

# **TOWN OF MANSFIELD, MASSACHUSETTS**

## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**



**FOR THE YEAR ENDED JUNE 30, 2018**

On the Cover: South Common at sunset.



Mansfield Family Fun night.

**The Town of  
Mansfield, Massachusetts**



**Comprehensive  
Annual Financial Report**

**For the Year Ended  
June 30, 2018**

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

TOWN OF MANSFIELD, MASSACHUSETTS  
COMPREHENSIVE ANNUAL FINANCIAL REPORT

June 30, 2018

**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 .....	78
General Fund Budgetary Comparison Schedule .....	79
Schedule of Revenues, Expenditures and Changes in Fund Balance – General Fund – Budget and Actual .....	80
Pension Plan Schedules .....	84
Schedule of the Town's Proportionate Share of the Net Pension Liability .....	85
Schedule of Town Contributions.....	86

Schedule of the Special Funding Amounts of the Net Pension Liability.....	87
Other Postemployment Benefits Plan Schedules .....	88
Schedule of Town's net OPEB Liability and Related Ratios .....	89
Schedule of Town Contributions.....	90
Schedule of Investment Returns .....	91
Notes to Required Supplementary Information.....	92
Other Supplementary Information.....	95
Combining and Individual Fund Statements .....	96
Nonmajor Governmental Funds .....	97
Nonmajor Governmental Funds – Combining Balance Sheet.....	98
Nonmajor Governmental Funds – Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	100
Agency Fund .....	102
Agency Fund – Statement of Changes in Assets and Liabilities .....	103
<b>Statistical Section.....</b>	<b>105</b>
Net Position by Component – Last Ten Years.....	106
Changes in Net Position – Last Ten Years.....	107
Fund Balances – Governmental Funds – Last Ten Years.....	108
Changes in Fund Balances – Governmental Funds – Last Ten Years .....	109
Assessed and Actual Values of Taxable Property by Classification and Tax Rates - Last Ten Years .....	110
Principal Taxpayers – Current Year and Nine Years Ago .....	111
Property Tax Levies and Collections – Last Ten Years.....	112
Ratios of Outstanding Debt by Type – Last Ten Years .....	113
Ratios of Outstanding Debt and General Bonded Debt – Last Ten Years .....	114
Direct and Overlapping Governmental Activities Debt.....	115
Computation of Legal Debt Margin – Last Ten Years.....	116
Demographic and Economic Statistics – Last Ten Years.....	117
Principal Employers – Current Year and Nine Years Ago .....	118
Full-Time Equivalent Town Employees by Function – Last Ten Years .....	119
Operating Indicators by Function/Program – Last Ten Years .....	120
Capital Asset Statistics by Function/Program – Last Ten Years .....	122

# ***Introductory Section***



Construction photo of our new DPW Complex.

Town of Mansfield, Massachusetts  
Comprehensive Annual Financial Report  
For the year ended June 30, 2018

# ***Introductory Section***

This page intentionally left blank.



*Town of Mansfield*  
6 Park Row, Mansfield, Massachusetts 02048  
*Town Manager*  
Kevin J. Dumas

## Letter of Transmittal

December 17, 2018

To the Honorable Members of the Select Board 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, 2018.

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, 2018, 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, 2018, 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-Select Board-Town Manager form of government. The Town is overseen by a five-member Select Board, 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 Select Board 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 \$3.7 billion in 2018, reflecting a 2.6% increase from the 2017 value of \$3.6 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 \$812 million of commercial, industrial, and personal property values. The tax levy for 2018 was \$61.8 million, which was \$29.8 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 \$50 million of current and noncurrent long-term debt. This indebtedness consists of approximately \$35 million of governmental bonds and \$15 million of enterprise fund bonds which are self-supporting through enterprise fund revenues. The Town has authorized but unissued debt of \$15 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 Select Board and the Finance Committee. The Select Board reviews all requests and Town-wide issues and presents 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.

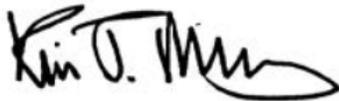
**Operational Review.** This report focused on Mansfield’s financial and administrative functions, with an emphasis on streamlining the organization. The Town has created a Finance Department and developed policies and procedures to guide the Town’s financial operations.

## **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, 2017. 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 Select Board 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 black ink, appearing to read "Kevin J. Dumas". The signature is stylized with a large, sweeping flourish at the end.

Kevin J. Dumas  
Town Manager



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Town of Mansfield**  
**Massachusetts**

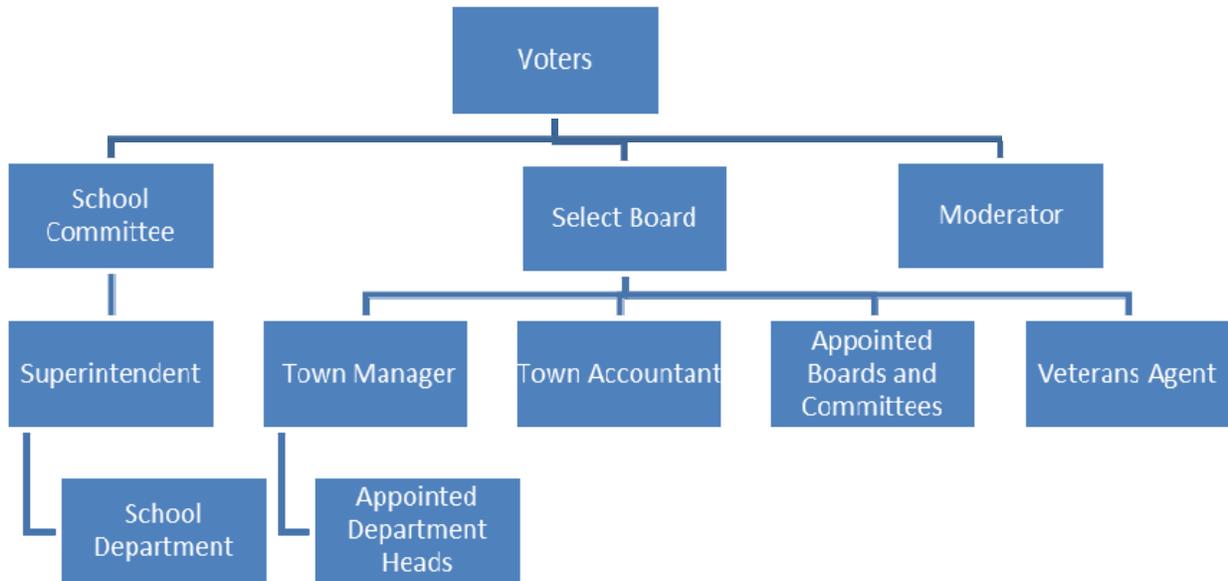
For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2017**

*Christopher P. Morill*

Executive Director/CEO

# Town of Mansfield Organizational Chart



## Principal Town Officials

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

Select Board

Michael Trowbridge, Sr., Chairperson	2019
Jess Aptowitz, Vice-Chairperson	2020
Steve Schoonveld, Clerk	2019
Frank DelVecchio, Select Board Member	2020
Neil Rhein, Select Board Member	2021

School Committee

Kiera O'Neil, Chair	2020
Lynn Cavicchi, Vice-Chair	2019
Linda Fernando	2019
Jennifer Walsh	2021
Lauren Scher	2020
Lily Barnes, MHS Rep non-voting	2019

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

Town Manager	Kevin J. Dumas
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*



Mansfield Fire Department during Parade.

Town of Mansfield, Massachusetts  
Comprehensive Annual Financial Report  
For the year ended June 30, 2018

# ***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 Select Board 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, 2018, 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, 2018, 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 17, 2018 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 17, 2018

# ***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, 2018. 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 \$60.9 million (net position).
- At the close of the current year, the Town's general fund reported a fund balance of \$14.2 million, an increase of \$771,000 in comparison with the prior year. Total fund balance represents 13.6% of general fund expenditures.
- The Town implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment benefits Other Than Pensions*, during this year. This standard required that the Town's Net OPEB liability as well as the corresponding deferred outflows of resources be recorded in the financial statement for the first time. As part of the implementation of this standard net position was revised at the beginning of the period for both governmental and enterprise funds.

### ***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 \$60.9 million at the close of 2018, which was a decrease of \$174,000 from the prior year.

Net position includes \$127.6 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, \$6.3 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 \$73.0 million. The primary reason for this deficit balance is the recognition of the \$91.7 million Net OPEB liability and the \$34.9 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 liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources for governmental activities by \$32.3 million at the close of 2018.

	2018	2017 (as revised)
<b>Assets:</b>		
Current assets.....	\$ 43,452,942	\$ 56,403,971
Noncurrent assets (excluding capital).....	65,863	1,417,837
Capital assets, non depreciable.....	23,145,483	14,010,845
Capital assets, net of accumulated depreciation.....	58,295,316	56,947,102
<b>Total assets.....</b>	<b>124,959,604</b>	<b>128,779,755</b>
<b>Deferred outflows of resources.....</b>	<b>6,606,451</b>	<b>9,019,552</b>
<b>Liabilities:</b>		
Current liabilities (excluding debt).....	7,913,028	9,472,514
Noncurrent liabilities (excluding debt).....	116,240,962	114,638,944
Current debt.....	4,089,922	4,347,435
Noncurrent debt.....	34,071,639	36,161,561
<b>Total liabilities.....</b>	<b>162,315,551</b>	<b>164,620,454</b>
<b>Deferred inflows of resources.....</b>	<b>1,583,560</b>	<b>1,983,018</b>
<b>Net position:</b>		
Net investment in capital assets.....	55,720,620	59,563,385
Restricted.....	2,759,582	2,548,061
Unrestricted.....	(90,813,258)	(90,915,611)
<b>Total net position.....</b>	<b>\$ (32,333,056)</b>	<b>\$ (28,804,165)</b>

	2018	2017 (as revised)
<b>Program Revenues:</b>		
Charges for services.....	\$ 8,131,491	\$ 7,816,849
Operating grants and contributions.....	33,880,503	33,070,579
Capital grants and contributions.....	1,299,304	2,634,349
<b>General Revenues:</b>		
Real estate and personal property taxes.....	61,651,786	57,523,819
Motor vehicle and other excise taxes.....	4,419,684	4,475,359
Nonrestricted grants and contributions.....	2,917,931	2,791,041
Unrestricted investment income.....	544,633	240,340
Other revenues.....	47,761	240,422
<b>Total revenues.....</b>	<b>112,893,093</b>	<b>108,792,758</b>
<b>Expenses:</b>		
General government.....	5,631,771	5,265,290
Public safety.....	16,868,958	18,664,418
Education.....	83,067,968	78,795,840
Public works.....	7,614,297	7,744,835
Human services.....	1,025,510	1,126,036
Culture and recreation.....	1,754,828	1,592,928
Interest.....	1,103,931	546,995
<b>Total expenses.....</b>	<b>117,067,263</b>	<b>113,736,342</b>
<b>Excess (Deficiency) before transfers.....</b>	<b>(4,174,170)</b>	<b>(4,943,584)</b>
<b>Transfers.....</b>	<b>645,279</b>	<b>643,488</b>
<b>Change in net position.....</b>	<b>(3,528,891)</b>	<b>(4,300,096)</b>
<b>Net position - beginning of year, as revised.....</b>	<b>(28,804,165)</b>	<b>(24,504,069)</b>
<b>Net position - end of year.....</b>	<b>(32,333,056)</b>	<b>(28,804,165)</b>

The governmental expenses totaled \$117.1 million of which \$43.3 million (37%) was directly supported by program revenues consisting of charges for services, operating and capital grants and contributions. General revenues totaled \$69.6 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 \$3.5 million during the current year as a result of several offsetting factors. Governmental net position increased due to the receipt of \$1.3 million of capital grant revenues primarily through the Commonwealth's Chapter 90 highway improvement program. Net position decreased as a result of the recognition of \$3.7 million of expense in the current year as a result of an increase in the net OPEB liability. Net position also decreased due to depreciation expense exceeding principal payments on long term debt by \$1.8 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 \$92.9 million at the close of 2018.

	2018	2017 (as revised)
<b>Assets:</b>		
Current assets.....	\$ 29,780,022	\$ 27,026,802
Noncurrent assets (excluding capital).....	6,647,690	7,398,101
Capital assets, non depreciable.....	6,018,430	5,764,358
Capital assets, net of accumulated depreciation.....	<u>82,268,051</u>	<u>82,285,441</u>
<b>Total assets.....</b>	<b><u>124,714,193</u></b>	<b><u>122,474,702</u></b>
<b>Deferred outflows of resources.....</b>	<b><u>1,765,049</u></b>	<b><u>1,462,276</u></b>
<b>Liabilities:</b>		
Current liabilities (excluding debt).....	3,120,687	2,833,471
Non-current liabilities (excluding debt).....	12,390,149	12,762,428
Current debt.....	2,115,986	1,683,674
Noncurrent debt.....	<u>14,880,824</u>	<u>16,496,809</u>
<b>Total liabilities.....</b>	<b><u>32,507,646</u></b>	<b><u>33,776,382</u></b>
<b>Deferred inflows of resources.....</b>	<b><u>767,119</u></b>	<b><u>310,859</u></b>
<b>Net Position:</b>		
Net investment in capital assets.....	71,883,394	70,090,910
Restricted.....	3,545,878	4,390,069
Unrestricted.....	<u>17,775,205</u>	<u>15,368,758</u>
<b>Total net position.....</b>	<b><u>\$ 93,204,477</u></b>	<b><u>\$ 89,849,737</u></b>
<b>Program Revenues:</b>		
Charges for services.....	\$ 35,505,322	\$ 37,018,958
Operating grants and contributions.....	72,699	98,726
Capital grants and contributions.....	485,240	876,909
<b>General Revenues:</b>		
Unrestricted investment income.....	<u>3,909</u>	<u>112,113</u>
<b>Total revenues.....</b>	<b><u>36,067,170</u></b>	<b><u>38,106,706</u></b>
<b>Expenses:</b>		
Water.....	4,427,968	4,723,551
Sewer.....	5,181,129	5,045,866
Airport.....	662,548	611,727
Parking.....	609,541	600,604
Electric light.....	<u>21,185,965</u>	<u>23,560,913</u>
<b>Total expenses.....</b>	<b><u>32,067,151</u></b>	<b><u>34,542,661</u></b>
<b>Excess before transfers.....</b>	<b>4,000,019</b>	<b>3,564,045</b>
<b>Transfers.....</b>	<b><u>(645,279)</u></b>	<b><u>(643,488)</u></b>
<b>Change in net position.....</b>	<b>3,354,740</b>	<b>2,920,557</b>
<b>Net position - beginning of year, as revised.....</b>	<b><u>89,849,737</u></b>	<b><u>86,929,180</u></b>
<b>Net position - end of year.....</b>	<b><u>\$ 93,204,477</u></b>	<b><u>\$ 89,849,737</u></b>

Business-type net position of \$71.9 million represents the net investment in capital assets, \$3.5 million is restricted, and \$17.8 million is unrestricted. The Town's business-type activities net position increased by \$3.4 million in the current year.

The water enterprise fund net position increased by \$358,000 during 2018 compared to an increase of \$596,000 in 2017. This difference is related to lower than expected user charges occurring in the current year.

The sewer enterprise fund net position increased by \$195,000 during 2018 compared to an increase of \$338,000 in 2017. Operating expenses increased by approximately \$153,000 during 2018.

The airport enterprise fund net position decreased by \$23,000 during 2018 which was what was expected for the year.

The parking enterprise fund net position decreased by \$129,000 during 2018 compared to a decrease of \$34,000 in 2017. Parking receipts were down approximately \$87,000 or 15% in 2018.

The electric light enterprise fund net position increased by \$2.9 million during 2018. This increase in net position as compared to an increase of \$1.6 million in the prior year is largely due to the receipt of surplus funds from MMWEC utilized to offset purchased power costs.

### ***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 \$30.4 million, of which \$14.2 million is for the general fund, \$7.9 million is for Municipal Projects, and \$8.3 million is for nonmajor governmental funds. Cumulatively there was a decrease of \$12.6 million in fund balances from the prior year, primarily due to the Town incurring \$13.7 million of costs associated with the construction of the East Street Municipal Complex. The majority of these construction costs were financed through long-term debt proceeds in 2017.

The general fund is the chief operating fund. At the end of the current year, unassigned fund balance of the general fund totaled \$10.3 million, while total fund balance was \$14.2 million. \$3.4 million of fund balance has been committed for capital articles carried forward to the next year, and \$538,000 has been assigned for encumbrances. Total fund balance represents 14% of general fund expenditures; the Town's general fund increased by \$771,000 in 2018 which was due to favorable budgetary results.

The municipal projects fund decreased by \$13.7 million in 2018 which was due to Town incurring construction costs associated with the new East Street Municipal Complex that were permanently financed through long-term debt proceeds in 2017.

The nonmajor governmental funds increased by \$343,000 in 2018, which is due to a timing difference between the receipt and expenditure of state and federal grant funds.

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

The original 2018 approved budget for the General Fund authorized \$95.3 million in appropriations and other amounts to be raised, as well as \$3.1 million of encumbrances and continuing appropriations carried forward from the prior year. During 2018 Town meeting authorized \$1.6 million of supplemental appropriations including \$935,000 for education related capital articles, as well as \$385,000 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, 2018, amounts to \$169.7 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 \$19.4 million for capital asset additions throughout the Town in 2018.

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 long-term governmental debt as of June 30, 2018, totaled \$36.2 million, a decrease of \$3.3 million from the prior year. This decrease was entirely due to scheduled principal payments and amortization of premiums recorded in prior years.

Outstanding long-term debt of the water enterprise fund as of June 30, 2018 totaled \$14.9 million, a decrease of \$1.5 million from the prior year due to scheduled principal payments and amortization of premiums recorded in prior years.

Outstanding long-term debt of the sewer enterprise fund as of June 30, 2018 totaled \$1.6 million, a decrease of \$210,000 from the prior year due to scheduled 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, 2018

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
<b>CURRENT:</b>			
Cash and cash equivalents.....	\$ 34,449,915	\$ 20,654,964	\$ 55,104,879
Investments.....	4,407,728	-	4,407,728
Receivables, net of allowance for uncollectibles:			
Real estate and personal property taxes.....	541,114	-	541,114
Tax liens.....	407,278	-	407,278
Motor vehicle and other excise taxes.....	294,374	-	294,374
User charges.....	-	6,142,698	6,142,698
Departmental and other.....	708,875	-	708,875
Intergovernmental.....	2,643,658	17,188	2,660,846
Special assessments.....	-	32,990	32,990
Inventory.....	-	641,880	641,880
Other assets.....	-	158,764	158,764
Purchased power advanced deposits.....	-	2,131,538	2,131,538
Total current assets.....	<u>43,452,942</u>	<u>29,780,022</u>	<u>73,232,964</u>
<b>NONCURRENT:</b>			
Cash and cash equivalents.....	-	4,731,223	4,731,223
MMWEC reserve trust fund.....	-	1,723,847	1,723,847
Receivables, net of allowance for uncollectibles:			
Intergovernmental.....	65,863	104,765	170,628
Special assessments.....	-	75,217	75,217
Investment in Hydro Quebec.....	-	12,638	12,638
Capital assets, nondepreciable.....	23,145,483	6,018,430	29,163,913
Capital assets, net of accumulated depreciation.....	<u>58,295,316</u>	<u>82,268,051</u>	<u>140,563,367</u>
Total noncurrent assets.....	<u>81,506,662</u>	<u>94,934,171</u>	<u>176,440,833</u>
<b>TOTAL ASSETS.....</b>	<u>124,959,604</u>	<u>124,714,193</u>	<u>249,673,797</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows related to pensions.....	3,558,483	1,076,709	4,635,192
Deferred outflows related to OPEB.....	<u>3,047,968</u>	<u>688,340</u>	<u>3,736,308</u>
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES.....</b>	<u>6,606,451</u>	<u>1,765,049</u>	<u>8,371,500</u>
<b>LIABILITIES</b>			
<b>CURRENT:</b>			
Warrants payable.....	2,163,371	2,352,754	4,516,125
Accrued liabilities.....	-	201,845	201,845
Accrued payroll.....	4,453,353	54,302	4,507,655
Accrued interest.....	243,672	192,013	435,685
Capital lease obligations.....	41,637	-	41,637
Landfill closure.....	17,000	-	17,000
Compensated absences.....	993,995	319,773	1,313,768
Notes payable.....	2,000,000	500,000	2,500,000
Bonds payable.....	<u>2,089,922</u>	<u>1,615,986</u>	<u>3,705,908</u>
Total current liabilities.....	<u>12,002,950</u>	<u>5,236,673</u>	<u>17,239,623</u>
<b>NONCURRENT:</b>			
Customer deposits.....	-	1,268,876	1,268,876
Capital lease obligations.....	43,928	-	43,928
Landfill closure.....	119,000	-	119,000
Compensated absences.....	553,471	76,227	629,698
Net pension liability.....	30,182,907	4,731,493	34,914,400
Net OPEB liability.....	85,341,656	6,313,553	91,655,209
Bonds payable.....	<u>34,071,639</u>	<u>14,880,824</u>	<u>48,952,463</u>
Total noncurrent liabilities.....	<u>150,312,601</u>	<u>27,270,973</u>	<u>177,583,574</u>
<b>TOTAL LIABILITIES.....</b>	<u>162,315,551</u>	<u>32,507,646</u>	<u>194,823,197</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows related to pensions.....	<u>1,583,560</u>	<u>767,119</u>	<u>2,350,679</u>
<b>NET POSITION</b>			
Net investment in capital assets.....	55,720,620	71,883,394	127,604,014
Restricted for:			
Depreciation.....	-	3,545,878	3,545,878
Permanent funds:			
Expendable.....	416,949	-	416,949
Nonexpendable.....	132,409	-	132,409
Gifts and grants.....	2,210,224	-	2,210,224
Unrestricted.....	<u>(90,813,258)</u>	<u>17,775,205</u>	<u>(73,038,053)</u>
<b>TOTAL NET POSITION.....</b>	<u>\$ (32,333,056)</u>	<u>\$ 93,204,477</u>	<u>\$ 60,871,421</u>

See notes to basic financial statements.

**STATEMENT OF ACTIVITIES**

YEAR ENDED JUNE 30, 2018

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.....	\$ 5,631,771	\$ 249,842	\$ 560,667	\$ -	\$ (4,821,262)
Public safety.....	16,868,958	4,300,550	167,940	-	(12,400,468)
Education.....	83,067,968	3,226,608	32,842,983	-	(46,998,377)
Public works.....	7,614,297	112,957	50,537	1,299,304	(6,151,499)
Human services.....	1,025,510	40,412	178,029	-	(807,069)
Culture and recreation.....	1,754,828	201,122	68,853	-	(1,484,853)
Interest.....	1,103,931	-	11,494	-	(1,092,437)
<b>Total Governmental Activities.....</b>	<b>117,067,263</b>	<b>8,131,491</b>	<b>33,880,503</b>	<b>1,299,304</b>	<b>(73,755,965)</b>
<i>Business-Type Activities:</i>					
Water.....	4,427,968	4,718,185	63,720	-	353,937
Sewer.....	5,181,129	5,366,837	8,979	-	194,687
Airport.....	662,548	154,049	-	485,240	(23,259)
Parking.....	609,541	476,652	-	-	(132,889)
Municipal Light.....	21,185,965	24,789,599	-	-	3,603,634
<b>Total Business-Type Activities.....</b>	<b>32,067,151</b>	<b>35,505,322</b>	<b>72,699</b>	<b>485,240</b>	<b>3,996,110</b>
<b>Total Primary Government.....</b>	<b>\$ 149,134,414</b>	<b>\$ 43,636,813</b>	<b>\$ 33,953,202</b>	<b>\$ 1,784,544</b>	<b>\$ (69,759,855)</b>

See notes to basic financial statements.

(Continued)

**STATEMENT OF ACTIVITIES**

YEAR ENDED JUNE 30, 2018

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>Changes in net position:</b>			
Net (expense) revenue from previous page..... \$	<b>(73,755,965)</b>	\$ <b>3,996,110</b>	\$ <b>(69,759,855)</b>
<i>General revenues:</i>			
Real estate and personal property taxes, net of tax refunds payable.....	61,651,786	-	61,651,786
Motor vehicle and other excise taxes.....	3,662,245	-	3,662,245
Hotel/motel tax.....	285,360	-	285,360
Meals tax.....	472,079	-	472,079
Penalties and interest on taxes.....	189,725	-	189,725
Payments in lieu of taxes.....	5,426	-	5,426
Grants and contributions not restricted to specific programs.....	2,722,780	-	2,722,780
Unrestricted investment income.....	544,633	3,909	548,542
Miscellaneous.....	47,761	-	47,761
<i>Transfers, net</i> .....	645,279	(645,279)	-
Total general revenues and transfers.....	<u>70,227,074</u>	<u>(641,370)</u>	<u>69,585,704</u>
Change in net position.....	(3,528,891)	3,354,740	(174,151)
<i>Net position:</i>			
Beginning of year, as revised.....	<u>(28,804,165)</u>	<u>89,849,737</u>	<u>61,045,572</u>
End of year..... \$	<u><u>(32,333,056)</u></u>	<u><u>93,204,477</u></u>	<u><u>60,871,421</u></u>

See notes to basic financial statements.

(Concluded)

**GOVERNMENTAL FUNDS  
BALANCE SHEET**

JUNE 30, 2018

	General	Municipal Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash and cash equivalents.....	\$ 16,071,649	\$ 10,592,084	\$ 7,786,182	\$ 34,449,915
Investments.....	3,459,095	-	948,633	4,407,728
Receivables, net of uncollectibles:				
Real estate and personal property taxes.....	541,114	-	-	541,114
Tax liens.....	407,278	-	-	407,278
Motor vehicle and other excise taxes.....	294,374	-	-	294,374
Departmental and other.....	302,540	-	406,335	708,875
Intergovernmental.....	1,555,408	-	1,154,113	2,709,521
<b>TOTAL ASSETS.....</b>	<b>\$ 22,631,458</b>	<b>\$ 10,592,084</b>	<b>\$ 10,295,263</b>	<b>\$ 43,518,805</b>
<b>LIABILITIES</b>				
Warrants payable.....	\$ 1,206,705	\$ 703,690	\$ 252,976	\$ 2,163,371
Accrued payroll.....	4,276,554	5,105	171,694	4,453,353
Notes payable.....	-	2,000,000	-	2,000,000
<b>TOTAL LIABILITIES.....</b>	<b>5,483,259</b>	<b>2,708,795</b>	<b>424,670</b>	<b>8,616,724</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue.....	2,937,471	-	1,542,628	4,480,099
<b>FUND BALANCES</b>				
Nonspendable.....	-	-	132,409	132,409
Restricted.....	-	7,883,289	8,195,556	16,078,845
Committed.....	3,375,936	-	-	3,375,936
Assigned.....	538,087	-	-	538,087
Unassigned.....	10,296,705	-	-	10,296,705
<b>TOTAL FUND BALANCES.....</b>	<b>14,210,728</b>	<b>7,883,289</b>	<b>8,327,965</b>	<b>30,421,982</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES.....</b>	<b>\$ 22,631,458</b>	<b>\$ 10,592,084</b>	<b>\$ 10,295,263</b>	<b>\$ 43,518,805</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, 2018

Total governmental fund balances.....		\$ 30,421,982
Capital assets (net) used in governmental activities are not financial resources and, therefore, are not reported in the funds.....		81,440,799
Accounts receivable are not available to pay for current-period expenditures and, therefore, are unavailable in the funds.....		4,480,099
The statement of net position includes certain deferred inflows of resources and deferred outflows of resources that will be amortized over future periods. In governmental funds, these amounts are not deferred.....		5,022,891
In the statement of activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due.....		(243,672)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:		
Bonds payable.....	(36,161,561)	
Net pension liability.....	(30,182,907)	
Other postemployment benefits.....	(85,341,656)	
Landfill closure.....	(136,000)	
Capital lease obligations.....	(85,565)	
Compensated absences.....	<u>(1,547,466)</u>	
Net effect of reporting long-term liabilities.....		<u>(153,455,155)</u>
Net position of governmental activities.....		<u>\$ (32,333,056)</u>

See notes to basic financial statements.

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

YEAR ENDED JUNE 30, 2018

	General	Municipal Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>				
Real estate and personal property taxes, net of tax refunds.....	\$ 61,098,812	\$ -	\$ -	\$ 61,098,812
Tax liens.....	582,997	-	-	582,997
Motor vehicle and other excise taxes.....	3,645,365	-	-	3,645,365
Hotel/motel tax.....	285,360	-	-	285,360
Meals tax.....	472,079	-	-	472,079
Charges for services.....	-	-	3,968,291	3,968,291
Penalties and interest on taxes.....	189,725	-	-	189,725
Fees and rentals.....	1,424,727	-	-	1,424,727
Payments in lieu of taxes.....	5,426	-	-	5,426
Licenses and permits.....	1,393,184	-	-	1,393,184
Fines and forfeitures.....	91,621	-	-	91,621
Intergovernmental - teachers retirement.....	11,302,039	-	-	11,302,039
Intergovernmental.....	23,327,457	-	3,967,595	27,295,052
Departmental and other.....	-	-	1,636,634	1,636,634
Special assessments.....	1,317	-	-	1,317
Contributions and donations.....	-	-	212,049	212,049
Investment income.....	514,291	-	31,681	545,972
Miscellaneous.....	47,761	-	-	47,761
<b>TOTAL REVENUES.....</b>	<b>104,382,161</b>	<b>-</b>	<b>9,816,250</b>	<b>114,198,411</b>
<b>EXPENDITURES:</b>				
Current:				
General government.....	2,789,471	11,917,457	546,156	15,253,084
Public safety.....	10,173,503	-	2,100,068	12,273,571
Education.....	50,312,449	-	5,877,902	56,190,351
Public works.....	5,082,295	1,810,558	744,612	7,637,465
Human services.....	729,013	-	55,626	784,639
Culture and recreation.....	1,088,526	-	338,536	1,427,062
Pension benefits - teachers retirement.....	11,302,039	-	-	11,302,039
Employee benefits.....	16,160,339	-	-	16,160,339
State and county charges.....	1,950,829	-	-	1,950,829
Debt service:				
Principal.....	3,197,000	-	-	3,197,000
Interest.....	1,281,082	-	-	1,281,082
<b>TOTAL EXPENDITURES.....</b>	<b>104,066,546</b>	<b>13,728,015</b>	<b>9,662,900</b>	<b>127,457,461</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>315,615</b>	<b>(13,728,015)</b>	<b>153,350</b>	<b>(13,259,050)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in.....	963,687	-	502,920	1,466,607
Transfers out.....	(507,840)	-	(313,488)	(821,328)
<b>TOTAL OTHER FINANCING SOURCES (USES).....</b>	<b>455,847</b>	<b>-</b>	<b>189,432</b>	<b>645,279</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>771,462</b>	<b>(13,728,015)</b>	<b>342,782</b>	<b>(12,613,771)</b>
<b>FUND BALANCES AT BEGINNING OF YEAR.....</b>	<b>13,439,266</b>	<b>21,611,304</b>	<b>7,985,183</b>	<b>43,035,753</b>
<b>FUND BALANCES AT END OF YEAR.....</b>	<b>\$ 14,210,728</b>	<b>\$ 7,883,289</b>	<b>\$ 8,327,965</b>	<b>\$ 30,421,982</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, 2018

Net change in fund balances - total governmental funds.....		\$ (12,613,771)
<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.....	15,435,278	
Depreciation expense.....	<u>(4,952,426)</u>	
Net effect of reporting capital assets.....		10,482,852
<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 differ between the two statements. This amount represents the net change in unavailable revenue.....</p>		
		(1,192,121)
<p>The issuance of long-term debt 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 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>		
Principal payments on capital leases.....	46,343	
Net amortization of premium from issuance of bonds.....	150,435	
Net change in deferred charge on refunding.....	(25,541)	
Debt service principal payments.....	<u>3,197,000</u>	
Net effect of reporting long-term debt.....		3,368,237
<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.....	(36,760)	
Net change in accrued interest on long-term debt.....	52,257	
Net change in deferred outflow/(inflow) of resources related to pensions.....	(2,056,254)	
Net change in net pension liability.....	2,110,186	
Net change in deferred outflow/(inflow) of resources related to OPEB.....	68,152	
Net change in net OPEB liability.....	(3,728,669)	
Net change in landfill closure.....	<u>17,000</u>	
Net effect of recording long-term liabilities.....		<u>(3,574,088)</u>
Change in net position of governmental activities.....		\$ <u><u>(3,528,891)</u></u>

See notes to basic financial statements.

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

JUNE 30, 2018

	Business-type Activities - Enterprise Funds					
	Water	Sewer	Airport	Parking	Electric Light	Total
<b>ASSETS</b>						
<b>CURRENT:</b>						
Cash and cash equivalents.....	\$ 1,328,317	\$ 4,141,707	\$ 116,685	\$ 589,795	\$ 14,478,460	\$ 20,654,964
Receivables, net of allowance for uncollectibles:						
User charges.....	1,285,160	923,195	-	52,210	3,881,967	6,142,532
Intergovernmental.....	-	17,188	-	-	-	17,188
Special assessments.....	1,638	31,352	-	-	-	32,990
Inventory.....	-	-	-	-	641,880	641,880
Prepaid expenses.....	-	-	-	-	158,764	158,764
Purchased power advanced deposits.....	-	-	-	-	2,131,538	2,131,538
<b>Total current assets.....</b>	<b>2,615,115</b>	<b>5,113,442</b>	<b>116,685</b>	<b>642,005</b>	<b>21,292,609</b>	<b>29,779,856</b>
<b>NONCURRENT:</b>						
Cash and cash equivalents:						
Depreciation fund.....	-	-	-	-	3,545,878	3,545,878
Customer deposits.....	-	-	-	-	1,185,345	1,185,345
MMWEC reserve trust fund.....	-	-	-	-	1,723,847	1,723,847
Receivables, net of allowance for uncollectibles:						
Intergovernmental.....	62,949	41,816	-	-	-	104,765
Special assessments.....	2,574	72,809	-	-	-	75,383
Investment in Hydro Quebec.....	-	-	-	-	12,638	12,638
Capital assets, non depreciable.....	5,360,354	-	107,800	-	550,276	6,018,430
Capital assets, net of accumulated depreciation.....	31,784,977	8,485,506	8,275,354	51,495	33,670,719	82,268,051
<b>Total noncurrent assets.....</b>	<b>37,210,854</b>	<b>8,600,131</b>	<b>8,383,154</b>	<b>51,495</b>	<b>40,688,703</b>	<b>94,934,337</b>
<b>TOTAL ASSETS.....</b>	<b>39,825,969</b>	<b>13,713,573</b>	<b>8,499,839</b>	<b>693,500</b>	<b>61,981,312</b>	<b>124,714,193</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Deferred outflows related to pensions.....	193,658	251,354	-	1,688	630,009	1,076,709
Deferred outflows related to other postemployment benefits.....	199,577	198,231	-	3,002	287,530	688,340
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES.....</b>	<b>393,235</b>	<b>449,585</b>	<b>-</b>	<b>4,690</b>	<b>917,539</b>	<b>1,765,049</b>
<b>LIABILITIES</b>						
<b>CURRENT:</b>						
Warrants payable.....	87,547	101,277	20,123	22,646	2,121,161	2,352,754
Accrued liabilities.....	-	-	-	-	201,845	201,845
Accrued payroll.....	25,883	23,296	-	5,123	-	54,302
Accrued interest.....	168,461	23,552	-	-	-	192,013
Compensated absences.....	44,426	113,668	-	5,195	156,484	319,773
Notes payable.....	500,000	-	-	-	-	500,000
Bonds payable.....	1,405,672	210,314	-	-	-	1,615,986
<b>Total current liabilities.....</b>	<b>2,231,989</b>	<b>472,107</b>	<b>20,123</b>	<b>32,964</b>	<b>2,479,490</b>	<b>5,236,673</b>
<b>NONCURRENT:</b>						
Customer deposits.....	-	-	-	-	1,268,876	1,268,876
Compensated absences.....	36,977	10,901	-	-	28,349	76,227
Net pension liability.....	851,010	1,104,548	-	7,419	2,768,516	4,731,493
Net OPEB liability.....	2,070,348	2,433,995	-	88,240	1,720,970	6,313,553
Bonds payable.....	13,489,702	1,391,122	-	-	-	14,880,824
<b>Total noncurrent liabilities.....</b>	<b>16,448,037</b>	<b>4,940,566</b>	<b>-</b>	<b>95,659</b>	<b>5,786,711</b>	<b>27,270,973</b>
<b>TOTAL LIABILITIES.....</b>	<b>18,680,026</b>	<b>5,412,673</b>	<b>20,123</b>	<b>128,623</b>	<b>8,266,201</b>	<b>32,507,646</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred inflows related to pensions.....	137,974	179,082	-	1,203	448,860	767,119
<b>NET POSITION</b>						
Net investment in capital assets.....	22,343,680	6,884,070	8,383,154	51,495	34,220,995	71,883,394
Restricted for:						
Depreciation.....	-	-	-	-	3,545,878	3,545,878
Unrestricted.....	(942,476)	1,687,333	96,562	516,869	16,416,917	17,775,205
<b>TOTAL NET POSITION.....</b>	<b>\$ 21,401,204</b>	<b>\$ 8,571,403</b>	<b>\$ 8,479,716</b>	<b>\$ 568,364</b>	<b>\$ 54,183,790</b>	<b>\$ 93,204,477</b>

See notes to basic financial statements.

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

YEAR ENDED JUNE 30, 2018

Business-type Activities - Enterprise Funds						
	Water	Sewer	Airport	Parking	Electric Light	Total
<b>OPERATING REVENUES:</b>						
Charges for services.....	\$ 4,718,185	\$ 3,876,546	\$ 154,049	\$ 476,652	\$ 23,944,177	\$ 33,169,609
Charges for services - MFN.....	-	1,490,291	-	-	-	1,490,291
Other operating revenues.....	-	-	-	-	759,905	759,905
<b>TOTAL OPERATING REVENUES</b> .....	<b>4,718,185</b>	<b>5,366,837</b>	<b>154,049</b>	<b>476,652</b>	<b>24,704,082</b>	<b>35,419,805</b>
<b>OPERATING EXPENSES:</b>						
Cost of services and administration.....	2,949,611	4,733,457	202,649	601,414	19,401,439	27,888,570
Depreciation.....	1,118,244	390,120	459,899	8,127	1,780,170	3,756,560
<b>TOTAL OPERATING EXPENSES</b> .....	<b>4,067,855</b>	<b>5,123,577</b>	<b>662,548</b>	<b>609,541</b>	<b>21,181,609</b>	<b>31,645,130</b>
<b>OPERATING INCOME (LOSS)</b> .....	<b>650,330</b>	<b>243,260</b>	<b>(508,499)</b>	<b>(132,889)</b>	<b>3,522,473</b>	<b>3,774,675</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>						
Investment income.....	(687)	755	340	3,501	85,517	89,426
Interest expense.....	(360,113)	(57,552)	-	-	(4,356)	(422,021)
Intergovernmental - MCWT debt service subsidy.....	63,720	8,979	-	-	-	72,699
<b>TOTAL NONOPERATING REVENUES (EXPENSES), NET</b> .....	<b>(297,080)</b>	<b>(47,818)</b>	<b>340</b>	<b>3,501</b>	<b>81,161</b>	<b>(259,896)</b>
<b>INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS</b> .....	<b>353,250</b>	<b>195,442</b>	<b>(508,159)</b>	<b>(129,388)</b>	<b>3,603,634</b>	<b>3,514,779</b>
<b>CAPITAL CONTRIBUTIONS</b> .....	<b>-</b>	<b>-</b>	<b>485,240</b>	<b>-</b>	<b>-</b>	<b>485,240</b>
<b>TRANSFERS:</b>						
Transfers in.....	4,920	-	-	-	-	4,920
Transfers out.....	-	-	-	-	(650,199)	(650,199)
<b>TOTAL TRANSFERS</b> .....	<b>4,920</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(650,199)</b>	<b>(645,279)</b>
<b>CHANGE IN NET POSITION</b> .....	<b>358,170</b>	<b>195,442</b>	<b>(22,919)</b>	<b>(129,388)</b>	<b>2,953,435</b>	<b>3,354,740</b>
<b>NET POSITION AT BEGINNING OF YEAR, as revised</b> .....	<b>21,043,034</b>	<b>8,375,961</b>	<b>8,502,635</b>	<b>697,752</b>	<b>51,230,355</b>	<b>89,849,737</b>
<b>NET POSITION AT END OF YEAR</b> .....	<b>\$ 21,401,204</b>	<b>\$ 8,571,403</b>	<b>\$ 8,479,716</b>	<b>\$ 568,364</b>	<b>\$ 54,183,790</b>	<b>\$ 93,204,477</b>

See notes to basic financial statements.

**PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS**

YEAR ENDED JUNE 30, 2018

	Business-type Activities - Enterprise Funds					
	Water	Sewer	Airport	Parking	Electric Light	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>						
Receipts from customers and users.....	\$ 4,782,013	\$ 3,915,824	\$ 154,049	\$ 471,795	\$ 24,627,997	\$ 33,951,678
Receipts from customers and users - MFN.....	-	1,490,291	-	-	-	1,490,291
Payments to vendors.....	(1,947,980)	(3,653,826)	(189,980)	(487,812)	(17,330,856)	(23,610,454)
Payments to employees.....	(1,155,075)	(1,061,994)	(1,089)	(110,668)	(2,087,400)	(4,416,226)
<b>NET CASH FROM OPERATING ACTIVITIES.....</b>	<b>1,678,958</b>	<b>690,295</b>	<b>(37,020)</b>	<b>(126,685)</b>	<b>5,209,741</b>	<b>7,415,289</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>						
Transfers in.....	4,920	-	-	-	-	4,920
Transfers out.....	-	-	-	-	(650,199)	(650,199)
<b>NET CASH FROM NONCAPITAL FINANCING ACTIVITIES.....</b>	<b>4,920</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(650,199)</b>	<b>(645,279)</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>						
Proceeds from the issuance of bonds and notes.....	500,000	-	-	-	-	500,000
Acquisition and construction of capital assets.....	(638,609)	(137,339)	(348,682)	-	(2,868,612)	(3,993,242)
Principal payments on bonds and notes.....	(1,383,557)	(201,334)	-	-	-	(1,584,891)
Interest expense.....	(406,829)	(60,820)	-	-	(4,358)	(472,007)
Capital contributions.....	-	-	485,240	-	-	485,240
<b>NET CASH FROM CAPITAL AND RELATED FINANCING ACTIVITIES.....</b>	<b>(1,928,995)</b>	<b>(399,493)</b>	<b>136,558</b>	<b>-</b>	<b>(2,872,970)</b>	<b>(5,064,900)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>						
Investment income.....	(687)	755	340	3,502	85,517	89,427
(Increase)/decrease in MMWEC reserve trust fund.....	-	-	-	-	(21,531)	(21,531)
<b>NET CASH FROM INVESTING ACTIVITIES.....</b>	<b>(687)</b>	<b>755</b>	<b>340</b>	<b>3,502</b>	<b>63,986</b>	<b>67,896</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS.....</b>	<b>(245,804)</b>	<b>291,557</b>	<b>99,878</b>	<b>(123,183)</b>	<b>1,750,558</b>	<b>1,773,006</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING 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>CASH AND CASH EQUIVALENTS AT END OF YEAR.....</b>	<b>\$ 1,328,317</b>	<b>\$ 4,141,707</b>	<b>\$ 116,685</b>	<b>\$ 589,795</b>	<b>\$ 19,209,683</b>	<b>\$ 25,386,187</b>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES:</b>						
Operating income (loss).....	\$ 650,330	\$ 243,260	\$ (508,499)	\$ (132,889)	\$ 3,522,473	\$ 3,774,675
Adjustments to reconcile operating income to net cash from operating activities:						
Depreciation.....	1,118,244	390,120	459,899	8,127	1,780,170	3,756,560
Deferred (outflows)/inflows related to pensions.....	57,976	75,249	-	506	188,609	322,340
Deferred (outflows)/inflows related to OPEB.....	(110,029)	(50,264)	-	(1,499)	(7,061)	(168,853)
Changes in assets and liabilities:						
User charges.....	62,190	(8,197)	-	(4,857)	(177,892)	(128,756)
Special assessments.....	1,638	31,186	-	-	-	32,824
Intergovernmental.....	-	16,289	-	-	-	16,289
Inventory.....	-	-	-	-	(71,603)	(71,603)
Prepaid expenses.....	-	-	-	-	(57,026)	(57,026)
Warrants payable.....	(40,629)	58,621	11,580	(5,574)	254,921	278,919
Accrued payroll.....	(967)	3,433	-	2,473	-	4,939
Customer deposits.....	-	-	-	-	101,807	101,807
Compensated absences.....	10,939	(15,014)	-	861	18,653	15,439
Net pension liability.....	(59,497)	(77,223)	-	(519)	(193,556)	(330,795)
Net OPEB liability.....	(11,237)	22,835	-	6,686	(149,754)	(131,470)
<b>Total adjustments.....</b>	<b>1,028,628</b>	<b>447,035</b>	<b>471,479</b>	<b>6,204</b>	<b>1,687,268</b>	<b>3,640,614</b>
<b>NET CASH FROM OPERATING ACTIVITIES.....</b>	<b>\$ 1,678,958</b>	<b>\$ 690,295</b>	<b>\$ (37,020)</b>	<b>\$ (126,685)</b>	<b>\$ 5,209,741</b>	<b>\$ 7,415,289</b>
<b>NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:</b>						
Intergovernmental - MCWT debt service subsidy.....	\$ 63,720	\$ 8,979	\$ -	\$ -	\$ -	\$ 72,699

See notes to basic financial statements.

**FIDUCIARY FUNDS**  
STATEMENT OF FIDUCIARY NET POSITION

JUNE 30, 2018

	Other Postemployment Benefit Trust Fund	Private Purpose Trust Funds	Agency Funds
<b>ASSETS</b>			
Cash and cash equivalents.....	\$ 24,107	\$ 208,708	\$ 750,875
Investments:			
Fixed income mutual funds.....	1,833,888	-	-
Equity mutual funds.....	2,950,555	-	-
Daily liquid mutual funds.....	993,942	-	-
<b>TOTAL ASSETS.....</b>	<b>5,802,492</b>	<b>208,708</b>	<b>750,875</b>
<b>LIABILITIES</b>			
Warrants payable.....	-	-	14,836
Liabilities due depositors.....	-	-	130,940
Other liabilities.....	-	-	605,099
<b>TOTAL LIABILITIES.....</b>	<b>-</b>	<b>-</b>	<b>750,875</b>
<b>NET POSITION</b>			
Restricted for other postemployment benefits.....	5,802,492	-	-
Held in trust for other purposes.....	-	208,708	-
<b>TOTAL NET POSITION.....</b>	<b>\$ 5,802,492</b>	<b>\$ 208,708</b>	<b>\$ -</b>

See notes to basic financial statements.

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

YEAR ENDED JUNE 30, 2018

	Other Postemployment Benefit Trust Fund	Private Purpose Trust Funds
<b>ADDITIONS:</b>		
Contributions:		
Employer contributions to the trust.....	\$ 752,435	\$ -
Employer contributions to pay for OPEB benefits.....	2,983,873	-
Private donations.....	-	5,500
<b>Total contributions.....</b>	<b>3,736,308</b>	<b>5,500</b>
Net investment income:		
Investment income.....	271,847	745
Less: investment expense.....	(15,264)	-
<b>Net investment income.....</b>	<b>256,583</b>	<b>745</b>
<b>TOTAL ADDITIONS.....</b>	<b>3,992,891</b>	<b>6,245</b>
<b>DEDUCTIONS:</b>		
OPEB benefits.....	2,983,873	-
Educational scholarships.....	-	15,800
<b>TOTAL DEDUCTIONS.....</b>	<b>2,983,873</b>	<b>15,800</b>
<b>NET INCREASE (DECREASE) IN NET POSITION.....</b>	<b>1,009,018</b>	<b>(9,555)</b>
<b>NET POSITION AT BEGINNING OF YEAR.....</b>	<b>4,793,474</b>	<b>218,263</b>
<b>NET POSITION AT END OF YEAR.....</b>	<b>\$ 5,802,492</b>	<b>\$ 208,708</b>

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 Select Board.

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 FY2018 amounted to \$2,830,228. 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 2018 assessment was \$814,639. 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, 2018 the Town has reported deferred outflows of resources related to pensions in this category, as well as deferred outflows of resources related to OPEB.

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, 2018 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 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 \$59,800,594, and the bank balances totaled \$61,757,147. Of the bank balance, \$3,250,000 was covered by Federal Depository Insurance, \$8,785,378 was covered by the Share Insurance Fund, \$19,565,460 was covered by the Depositors Insurance Fund, \$29,503,900 was collateralized and \$652,409 was exposed to custodial credit risk because it was uninsured and uncollateralized.

Investments

As of June 30, 2018, 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>			
U.S. Treasury Bonds.....	\$ 643,270	\$ 643,270	\$ -
Government Sponsored Enterprises.....	1,976,250	-	1,976,250
Corporate Bonds.....	998,302	-	998,302
Total Debt Securities.....	3,617,822	\$ 643,270	\$ 2,974,552
<u>Other Investments:</u>			
Equity Securities.....	557,166		
Equity Mutual Funds.....	3,183,295		
Fixed Income Mutual Funds.....	1,833,888		
Daily Liquid Mutual Funds.....	993,942		
Money Market Mutual Funds.....	1,019,198		
Total Investments.....	\$ 11,205,311		

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 \$3,617,822 investments in U.S. Treasury Bonds, Government Sponsored Enterprises and Corporate Bonds, as well as \$557,166 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>Debt Securities:</u>	<u>Fair Value</u>	<u>Quality Ratings</u>				
		<u>AA+</u>	<u>A+</u>	<u>A-</u>	<u>BBB+</u>	<u>BBB</u>
U.S. Treasury Bonds.....	\$ 643,270	\$ 643,270	\$ -	\$ -	\$ -	\$ -
Government Sponsored Enterprises.....	1,976,250	1,976,250	-	-	-	-
Corporate Bonds.....	998,302	-	190,268	383,260	251,656	173,118
Total.....	\$ 3,617,822	\$ 2,619,520	\$ 190,268	\$ 383,260	\$ 251,656	\$ 173,118

Concentration of Credit Risk

The Town places no limit on the amount the Town may invest in any one issuer.

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, 2018:

Investment Type	June 30, 2018	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>				
U.S. Treasury Bonds.....	\$ 643,270	\$ 643,270	\$ -	\$ -
Government Sponsored Enterprises.....	1,976,250	1,976,250	-	-
Corporate Bonds.....	998,302	-	998,302	-
Total debt securities.....	<u>3,617,822</u>	<u>2,619,520</u>	<u>998,302</u>	<u>-</u>
<u>Other investments:</u>				
Equity Securities.....	557,166	557,166	-	-
Equity Mutual Funds.....	3,183,295	3,183,295	-	-
Fixed Income Mutual Funds.....	1,833,888	1,833,888	-	-
Daily Liquid Mutual Funds.....	993,942	993,942	-	-
Money Market Mutual Funds.....	1,019,198	1,019,198	-	-
Total other investments.....	<u>7,587,489</u>	<u>7,587,489</u>	<u>-</u>	<u>-</u>
Total investments measured at fair value.....	<u>\$ 11,205,311</u>	<u>\$ 10,207,009</u>	<u>\$ 998,302</u>	<u>\$ -</u>

U.S. Treasury Bonds, Government sponsored enterprises, equity securities, equity mutual funds, fixed income mutual funds, daily liquid 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, 2018, 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.....	\$ 541,114	\$ -	\$ 541,114
Tax liens.....	407,278	-	407,278
Motor vehicle and other excise taxes.....	294,374	-	294,374
Departmental and other.....	1,618,684	(909,809)	708,875
Intergovernmental.....	2,709,521	-	2,709,521
Total.....	<u>\$ 5,570,971</u>	<u>\$ (909,809)</u>	<u>\$ 4,661,162</u>

At June 30, 2018, receivables for the proprietary funds consist of the following:

	Gross Amount	Allowance for Uncollectibles	Net Amount
<u>Receivables:</u>			
User fees.....	\$ 6,142,532	\$ -	\$ 6,142,532
Special assessments.....	108,373	-	108,373
Intergovernmental.....	121,953	-	121,953
Total.....	<u>\$ 6,372,858</u>	<u>\$ -</u>	<u>\$ 6,372,858</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.....	\$ 377,871	\$ -	\$ 377,871
Tax liens.....	407,278	-	407,278
Motor vehicle and other excise taxes.....	294,374	-	294,374
Departmental and other.....	302,540	406,335	708,875
Intergovernmental.....	1,555,408	1,136,293	2,691,701
Total.....	<u>\$ 2,937,471</u>	<u>\$ 1,542,628</u>	<u>\$ 4,480,099</u>

**NOTE 4 – CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2018, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities:</b>				
<u>Capital assets not being depreciated:</u>				
Land.....	\$ 4,581,636	\$ 52,304	\$ (113,197)	\$ 4,520,743
Construction in progress.....	9,429,209	11,391,097	(2,195,566)	18,624,740
Total capital assets not being depreciated....	<u>14,010,845</u>	<u>11,443,401</u>	<u>(2,308,763)</u>	<u>23,145,483</u>
<u>Capital assets being depreciated:</u>				
Buildings.....	66,954,933	88,104	-	67,043,037
Improvements other than buildings.....	6,120,810	196,792	-	6,317,602
Machinery and equipment.....	8,296,143	1,038,651	-	9,334,794
Vehicles.....	6,924,374	232,435	(54,719)	7,102,090
Books.....	4,388,318	308,196	-	4,696,514
Infrastructure.....	34,075,059	4,436,462	-	38,511,521
Total capital assets being depreciated.....	<u>126,759,637</u>	<u>6,300,640</u>	<u>(54,719)</u>	<u>133,005,558</u>
<u>Less accumulated depreciation for:</u>				
Buildings.....	(33,892,700)	(1,499,601)	-	(35,392,301)
Improvements other than buildings.....	(3,327,934)	(388,380)	-	(3,716,314)
Machinery and equipment.....	(5,886,677)	(438,478)	-	(6,325,155)
Vehicles.....	(4,826,160)	(555,396)	54,719	(5,326,837)
Books.....	(3,696,115)	(274,988)	-	(3,971,103)
Infrastructure.....	(18,182,949)	(1,795,583)	-	(19,978,532)
Total accumulated depreciation.....	<u>(69,812,535)</u>	<u>(4,952,426)</u>	<u>54,719</u>	<u>(74,710,242)</u>
Total capital assets being depreciated, net.....	<u>56,947,102</u>	<u>1,348,214</u>	<u>-</u>	<u>58,295,316</u>
Total governmental activities capital assets, net....\$	<u>70,957,947</u>	<u>12,791,615</u>	<u>(2,308,763)</u>	<u>81,440,799</u>

	Ending 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.....	936,013	254,072	-	1,190,085
Total capital assets not being depreciated.....	<u>5,764,358</u>	<u>254,072</u>	<u>-</u>	<u>6,018,430</u>
<u>Capital assets being depreciated:</u>				
Buildings and improvements.....	12,426,631	-	-	12,426,631
Improvements other than buildings.....	4,641,011	348,682	-	4,989,693
Electric light distribution plant.....	50,407,557	852,672	(122,066)	51,138,163
Electric light general plant.....	6,098,592	1,943,514	-	8,042,106
Machinery and equipment.....	1,910,651	461,832	-	2,372,483
Vehicles.....	895,617	50,831	-	946,448
Infrastructure.....	54,833,073	81,639	-	54,914,712
Total capital assets being depreciated.....	<u>131,213,132</u>	<u>3,739,170</u>	<u>(122,066)</u>	<u>134,830,236</u>
<u>Less accumulated depreciation for:</u>				
Buildings and improvements.....	(2,806,800)	(311,671)	-	(3,118,471)
Improvements other than buildings.....	(1,817,334)	(152,087)	-	(1,969,421)
Electric light distribution plant.....	(20,403,193)	(1,509,447)	122,066	(21,790,574)
Electric light general plant.....	(3,448,253)	(270,723)	-	(3,718,976)
Machinery and equipment.....	(1,228,802)	(151,550)	-	(1,380,352)
Vehicles.....	(755,105)	(49,541)	-	(804,646)
Infrastructure.....	(18,468,204)	(1,311,541)	-	(19,779,745)
Total accumulated depreciation.....	<u>(48,927,691)</u>	<u>(3,756,560)</u>	<u>122,066</u>	<u>(52,562,185)</u>
Total capital assets being depreciated, net.....	<u>82,285,441</u>	<u>(17,390)</u>	<u>-</u>	<u>82,268,051</u>
Total business-type activities capital assets, net.....	<u>\$ 88,049,799</u>	<u>\$ 236,682</u>	<u>\$ -</u>	<u>\$ 88,286,481</u>

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

**Governmental Activities:**

General government.....	\$ 176,718
Public safety.....	572,758
Education.....	1,736,512
Public works.....	2,075,195
Human services.....	35,232
Culture and recreation.....	356,011

Total depreciation expense - governmental activities..... \$ 4,952,426

**Business-Type Activities:**

Water.....	\$ 1,118,244
Sewer.....	390,120
Airport.....	459,899
Parking.....	8,127
Electric light.....	1,780,170

Total depreciation expense - business-type activities..... \$ 3,756,560

**NOTE 5 – INTERFUND TRANSFERS**

Interfund transfers for the year ended June 30, 2018, are summarized as follows:

Transfers Out:	Transfers In:			
	General Fund	Nonmajor Governmental Funds	Water Enterprise Fund	Total
General Fund.....	\$ -	\$ 502,920	\$ 4,920	\$ 507,840 (1)
Nonmajor Governmental Funds.....	313,488	-	-	313,488 (2)
Electric Light Enterprise Fund.....	<u>650,199</u>			<u>650,199 (3)</u>
Total.....	<u>\$ 963,687</u>	<u>\$ 502,920</u>	<u>\$ 4,920</u>	<u>\$ 1,471,527</u>

- (1) Budgeted transfer to the water enterprise fund for excluded debt service, as well as to Nonmajor governmental funds to fund 111F injury leave, and to fund a compensated absences reserve fund.
- (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.....	\$ 131,908
Less: accumulated depreciation.....	<u>(43,969)</u>
Total.....	<u>\$ 87,939</u>

The following schedule presents the future minimum lease payments as of June 30, 2018:

Year Ending June 30:	Governmental Activities
2019.....	\$ 46,343
2020.....	<u>46,344</u>
Total minimum lease payments.....	92,687
Less: amounts representing interest.....	<u>(7,122)</u>
Present value of minimum lease payments.....	<u>\$ 85,565</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, 2018, are as follows:

Type	Purpose	Rate (%)	Due Date	Balance at June 30, 2017	Renewed/ Issued	Retired/ Redeemed	Balance at June 30, 2018
<b>Governmental Funds:</b>							
BAN	Bond anticipation note.....	1.30	06/15/18	\$ 1,000,000	\$ -	\$ 1,000,000	\$ -
BAN	Bond anticipation note.....	1.95	05/16/19	<u>-</u>	<u>2,000,000</u>	<u>-</u>	<u>2,000,000</u>
Total governmental funds.....				<u>1,000,000</u>	<u>2,000,000</u>	<u>1,000,000</u>	<u>2,000,000</u>
<b>Enterprise Funds:</b>							
Water Enterprise Fund							
BAN	Bond anticipation note.....	1.95	05/16/19	<u>-</u>	<u>500,000</u>	<u>-</u>	<u>500,000</u>
Total short-term debt.....				<u>\$ 1,000,000</u>	<u>\$ 2,500,000</u>	<u>\$ 1,000,000</u>	<u>\$ 2,500,000</u>

**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, 2018, and the debt service requirements are as follows:

**Bonds and Notes Payable Schedule – Governmental Activities**

Project	Maturities Through Year	Original Loan Amount	Interest Rate (%)	Outstanding at June 30, 2017	Issued	Redeemed	Outstanding at June 30, 2018
Massachusetts Clean Water Trust.....	2023	880,933	2.00	\$ 345,000	\$ -	\$ (55,000)	\$ 290,000
Municipal Purpose Loan of 2006.....	2019	17,885,450	2.00 - 4.50	1,983,600	-	(1,622,000)	361,600
Municipal Purpose Loan of 2014.....	2028	2,608,800	1.30 - 2.35	1,530,000	-	(160,000)	1,370,000
Municipal Purpose Loan of 2015.....	2025	3,400,000	2.00 - 4.00	2,720,000	-	(340,000)	2,380,000
Municipal Purpose Loan of 2016.....	2042	11,050,000	2.00 - 5.00	10,850,000	-	(495,000)	10,355,000
Municipal Purpose Loan of 2017.....	2042	20,750,000	3.00 - 5.00	20,750,000	-	(525,000)	20,225,000
Total governmental bonds payable.....				38,178,600	-	(3,197,000)	34,981,600
Add: unamortized premium.....				1,330,396	-	(150,435)	1,179,961
Total governmental bonds payable, net.....				\$ 39,508,996	\$ -	\$ (3,347,435)	\$ 36,161,561

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

Year	Principal	Interest	Total
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.....	\$ 34,981,600	\$ 12,278,888	\$ 47,260,488

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 2018, \$1,690,376 of such assistance was received; \$1,337,687 will be received in future years. Accordingly, a \$1,337,687 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, 2017	Issued	Redeemed	Outstanding at June 30, 2018
Municipal Purpose Loan of 2001.....	2021	\$ 900,000	4.50	\$ 180,000	\$ -	\$ (45,000)	\$ 135,000
Municipal Purpose Loan of 2006.....	2021	3,167,200	3.25 - 5.00	681,400	-	(273,000)	408,400
Municipal Purpose Loan of 2009.....	2028	2,565,000	3.25 - 5.00	1,485,000	-	(135,000)	1,350,000
Municipal Purpose Loan of 2013.....	2028	930,000	1.30 - 2.35	670,000	-	(65,000)	605,000
Massachusetts Clean Water Trust...	2033	16,627,532	2.00	12,052,435	-	(794,277)	11,258,158
Municipal Purpose Loan of 2016.....	2026	1,325,000	2.00 - 5.00	1,190,000	-	(135,000)	1,055,000
Total water bonds payable.....				16,258,835	-	(1,447,277)	14,811,558
Add: unamortized premium.....				109,899	-	(26,083)	83,816
Total water bonds payable, net.....				\$ 16,368,734	\$ -	\$ (1,473,360)	\$ 14,895,374

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

Year	Principal	Interest	Total
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.....	\$ 14,811,558	\$ 2,337,768	\$ 17,149,326

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

Project	Maturities Through Year	Original Loan Amount	Interest Rate (%)	Outstanding at June 30, 2017	Issued	Redeemed	Outstanding at June 30, 2018
Municipal Purpose Loan of 2008.....	2028	\$ 2,590,000	3.25 - 5.00	\$ 1,465,000	\$ -	\$ (70,313)	\$ 1,394,687
Massachusetts Clean Water Trust.....	2033	14,726,165	0.00 - 2.00	346,749	-	(140,000)	206,749
Total sewer bonds payable.....				\$ 1,811,749	\$ -	\$ (210,313)	\$ 1,601,436

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

Year	Principal	Interest	Total
2019.....	\$ 210,314	\$ 61,302	\$ 271,616
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.....	173,498	24,450	197,948
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.....	\$ 1,601,436	\$ 292,824	\$ 1,894,260

The Town is scheduled to be subsidized by the Massachusetts Clean Water Trust (MCWT) on a periodic basis for principal in the amount of \$202,099 and interest costs for \$297,848. The principal subsidies are guaranteed and therefore an \$80,146 governmental, \$62,949 water and a \$59,004 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 2018, the Town was subsidized for principal in the amount of \$31,000, and interest in the amount of \$84,000.

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, 2018, the Town had the following authorized and unissued debt:

Purpose	Amount
East Street Municipal Complex.....	\$ 6,249,567
Road/Bridge/Sidewalk Maintenance.....	5,400,000
High School Windows/Doors Repairs.....	1,300,000
Fire Station Improvements.....	660,000
Fire Engine.....	660,000
Memorial Hall Improvements.....	360,000
Water Main Improvements.....	500,000
Total.....	\$ 15,129,567

Changes in Long-term Liabilities

During the year ended June 30, 2018, 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.....	\$ 38,178,600	\$ -	\$ (3,197,000)	\$ -	\$ -	\$ 34,981,600	\$ 1,951,600
Add: Unamortized premium on bonds.....	1,330,396	-	-	-	(150,435)	1,179,961	138,322
Total bonds payable.....	39,508,996	-	(3,197,000)	-	(150,435)	36,161,561	2,089,922
Compensated absences.....	1,510,706	-	-	1,036,167	(999,407)	1,547,466	993,995
Capital lease obligations.....	131,908	-	-	-	(46,343)	85,565	41,637
Landfill postclosure care.....	153,000	-	-	-	(17,000)	136,000	17,000
Other postemployment benefits.....	81,612,987	-	-	6,832,417	(3,103,748)	85,341,656	-
Net pension liability.....	32,293,093	-	-	1,531,741	(3,641,927)	30,182,907	-
Total governmental activity long-term liabilities.....	\$ 155,210,690	\$ -	\$ (3,197,000)	\$ 9,400,325	\$ (7,958,860)	\$ 153,455,155	\$ 3,142,554
<b>Business-Type Activities:</b>							
Long-term bonds payable.....	\$ 18,070,584	\$ -	\$ (1,657,590)	\$ -	\$ -	\$ 16,412,994	\$ 1,593,586
Add: Unamortized premium on bonds.....	109,899	-	-	-	(26,083)	83,816	22,400
Total bonds payable.....	18,180,483	-	(1,657,590)	-	(26,083)	16,496,810	1,615,986
Compensated absences.....	380,561	-	-	307,961	(292,522)	396,000	319,773
Customer deposits payable.....	1,167,070	-	-	101,806	-	1,268,876	-
Other postemployment benefits.....	6,445,023	-	-	608,310	(739,780)	6,313,553	-
Net pension liability.....	5,062,288	-	-	269,415	(600,210)	4,731,493	-
Total business-type activity long-term liabilities.....	\$ 31,235,425	\$ -	\$ (1,657,590)	\$ 1,287,492	\$ (1,658,595)	\$ 29,206,732	\$ 1,935,759

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 intention of the GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, 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 \$4,421,244, and the balance of the capital stabilization fund is \$52,847.

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

	<u>General</u>	<u>Municipal Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Fund Balances:</b>				
<b>Nonspendable:</b>				
Trust fund principal.....	\$ -	\$ -	\$ 132,409	\$ 132,409
<b>Restricted for:</b>				
Municipal Projects.....	-	7,883,289	-	7,883,289
Federal Grants.....	-	-	327,109	327,109
State Grants.....	-	-	1,336,800	1,336,800
Receipts Reserved.....	-	-	28,260	28,260
Revolving Funds.....	-	-	3,199,240	3,199,240
Special Revolving.....	-	-	599,166	599,166
School Lunch.....	-	-	61,309	61,309
Gifts & Donations.....	-	-	546,315	546,315
Other Special Revenue.....	-	-	1,680,408	1,680,408
Cemeteries Permanent Funds.....	-	-	416,949	416,949
<b>Committed to:</b>				
<b>Articles and continuing appropriations:</b>				
General government.....	1,069,343	-	-	1,069,343
Education.....	2,031,440	-	-	2,031,440
Public works.....	200,153	-	-	200,153
Culture and recreation.....	75,000	-	-	75,000
<b>Assigned to:</b>				
<b>Encumbrances:</b>				
General government.....	36,335	-	-	36,335
Public safety.....	50,504	-	-	50,504
Education.....	382,968	-	-	382,968
Public works.....	21,385	-	-	21,385
Employee benefits.....	46,895	-	-	46,895
Unassigned.....	<u>10,296,705</u>	<u>-</u>	<u>-</u>	<u>10,296,705</u>
<b>Total Fund Balances.....</b>	<b>\$ <u>14,210,728</u></b>	<b>\$ <u>7,883,289</u></b>	<b>\$ <u>8,327,965</u></b>	<b>\$ <u>30,421,982</u></b>

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 \$11,302,039 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 \$108.3 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, 2017 which was \$4,212,838, or 19.82% 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, 2018, the Town reported a liability of \$34,914,400 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2018. 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, 2017, the Town's proportion was 11.19%, the same proportion as of December 31, 2016.

*Pension Expense*

For the year ended June 30, 2018, the Town recognized pension expense of \$4,150,451. At June 30, 2018, the Town reported deferred outflows of resources related to pensions of \$4,635,192, and deferred inflows of resources related to pensions of \$2,350,679.

The balances of deferred outflows and inflows at June 30, 2018 consist of the following:

Deferred category	Deferred Outflows of Resources	Deferred Inflows of Resources	Total
Differences between expected and actual experience.....	\$ 4,423,045	\$ -	\$ 4,423,045
Changes of assumptions.....	-	(571,241)	(571,241)
Difference between projected and actual earnings, net.....	-	(886,255)	(886,255)
Changes in proportionate share of contributions.....	212,147	(893,183)	(681,036)
<b>Total Deferred Outflows/(Inflows) of Resources.....</b>	<b>\$ 4,635,192</b>	<b>\$ (2,350,679)</b>	<b>\$ 2,284,513</b>

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)
2019.....	\$ 1,418,843
2020.....	1,101,150
2021.....	161,148
2022.....	(396,628)
<b>Total.....</b>	<b>\$ 2,284,513</b>

*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, 2018 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equity.....	46.5%	7.9%
Fixed Income.....	24.5%	4.6%
Private Equity.....	8.5%	10.5%
Real estate.....	7.5%	6.5%
Hedge Funds.....	5.0%	5.9%
Infrastructure.....	5.0%	7.6%
Timber.....	3.0%	7.5%
	<u>100.00%</u>	

*Actuarial Assumptions*

The total pension liability in the January 1, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement that was updated to December 31, 2017:

Valuation date.....	January 1, 2018	
Actuarial cost method.....	Entry Age Normal Cost Method.	
Amortization method.....	Level percent, open group.	
Remaining amortization period.....	11 years.	
Asset valuation method.....	Market value.	
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, 2017, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 15.65%. 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.....	\$ 47,383,297	\$ 34,914,400	\$ 24,411,782

*Changes of Assumptions* – None.

*Changes of Plan Provisions* – None.

**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 2018, the Town’s age-adjusted contribution to the plan totaled \$3.7 million. For the year ended June 30, 2018, the Town’s average contribution rate was 7.06% 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 2018, the Town pre-funded future OPEB liabilities totaling \$752,000 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, 2018, the balance of this fund totaled \$5.8 million.

**GASB Statement #74 – OPEB Plan Financial Reporting**

*Measurement Date* – GASB #74 requires the net OPEB liability to be measured as of the OPEB Plan’s most recent fiscal year-end. Accordingly, the net OPEB liability was measured as of June 30, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of July 1, 2016.

*Employees Covered by Benefit Terms* – The following table represents the Plan’s membership at June 30, 2018:

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, 2018:

Total OPEB liability.....	\$ 97,171,899
Less: OPEB plan's fiduciary net position.....	<u>(5,802,492)</u>
 Net OPEB liability.....	 <u><u>\$ 91,369,407</u></u>
 The OPEB plan's fiduciary net position as a percentage of the total OPEB liability.....	  5.97%

*Significant Actuarial Methods and Assumptions* – The total OPEB liability in the July 1, 2016 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, 2018 to be in accordance with GASB #74:

Valuation date.....	July 1, 2016
Actuarial cost method.....	Individual Entry Age Normal.
Asset valuation method.....	Market value of assets as of the reporting date, June 30, 2018.
Investment rate of return.....	6.82%, net of OPEB plan investment expense, including inflation.
Single equivalent discount rate....	5.00%, net of OPEB plan investment expense, including inflation. Using a blend of the Municipal Bond Index Rate for unfunded periods and the Investment Rate of Return for funded periods, based on GASB No.74 Implementation Guide Exposure Draft; IG ED 4.136.
Inflation.....	2.75% as of June 30, 2018 and for future periods.
Salary increases.....	3.00% annually as of June 30, 2018 and for future periods.

Healthcare trends rate.....	5.00%
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.

*Rate of return* – For the year ended June 30, 2018, the annual money-weighted rate of return on investments, net of investment expense, was 4.97%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

*Investment Policy*

The Town’s policy in regard to the allocation of invested assets is established and may be amended by the Select Board 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 net real rate of return of 4.07% is added to the expected inflation of 2.75% to produce the long-term expected nominal rate of return of 6.82%. 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, 2018 are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity - Large Cap.....	21.00%	4.00%
Domestic Equity - Small/Mid Cap.....	10.50%	6.00%
International Equity - Developed Markets.....	10.75%	4.50%
International Equity - Emerging Markets.....	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 5.00% as of June 30, 2018, and 5.50% as of June 30, 2017. 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 using the S&P Municipal Bond 20 – Year High Grade Rate Index (3.45% for 2018 and 3.13% for 2017).

*Sensitivity of the Net OPEB Liability to changes in the discount rate* – The following table presents the net other postemployment benefit liability, calculated using the discount rate of 5.00%, 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 (4.00%) or 1-percentage-point higher (6.00%) than the current rate.

	<u>1% Decrease (4.00%)</u>	<u>Current Discount Rate (5.00%)</u>	<u>1% Increase (6.00%)</u>
Net OPEB liability.....	\$ <u>107,978,237</u>	\$ <u>91,369,407</u>	\$ <u>78,049,510</u>

*Sensitivity of the Net OPEB 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%).

	<u>1% Decrease (4.00%)</u>	<u>Current Trend (5.00%)</u>	<u>1% Increase (6.00%)</u>
Net OPEB liability.....	\$ <u>72,064,599</u>	\$ <u>91,369,407</u>	\$ <u>116,296,216</u>

*Changes of Assumptions* — The discount rate was reduced to 5.00%; it was previously 5.50%.

*Changes in Plan Provisions* – None.

**GASB Statement #75 – OPEB Employer Financial Reporting**

*Summary of Significant Accounting Policies* – For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Plan and additions to/deductions from the Plan’s fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts (repurchase agreements) that have a maturity at the time of purchase of one year or less, which are reported at cost.

*Measurement Date* – GASB Statement #75 requires the net OPEB liability to be measured as of a date no earlier than the end of the employer’s prior fiscal year and no later than the end of the employer’s current fiscal year, consistently applied from period to period. Accordingly, the net OPEB liability was measured as of June 30, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of July 1, 2016.

*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>

*Significant Actuarial Methods and Assumptions* – The total OPEB liability in the July 1, 2016, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified, that was updated to June 30, 2017, to be in accordance with GASB Statement #75:

Valuation date.....	Actuarially determined contribution for fiscal year ending June 30, 2017 was calculated as of July 1, 2016.
Actuarial cost method.....	Individual Entry Age Normal.
Asset valuation method.....	Market value as of the measurement date, July 1, 2017.
Investment rate of return.....	6.82%, net of OPEB plan investment expense, including inflation.
Municipal bond rate.....	3.13% as of July 1, 2017 (source: S&P Municipal Bond 20-Year High Grade Index - SAPIHG)
Single equivalent discount rate.....	4.75%, net of OPEB plan investment expense, including inflation.
Inflation rate.....	2.75% as of July 1, 2017 and for future periods.
Salary increases.....	3.00% annually as of July 1, 2017 and for future periods.
Healthcare trend rate.....	5.00%
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 Select Board 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 4.07% is added to the expected inflation of 2.75% to produce the long-term expected nominal rate of return of 6.82%. 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 Markets.....	10.75%	4.50%
International Equity - Emerging Markets.....	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.....	100.00%	

*Discount rate* – The discount rate used to measure the total OPEB liability was 4.75% as of June 30, 2017, an increase from the 4.00% discount rate that was used as of June 30, 2016. The projection of cash flows used to determine the discount rate assumed that contributions will be made in accordance with the Plan’s funding policy. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to be insufficient to make all projected benefit payments to current plan members. Therefore, the long-term expected rate of return on the OPEB plan assets was applied to periods of projected future benefits payments and a yield or index rate for 20 year, tax exempt general obligation municipal bonds with an average rate of AA/Aa or higher.

*Changes in the Net OPEB Liability*

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at June 30, 2016.....	\$ 91,841,324	\$ 3,783,314	\$ 88,058,010
Changes for the year:			
Service cost.....	3,002,173	-	3,002,173
Interest.....	4,438,554	-	4,438,554
Contributions - employer.....	-	3,499,303	(3,499,303)
Net investment income.....	-	344,225	(344,225)
Benefit payments.....	(2,833,368)	(2,833,368)	-
Net change.....	4,607,359	1,010,160	3,597,199
Balances at June 30, 2017.....	\$ 96,448,683	\$ 4,793,474	\$ 91,655,209

*Sensitivity of the Net OPEB Liability to Changes in the Discount Rate* – The following table presents the net other postemployment benefit liability, calculated using the discount rate of 4.75%, 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 (3.75%) or 1-percentage-point higher (5.75%) than the current discount rate.

	<u>1% Decrease (3.75%)</u>	<u>Current Discount Rate (4.75%)</u>	<u>1% Increase (5.75%)</u>
Net OPEB liability.....	\$ <u>108,593,472</u>	\$ <u>91,655,209</u>	\$ <u>78,193,558</u>

*Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates* – The following table presents the net other postemployment benefit liability, calculated using the current healthcare trend rate of 5.0%, 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 or 1-percentage-point higher.

	<u>1% Decrease (4.00%)</u>	<u>Current Trend (5.00%)</u>	<u>1% Increase (6.00%)</u>
Net OPEB liability.....	\$ <u>72,123,853</u>	\$ <u>91,655,209</u>	\$ <u>116,984,074</u>

*OPEB Expense and Deferred Outflows of Resources Related to OPEB* – For the year ended June 30, 2018 the Town recognized OPEB expense of \$4,263,134 and reported deferred outflows of resources related to OPEB from the following sources:

<u>Deferred Category</u>	<u>Deferred Outflows of Resources</u>
Contributions made subsequent to the measurement date.....	\$ <u>3,736,308</u>

Amounts reported as deferred outflows of resources related to OPEB will be recognized in OPEB expense in fiscal year 2019.

*Changes of Assumptions* – None.

*Changes in Plan Provisions* – None.

**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 \$136,000 which has been recorded as a governmental activity liability at June 30, 2018. 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, various road and bridge work projects, and building improvements that will be funded with long-term debt totaling \$15.1 million.

The Mansfield Municipal Electric 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, 2018 principal payment, total capital expenditures amounted to \$1,499,468,000, of which \$90,010,000 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, 2018 principal payment, MMWEC’s total future debt service requirement on outstanding bonds issued for the Projects is \$7,959,000, of which \$676,000 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, 2018 and estimated for future years is shown below:

<u>Years Ending June 30,</u>	<u>Estimated Annual Costs</u>
2019.....	\$ <u><u>676,000</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 \$5,464,000 and \$8,146,000 for the years ended June 30, 2018 and 2017, respectively.

Contingencies

The Town participates in a number of federal award programs. Although the grant programs have been audited in accordance with the provisions of the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* through June 30, 2018, 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, 2018, cannot be ascertained, management believes any resulting liability should not materially affect the financial position at June 30, 2018.

**NOTE 15 – REVISION OF PREVIOUSLY REPORTED NET POSITION**

The Town implemented GASB Statement No.75 during 2018 which resulted in the revision of net position previously reported in governmental and enterprise funds. These revisions included reporting the Net OPEB liability and deferred outflows of resources related to OPEB at the beginning of the period. The following table details the effect of the net position revisions:

	06/30/2017 Previously Reported Balances	Implementation of GASB #75	06/30/2017 Revised Balances
<b>Government-Wide Financial Statements</b>			
Governmental activities.....	\$ 8,107,747	\$ (36,911,912)	\$ (28,804,165)
Business-type activities.....	<u>93,952,458</u>	<u>(4,102,721)</u>	<u>89,849,737</u>
Total.....	<u>\$ 102,060,205</u>	<u>\$ (41,014,633)</u>	<u>\$ 61,045,572</u>
<b>Business-type Activities - Enterprise Funds</b>			
Water enterprise fund.....	\$ 22,036,654	\$ (993,620)	\$ 21,043,034
Sewer enterprise fund.....	9,806,938	(1,430,977)	8,375,961
Airport enterprise fund.....	8,502,635	-	8,502,635
Parking enterprise fund.....	732,325	(34,573)	697,752
Electric enterprise fund.....	<u>52,873,906</u>	<u>(1,643,551)</u>	<u>51,230,355</u>
Total.....	<u>\$ 93,952,458</u>	<u>\$ (4,102,721)</u>	<u>\$ 89,849,737</u>

**NOTE 17 – SUBSEQUENT EVENTS**

Management has evaluated subsequent events through December 17, 2018 which is the date the financial statements were available to be issued.

**NOTE 18 – IMPLEMENTATION OF NEW GASB PRONOUNCEMENTS**

During 2018, the following GASB pronouncements were implemented:

- GASB Statement #75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The basic financial statements, related notes and required supplementary information were updated to be in compliance with this pronouncement.
- GASB Statement #81, *Irrevocable Split-Interest Agreements*. This pronouncement did not impact the basic financial statements.
- GASB Statement #85, *Omnibus 2017*. This pronouncement did not impact the basic financial statements.
- GASB Statement #86, *Certain Debt Extinguishment Issues*. This pronouncement did not impact the basic financial statements.

The following GASB pronouncements will be implemented in the future:

- 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 2019.
- The GASB issued Statement #87, *Leases*, which is required to be implemented in 2021.
- The GASB issued Statement #88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*, which is required to be implemented in 2019.
- The GASB issued Statement #89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, which is required to be implemented in 2021.
- The GASB issued Statement #90, *Majority Equity Interests – an amendment of GASB Statements #14 and #61*, which is required to be implemented in 2020.

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, 2018

	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.....	\$ 61,307,183	\$ 61,307,183	\$ 61,244,099	\$ -	\$ (63,084)
Tax liens.....	-	-	582,997	-	582,997
Motor vehicle and other excise taxes.....	3,710,000	3,710,000	3,645,365	-	(64,635)
Hotel/motel tax.....	326,000	326,000	285,360	-	(40,640)
Meals tax.....	469,000	469,000	472,079	-	3,079
Penalties and interest on taxes.....	198,000	198,000	189,725	-	(8,275)
Fees and rentals.....	1,212,000	1,212,000	1,424,727	-	212,727
Payments in lieu of taxes.....	655,199	655,199	655,625	-	426
Licenses and permits.....	730,000	730,000	1,393,184	-	663,184
Fines and forfeitures.....	80,000	80,000	91,621	-	11,621
Intergovernmental.....	23,528,893	23,528,893	23,301,617	-	(227,276)
Special assessments.....	1,300	1,300	1,317	-	17
Investment income.....	160,000	160,000	434,390	-	274,390
Miscellaneous.....	-	-	47,761	-	47,761
<b>TOTAL REVENUES.....</b>	<b>92,377,575</b>	<b>92,377,575</b>	<b>93,769,867</b>	<b>-</b>	<b>1,392,292</b>
<b>EXPENDITURES:</b>					
Current:					
General Government:					
Selectmen					
Other Expenses.....	86,200	86,200	80,878	-	5,322
Town Manager					
Personal Services.....	270,180	291,180	288,835	-	2,345
Other Expenses.....	132,800	300,900	206,079	-	94,821
Total.....	402,980	592,080	494,914	-	97,166
Finance Committee					
Other Expenses.....	2,500	2,500	280	-	2,220
Reserve Fund.....	375,000	120,450	-	-	120,450
Total.....	377,500	122,950	280	-	122,670
Treasurer/Collector					
Personal Services.....	336,668	326,668	322,215	-	4,453
Other Expenses.....	100,100	100,100	90,335	1,500	8,265
Total.....	436,768	426,768	412,550	1,500	12,718
Finance - Accountant					
Personal Services.....	269,631	258,031	243,733	-	14,298
Other Expenses.....	39,684	49,584	47,237	-	2,347
Total.....	309,315	307,615	290,970	-	16,645
Finance - Assessors					
Personal Services.....	134,156	137,656	137,326	-	330
Other Expenses.....	38,480	38,480	30,898	-	7,582
Articles.....	80,000	80,000	-	80,000	-
Total.....	252,636	256,136	168,224	80,000	7,912
Personnel					
Personal Services.....	45,270	20,270	-	-	20,270
Other Expenses.....	29,250	29,359	27,054	-	2,305
Total.....	74,520	49,629	27,054	-	22,575
Finance - Management Information Systems					
Personal Services.....	272,963	272,963	262,598	-	10,365
Other Expenses.....	292,206	292,206	217,765	28,654	45,787
Capital Outlay.....	12,700	12,700	12,230	-	470
Articles.....	220,000	220,000	16,200	203,800	-
Total.....	797,869	797,869	508,793	232,454	56,622
Town Clerk					
Personal Services.....	179,335	181,835	180,353	-	1,482
Other Expenses.....	29,250	49,250	47,329	-	1,921
Total.....	208,585	231,085	227,682	-	3,403

(Continued)

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

YEAR ENDED JUNE 30, 2018

	Budgeted Amounts		Actual Budgetary Amounts	Amounts Carried Forward To Next Year	Variance to Final Budget
	Original Budget	Final Budget			
<b>Conservation</b>					
Personal Services.....	64,054	64,304	64,054	-	250
Other Expenses.....	3,390	3,390	2,223	-	1,167
Total.....	67,444	67,694	66,277	-	1,417
<b>Planning Board</b>					
Personal Services.....	114,173	116,473	116,391	-	82
Other Expenses.....	1,550	1,550	605	-	945
Total.....	115,723	118,023	116,996	-	1,027
<b>Zoning Board of Appeals</b>					
Other Expenses.....	401	401	32	-	369
<b>Boards/Committees</b>					
Personal Services.....	10,000	10,000	3,001	-	6,999
Other Expenses.....	5,600	5,600	3,000	-	2,600
Total.....	15,600	15,600	6,001	-	9,599
<b>Public Buildings</b>					
Personal Services.....	250,487	250,487	240,779	-	9,708
Other Expenses.....	359,785	414,892	408,523	6,181	188
Capital Outlay.....	117,000	117,000	66,681	-	50,319
Articles.....	941,483	941,483	155,940	785,543	-
Total.....	1,668,755	1,723,862	871,923	791,724	60,215
Total General Government.....	4,814,296	4,795,912	3,272,574	1,105,678	417,660
<b>Public Safety:</b>					
<b>Police</b>					
Personal Services.....	4,035,562	4,035,562	3,833,003	-	202,559
Other Expenses.....	579,627	579,627	504,446	35,495	39,686
Capital Outlay.....	205,897	205,897	182,867	15,009	8,021
Articles.....	130,000	130,000	129,999	-	1
Total.....	4,951,086	4,951,086	4,650,315	50,504	250,267
<b>Fire</b>					
Personal Services.....	3,742,940	3,742,940	3,639,442	-	103,498
Other Expenses.....	275,158	275,158	213,926	-	61,232
Capital Outlay.....	64,360	64,360	21,024	-	43,336
Total.....	4,082,458	4,082,458	3,874,392	-	208,066
<b>Emergency Medical Services</b>					
Personal Services.....	523,746	523,746	485,969	-	37,777
Other Expenses.....	139,555	139,555	126,952	-	12,603
Capital Outlay.....	2,587	2,587	2,490	-	97
Total.....	665,888	665,888	615,411	-	50,477
<b>Dispatchers</b>					
Personal Services.....	722,794	722,794	631,446	-	91,348
Other Expenses.....	27,420	27,420	15,900	-	11,520
Capital Outlay.....	3,000	3,000	3,000	-	-
Total.....	753,214	753,214	650,346	-	102,868
<b>Regulatory &amp; Inspection</b>					
Personal Services.....	344,499	344,499	342,478	-	2,021
Other Expenses.....	14,752	14,752	6,269	-	8,483
Capital Outlay.....	-	-	-	-	-
Total.....	359,251	359,251	348,747	-	10,504
<b>Emergency Management</b>					
Personal Services.....	4,498	4,498	4,498	-	-
Other Expenses.....	48,000	48,000	29,794	-	18,206
Capital Outlay.....	5,000	5,000	-	-	5,000
Total.....	57,498	57,498	34,292	-	23,206
Total Public Safety.....	10,869,395	10,869,395	10,173,503	50,504	645,388
<b>Education:</b>					
Mansfield Public Schools.....	49,749,704	49,749,705	48,922,795	382,968	443,942
Town Expenditures for Education.....	53,000	53,000	53,000	-	-
Articles.....	1,618,628	2,553,629	522,015	2,031,440	174
Total.....	51,421,332	52,356,334	49,497,810	2,414,408	444,116
<b>Southeastern Regional Vocational School</b>					
Other Expenses.....	814,639	814,639	814,639	-	-
Total Education.....	52,235,971	53,170,973	50,312,449	2,414,408	444,116

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

YEAR ENDED JUNE 30, 2018

	Budgeted Amounts		Actual Budgetary Amounts	Amounts Carried Forward To Next Year	Variance to Final Budget
	Original Budget	Final Budget			
					(Continued)
Public Works:					
Engineering					
Articles.....	15,789	15,789	-	15,789	-
DPW - Administration					
Personal Services.....	237,658	242,658	242,500	-	158
Other Expenses.....	1,976,715	1,976,715	1,970,718	-	5,997
Articles.....	98,000	98,000	-	98,000	-
Total.....	2,312,373	2,317,373	2,213,218	98,000	6,155
DPW - Highway					
Personal Services.....	966,498	939,498	933,055	-	6,443
Other Expenses.....	932,834	1,023,114	1,022,470	642	2
Capital Outlay.....	20,500	20,500	15,546	4,954	-
Articles.....	274,456	274,456	172,302	102,153	1
Total.....	2,194,288	2,257,568	2,143,373	107,749	6,446
DPW - Snow & Ice					
Other Expenses.....	389,440	774,518	772,236	-	2,282
Total Public Works.....	4,911,890	5,365,248	5,128,827	221,538	14,883
Human Services:					
Health					
Personal Services.....	82,087	82,187	82,095	-	92
Other Expenses.....	39,538	39,538	38,409	-	1,129
Total.....	121,625	121,725	120,504	-	1,221
Right To Know					
Personal Services.....	3,000	3,000	-	-	3,000
Senior Citizens					
Personal Services.....	328,304	321,304	282,163	-	39,141
Other Expenses.....	53,384	53,384	42,671	-	10,713
Total.....	381,688	374,688	324,834	-	49,854
Veterans					
Personal Services.....	61,868	64,368	63,460	-	908
Other Expenses.....	210,450	160,450	152,274	-	8,176
Total.....	272,318	224,818	215,734	-	9,084
Social Services					
Personal Services.....	77,614	84,614	67,514	-	17,100
Other Expenses.....	935	935	427	-	508
Total.....	78,549	85,549	67,941	-	17,608
Municipal Building Committee					
Other Expenses.....	750	750	-	-	750
Total Human Services.....	857,930	810,530	729,013	-	81,517
Culture and Recreation:					
Library					
Personal Services.....	635,368	635,368	578,753	-	56,615
Other Expenses.....	273,567	273,567	273,567	-	-
Total.....	908,935	908,935	852,320	-	56,615
Parks & Recreation					
Personal Services.....	84,982	86,982	85,355	-	1,627
Other Expenses.....	19,900	19,900	17,479	-	2,421
Articles.....	205,000	205,000	130,000	75,000	-
Total.....	309,882	311,882	232,834	75,000	4,048
Historical Commission					
Other Expenses.....	1,300	1,300	622	-	678
Arts Cultural Council					
Other Expenses.....	2,750	2,750	2,750	-	-
Total Culture and Recreation.....	1,222,867	1,224,867	1,088,526	75,000	61,341

(Continued)

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

YEAR ENDED JUNE 30, 2018

	Budgeted Amounts		Actual Budgetary Amounts	Amounts Carried Forward To Next Year	Variance to Final Budget
	Original Budget	Final Budget			
Insurance/Employee Benefits					
Town Insurance.....	953,600	894,961	860,753	-	34,208
Employee Benefits.....	14,960,256	15,113,895	15,067,000	46,895	-
Total Insurance/Employee Benefits.....	<u>15,913,856</u>	<u>16,008,856</u>	<u>15,927,753</u>	<u>46,895</u>	<u>34,208</u>
State and County Assessments.....	<u>2,044,619</u>	<u>2,048,872</u>	<u>1,950,829</u>	-	<u>98,043</u>
Debt Service					
Principal.....	3,182,655	3,182,655	3,182,655	-	-
Interest.....	1,492,240	1,397,240	1,269,587	-	127,653
Total.....	<u>4,674,895</u>	<u>4,579,895</u>	<u>4,452,242</u>	-	<u>127,653</u>
TOTAL EXPENDITURES.....	<u>97,545,719</u>	<u>98,874,548</u>	<u>93,035,716</u>	<u>3,914,023</u>	<u>1,924,809</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	<u>(5,168,144)</u>	<u>(6,496,973)</u>	<u>734,151</u>	<u>(3,914,023)</u>	<u>3,317,101</u>
<b>OTHER FINANCING SOURCES (USES):</b>					
Use of prior year reserves.....	3,073,877	3,073,877	-	-	(3,073,877)
Use of free cash.....	2,103,102	3,727,678	-	-	(3,727,678)
Transfers in.....	842,970	842,970	1,010,537	-	167,567
Transfers out.....	<u>(851,805)</u>	<u>(1,147,552)</u>	<u>(1,147,552)</u>	-	-
TOTAL OTHER FINANCING SOURCES (USES).....	<u>5,168,144</u>	<u>6,496,973</u>	<u>(137,015)</u>	-	<u>(6,633,988)</u>
NET CHANGE IN FUND BALANCE.....	-	-	597,136	(3,914,023)	(3,316,887)
BUDGETARY FUND BALANCE, Beginning of year.....	<u>8,974,463</u>	<u>8,974,463</u>	<u>8,974,463</u>	-	-
BUDGETARY FUND BALANCE, End of year.....	<u>\$ 8,974,463</u>	<u>\$ 8,974,463</u>	<u>\$ 9,571,599</u>	<u>\$ (3,914,023)</u>	<u>\$ (3,316,887)</u>

See notes to required supplementary information.

(Concluded)

# ***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**

Year	Proportion of the net pension liability (asset)	Proportionate share of the net pension liability (asset)	Covered payroll	Net pension liability as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
December 31, 2017.....	11.189%	\$ 34,914,400	\$ 21,254,745	164.27%	68.56%
December 31, 2016.....	11.189%	37,355,381	20,390,681	183.20%	64.17%
December 31, 2015.....	11.189%	37,644,374	20,056,126	187.70%	62.95%
December 31, 2014.....	12.833%	36,667,016	18,207,233	201.39%	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 THE TOWN'S CONTRIBUTIONS**  
**BRISTOL COUNTY CONTRIBUTORY RETIREMENT SYSTEM**

---

Year	Actuarially determined contribution	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
June 30, 2018.....	\$ 4,212,838	\$ (4,212,838)	-	\$ 21,254,745	19.82%
June 30, 2017.....	4,429,042	(4,429,042)	-	20,390,681	21.72%
June 30, 2016.....	4,037,340	(4,037,340)	-	20,056,126	20.13%
June 30, 2015.....	3,802,886	(3,802,886)	-	18,207,233	20.89%

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. Therefore, there is no net pension liability to recognize. This schedule discloses the Commonwealth's 100% share of the associated collective net pension liability; the portion of the collective pension expense as both a revenue and pension expense recognized; and the Plan's fiduciary net position as a percentage of the total liability.

Year	Commonwealth's 100% Share of the Associated Net Pension Liability	Expense and Revenue Recognized for the Commonwealth's Support	Plan Fiduciary Net Position as a Percentage of the Total Liability
2018.....	\$ 108,285,175	\$ 11,302,039	54.25%
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***

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.

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

	June 30, 2017	June 30, 2018
<b>Total OPEB Liability</b>		
Service Cost.....	\$ 3,002,173	\$ 2,961,867
Interest.....	4,438,554	4,732,890
Changes of benefit terms.....	-	-
Differences between expected and actual experience....	-	6,234,155
Changes of assumptions.....	-	(10,221,823)
Benefit payments.....	<u>(2,833,368)</u>	<u>(2,983,873)</u>
Net change in total OPEB liability.....	4,607,359	723,216
Total OPEB liability - beginning.....	<u>91,841,324</u>	<u>96,448,683</u>
Total OPEB liability - ending (a).....	<u>\$ 96,448,683</u>	<u>\$ 97,171,899</u>
<b>Plan fiduciary net position</b>		
Employer contributions.....	\$ 665,935	\$ 752,435
Employer contributions for OPEB payments.....	2,833,368	2,983,873
Net investment income.....	344,225	256,583
Benefit payments.....	<u>(2,833,368)</u>	<u>(2,983,873)</u>
Net change in plan fiduciary net position.....	1,010,160	1,009,018
Plan fiduciary net position - beginning of year.....	<u>3,783,314</u>	<u>4,793,474</u>
Plan fiduciary net position - end of year (b).....	<u>\$ 4,793,474</u>	<u>\$ 5,802,492</u>
<b>Net OPEB liability - ending (a)-(b).....</b>	<u>\$ 91,655,209</u>	<u>\$ 91,369,407</u>
Plan fiduciary net position as a percentage of the total OPEB liability.....	4.97%	5.97%
Covered-employee payroll.....	\$ 51,379,504	\$ 52,920,889
Net OPEB liability as a percentage of covered-employee payroll.....	178.39%	172.65%

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 TOWN'S CONTRIBUTIONS  
OTHER POSTEMPLOYMENT BENEFIT PLAN**

<u>Year</u>	<u>Actuarially determined contribution</u>	<u>Contributions in relation to the actuarially determined contribution</u>	<u>Contribution deficiency (excess)</u>	<u>Covered- employee payroll</u>	<u>Contributions as a percentage of covered- employee payroll</u>
June 30, 2018.....	\$ 8,006,970	\$ (3,736,308)	\$ 4,270,662	\$ 52,920,889	7.06%
June 30, 2017.....	7,552,718	(3,499,303)	4,053,415	51,379,504	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**

---

Year	Annual money-weighted rate of return, net of investment expense
June 30, 2018.....	4.97%
June 30, 2017.....	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.

**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 2018 approved budget for the General Fund authorized \$95.3 million in appropriations and other amounts to be raised, as well as \$3.1 million of encumbrances and continuing appropriations carried forward from the prior year. During 2018 Town meeting authorized \$1.6 million of supplemental appropriations including \$935,000 for education related capital articles, as well as \$385,000 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, 2018, is presented below:

Net change in fund balance - budgetary basis.....	\$	597,136
<u>Perspective differences:</u>		
Activity of the stabilization fund recorded in the general fund for GAAP.....		319,613
<u>Basis of accounting differences:</u>		
Net change in recording 60 day receipts.....		(145,287)
Recognition of revenue for on-behalf payments.....		11,302,039
Recognition of expenditures for on-behalf payments.....		<u>(11,302,039)</u>
Net change in fund balance - GAAP basis.....	\$	<u>771,462</u>

**NOTE B – PENSION PLAN**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 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.

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.

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.

Changes of Assumptions

None.

Changes of Plan Provisions

None.

**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***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.

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 employee payroll. Actuarially contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported. Methods and assumptions used to determine contribution rates are as follows:

## Actuarial Assumptions:

Valuation date.....	July 1, 2016
Actuarial cost method.....	Individual Entry Age Normal.
Asset valuation method.....	Market value of assets as of the reporting date, June 30, 2018.
Investment rate of return.....	6.82%, net of OPEB plan investment expense, including inflation.
Single equivalent discount rate....	5.00%, net of OPEB plan investment expense, including inflation. Using a blend of the Municipal Bond Index Rate for unfunded periods and the Investment Rate of Return for funded periods, based on GASB No.74 Implementation Guide Exposure Draft; IG ED 4.136.
Inflation.....	2.75% as of June 30, 2018 and for future periods.
Salary increases.....	3.00% annually as of June 30, 2018 and for future periods.
Healthcare trends rate.....	5.00%
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.

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.

Changes of Assumptions

The discount rate was reduced to 5.00%; it was previously 5.50%.

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.

**NONMAJOR GOVERNMENTAL FUNDS**  
COMBINING BALANCE SHEET

JUNE 30, 2018

	<u>Special Revenue Funds</u>				
	<u>Federal Grants</u>	<u>State Grants</u>	<u>Receipts Reserved</u>	<u>Revolving Funds</u>	<u>Special Revolving</u>
<b>ASSETS</b>					
Cash and cash equivalents.....	\$ 367,681	\$ 1,417,876	\$ 28,260	\$ 3,352,707	\$ 656,687
Investments.....	-	-	-	-	-
Receivables, net of uncollectibles:					
Departmental and other.....	-	-	-	406,335	-
Intergovernmental.....	<u>17,820</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL ASSETS.....</b>	<b><u>\$ 385,501</u></b>	<b><u>\$ 1,417,876</u></b>	<b><u>\$ 28,260</u></b>	<b><u>\$ 3,759,042</u></b>	<b><u>\$ 656,687</u></b>
<b>LIABILITIES</b>					
Warrants payable.....	\$ 28,806	\$ 80,407	\$ -	\$ 53,971	\$ 16,392
Accrued payroll.....	<u>29,586</u>	<u>669</u>	<u>-</u>	<u>99,496</u>	<u>41,129</u>
<b>TOTAL LIABILITIES.....</b>	<b><u>58,392</u></b>	<b><u>81,076</u></b>	<b><u>-</u></b>	<b><u>153,467</u></b>	<b><u>57,521</u></b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>406,335</u>	<u>-</u>
<b>FUND BALANCES</b>					
Nonspendable.....	-	-	-	-	-
Restricted.....	<u>327,109</u>	<u>1,336,800</u>	<u>28,260</u>	<u>3,199,240</u>	<u>599,166</u>
<b>TOTAL FUND BALANCES.....</b>	<b><u>327,109</u></b>	<b><u>1,336,800</u></b>	<b><u>28,260</u></b>	<b><u>3,199,240</u></b>	<b><u>599,166</u></b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES.....</b>	<b><u>\$ 385,501</u></b>	<b><u>\$ 1,417,876</u></b>	<b><u>\$ 28,260</u></b>	<b><u>\$ 3,759,042</u></b>	<b><u>\$ 656,687</u></b>

				<i>Capital Project Funds</i>	<i>Permanent Funds</i>	Total Nonmajor Governmental Funds
<u>School Lunch</u>	<u>Gifts &amp; Donations</u>	<u>Other</u>	<u>Subtotal</u>	<u>Highway Improvements</u>	<u>Trust Funds</u>	
\$ 68,936	\$ 547,824	\$ 929,048	\$ 7,369,019	\$ -	\$ 417,163	\$ 7,786,182
-	-	813,886	813,886	-	134,747	948,633
-	-	-	406,335	-	-	406,335
-	-	-	17,820	1,136,293	-	1,154,113
<u>\$ 68,936</u>	<u>\$ 547,824</u>	<u>\$ 1,742,934</u>	<u>\$ 8,607,060</u>	<u>\$ 1,136,293</u>	<u>\$ 551,910</u>	<u>\$ 10,295,263</u>
\$ 6,813	\$ 1,509	\$ 62,526	\$ 250,424	\$ -	\$ 2,552	\$ 252,976
<u>814</u>	<u>-</u>	<u>-</u>	<u>171,694</u>	<u>-</u>	<u>-</u>	<u>171,694</u>
<u>7,627</u>	<u>1,509</u>	<u>62,526</u>	<u>422,118</u>	<u>-</u>	<u>2,552</u>	<u>424,670</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>406,335</u>	<u>1,136,293</u>	<u>-</u>	<u>1,542,628</u>
-	-	-	-	-	132,409	132,409
<u>61,309</u>	<u>546,315</u>	<u>1,680,408</u>	<u>7,778,607</u>	<u>-</u>	<u>416,949</u>	<u>8,195,556</u>
<u>61,309</u>	<u>546,315</u>	<u>1,680,408</u>	<u>7,778,607</u>	<u>-</u>	<u>549,358</u>	<u>8,327,965</u>
<u>\$ 68,936</u>	<u>\$ 547,824</u>	<u>\$ 1,742,934</u>	<u>\$ 8,607,060</u>	<u>\$ 1,136,293</u>	<u>\$ 551,910</u>	<u>\$ 10,295,263</u>

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

YEAR ENDED JUNE 30, 2018

	Special Revenue Funds				
	Federal Grants	State Grants	Receipts Reserved	Revolving Funds	Special Revolving
<b>REVENUES:</b>					
Charges for services.....	\$ -	\$ -	\$ -	\$ 2,765,253	\$ 572,834
Intergovernmental.....	1,246,083	1,841,864	4,690	11,584	-
Departmental and other.....	-	-	-	1,211,547	208,107
Contributions and donations.....	-	-	-	-	-
Investment income.....	1,339	2	-	-	-
<b>TOTAL REVENUES.....</b>	<b>1,247,422</b>	<b>1,841,866</b>	<b>4,690</b>	<b>3,988,384</b>	<b>780,941</b>
<b>EXPENDITURES:</b>					
Current:					
General government.....	-	2,926	716	62,379	205,119
Public safety.....	11,081	117,379	-	1,425,943	531,027
Education.....	1,253,106	1,247,527	-	2,372,541	17,000
Public works.....	-	37,258	-	30,949	-
Human services.....	-	35,237	-	-	-
Culture and recreation.....	-	75,170	-	-	178,408
<b>TOTAL EXPENDITURES.....</b>	<b>1,264,187</b>	<b>1,515,497</b>	<b>716</b>	<b>3,891,812</b>	<b>931,554</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>(16,765)</b>	<b>326,369</b>	<b>3,974</b>	<b>96,572</b>	<b>(150,613)</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in.....	-	-	-	-	-
Transfers out.....	-	-	(4,162)	(103,824)	(25,489)
<b>TOTAL OTHER FINANCING SOURCES (USES).....</b>	<b>-</b>	<b>-</b>	<b>(4,162)</b>	<b>(103,824)</b>	<b>(25,489)</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>(16,765)</b>	<b>326,369</b>	<b>(188)</b>	<b>(7,252)</b>	<b>(176,102)</b>
<b>FUND BALANCES AT BEGINNING OF YEAR.....</b>	<b>343,874</b>	<b>1,010,431</b>	<b>28,448</b>	<b>3,206,492</b>	<b>775,268</b>
<b>FUND BALANCES AT END OF YEAR.....</b>	<b>\$ 327,109</b>	<b>\$ 1,336,800</b>	<b>\$ 28,260</b>	<b>\$ 3,199,240</b>	<b>\$ 599,166</b>

				Capital Project Funds	Permanent Funds	Total Nonmajor Governmental Funds
School Lunch	Gifts & Donations	Other	Subtotal	Highway Improvements	Trust Funds	
\$ 630,204	\$ -	\$ -	\$ 3,968,291	\$ -	\$ -	\$ 3,968,291
291,111	-	-	3,395,332	572,263	-	3,967,595
473	-	216,507	1,636,634	-	-	1,636,634
-	207,415	-	207,415	-	4,634	212,049
392	-	-	1,733	-	29,948	31,681
<u>922,180</u>	<u>207,415</u>	<u>216,507</u>	<u>9,209,405</u>	<u>572,263</u>	<u>34,582</u>	<u>9,816,250</u>
-	45,927	62,285	379,352	-	166,804	546,156
-	4,062	10,576	2,100,068	-	-	2,100,068
931,015	56,713	-	5,877,902	-	-	5,877,902
-	104,142	-	172,349	572,263	-	744,612
-	20,269	-	55,506	-	120	55,626
-	84,258	-	337,836	-	700	338,536
<u>931,015</u>	<u>315,371</u>	<u>72,861</u>	<u>8,923,013</u>	<u>572,263</u>	<u>167,624</u>	<u>9,662,900</u>
<u>(8,835)</u>	<u>(107,956)</u>	<u>143,646</u>	<u>286,392</u>	<u>-</u>	<u>(133,042)</u>	<u>153,350</u>
-	-	300,000	300,000	-	202,920	502,920
-	-	(120,013)	(253,488)	-	(60,000)	(313,488)
-	-	179,987	46,512	-	142,920	189,432
(8,835)	(107,956)	323,633	332,904	-	9,878	342,782
70,144	654,271	1,356,775	7,445,703	-	539,480	7,985,183
<u>\$ 61,309</u>	<u>\$ 546,315</u>	<u>\$ 1,680,408</u>	<u>\$ 7,778,607</u>	<u>\$ -</u>	<u>\$ 549,358</u>	<u>\$ 8,327,965</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

YEAR ENDED JUNE 30, 2018

	June 30, 2017	Additions	Deletions	June 30, 2018
<b>ASSETS</b>				
CURRENT:				
Cash and cash equivalents.....	\$ 789,574	\$ 1,533,990	\$ (1,572,689)	\$ 750,875
<b>LIABILITIES</b>				
Warrants payable.....	\$ 40,815	\$ 115,903	\$ (141,882)	\$ 14,836
Liabilities due depositors.....	128,532	461,453	(459,045)	130,940
Other liabilities.....	620,227	1,287,223	(1,302,351)	605,099
TOTAL LIABILITIES.....	\$ 789,574	\$ 1,864,579	\$ (1,903,278)	\$ 750,875

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.



Howard Fiske Memorial at the Mansfield Airport.

# ***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**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Governmental activities</b>										
Net investment in capital assets.....	\$ 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	\$ 55,720,620
Restricted.....	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	2,759,582
Unrestricted.....	(4,056,197)	(7,684,626)	(9,774,917)	(11,334,459)	(17,207,184)	(41,904,757)	(45,163,698)	(46,049,433)	(93,495,427)	(90,813,258)
<b>Total governmental activities net position.....</b>	<b>\$ 60,090,763</b>	<b>\$ 57,707,559</b>	<b>\$ 58,146,387</b>	<b>\$ 56,455,193</b>	<b>\$ 51,285,436</b>	<b>\$ 17,437,756</b>	<b>\$ 13,308,853</b>	<b>\$ 12,407,843</b>	<b>\$ (31,383,981)</b>	<b>\$ (32,333,056)</b>
<b>Business-type activities</b>										
Net investment in capital assets.....	\$ 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	\$ 71,883,394
Restricted.....	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	3,545,878
Unrestricted.....	15,388,270	16,173,925	18,538,607	15,791,554	18,848,103	15,955,049	17,525,001	18,981,129	15,115,206	17,775,205
<b>Total business-type activities net position.....</b>	<b>\$ 91,986,176</b>	<b>\$ 94,183,625</b>	<b>\$ 97,418,608</b>	<b>\$ 98,628,736</b>	<b>\$ 101,355,845</b>	<b>\$ 96,624,293</b>	<b>\$ 83,601,547</b>	<b>\$ 91,031,901</b>	<b>\$ 89,596,185</b>	<b>\$ 93,204,477</b>
<b>Primary government</b>										
Net investment in capital assets.....	\$ 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	\$ 127,604,014
Restricted.....	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	6,305,460
Unrestricted.....	11,332,073	8,489,299	8,763,690	4,457,095	1,640,919	(25,949,708)	(27,638,697)	(27,068,304)	(78,380,221)	(73,038,053)
<b>Total primary government net position.....</b>	<b>\$ 152,076,939</b>	<b>\$ 151,891,184</b>	<b>\$ 155,564,995</b>	<b>\$ 155,083,929</b>	<b>\$ 152,641,281</b>	<b>\$ 114,062,049</b>	<b>\$ 96,910,400</b>	<b>\$ 103,439,744</b>	<b>\$ 58,212,204</b>	<b>\$ 60,871,421</b>

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

(2) The Town implemented GASB Statement No. 75 in 2018 which required the net OPEB liability to be fully recorded for the first time. This also required the revision of the ending net position in 2017.

**Changes in Net Position**

**Last Ten Years**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Expenses</b>										
<b>Governmental activities:</b>										
General government:										
Public safety:										
Education:										
Public works:										
Human services:										
Culture and recreation:										
Interest:										
Total governmental activities expenses:	88,658,367	88,878,896	87,749,307	91,650,548	94,448,818	98,058,478	100,222,400	105,477,878	113,736,342	117,067,263
<b>Business-type activities:</b>										
Water:	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	4,427,968
Sewer:	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	5,181,129
Airport:	-	-	-	-	-	-	361,317	441,027	611,727	662,548
Parking:	-	-	-	-	-	-	694,431	572,372	600,604	609,541
Electric:	31,298,413	28,833,655	27,982,660	26,226,751	25,978,923	25,737,932	23,570,399	23,407,132	23,560,913	21,185,965
Other nonmajor:	856,038	892,460	806,862	659,318	870,780	942,222	-	-	-	-
Total business-type activity expenses:	40,557,682	37,606,155	37,510,908	35,777,911	35,668,518	36,018,763	34,171,314	33,023,370	34,542,661	32,067,151
<b>Total primary government expenses:</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>\$ 149,134,414</b>
<b>Program Revenues</b>										
<b>Governmental activities:</b>										
Charges for services:										
General government:										
Public safety:										
Education:										
Public works:										
Human services:										
Culture and recreation:										
Operating grants and contributions:										
General Government:	28,478	35,555	7,077	12,308	7,603	6,562	413,644	367,250	322,401	560,667
Public Safety:	178,007	537,651	195,417	318,929	88,961	130,626	66,679	77,775	141,707	167,940
Education:	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	32,842,983
Public Works:	29,527	25,345	72,175	34,293	66,033	71,022	47,332	133,063	70,350	50,537
Human Services:	609,725	441,905	203,680	439,650	228,387	762,374	215,327	224,736	187,178	178,029
Culture and recreation:	53,974	56,751	71,235	51,331	62,810	104,592	77,541	72,046	120,622	68,853
Interest:	-	-	-	-	-	-	148,382	6,256	16,554	11,494
Capital grants and contributions:										
General Government:	128,372	203,705	235,583	108,651	283,786	-	-	-	-	-
Public Works:	538,531	593,421	1,348,304	8,255	749,136	850,844	1,228,920	1,649,069	2,634,349	1,299,304
Total government activities program revenues:	33,592,145	35,902,321	36,711,242	36,551,787	33,946,353	35,901,954	35,885,661	40,303,760	43,521,777	43,311,298
<b>Business-type activities:</b>										
Charges for services:										
Water:	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	4,718,185
Sewer:	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	5,366,837
Airport:	-	-	-	-	-	-	79,397	83,737	154,426	154,049
Parking:	-	-	-	-	-	-	512,818	554,292	564,033	476,622
Electric:	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	24,789,599
Other nonmajor:	576,148	708,513	643,973	701,181	578,678	619,014	-	-	-	-
Operating grants and contributions:										
Water:	-	-	-	2,029	2,916	1,610	138,040	72,134	87,405	63,720
Sewer:	50,646	39,871	217,477	54,518	36,354	34,684	135,610	13,100	11,321	8,979
Airport:	-	-	-	-	-	-	-	-	-	-
Parking:	-	-	-	-	-	-	-	-	-	-
Electric:	1,558,257	466,403	58,224	47,137	30,881	33,996	-	-	-	-
Other nonmajor:	164,623	97,380	88,923	18,304	19,621	416	-	-	-	-
Capital grants and contributions:										
Water:	95,330	92,299	89,167	93,468	82,703	79,323	-	-	876,909	-
Sewer:	-	-	-	-	-	-	-	-	-	-
Other nonmajor:	226,325	-	-	227,368	573,295	351,053	685,260	3,130,684	-	485,240
Total business-type activities program revenues:	41,251,895	39,727,725	40,472,783	36,918,951	38,323,516	36,779,694	37,643,751	40,128,169	37,994,593	36,063,261
<b>Total primary government program revenues:</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>\$ 79,374,559</b>
<b>Net (Expense)/Revenue</b>										
Governmental activities:	(\$ 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)	(\$ 73,755,965)
Business-type activities:	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	3,996,110
<b>Total primary government net expense:</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>\$ (69,759,855)</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:	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	61,651,786
Tax liens:	248,046	164,082	171,979	399,541	153,935	9,883	-	-	-	-
Motor vehicle excise taxes:	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	3,662,245
Hotel/motel & meals tax:	193,125	192,500	222,645	516,959	610,393	645,156	722,752	677,292	799,186	757,439
Penalties and interest on taxes:	138,443	140,322	180,613	154,468	173,740	143,060	188,301	190,518	200,040	189,725
Payments in lieu of taxes:	485,342	485,373	485,396	485,396	485,410	485,431	5,424	5,422	5,412	5,426
Grants and contributions not restricted to specific programs:	2,590,838	2,239,025	1,972,948	1,972,686	2,019,709	2,041,116	2,555,970	2,536,501	2,791,041	2,722,780
Unrestricted investment income:	284,321	119,197	62,077	54,602	59,711	108,880	114,397	299,766	240,340	544,633
Miscellaneous:	248,966	128,315	237,071	738,812	298,497	269,844	33,094	60,968	34,970	47,761
Transfers (net):	(474,441)	(75,879)	(273,108)	(69,088)	(72,111)	(24,859)	(474,309)	(474,420)	(643,488)	(645,279)
Total governmental activities:	48,753,522	50,593,371	51,478,893	53,407,567	55,332,708	57,623,207	60,207,836	62,617,488	65,914,469	70,227,074
<b>Business-type activities:</b>										
Unrestricted investment income:	-	-	-	-	-	-	72,826	88,367	112,113	3,909
Special Item, Gain/(Loss) on MFN Transaction:	-	-	-	-	-	-	(16,604,637)	400,000	-	-
Transfers (net):	474,441	75,879	273,108	69,088	72,111	24,859	(474,309)	(474,420)	(643,488)	(645,279)
Total business-type activities:	474,441	75,879	273,108	69,088	72,111	24,859	(17,006,120)	13,947	(531,375)	(641,370)
<b>Total primary government:</b>	<b>\$ 49,227,963</b>	<b>\$ 50,669,250</b>	<b>\$ 51,752,001</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>\$ 69,585,704</b>
<b>Changes in Net Position</b>										
Governmental activities:	(6,312,700)	(2,383,204)	438,828	(1,691,194)	(5,169,757)	(4,533,317)	(4,128,903)	(2,556,630)	(4,300,966)	(3,528,891)
Business-type activities:	1,168,654	2,197,449	3,234,983	1,210,128	2,727,109	785,790	(13,533,883)	7,118,746	2,920,557	3,354,740
<b>Total primary government:</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>	<b>\$ (174,151)</b>

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

**Fund Balances, Governmental Funds**

**Last Ten Years**

	<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>	<u>2018</u>
<b>General Fund</b>										
Reserved.....	\$ 432,548	\$ 518,119	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved.....	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	3,375,936
Assigned.....	-	-	2,431,232	2,815,632	4,486,626	2,610,845	608,647	1,124,205	766,780	538,087
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>	<u>10,296,705</u>
<b>Total general fund.....</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><u>\$ 14,210,728</u></b>
<b>All Other Governmental Funds</b>										
Reserved.....	\$ 126,909	\$ 130,091	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds.....	6,288,803	7,272,101	-	-	-	-	-	-	-	-
Capital projects funds.....	2,059,775	897,848	-	-	-	-	-	-	-	-
Permanent funds.....	360,180	369,658	-	-	-	-	-	-	-	-
Nonspendable.....	-	-	132,411	132,411	132,411	132,411	132,411	132,411	131,890	132,409
Restricted.....	-	-	7,118,701	7,911,548	7,360,879	6,789,214	6,402,011	9,429,726	29,464,597	16,078,845
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>\$ 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>	<b><u>\$ 16,211,254</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**

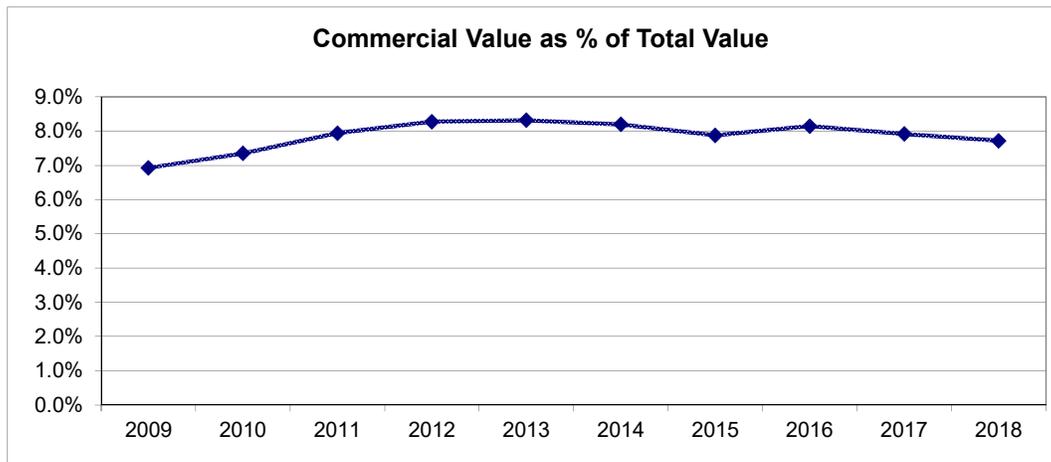
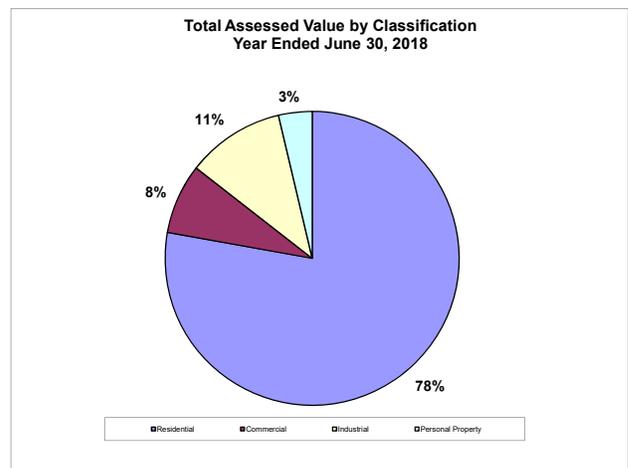
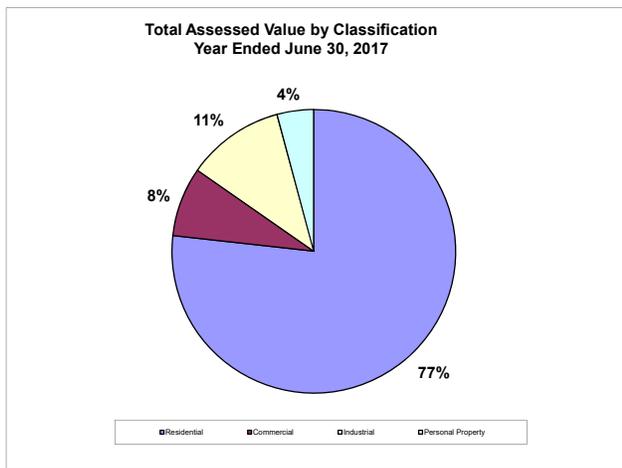
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Revenues:</b>										
Real estate, personal property taxes and tax liens, net of tax refunds.....	\$ 42,429,128	\$ 44,877,093	\$ 46,048,988	\$ 46,874,117	\$ 49,031,199	\$ 51,137,392	\$ 52,402,227	\$ 54,740,653	\$ 57,416,495	\$ 61,098,812
Motor vehicle excise taxes.....	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	3,645,365
Intergovernmental.....	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	38,597,091
Payments in lieu of taxes.....	-	485,373	485,396	485,396	485,410	485,431	5,424	5,422	5,412	5,426
Penalties and interest on taxes.....	138,443	140,322	180,613	154,468	173,740	143,060	188,301	190,518	200,040	189,725
Charges for services.....	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	3,968,291
Investment income.....	282,624	134,080	86,175	65,414	64,057	128,827	114,421	299,993	240,979	545,972
Contributions and donations.....	266,546	507,306	439,777	485,299	458,361	588,781	445,705	551,202	290,977	212,049
Fees and rentals.....	-	-	-	-	-	-	1,357,187	1,520,872	1,273,280	1,424,727
Meals tax.....	-	-	-	-	-	-	449,228	440,358	469,229	472,079
Hotel/motel tax.....	-	-	-	-	-	-	273,524	236,934	329,957	285,360
Fines and forfeitures.....	-	-	-	-	-	-	152,240	98,720	83,796	91,621
Special assessments.....	-	-	-	-	-	-	-	1,317	1,317	1,317
Licenses and permits.....	-	-	-	-	-	-	440,241	717,146	732,202	1,393,184
Miscellaneous.....	-	-	-	-	-	-	-	60,968	34,970	47,761
Tax liens.....	-	-	-	-	-	-	105,276	92,562	187,581	582,997
Departmental and other (1).....	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	1,636,634
<b>Total Revenue.....</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>114,198,411</b>
<b>Expenditures:</b>										
General government.....	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	15,253,084
Public safety.....	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	12,273,571
Education.....	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	56,190,351
Public works.....	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	7,637,465
Human services.....	1,231,756	970,618	702,373	834,958	936,217	969,437	968,453	977,101	925,376	784,639
Culture and recreation.....	949,233	865,030	923,539	927,486	1,133,092	1,065,040	1,105,139	1,159,989	1,261,210	1,427,062
Employee benefits.....	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	27,462,378
State and county assessments.....	573,018	566,254	566,948	632,549	530,554	644,039	2,276,033	2,018,731	1,867,116	1,950,829
Debt service										
Principal.....	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	3,197,000
Interest.....	1,368,992	1,121,181	868,777	688,365	619,714	510,978	472,194	431,552	490,426	1,281,082
<b>Total Expenditures.....</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>	<b>127,457,461</b>
Excess of revenues over (under) expenditures..	(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)	(13,259,050)
<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.....	4,281,665	-	-	-	2,608,800	-	278,136	208,755	1,005,507	-
Capital lease financing.....	-	-	-	-	-	-	255,487	-	131,908	-
Transfers in.....	895,807	167,889	14,288	106,886	949,968	151,023	495,590	484,000	868,483	1,466,607
Transfers out.....	(1,370,248)	(243,768)	(287,396)	(175,974)	(1,022,079)	(175,882)	(21,281)	(9,580)	(224,995)	(821,328)
<b>Total other financing sources (uses).....</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>645,279</b>
<b>Net change in fund balance.....</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>	<b>\$ (12,613,771)</b>
Debt service as a percentage of noncapital expenditures	6.63%	6.94%	6.73%	4.19%	4.01%	3.98%	3.05%	3.27%	2.78%	4.00%

(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
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
2018	\$2,849,941,308	\$15.57	\$282,593,996	\$394,706,600	\$134,786,160	\$812,086,756	\$21.42	\$16.87	\$3,662,028,064



(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**

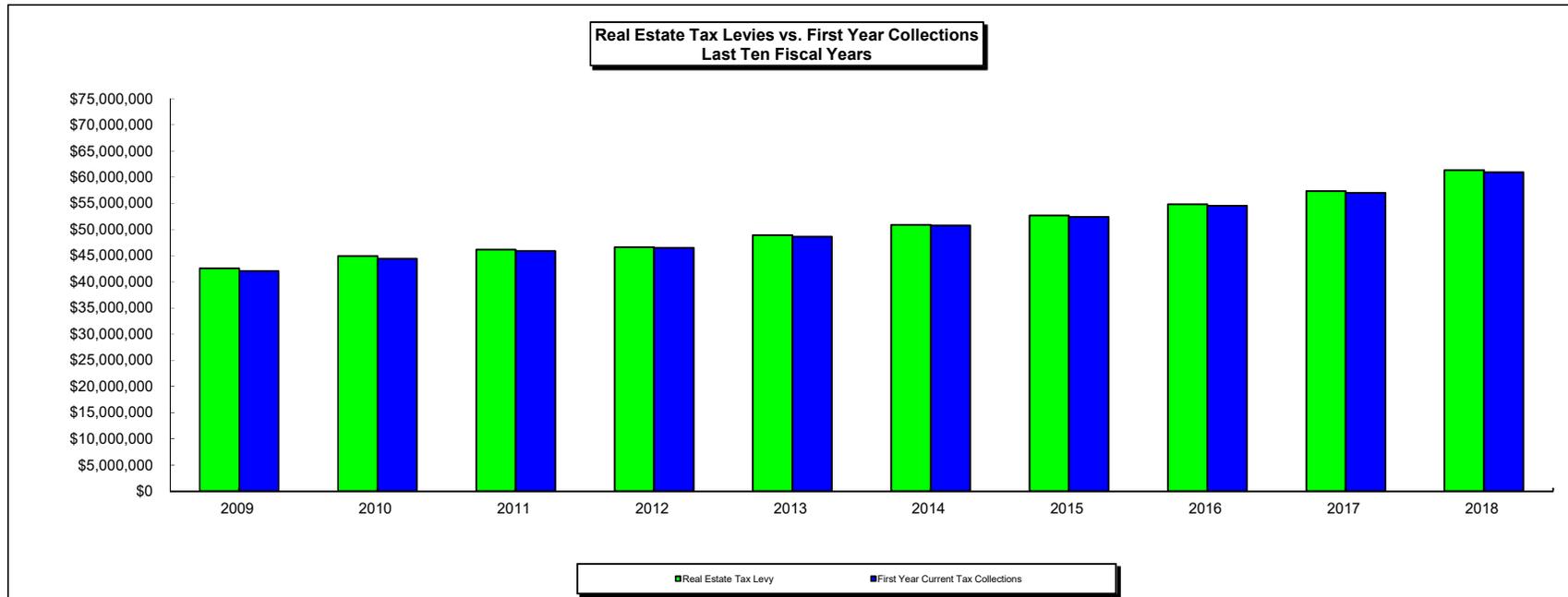
Name	Nature of Business	2018			2009		
		Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value	Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value
SSI PR II Owner LLC	Industrial	\$ 89,150,300	1	2.43%	\$ -	-	-
Rte. 140 School St LLC	Retail Center	56,541,600	2	1.54%	31,725,300	4	0.91%
SNH Medical Office Property	Commercial Office	35,192,000	3	0.96%	-	-	-
Covidien LP	Medical Supplies	33,236,970	4	0.91%	-	-	-
Monogran Residence W. Village Realty	Residential Apartments	30,905,200	5	0.84%	-	-	-
305 Forbes Blvd. Investment	Industrial	21,828,800	6	0.60%	-	-	-
Clemco LLC	Retail/Residential	20,731,900	7	0.57%	25,497,800	6	0.73%
LSREF4 Rebound LLC	Industrial	18,117,800	8	0.49%	-	-	-
Medline Industries	Industrial	16,485,300	9	0.45%	-	-	-
Toyota	Industrial	14,716,600	10	0.40%	15,744,300	9	0.45%
AMB Ins Properties	Industrial	-	-	-	66,283,500	1	1.91%
HUB Properties	Industrial	-	-	-	62,679,300	2	1.80%
Long Gate LLC	Industrial	-	-	-	51,282,700	3	1.48%
Tyco Health Care Group	Industrial	-	-	-	27,943,530	5	0.80%
Fairfield Green Mansfield Ltd.	Residential Apartments	-	-	-	24,365,800	7	0.70%
Benchmark	Residential Apartments	-	-	-	19,050,700	8	0.55%
Datel Inc.	Industrial	-	-	-	15,459,500	10	0.44%
<b>Totals \$</b>		<u>336,906,470</u>		<u>9.20%</u>	<u>\$ 340,032,430</u>		<u>9.79%</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>
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%	\$289,339	\$57,290,531	99.95%
2018	\$61,768,484	\$461,301	\$61,307,183	99.25%	\$60,944,468	99.41%	\$0	\$60,944,468	99.41%



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)					
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
2018	\$ 36,161,561	\$ 85,565	\$ 16,496,810	\$	\$ 52,743,936	4.98%	23,946	\$ 2,199

(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>
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
2018	\$ 52,658,371	\$ -	\$ 52,658,371	1.44%	2,199

(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, 2018**

<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..... \$	\$4,810,000	5.50%	\$ 264,550
MFN Regional Wastewater District.....	\$12,155,377	65.77%	<u>7,994,591</u>
Subtotal, overlapping debt.....			8,259,141
General governmental debt.....			36,161,561
Town capital leases.....			<u>85,565</u>
Total Town direct debt.....			<u>36,247,126</u>
Total direct and overlapping debt..... \$			<u><u>\$ 36,511,676</u></u>

Source: Official Statements

(1) The Town obtains the debt outstanding and percentages directly from Southeastern Regional Vocational Technical School District and from the MFN Wastewater 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>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>	<u>2018</u>
Equalized Valuation.....	\$ 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	\$ 3,521,948
Debt Limit - 5% of Equalized Valuation.....	\$ 190,488	\$ 190,488	\$ 182,313	\$ 182,313	\$ 167,254	\$ 167,254	\$ 160,770	\$ 160,770	\$ 176,097	\$ 176,097
Less:										
Outstanding debt applicable to limit.....	12,275	10,220	8,210	6,568	7,652	5,919	8,275	8,901	37,478	35,681
Authorized and unissued debt.....	667	523	2,011	3,011	1,400	3,400	2,000	37,000	9,550	15,130
Legal debt margin.....	\$ <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>	\$ <u>125,286</u>
Total debt applicable to the limit as a percentage of the limit.....	6.79%	5.64%	5.61%	5.25%	5.41%	5.57%	6.39%	28.55%	26.71%	28.85%

(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>
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%
2018	23,946	\$ 1,058,245,578 (1)	\$ 44,193	3,932	3.70%

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	2018			2009		
		Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
Medtronic	Medical & Consumer Hygiene	2,500	1	18.16%	-	-	-
National Lumber	Building Supplies	750	2	5.45%	-	-	-
Delaware North Co. Sports	Sports Food Service	375	3	2.72%	-	-	-
Hartmann Inc.	Leather Goods Manufacturing	375	4	2.72%	-	-	-
Belknap White Alco	Flooring Distributor	175	5	1.27%	-	-	-
Best Buy	Retail Electronics	175	6	1.27%	-	-	-
FM Global	Insurance	175	7	1.27%	-	-	-
Holiday Inn	Hotel/Convention Services	175	8	1.27%	-	-	-
Home Depot	Retail Building Supplies	175	9	1.27%	-	-	-
Hub Folding Box	Paper Box Manufacturing	175	10	1.27%	300	6	3.62%
One Beacon Insurance	Insurance	-	-	-	1,200	1	14.48%
Comcast Center	Entertainment Venue	-	-	-	1,200	2	14.48%
Tyco Healthcare	Medical & Consumer Hygiene	-	-	-	500	3	6.03%
Robert Allen/Ametex	Wholesale Fabrics	-	-	-	340	4	4.10%
Datel Systems	Semi-Conductors	-	-	-	320	5	3.86%
Helix Technology	Technology	-	-	-	300	7	3.62%
Stop & Shop	Retail Grocery	-	-	-	240	8	2.90%
Eastern Container Corp	Corporation of Metal	-	-	-	220	9	2.65%
Integrated Software	Software	-	-	-	200	10	2.41%
		5,050		36.67%	4,820		58.16%

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

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

**Last Ten Years**

	<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>	<u>2018</u>
Function:										
General government.....	30	27	26	25	25	26	26	27	29	29
Public safety.....	90	85	87	88	92	92	98	99	95	93
Education.....	564	538	528	546	556	569	582	575	578	599
Public works.....	44	43	41	41	38	36	36	38	40	44
Electric.....	22	22	22	22	21	21	21	21	21	21
Human services.....	11	11	10	9	9	9	9	10	10	10
Culture and recreation.....	13	11	14	14	14	14	14	14	14	13
Total .....	<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>	<u>809</u>

Source: Various Town Departments

**Operating Indicators by Function/Program**

**Last Ten Years**

<b>Function/Program</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>2018</b>
<b>Town Clerk</b>										
Registered voters.....	14,365	14,318	14,421	14,421	15,011	15,204	15,301	15,620	16,084	16,290
Births.....	215	182	184	185	181	173	174	187	176	184
Marriages.....	86	84	82	77	93	72	77	105	168	83
Deaths.....	103	93	109	106	123	130	110	144	66	140
<b>Conservation Commission</b>										
Notice of intent applications.....	15	33	38	31	14	16	13	12	9	7
Requests for determination of applicability.....	11	39	46	33	24	33	18	12	13	19
Certificate of compliance requests.....	7	13	19	22	12	8	8	15	9	13
<b>Planning Board</b>										
Number of lots approved under Form A Plan....	11	6	22	19	2	14	28	19	8	14
Site plan recommendations.....	2	8	4	2	2	5	9	5	5	7
Special permits.....	7	4	1	5	-	3	6	2	5	5
Subdivision (preliminary/definitive).....	1	2	3	1	1	1	1	-	3	1
<b>Zoning Board of Appeals</b>										
Appeal Applications Filed	20	20	24	31	21	27	29	27	25	23
<b>Police department</b>										
Calls for service handled, referred.....	28,837	26,795	25,085	27,613	28,698	29,069	29,803	30,506	29,117	31,196
Adult arrests.....	1,576	1,530	1,305	1,435	1,422	1,188	1,337	1,014	923	692
Juvenile arrests.....	113	105	81	265	211	138	75	81	30	43
Incident reports written.....	1,191	1,282	1,347	1,346	1,347	1,166	1,104	1,217	1,190	1,201
Motor vehicle citations.....	5,621	5,102	4,417	4,577	3,896	3,809	2,099	3,519	3,322	2,910
Motor vehicle accident reports taken.....	430	492	446	414	442	469	456	456	449	508
Firearms licenses.....	83	141	196	274	370	225	208	267	312	310
<b>Fire Department</b>										
Prevention inspections.....	634	702	700	768	730	800	814	800	645	670
Fire related calls.....	1,100	1,200	1,200	1,200	1,200	1,100	1,300	1,322	1,598	1,457
Rescue/EMS.....	1,900	1,800	1,800	1,800	1,800	1,900	1,900	2,047	1,726	1,896
<b>Public Safety Dispatch</b>										
Police department responses.....	30,000	26,795	25,085	27,613	29,369	26,633	25,193	24,782	24,368	25,907
Fire department responses.....	3,977	3,127	2,681	2,497	2,682	2,373	4,610	5,724	4,749	5,289
Emergency medical responses.....	1,568	1,525	1,600	1,613	1,637	1,969	2,603	2,570	2,574	2,804
<b>Inspectional Services</b>										
Number of permits issued.....	535	549	603	680	815	612	771	1,076	864	853
Estimated project cost (in millions).....	\$ 38.8	\$ 44.2	\$ 22.3	\$ 18.1	\$ 28.4	\$ 21.3	\$ 19.7	\$ 40.4	\$ 53.6	\$ 102.5
<b>Animal Control</b>										
Animal complaints.....	279	287	304	334	363	399	371	354	348	303
Dogs through the shelter.....	60	57	74	50	68	40	90	53	65	53
Cats through the shelter.....	213	173	196	171	182	134	319	220	158	155
<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....	-	0.36	-	0.45	1.04	0.91	1.60	0.77	1.80	1.15
Number of road miles mill and overlay.....	1.69	-	0.43	1.84	-	1.99	1.50	3.16	0.84	0.54
Number of road miles chip seal.....	-	-	2.59	2.14	3.69	5.31	2.20	2.99	4.60	1.25
<b>DPW - Solid Waste &amp; Recycling</b>										
Tons of solid waste collected.....	5,136	5,276	5,224	5,203	5,096	5,100	4,964	5,176	5,110	5,125
Tons of recycling collected.....	2,673	2,816	2,804	2,419	2,521	2,500	2,308	2,546	2,430	2,370
<b>DPW - Wastewater</b>										
Wastewater Flow (Mil Gallons).....	602.55	684.82	561.29	584.08	584.21	545.67	527.44	521.67	794.71	858.95
New Services Added.....	17	14	17	15	20	12	17	14	19	17
<b>DPW - Water</b>										
Number of gallons pumped (millions).....	697.26	689.57	757.22	724.36	699.64	699.30	693.62	674.50	683.59	670.16
New Services Added.....	18	20	9	16	21	25	36	34	40	120
New Mains installed in Miles.....	0.29	-	-	-	-	0.94	0.25	0.10	0.36	0.47
New Mains Improved in Miles.....	0.45	0.42	-	-	0.06	1.29	1.29	0.25	0.30	0.15
<b>Municipal Electric Department</b>										
Energy Sales (kWh).....	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	203,117,416

(Continued)

**Operating Indicators by Function/Program**

**Last Ten Years**

<b>Function/Program</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>2018</b>
<b>Mansfield Public Schools (High School)</b>										
Number of SAT test takers.....	239	279	331	330	323	304	297	276	287	404
SAT critical reading scores.....	548	533	527	522	544	538	537	541	594	585
SAT mathematics scores.....	566	554	550	552	565	564	555	566	601	604
SAT writing scores.....	549	538	518	519	536	540	521	537	537	585
<b>Council on Aging</b>										
Number of senior residents.....	2,400	2,987	2,987	2,987	2,987	2,987	2,630	2,987	2,946	2,916
Events/ program attendance.....	16,648	12,529	10,255	13,994	10,718	11,273	9,600	10,946	9,500	8,200
Volunteer hours.....	10,000	10,850	10,916	13,621	12,751	10,840	11,182	11,819	10,000	15,000
Outreach services/visits.....	3,065	3,234	2,206	2,219	1,961	2,347	3,015	3,400	3,400	3,000
<b>Mansfield Free Library</b>										
Holdings.....	105,085	103,549	111,985	117,128	121,128	127,631	121,642	130,088	135,754	146,071
Books loaned.....	171,284	163,574	157,268	157,423	148,770	143,906	129,680	129,205	130,655	117,808
Audio books and videos loaned.....	55,410	52,000	15,996	33,802	43,898	42,545	41,282	39,250	38,028	33,369
Periodicals loaned.....	4,463	4,290	4,446	4,456	3,561	3,550	3,188	3,199	2,375	1,576
Downloadable eBooks and audio.....	1,168	1,036	6,538	8,414	8,969	12,724	13,145	12,982	14,988	18,109
<b>Recreation</b>										
Number of programs offered.....	18	20	18	20	20	26	28	30	35	37
Number of participants - winter.....	75	140	125	150	175	225	250	275	250	260
Number of participants - spring.....	230	150	150	175	225	250	250	275	250	275
Number of participants - summer.....	1,600	1,750	1,625	1,800	2,000	2,175	2,250	2,300	2,300	2,400
Number of participants - fall.....	550	600	650	680	725	775	775	775	800	850

Source: Various Town Departments

(Concluded)

**Capital Asset Statistics by Function/Program**

**Last Ten Years**

<b>Function/Program</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>2018</b>
General Government										
Number of buildings.....	2	2	2	3	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	2	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

Town of Mansfield, Massachusetts  
Comprehensive Annual Financial Report  
For the year ended June 30, 2018

Kevin Dumas is sworn in as our new Town Manager by Ms. Marianne Staples  
Mansfield Town Clerk.

