,029,823	3,820,125	3,852,659	4,253,691	4,471,611	3,970,077	4,723,551
Sewer.....	3,889,451	4,164,570	4,235,361	4,691,563	5,071,717	4,966,156	5,084,918	5,073,556	4,632,762	5,045,866
Airport.....	-	-	-	-	-	-	-	361,317	441,027	611,727
Parking.....	-	-	-	-	-	-	-	694,431	572,372	600,604
Electric.....	33,532,211	31,298,413	28,833,655	27,982,660	26,226,571	25,978,923	25,737,932	23,570,399	23,407,132	23,560,913
Other nonmajor.....	496,039	856,038	592,460	806,862	659,318	870,780	942,222	-	-	-
<b>Total business-type activities expenses.....</b>	<b>41,614,072</b>	<b>40,557,682</b>	<b>37,606,155</b>	<b>37,510,908</b>	<b>35,777,911</b>	<b>35,668,518</b>	<b>36,018,763</b>	<b>34,171,314</b>	<b>33,023,370</b>	<b>34,542,661</b>
<b>Total primary government expenses.....</b>	<b>\$ 120,285,952</b>	<b>\$ 129,216,049</b>	<b>\$ 126,485,051</b>	<b>\$ 125,260,215</b>	<b>\$ 127,428,459</b>	<b>\$ 130,117,336</b>	<b>\$ 134,077,241</b>	<b>\$ 134,393,714</b>	<b>\$ 138,501,248</b>	<b>\$ 148,279,003</b>
<b>Program Revenues</b>										
<b>Governmental activities:</b>										
<b>Charges for services:</b>										
General government.....	\$ 519,462	\$ 490,227	\$ 484,865	\$ 451,381	\$ 553,095	\$ 451,395	\$ 507,885	\$ 439,457	\$ 359,391	\$ 237,943
Public safety.....	1,870,171	1,655,864	1,931,601	1,691,429	1,768,658	1,658,045	1,901,165	3,200,475	3,676,535	3,688,189
Education.....	2,706,929	2,672,224	2,548,857	3,138,054	2,892,531	2,851,804	2,913,975	3,299,494	3,489,372	3,518,133
Public works.....	103,649	76,395	103,416	71,454	95,144	113,368	110,958	102,867	112,752	110,485
Human services.....	32,253	25,986	63,641	59,909	67,701	35,672	48,995	38,595	31,815	41,254
Culture and recreation.....	170,642	169,861	137,890	138,946	123,986	165,742	169,674	182,191	197,449	220,845
<b>Operating grants and contributions:</b>										
General Government.....	68,365	28,478	35,555	7,077	12,308	7,603	6,562	413,644	367,250	322,401
Public Safety.....	221,829	178,007	537,651	195,417	318,929	96,961	130,626	86,579	77,775	141,707
Education.....	24,158,268	26,934,974	28,737,718	29,026,598	30,077,255	27,185,611	28,323,282	26,424,857	29,906,251	32,211,767
Public Works.....	47,253	29,527	25,345	72,175	34,293	66,033	71,022	47,332	133,063	70,350
Human Services.....	268,381	609,725	441,905	203,680	439,650	228,387	762,374	215,327	224,736	187,178
Culture and recreation.....	35,268	53,974	56,751	71,235	51,331	62,810	104,592	77,541	72,046	120,622
Interest.....	-	-	-	-	-	-	-	148,382	6,256	16,554
<b>Capital grants and contributions:</b>										
General Government.....	25,000	128,372	203,705	235,583	108,651	283,786	-	-	-	-
Public Works.....	7,213	538,531	593,421	1,348,304	8,255	749,136	850,844	1,228,920	1,649,069	2,634,349
<b>Total government activities program revenues.....</b>	<b>30,234,683</b>	<b>33,592,145</b>	<b>35,902,321</b>	<b>36,711,242</b>	<b>36,551,787</b>	<b>33,946,353</b>	<b>35,901,954</b>	<b>35,885,661</b>	<b>40,303,760</b>	<b>43,521,777</b>
<b>Business-type activities:</b>										
<b>Charges for services:</b>										
Water.....	3,932,554	3,637,463	3,671,848	3,926,582	4,329,034	4,600,989	4,705,980	5,122,952	5,178,980	5,200,634
Sewer.....	3,479,775	3,881,452	3,761,969	4,137,295	4,443,897	4,103,320	4,658,411	4,756,376	5,099,108	5,345,928
Airport.....	-	-	-	-	-	-	-	79,397	83,737	154,426
Parking.....	-	-	-	-	-	-	-	512,818	554,292	564,033
Electric.....	33,168,708	31,061,651	30,889,442	31,311,142	27,002,015	28,294,759	26,295,207	26,213,298	25,996,134	25,753,937
Other nonmajor.....	479,695	576,148	708,513	643,973	701,181	578,678	619,014	-	-	-
<b>Operating grants and contributions:</b>										
Water.....	-	-	-	-	2,029	2,916	1,610	138,040	72,134	87,405
Sewer.....	217,773	50,646	39,871	217,477	54,518	36,354	34,684	135,610	13,100	11,321
Electric.....	4,389,941	1,558,257	466,403	58,224	47,137	30,881	33,996	-	-	-
Other nonmajor.....	150	164,623	97,380	88,923	18,304	19,621	416	-	-	-
<b>Capital grants and contributions:</b>										
Water.....	98,252	95,330	92,299	89,167	93,468	82,703	79,323	-	-	876,909
Other nonmajor.....	335,514	226,325	-	-	227,368	573,295	351,053	685,260	3,130,684	-
<b>Total business-type activities program revenues.....</b>	<b>46,102,362</b>	<b>41,251,895</b>	<b>39,727,725</b>	<b>40,472,783</b>	<b>36,918,951</b>	<b>38,323,516</b>	<b>36,779,694</b>	<b>37,643,751</b>	<b>40,128,169</b>	<b>37,994,593</b>
<b>Total primary government program revenues.....</b>	<b>\$ 76,337,045</b>	<b>\$ 74,844,040</b>	<b>\$ 75,630,046</b>	<b>\$ 77,184,025</b>	<b>\$ 73,470,738</b>	<b>\$ 72,269,869</b>	<b>\$ 72,681,648</b>	<b>\$ 73,529,412</b>	<b>\$ 80,431,929</b>	<b>\$ 81,516,370</b>
<b>Net (Expense)/Revenue</b>										
Governmental activities.....	\$ (48,437,197)	\$ (55,066,222)	\$ (52,976,575)	\$ (51,038,065)	\$ (55,098,761)	\$ (60,502,465)	\$ (62,156,524)	\$ (64,336,739)	\$ (65,174,118)	\$ (70,214,565)
Business-type activities.....	4,488,290	694,213	2,121,570	2,961,875	1,141,040	2,654,998	760,931	3,472,437	7,104,799	3,451,932
<b>Total primary government net expense.....</b>	<b>\$ (43,948,907)</b>	<b>\$ (54,372,009)</b>	<b>\$ (50,855,005)</b>	<b>\$ (48,076,190)</b>	<b>\$ (53,957,721)</b>	<b>\$ (57,847,467)</b>	<b>\$ (61,395,593)</b>	<b>\$ (60,864,302)</b>	<b>\$ (58,069,319)</b>	<b>\$ (66,762,633)</b>
<b>General Revenues and other Changes in Net Position</b>										
<b>Governmental activities:</b>										
Real estate, personal property taxes and tax liens, net of tax refunds payable.....	\$ 40,599,305	\$ 42,326,870	\$ 44,612,944	\$ 45,834,234	\$ 46,361,869	\$ 48,674,146	\$ 50,938,280	\$ 52,631,806	\$ 54,836,575	\$ 57,523,819
Tax liens.....	239,201	248,046	164,082	171,979	399,541	153,935	9,883	-	-	-
Motor vehicle excise taxes.....	2,890,536	2,712,012	2,587,492	2,583,038	2,792,322	2,929,278	3,006,416	3,481,783	3,536,026	3,676,173
Hotel/motel & meals tax.....	230,189	193,125	192,500	222,645	516,959	610,393	645,156	722,752	677,292	799,186
Penalties and interest on taxes.....	179,776	138,443	140,322	180,613	154,468	173,740	143,060	188,301	190,518	200,040
Payments in lieu of taxes.....	485,326	485,342	485,373	485,396	485,396	485,410	485,431	5,424	5,422	5,412
<b>Grants and contributions not restricted to specific programs:</b>										
Unrestricted investment income.....	2,872,606	2,590,838	2,238,025	1,972,948	1,972,686	2,019,709	2,041,116	2,555,970	2,536,501	2,791,041
Special Item, Gain/(Loss) on MFN Transaction.....	416,830	284,321	119,197	62,077	54,602	59,711	108,880	114,397	299,766	240,340
Miscellaneous.....	568,379	248,966	128,315	237,071	738,812	298,497	269,844	33,084	60,968	34,970
Transfers (net).....	(633,755)	(474,441)	(75,879)	(273,108)	(69,088)	(72,111)	(24,859)	474,309	474,420	643,488
<b>Total governmental activities.....</b>	<b>47,846,393</b>	<b>48,753,522</b>	<b>50,593,371</b>	<b>51,476,893</b>	<b>53,407,567</b>	<b>55,332,708</b>	<b>57,623,207</b>	<b>60,207,836</b>	<b>62,617,488</b>	<b>65,914,469</b>
<b>Business-type activities:</b>										
Unrestricted investment income.....	-	-	-	-	-	-	72,826	88,367	112,113	-
Special Item, Gain/(Loss) on MFN Transaction.....	-	-	-	-	-	-	(16,604,637)	400,000	-	-
Transfers (net).....	633,755	474,441	75,879	273,108	69,088	72,111	24,859	(474,309)	(474,420)	(643,488)
<b>Total business-type activities.....</b>	<b>633,755</b>	<b>474,441</b>	<b>75,879</b>	<b>273,108</b>	<b>69,088</b>	<b>72,111</b>	<b>24,859</b>	<b>(17,006,120)</b>	<b>13,947</b>	<b>(531,375)</b>
<b>Total primary government.....</b>	<b>\$ 48,480,148</b>	<b>\$ 49,227,963</b>	<b>\$ 50,669,250</b>	<b>\$ 51,750,001</b>	<b>\$ 53,476,655</b>	<b>\$ 55,404,819</b>	<b>\$ 57,648,066</b>	<b>\$ 43,201,716</b>	<b>\$ 62,631,435</b>	<b>\$ 65,383,094</b>
<b>Changes in Net Position</b>										
Governmental activities.....	\$ (590,804)	\$ (6,312,700)	\$ (2,383,204)	\$ 438,828	\$ (1,691,194)	\$ (5,169,757)	\$ (4,533,317)	\$ (4,128,903)	\$ (2,556,630)	\$ (4,300,096)
Business-type activities.....	5,122,045	1,168,654	2,197,449	3,234,983	1,210,128	2,727,109	785,790	(13,533,683)	7,118,746	2,920,557
<b>Total primary government.....</b>	<b>\$ 4,531,241</b>	<b>\$ (5,144,046)</b>	<b>\$ (185,755)</b>	<b>\$ 3,673,811</b>	<b>\$ (481,066)</b>	<b>\$ (2,442,648)</b>	<b>\$ (3,747,527)</b>	<b>\$ (17,662,586)</b>	<b>\$ 4,562,116</b>	<b>\$ (1,379,539)</b>

(1) Prior to 2015 the Airport and Parking Enterprise Funds were reported as nonmajor funds.

**Fund Balances, Governmental Funds**

**Last Ten Years**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<b>General Fund</b>										
Reserved.....	\$ 409,366	\$ 432,548	\$ 518,119	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved.....	1,204,935	1,250,468	2,633,186	-	-	-	-	-	-	-
Committed.....	-	-	-	46,589	45,049	438,815	1,924,433	1,600,102	1,895,133	2,307,097
Assigned.....	-	-	-	2,431,232	2,815,632	4,486,626	2,610,845	608,647	1,124,205	766,780
Unassigned.....	-	-	-	<u>4,978,927</u>	<u>6,990,887</u>	<u>5,829,974</u>	<u>6,769,288</u>	<u>9,225,175</u>	<u>9,775,849</u>	<u>10,365,389</u>
<b>Total general fund.....</b>	<b><u>\$ 1,614,301</u></b>	<b><u>\$ 1,683,016</u></b>	<b><u>\$ 3,151,305</u></b>	<b><u>\$ 7,456,748</u></b>	<b><u>\$ 9,851,568</u></b>	<b><u>\$ 10,755,415</u></b>	<b><u>\$ 11,304,566</u></b>	<b><u>\$ 11,433,924</u></b>	<b><u>\$ 12,795,187</u></b>	<b><u>\$ 13,439,266</u></b>
<b>All Other Governmental Funds</b>										
Reserved.....	\$ 126,909	\$ 126,909	\$ 130,091	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds.....	5,573,824	6,288,803	7,272,101	-	-	-	-	-	-	-
Capital projects funds.....	(403,195)	2,059,775	897,848	-	-	-	-	-	-	-
Permanent funds.....	367,875	360,180	369,658	-	-	-	-	-	-	-
Nonspendable.....	-	-	-	132,411	132,411	132,411	132,411	132,411	132,411	131,890
Restricted.....	-	-	-	7,118,701	7,911,548	7,360,879	6,789,214	6,402,011	9,429,726	29,464,597
Unassigned.....	-	-	-	<u>(71,714)</u>	<u>(1,076,151)</u>	<u>(7,634)</u>	<u>(566,689)</u>	<u>(119,989)</u>	-	-
<b>Total all other governmental funds.....</b>	<b><u>\$ 5,665,413</u></b>	<b><u>\$ 8,835,667</u></b>	<b><u>\$ 8,669,698</u></b>	<b><u>\$ 7,179,398</u></b>	<b><u>\$ 6,967,808</u></b>	<b><u>\$ 7,485,656</u></b>	<b><u>\$ 6,354,936</u></b>	<b><u>\$ 6,414,433</u></b>	<b><u>\$ 9,562,137</u></b>	<b><u>\$ 29,596,487</u></b>

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

**Changes in Fund Balances, Governmental Funds**

**Last Ten Years**

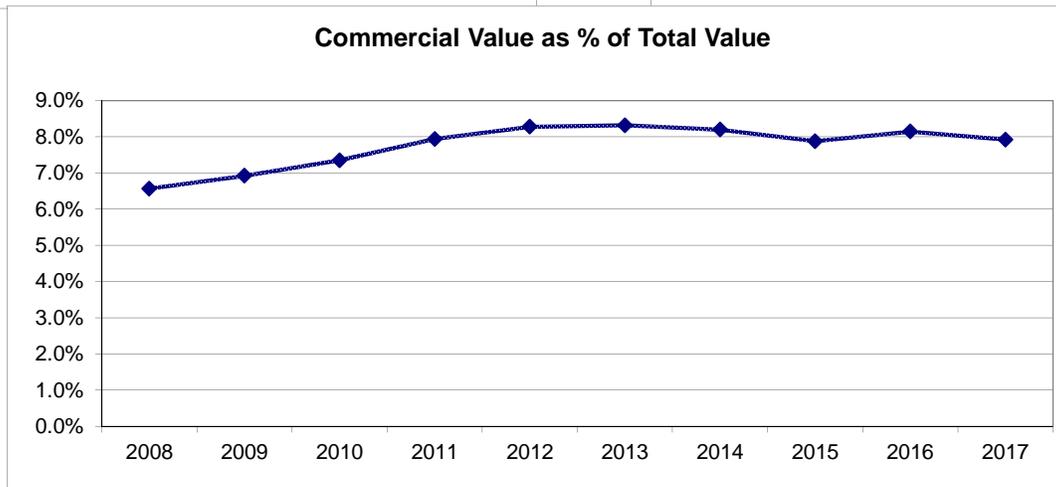
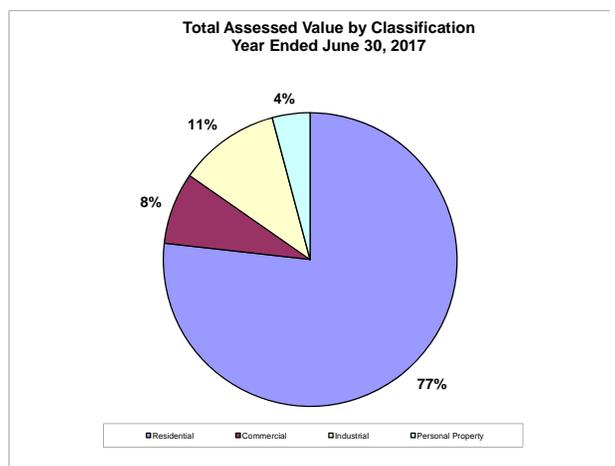
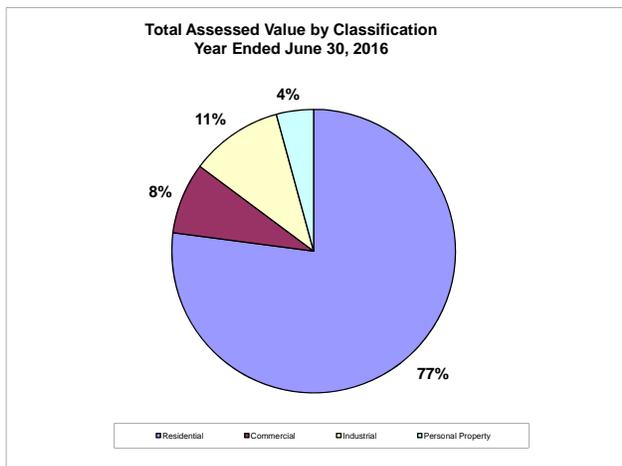
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Revenues:</b>										
Real estate, personal property taxes and tax liens, net of tax refunds.....	\$ 40,875,124	\$ 42,429,128	\$ 44,877,093	\$ 46,048,988	\$ 46,874,117	\$ 49,031,199	\$ 51,137,392	\$ 52,402,227	\$ 54,740,653	\$ 57,416,495
Motor vehicle excise taxes.....	2,968,912	2,686,459	2,607,875	2,585,548	2,773,914	2,923,031	3,268,710	3,399,527	3,487,825	3,712,352
Intergovernmental.....	28,118,584	30,772,060	31,504,550	31,459,879	33,637,922	30,603,194	32,211,537	32,161,940	35,814,799	39,607,841
Payments in lieu of taxes.....	-	-	485,373	485,396	485,396	485,410	485,431	5,424	5,422	5,412
Penalties and interest on taxes.....	179,776	138,443	140,322	180,613	154,468	173,740	143,060	188,301	190,518	200,040
Charges for services.....	3,369,774	3,229,525	3,007,357	3,910,431	3,852,233	3,580,307	3,666,555	3,943,753	4,115,582	4,412,856
Investment income.....	418,251	282,624	134,080	86,175	65,414	64,057	128,827	114,421	299,993	240,979
Contributions and donations.....	224,268	266,546	507,306	439,777	485,299	458,361	588,781	445,705	551,202	290,977
Fees and rentals.....	-	-	-	-	-	-	-	1,357,187	1,520,872	1,273,280
Meals tax.....	-	-	-	-	-	-	-	449,228	440,358	469,229
Hotel/motel tax.....	-	-	-	-	-	-	-	273,524	236,934	329,957
Fines and forfeitures.....	-	-	-	-	-	-	-	152,240	98,720	83,796
Special assessments.....	-	-	-	-	-	-	-	-	1,317	1,317
Licenses and permits.....	-	-	-	-	-	-	-	440,241	717,146	732,202
Miscellaneous.....	-	-	-	-	-	-	-	-	60,968	34,970
Tax liens.....	-	-	-	-	-	-	-	105,276	92,562	187,581
Departmental and other (1).....	5,851,581	5,670,443	5,632,286	4,799,337	4,151,507	3,269,257	3,756,864	1,300,912	1,392,988	1,878,945
<b>Total Revenue.....</b>	<b>82,006,270</b>	<b>85,475,228</b>	<b>88,896,242</b>	<b>89,996,144</b>	<b>92,480,270</b>	<b>90,588,556</b>	<b>95,387,157</b>	<b>96,739,906</b>	<b>103,767,859</b>	<b>110,878,229</b>
<b>Expenditures:</b>										
General government.....	3,707,329	3,639,308	3,841,849	3,384,730	3,877,812	4,687,037	4,460,641	3,989,277	4,834,483	9,619,779
Public safety.....	7,921,921	7,905,480	9,029,311	8,212,771	11,618,567	11,811,710	11,953,261	14,011,810	14,759,654	15,885,696
Education.....	41,785,466	44,206,004	44,226,390	43,827,624	47,066,684	49,423,274	51,490,939	51,804,816	51,852,375	54,524,601
Public works.....	4,984,703	5,849,912	4,342,449	5,040,883	6,412,860	5,558,606	6,691,588	9,336,399	9,079,838	10,591,253
Human services.....	705,642	1,231,756	970,618	702,373	834,958	936,217	969,437	968,453	977,101	925,376
Culture and recreation.....	952,903	949,233	865,030	923,539	927,486	1,133,092	1,065,040	1,105,139	1,159,989	1,261,210
Employee benefits.....	14,500,610	15,982,013	17,606,187	18,400,856	15,076,157	14,041,967	14,959,844	14,503,062	17,285,244	20,737,346
State and county assessments.....	488,017	573,018	566,254	566,948	632,549	530,554	644,039	2,276,033	2,018,731	1,867,116
Debt service										
Principal.....	4,316,756	4,337,767	4,948,774	4,979,392	3,092,514	2,961,379	3,198,100	2,491,800	2,793,100	2,627,900
Interest.....	1,423,411	1,368,992	1,121,181	868,777	688,365	619,714	510,978	472,194	431,552	490,426
<b>Total Expenditures.....</b>	<b>80,786,758</b>	<b>86,043,483</b>	<b>87,518,043</b>	<b>86,907,893</b>	<b>90,227,952</b>	<b>91,703,550</b>	<b>95,943,867</b>	<b>100,958,983</b>	<b>105,192,067</b>	<b>118,530,703</b>
Excess of revenues over (under) expenditures.....	1,219,512	(568,255)	1,378,199	3,088,251	2,252,318	(1,114,994)	(556,710)	(4,219,077)	(1,424,208)	(7,652,474)
<b>Other Financing Sources (Uses)</b>										
Issuance of long-term debt.....	-	-	-	-	-	-	-	3,400,000	5,250,000	26,550,000
Proceeds from bonds and notes.....	285,000	4,281,665	-	-	-	2,608,800	-	278,136	208,755	1,005,507
Capital lease financing.....	-	-	-	-	-	-	-	255,487	-	131,908
Transfers in.....	645,704	895,807	167,889	14,288	106,886	949,968	151,023	495,590	484,000	868,483
Transfers out.....	(1,279,459)	(1,370,248)	(243,768)	(287,396)	(175,974)	(1,022,079)	(175,882)	(21,281)	(9,580)	(224,995)
<b>Total other financing sources (uses).....</b>	<b>(348,755)</b>	<b>3,807,224</b>	<b>(75,879)</b>	<b>(273,108)</b>	<b>(69,088)</b>	<b>2,536,689</b>	<b>(24,859)</b>	<b>4,407,932</b>	<b>5,933,175</b>	<b>28,330,903</b>
<b>Net change in fund balance.....</b>	<b>\$ 870,757</b>	<b>\$ 3,238,969</b>	<b>\$ 1,302,320</b>	<b>\$ 2,815,143</b>	<b>\$ 2,183,230</b>	<b>\$ 1,421,695</b>	<b>\$ (581,569)</b>	<b>\$ 188,855</b>	<b>\$ 4,508,967</b>	<b>\$ 20,678,429</b>
Debt service as a percentage of noncapital expenditures.....	7.11%	6.63%	6.94%	6.73%	4.30%	4.02%	4.03%	3.14%	3.27%	2.92%

(1) The categories of Department and other revenues includes more detail beginning in 2015.

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

**Last Ten Years**

Year	Assessed and Actual Values and Tax Rates									
	Residential Value	Residential Tax Rate	Commercial Value	Industrial Value	Personal Property	Total Com/Ind/Per Value	Commercial Tax Rate	Total Direct Rate (1)	Total Town Value	
2008	(1) \$2,791,625,853	\$11.32	\$234,959,947	\$439,170,800	\$110,092,230	\$784,222,977	\$12.21	\$11.52	\$3,575,848,830	
2009	\$2,678,976,374	\$12.01	\$240,615,626	\$435,839,800	\$119,537,210	\$795,992,636	\$13.62	\$12.38	\$3,474,969,010	
2010	\$2,487,620,328	\$13.33	\$240,702,672	\$427,691,700	\$118,768,810	\$787,163,182	\$15.33	\$13.81	\$3,274,783,510	
2011	(1) \$2,357,532,386	\$14.31	\$243,287,674	\$351,410,900	\$111,857,430	\$706,556,004	\$18.27	\$15.22	\$3,064,088,390	
2012	\$2,347,976,731	\$14.29	\$254,869,369	\$343,661,700	\$132,913,980	\$731,445,049	\$18.50	\$15.29	\$3,079,421,780	
2013	\$2,331,032,387	\$14.89	\$256,749,813	\$346,454,500	\$152,636,540	\$755,840,853	\$19.33	\$15.98	\$3,086,873,240	
2014	(1) \$2,305,372,792	\$15.77	\$249,072,208	\$344,656,200	\$138,949,932	\$732,678,340	\$20.45	\$16.90	\$3,038,051,132	
2015	\$2,430,631,636	\$15.50	\$250,306,104	\$344,394,100	\$152,601,890	\$747,302,094	\$20.75	\$16.74	\$3,177,933,730	
2016	\$2,565,349,386	\$15.41	\$271,202,334	\$351,543,700	\$140,348,970	\$763,095,004	\$20.58	\$16.60	\$3,328,444,390	
2017	(1) \$2,741,091,571	\$15.02	\$282,749,485	\$397,561,100	\$148,533,420	\$828,844,005	\$20.08	\$16.19	\$3,569,935,576	



(1) Weighted average direct tax rate, calculated as weighted average of residential, commercial and personal property tax rates. Source: Assessor's Department, Town of Mansfield and Official Statements. 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**

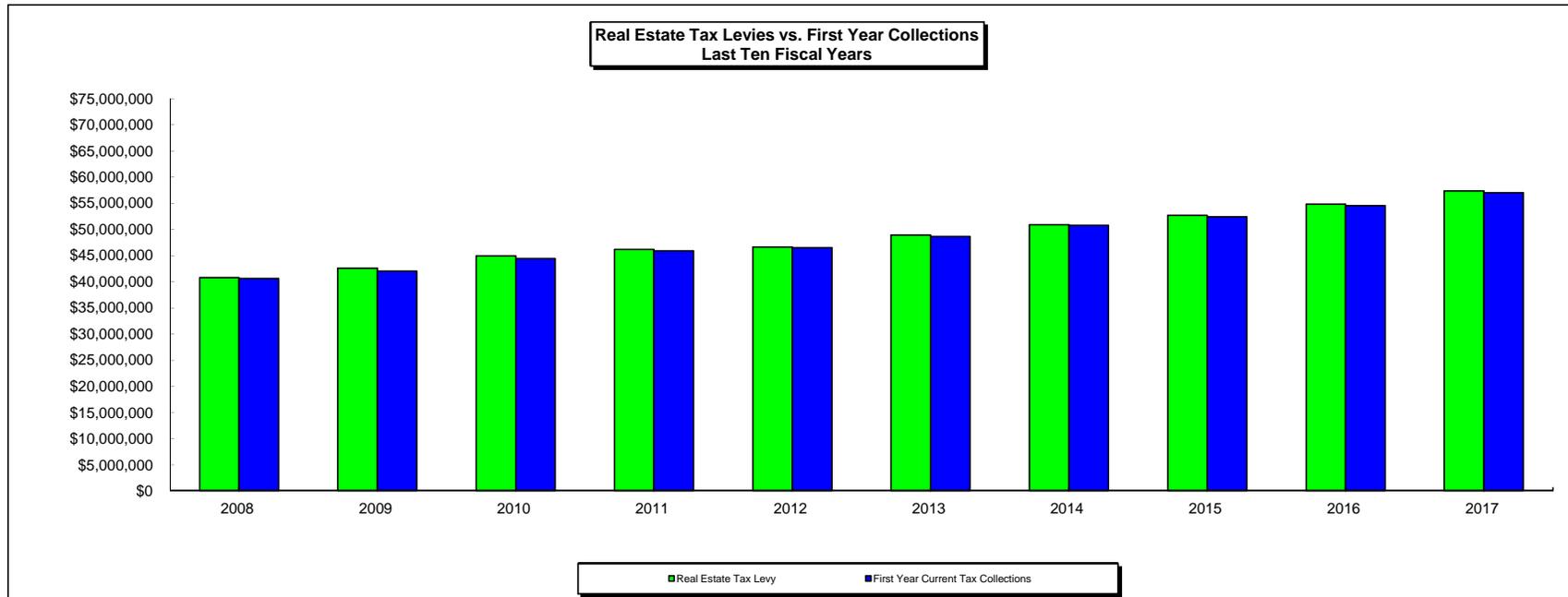
Name	Nature of Business	2017			2008		
		Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value	Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value
SSI PR II Owner LLC	Industrial	\$ 87,251,100	1	2.62%	\$ -	-	-
RTE 140 School St LLC	Retail Center	56,541,600	2	1.70%	-	-	-
Medtronic	Health Care	40,062,680	3	1.20%	27,406,330	4	0.77%
SNH Medical Office Property	Commercial Office	35,192,000	4	1.06%	-	-	-
305 Forbes BLVD Investors LLC	Industrial	24,696,300	5	0.74%	-	-	-
Behringer Harvard	Residential	30,986,300	6	0.93%	-	-	-
Clemco LLC	Retail/Residential	22,353,900	7	0.67%	25,498,600	5	0.71%
Medline Industries Inc	Industrial	16,485,300	8	0.50%	-	-	-
Toyota Motor USA Inc	Industrial	14,716,600	9	0.44%	15,079,900	8	0.42%
Gateway Ferndale Inc	Industrial	14,337,700	10	0.43%	-	-	-
HUB Properties	Industrial	-	-	-	66,656,500	1	1.86%
AMB Ins Properties	Industrial	-	-	-	66,047,200	2	1.85%
Long Gate LLC	Industrial	-	-	-	52,423,000	3	1.47%
Benchmark (Willow Crossing)	Residential/Asst Living	-	-	-	19,050,700	6	0.53%
Datel Systems	Industrial	-	-	-	15,459,500	7	0.43%
Chrysler Motor Corp	Warehouse	-	-	-	14,156,800	9	0.40%
Mansfield Realty Trust	Industrial	-	-	-	12,935,900	10	0.36%
<b>Totals \$</b>		<u>342,623,480</u>		<u>10.29%</u>	<u>\$ 314,714,430</u>		<u>8.80%</u>

Source: Official Statements, Town of Mansfield

**Property Tax Levies and Collections**

**Last Ten Years**

<b>Year</b>	<b>Total Tax Levy</b>	<b>Less Reserve for Abatements &amp; Exemptions</b>	<b>Net Tax Levy</b>	<b>Net as % of Total</b>	<b>First Year Current Tax Collections</b>	<b>Percent of Net Levy Collected</b>	<b>Delinquent Tax Collections</b>	<b>Total Tax Collections</b>	<b>Percent of Total Tax Collections to Net Tax Levy</b>
2008	\$41,176,567	\$400,210	\$40,776,357	99.03%	\$40,594,411	99.55%	\$138,693	\$40,733,104	99.89%
2009	\$43,015,926	\$443,185	\$42,572,741	98.97%	\$42,030,526	98.73%	\$538,874	\$42,569,400	99.99%
2010	\$45,227,160	\$303,052	\$44,924,108	99.33%	\$44,405,515	98.85%	\$513,551	\$44,919,066	99.99%
2011	\$46,645,067	\$501,459	\$46,143,608	98.92%	\$45,895,740	99.46%	\$180,263	\$46,076,003	99.85%
2012	\$47,084,321	\$500,000	\$46,584,321	98.94%	\$46,489,535	99.80%	\$46,136	\$46,535,671	99.90%
2013	\$49,319,476	\$394,383	\$48,925,093	99.20%	\$48,650,284	99.44%	\$267,068	\$48,917,352	99.98%
2014	\$51,339,001	\$477,414	\$50,861,587	99.07%	\$50,745,938	99.77%	\$102,627	\$50,848,565	99.97%
2015	\$53,181,309	\$504,242	\$52,677,067	99.05%	\$52,386,614	99.45%	\$232,404	\$52,619,018	99.89%
2016	\$55,236,529	\$424,514	\$54,812,015	99.23%	\$54,519,877	99.47%	\$284,163	\$54,804,040	99.99%
2017	\$57,814,383	\$495,844	\$57,318,539	99.14%	\$57,001,192	99.45%	\$0	\$57,001,192	99.45%



Source: Assessor's Department and Official Statements, Town of Mansfield

**Ratios of Outstanding Debt by Type**

Last Ten Years

Year	Governmental Activities		Business-Type Activities		Total Debt Outstanding	Percentage of Personal Income	U. S. Census Population	Debt Per Capita
	General Obligation Bonds (1)	Capital Leases	General Obligation Bonds (1)	Capital Leases				
2008	\$ 27,518,861	\$ -	\$ 23,279,507	\$ -	\$ 50,798,368	5.90%	23,969	\$ 2,119
2009	\$ 27,462,759	\$ -	\$ 27,138,118	\$ -	\$ 54,600,877	6.17%	23,303	\$ 2,343
2010	\$ 22,513,985	\$ -	\$ 25,524,252	\$ -	\$ 48,038,237	5.68%	23,184	\$ 2,072
2011	\$ 17,534,593	\$ -	\$ 23,932,421	\$ -	\$ 41,467,014	4.70%	23,231	\$ 1,785
2012	\$ 14,442,079	\$ -	\$ 29,431,791	\$ -	\$ 43,873,870	4.72%	23,414	\$ 1,874
2013	\$ 14,089,500	\$ -	\$ 34,047,294	\$ -	\$ 48,136,794	5.18%	23,566	\$ 2,043
2014	\$ 10,891,400	\$ -	\$ 31,910,007	\$ -	\$ 42,801,407	4.26%	23,604	\$ 1,813
2015	\$ 12,052,718	\$ 166,179	\$ 20,033,696	\$ -	\$ 32,252,593	3.19%	23,606	\$ 1,359
2016	\$ 14,669,809	\$ 85,097	\$ 19,846,055	\$ -	\$ 34,600,961	3.40%	23,790	\$ 1,451
2017	\$ 39,508,996	\$ 131,908	\$ 18,180,483	\$ -	\$ 57,821,387	5.68%	23,419	\$ 2,463

(1) This is the general bonded debt of both governmental and business-type activities, net of original issuance discounts and premiums.

Source: Audited Financial Statements, U. S. Census

**Ratios of Outstanding Debt and General Bonded Debt**

**Last Ten Years**

<b>Year</b>	<b>General Obligation Bonds (1)</b>	<b>Less: Amounts Available in Debt Service Fund</b>	<b>Total</b>	<b>Percentage of Assessed Value</b>	<b>Per Capita</b>
2008	\$ 50,798,368	\$ -	\$ 50,798,368	1.42%	2,119
2009	\$ 54,600,877	\$ -	\$ 54,600,877	1.57%	2,343
2010	\$ 48,038,237	\$ -	\$ 48,038,237	1.47%	2,072
2011	\$ 41,467,014	\$ -	\$ 41,467,014	1.35%	1,785
2012	\$ 43,873,870	\$ -	\$ 43,873,870	1.42%	1,874
2013	\$ 48,136,794	\$ -	\$ 48,136,794	1.56%	2,043
2014	\$ 42,801,407	\$ -	\$ 42,801,407	1.41%	1,813
2015	\$ 32,086,414	\$ -	\$ 32,086,414	1.01%	1,359
2016	\$ 34,515,864	\$ -	\$ 34,515,864	1.04%	1,451
2017	\$ 57,689,479	\$ -	\$ 57,689,479	1.62%	2,463

(1) This is the general bonded debt of both governmental and business-type activities, net of original issuance discounts and premiums.

Source: Audited Financial Statements, U. S. Census

**Direct and Overlapping Governmental Activities Debt**

**As of June 30, 2017**

<u>Town of Mansfield, Massachusetts</u>	<u>Debt Outstanding</u>	<u>Percentage Applicable (1)</u>	<u>Estimated Share of Overlapping Debt</u>
Southeastern Regional Vocational Technical School.....	\$ 4,980,000	4.70%	\$ 234,074
General governmental debt.....			39,508,996
Town capital leases.....			<u>131,908</u>
Total Town direct debt.....			<u>39,640,904</u>
Total direct and overlapping debt.....			<u>\$ 39,874,978</u>

Source: Official Statements

(1) The Town obtains the debt outstanding and percentages directly from Southeastern Regional Vocational Technical School District.

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 to those overlapping governments that is borne by the taxpayers of the 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**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Equalized Valuation.....	\$ 3,531,111	\$ 3,809,750	\$ 3,809,750	\$ 3,646,268	\$ 3,646,268	\$ 3,345,087	\$ 3,345,087	\$ 3,215,394	\$ 3,215,394	\$ 3,521,948
Debt Limit - 5% of Equalized Valuation.....	\$ 176,556	\$ 190,488	\$ 190,488	\$ 182,313	\$ 182,313	\$ 167,254	\$ 167,254	\$ 160,770	\$ 160,770	\$ 176,097
Less:										
Outstanding debt applicable to limit.....	8,212	12,275	10,220	8,210	6,568	7,652	5,919	8,275	8,901	37,478
Authorized and unissued debt.....	<u>4,838</u>	<u>667</u>	<u>523</u>	<u>2,011</u>	<u>3,011</u>	<u>1,400</u>	<u>3,400</u>	<u>2,000</u>	<u>37,000</u>	<u>9,550</u>
Legal debt margin.....	\$ <u>163,506</u>	\$ <u>177,546</u>	\$ <u>179,745</u>	\$ <u>172,092</u>	\$ <u>172,734</u>	\$ <u>158,202</u>	\$ <u>157,935</u>	\$ <u>150,495</u>	\$ <u>114,869</u>	\$ <u>129,069</u>
Total debt applicable to the limit as a percentage of the limit.....	7.39%	6.79%	5.64%	5.61%	5.25%	5.41%	5.57%	6.39%	28.55%	26.71%

(Dollar amounts in thousands)

Source: Assessor's Office and Official Statements

**Demographic and Economic Statistics**

**Last Ten Years**

<b>Year</b>	<b>Population Estimates</b>	<b>Personal Income</b>	<b>Per Capita Personal Income</b>	<b>School Enrollment</b>	<b>Unemployment Rate</b>
2008	23,969	\$ 861,062,356	\$ 35,924	4,887	5.90%
2009	23,303	\$ 884,302,244	\$ 37,948	4,912	7.10%
2010	23,184	\$ 845,937,792	\$ 36,488	4,888	7.10%
2011	23,231	\$ 882,243,687	\$ 37,977	4,826	6.20%
2012	23,414	\$ 928,692,896	\$ 39,664	4,663	5.60%
2013	23,566	\$ 973,558,592	\$ 41,312	4,497	5.60%
2014	23,604	\$ 1,003,919,000	\$ 42,140	4,320	4.90%
2015	23,687	\$ 1,006,677,870 (1)	\$ 42,645	4,144	4.20%
2016	23,790	\$ 1,014,524,550 (1)	\$ 42,645	4,037	3.80%
2017	23,419	\$ 1,015,000,000 (1)	\$ 43,341	3,958	2.40%

Source: Massachusetts Department of Revenue, Division of Local Services  
 Massachusetts Executive Office of Labor & Workforce Development, Official Statements

(1) Personal Income is estimated.

**Principal Employers**  
**Current Year and Nine Years Ago**

Employer	Nature of Business	2017			2008		
		Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
Medtronic	Medical & Consumer Hygiene	3000	1	22.95%	500	3	4.20%
Xfinity Center (Seasonal)	Entertainment Venue	750	2	5.74%	1,200	2	10.08%
National Lumber Co.	Building Supplies	750	3	5.74%	-	-	-
Delaware North Co. Sports	Sports Food Service	375	4	2.87%	-	-	-
Hartmann Inc	Leather Goods Manufacturing	375	5	2.87%	-	-	-
Belknap White Alco	Flooring Distributor	175	6	1.34%	-	-	-
Best Buy	Retail Electronics	175	7	1.34%	-	-	-
Commonwealth Wine & Spirits	Wine & Spirits Distributor	175	8	1.34%	-	-	-
Holiday Inn	Hotel/Convention Services	175	9	1.34%	-	-	-
Home Depot	Retail Building Supplies	175	10	1.34%	-	-	-
One Beacon Insurance	Insurance	-	-	-	1,200	1	10.08%
Robert Allen/Ametex	Wholesale Fabrics	-	-	-	340	4	2.86%
Datel Systems	Semi-Conductors	-	-	-	320	5	2.69%
Hub Folding Box	Paper Box Manufacturing	-	-	-	300	6	2.52%
Helix Technology	Technology	-	-	-	300	7	2.52%
Stop & Shop	Retail Grocery	-	-	-	220	8	1.85%
Eastern Container Corp	Corporation of Metal	-	-	-	220	9	1.85%
Integrated Software	Software	-	-	-	200	10	1.68%
		6,125		46.86%	4,800		40.33%

Source: Massachusetts Workplace Development Agency & the Town's personnel and department records.

**Full-time Equivalent Town Employees by Function**

**Last Ten Years**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Function:										
General government.....	29	30	27	26	25	25	26	26	27	29
Public safety.....	91	90	85	87	88	92	92	98	99	95
Education.....	560	564	538	528	546	556	569	582	575	578
Public works.....	45	44	43	41	41	38	36	36	38	40
Electric.....	22	22	22	22	22	21	21	21	21	21
Human services.....	11	11	11	10	9	9	9	9	10	10
Culture and recreation.....	14	13	11	14	14	14	14	14	14	14
Total .....	<u>771</u>	<u>774</u>	<u>737</u>	<u>728</u>	<u>745</u>	<u>754</u>	<u>767</u>	<u>786</u>	<u>784</u>	<u>787</u>

Source: Various Town Departments

**Operating Indicators by Function/Program**

**Last Ten Years**

<b>Function/Program</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>Town Clerk</b>										
Registered voters.....	14,210	14,365	14,318	14,421	14,421	15,011	15,204	15,301	15,620	16,084
Births.....	197	215	182	184	185	181	173	174	187	176
Marriages.....	86	86	84	82	77	93	72	77	105	168
Deaths.....	133	103	93	109	106	123	130	110	144	66
<b>Conservation Commission</b>										
Notice of intent applications.....	18	15	33	38	31	14	16	13	12	9
Requests for determination of applicability.....	12	11	39	46	33	24	33	18	12	13
Certificate of compliance requests.....	10	7	13	19	22	12	8	8	15	9
<b>Planning Board</b>										
Number of lots approved under Form A Plan....	16	11	6	22	19	2	14	28	19	8
Site plan recommendations.....	2	2	8	4	2	2	5	9	5	5
Special permits.....	3	7	4	1	5	-	3	6	2	5
Subdivision (preliminary/definitive).....	4	1	2	3	1	1	1	1	-	3
<b>Zoning Board of Appeals</b>										
Appeal Applications Filed	27	20	20	24	31	21	27	29	27	25
<b>Police department</b>										
Calls for service handled, referred.....	28,973	28,837	26,795	25,085	27,613	28,698	29,069	29,803	30,506	29,117
Adult arrests.....	1,606	1,576	1,530	1,305	1,435	1,422	1,188	1,337	1,014	923
Juvenile arrests.....	141	113	105	81	265	211	138	75	81	30
Incident reports written.....	1,412	1,191	1,282	1,347	1,346	1,347	1,166	1,104	1,217	1,190
Motor vehicle citations.....	4,784	5,621	5,102	4,417	4,577	3,896	3,809	2,099	3,519	3,322
Motor vehicle accident reports taken.....	454	430	492	446	414	442	469	456	456	449
Firearms licenses.....	117	83	141	196	274	370	225	208	267	312
<b>Fire Department</b>										
Prevention inspections.....	866	634	702	700	768	730	800	814	800	645
Fire related calls.....	1,100	1,100	1,200	1,200	1,200	1,200	1,100	1,300	1,322	1,598
Rescue/EMS.....	1,900	1,900	1,800	1,800	1,800	1,800	1,900	1,900	2,047	1,726
<b>Public Safety Dispatch</b>										
Police department responses.....	29,000	30,000	26,795	25,085	27,613	29,369	26,633	25,193	24,782	24,368
Fire department responses.....	3,934	3,977	3,127	2,681	2,497	2,682	2,373	4,610	5,724	4,749
Emergency medical responses.....	1,652	1,568	1,525	1,600	1,613	1,637	1,969	2,603	2,570	2,574
<b>Inspectional Services</b>										
Number of permits issued.....	582	535	549	603	680	815	612	771	1,076	864
Estimated project cost (in millions).....	\$ 18.1	\$ 38.8	\$ 44.2	\$ 22.3	\$ 18.1	\$ 28.4	\$ 21.3	\$ 19.7	\$ 40.4	\$ 53.6
<b>Animal Control</b>										
Animal complaints.....	260	279	287	304	334	363	399	371	354	348
Dogs through the shelter.....	145	60	57	74	50	68	40	90	53	65
Cats through the shelter.....	196	213	173	196	171	182	134	319	220	158
<b>DPW - Highway</b>										
Number of road miles.....	127	127	127	127	127	127	127	127	127	127
Number of road miles completed-road rehab....	0.28	-	0.36	-	0.45	1.04	0.91	1.60	0.77	1.80
Number of road miles mill and overlay.....	3.18	1.69	-	0.43	1.84	-	1.99	1.50	3.16	0.84
Number of road miles chip seal.....	1.36	-	-	2.59	2.14	3.69	5.31	2.20	2.99	4.60
<b>DPW - Solid Waste &amp; Recycling</b>										
Tons of solid waste collected.....	5,733	5,136	5,276	5,224	5,203	5,096	5,100	4,964	5,176	5,110
Tons of recycling collected.....	3,164	2,673	2,816	2,804	2,419	2,521	2,500	2,308	2,546	2,430
<b>DPW - Wastewater</b>										
Wastewater Flow (Mil Gallons).....	570.11	602.55	684.82	561.29	584.08	584.21	545.67	527.44	521.67	794.71
New Services Added.....	20	17	14	17	15	20	12	17	14	19
<b>DPW - Water</b>										
Number of gallons pumped (millions).....	782.54	697.26	689.57	757.22	724.36	699.64	699.30	693.62	674.50	683.59
New Services Added.....	15	18	20	9	16	21	25	36	34	40
New Mains installed in Miles.....	-	0.29	-	-	-	-	0.94	0.25	0.10	0.36
New Mains Improved in Miles.....	-	0.45	0.42	-	-	0.06	1.29	1.29	0.25	0.30
<b>Municipal Electric Department</b>										
Energy Sales (kWh).....	234,819,667	224,770,948	217,681,060	223,424,962	210,354,666	212,954,706	210,056,187	205,672,135	204,119,783	203,777,013

(Continued)

**Operating Indicators by Function/Program**

**Last Ten Years**

<b>Function/Program</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>Mansfield Public Schools (High School)</b>										
Number of SAT test takers.....	281	239	279	331	330	323	304	297	276	287
SAT critical reading scores.....	526	548	533	527	522	544	538	537	541	594
SAT mathematics scores.....	546	566	554	550	552	565	564	555	566	601
SAT writing scores.....	527	549	538	518	519	536	540	521	537	537
<b>Council on Aging</b>										
Number of senior residents.....	2,400	2,400	2,987	2,987	2,987	2,987	2,987	2,630	2,987	2,946
Events/ program attendance.....	10,041	16,648	12,529	10,255	13,994	10,718	11,273	9,600	10,946	9,500
Volunteer hours.....	9,890	10,000	10,850	10,916	13,621	12,751	10,840	11,182	11,819	10,000
Outreach services/visits.....	2,121	3,065	3,234	2,206	2,219	1,961	2,347	3,015	3,400	3,400
<b>Mansfield Free Library</b>										
Holdings.....	103,834	105,085	103,549	111,985	117,128	121,128	127,631	121,642	130,088	135,754
Books loaned.....	164,377	171,284	163,574	157,268	157,423	148,770	143,906	129,680	129,205	130,655
Audio books and videos loaned.....	50,788	55,410	52,000	15,996	33,802	43,898	42,545	41,282	39,250	38,028
Periodicals loaned.....	4,430	4,463	4,290	4,446	4,456	3,561	3,550	3,188	3,199	2,375
Downloadable eBooks and audio.....	782	1,168	1,036	6,538	8,414	8,969	12,724	13,145	12,982	14,988
<b>Recreation</b>										
Number of programs offered.....	18	18	20	18	20	20	26	28	30	35
Number of participants - winter.....	75	75	140	125	150	175	225	250	275	250
Number of participants - spring.....	245	230	150	150	175	225	250	250	275	250
Number of participants - summer.....	1,600	1,600	1,750	1,625	1,800	2,000	2,175	2,250	2,300	2,300
Number of participants - fall.....	550	550	600	650	680	725	775	775	775	800

Source: Various Town Departments

(Concluded)

**Capital Asset Statistics by Function/Program**

**Last Ten Years**

<b>Function/Program</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
General Government										
Number of buildings.....	2	2	2	2	3	3	3	3	3	3
Town commons.....	3	3	3	3	3	3	3	3	3	3
Police										
Number of stations.....	1	1	1	1	1	1	1	1	1	1
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
Education										
Number of elementary schools.....	3	3	3	3	3	3	3	3	3	3
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
Public Works										
Water pumping stations.....	1	1	1	1	1	1	1	1	1	1
Water towers.....	1	1	1	1	1	1	1	1	1	1
Wastewater treatment plants.....	1	1	1	1	1	1	1	1	1	1
Airports.....	1	1	1	1	1	1	1	1	1	1
Commuter train parking lots.....	6	6	6	6	6	6	6	6	6	6
Recycling centers.....	1	1	1	1	1	1	1	1	1	1
Electric substations.....	1	1	1	1	1	2	2	2	2	2
Human Services										
Council on aging - senior center.....	1	1	1	1	1	1	1	1	1	1
Culture and Recreation										
Libraries.....	1	1	1	1	1	1	1	1	1	1
Parks.....	1	1	1	1	1	1	1	1	1	1
Athletic fields.....	8	8	8	8	8	8	8	8	8	8
Skate parks.....	1	1	1	1	1	1	1	1	1	1

Source: Various Town Departments

The Town of Mansfield is honored to dedicate this Comprehensive Annual  
Financial Report to Mr. George R. Dentino.  
June 23, 1944 – August 10, 2017

