

TOWN OF ACTON, MASSACHUSETTS
COMPREHENSIVE ANNUAL FINANCIAL REPORT



For the Fiscal Year Ended
June 30, 2014

On the Cover:

Acton is a suburban town in Middlesex County about twenty-one miles west-northwest of Boston. Acton became incorporated as a town in 1735.



Fall foliage at Ice House Pond. The reservoir is located off of Concord Road in Acton.



Nara Park, the National Allen Recreation Area, is located at 25 Ledge Rock Way in Acton and operated by the Town's Recreation Department. The park is open year-round from sunrise to sunset and staffed seasonally from Memorial Day weekend through late August.



Jones Tavern was originally built in 1732 as a home for Samuel Jones, Jr. and his family. By 1750, the home had been expanded to become a tavern and general store. It is believed to be the first store in Acton and holds the distinction of being the town of Acton's longest established business. In 1845, the tavern was merged into James Tuttle's store. Tuttle consolidated his businesses in the new Exchange Hall building in 1860. In 1878 Elnathan Jones established a dairy farm on the property, and the building was divided into apartments for farm workers, a role it served until about 1900.

The building was rescued from imminent demolition in 1964 by local residents, who formed Iron Work Farm in Acton, Inc. a Massachusetts non-profit corporation with a charter "to acquire and preserve the tangible landmarks of the area historically known as Iron Work Farm". It was listed on the National Register of Historic Places in 1986.

Town of Acton, Massachusetts



Comprehensive Annual Financial Report

*For the Fiscal Year
July 1, 2013 through June 30, 2014*

Prepared by the Finance Department

Town of Acton, Massachusetts
 Comprehensive Annual Financial Report
 For the Year Ended June 30, 2014
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INTRODUCTORY SECTION



Town of Acton

*472 Main Street
Acton, MA 01720*

(978) 929-6624 Telephone

*Finance Department
Stephen G. Barrett, CPA, Director
Brian McMullen, Assistant Director*

Letter of Transmittal

December 8, 2014

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

At the close of each fiscal year, state law requires the Town of Acton to publish a complete set of audited financial statements in conformance with accounting principles generally accepted in the United States of America (GAAP) and 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 Acton, Massachusetts, for the fiscal year ending June 30, 2014 for your review.

The report consists of management's representations concerning the finances of the Town. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect the assets of the Town 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 comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Town's financial statements have been audited by Giusti, Hingston & Company, PC, a firm of licensed certified public accountants, who have been hired by and report to the Town's Board of Selectmen. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town of Acton for the fiscal year ended June 30, 2014 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the Town of Acton's financial statements for the fiscal year ended June 30, 2014 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 Acton was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the Town of Acton's separately issued Single Audit Report.

GAAP require 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 MD&A and should be read in conjunction with it. The Town's MD&A can be found immediately following the report of the independent auditors.

Profile of the Town

The Town of Acton, incorporated in 1735, is located in western Middlesex County approximately twenty one miles from Boston. It is situated on Massachusetts Route 2 and in close proximity to U.S. Interstate 495. The Town occupies 20 square miles and serves a population of 21,366. The Town is primarily a residential community. However, the Town's stable industrial base plays a role in the Town's fiscal stability. The Town offers nearby commuter rail service to Boston to the east and Fitchburg to the west, providing valuable transportation options for residents, businesses and commuters.

The Town is governed by an open Town Meeting, an elected five member Board of Selectmen and a Town Manager appointed by the Board. All voters of the town are eligible to attend the town meeting and vote on matters that come before it. The members of the Board of Selectmen are elected for three year terms. In order to provide continuity on the Board of Selectmen, the term of one member expires every third year, and the term of two members expire in each of the intervening years.

The Board of Selectmen serves as the chief goal-setting, planning and policy-making agency of the town. The Board acts through the adoption of policy directives and guidelines which are implemented by officers and employees appointed by or under its authority. The Town Manager is responsible for the management of town agencies and the supervision of town employees including coordinating the activities of volunteer members of the town agencies with town departments.

The Town provides a full range of municipal services, including police and fire protection, ambulance, collection and disposal of waste, maintenance of roads, library, health and human services, culture and recreation and sewer. Above and beyond the typical municipal services, the Town provides nursing and transportation services to its residents. Effective July 1, 2014, the Town's kindergarten through grade six public schools system joined the Acton-Boxborough Regional School District. As of that date, all of the Town's educational services are provided by the Acton-Boxborough Regional School District. The Acton Water District, a separate entity from the Town, provides water services to 90% of the Town's residents.

Factors Affecting Economic Condition

Acton's economic base has remained stable over the past ten years, consistently accounting for approximately 12.5% of the Towns assessed value. The Town has approximately 807 private businesses within its boundaries that employ approximately 8,550 employees. Businesses within the borders of Acton provide an estimated \$496,000,000 in wages. Service industries comprise the vast majority of business in Acton (711) with Professional and Business Services and Financial Activities companies leading the way (256). Based on data from the U.S Census, the Town of Acton's median household income (\$114,458) is considerably higher than the average in Massachusetts (\$62,963). In addition, the Town of Acton continues to experience unemployment rates well below state, county and national averages.

The Town's residential assessed values have risen in each of the last three fiscal years, after a decline from its high water mark in 2008. The Building Department issued 1,194 building permits in 2014 worth an estimated construction value of over \$51.2 million (the highest construction value since 2006).

The Town adopted the Community Preservation Act, which allows for a 1.5% surcharge on real estate tax bills and a Commonwealth of Massachusetts match, in 2002. Since its passage, the Town has collected approximately \$8.2 million from the 1.5% surcharge. Appropriations from this program continue to be approved annually at Annual Town Meeting and they have provided funding for many projects in the areas of housing, recreation, open space, historic preservation, and other land acquisition. This continual

reaffirmation of a 1.5% surcharge, in an era of economic uncertainty, shows that the citizens remain committed to the viability of the program.

Quarterly tax billings and excellent collection rates have eliminated the need to borrow on a short term basis to maintain cash flow. The Town's investment options are governed by Massachusetts General Laws and focus on the sound principles of safety, liquidity, and yield.

Over the past ten years, property tax and intergovernmental revenues comprised the vast majority of governmental fund's revenues. Property taxes have represented 75% of the governmental fund revenues since fiscal year 2010. In fiscal year 2005, property taxes accounted for 73% of the governmental fund revenues which was the lowest percentage in the ten year span. Intergovernmental revenues have fluctuated between 14% and 17% of governmental fund revenues during the past ten fiscal years.

The Town's other postemployment benefits (OPEB) unfunded actuarial accrued liability has declined significantly to \$31 million from \$57 million according to the latest actuarial study. The decline was mainly due to changes in discount rate to 6.25% from 4.50%. Another reason for the decline was due to the Town's success in renegotiating the health insurance plan design and employee contribution rates. Acton also established an OPEB trust in fiscal 2012 and has been contributing to the trust since fiscal 2013.

Long Term Financial Planning

The level of budgetary control is established by Town Meeting; this approval defines the level at which expenditures may not exceed appropriations. Town Meeting authorizes a "bottom-line" fiscal budget for all legally binding appropriations made for municipal expenditures which the Town Manager cannot exceed. Additional appropriations may be approved at subsequent Town Meetings.

The Town continues to manage its financial affairs in a prudent manner, as is demonstrated by its AAA bond rating from Standard & Poors and Moodys. The Town has been able to accomplish all this by initiatives such as:

- Participation in the Acton Leadership Group (ALG) which is an integrated Budget Planning Group, formed in 1988. The Group contains members of the Board of Selectmen (BOS), School Committee (SC), Finance Committee (FINCOM), Town Manager, and School Superintendent. Their sole purpose is to annually prioritize the financial needs of the community and to produce a 3 year Financial Plan (including capital) to be funded.
- Ongoing financial modeling and forecasting of revenues and expenses by the ALG
- Maintaining reserve levels
- Actively managing the costs of benefits
- Establishing and funding an OPEB Trust Fund
- Investing in technology to ensure efficient operations
- Investing in infrastructure

The Town's long-term capital plan identifies future capital needs of the community. Two major initiatives/projects have been identified, a new Senior Center and a Public Safety Facility in North Acton. The timing of these projects will be determined by the Board of Selectmen in conjunction with Town Meeting. These projects will impact future fiscal operations.

The Town's overall debt position is favorable and the Town's debt service carrying charges have been very low at less than 4% of total governmental expenditures in each of the past five fiscal years.

Awards and Acknowledgements

Home Care Elite has rated the Acton Nursing Service in the top 100 of home care providers for 2014. This follows recognition in 2009 and 2011 in the top 25% and recognition in 2012 and 2013 in the top 500. There are approximately 10,000 home care providers which means the Nursing service is now in the top 1% of providers.

The Town (as lead member) has been the recipient of several Community Innovation Challenge (CIC) grants pursuant to its plan of “Shared Transportation resources among five municipalities and one business”. This was followed up by a grant for “Expansion and Implementation of a Reconfigured Transportation Management Association.”

We are pleased to submit the Town of Acton’s first Comprehensive Annual Financial Report (CAFR) to the GFOA for the fiscal year ending June 30, 2014 for consideration of the Certificate of Achievement for Excellence in Financial Reporting. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate, a government must publish an easily readable and efficiently organized CAFR, whose contents conform to program standards. Such CAFR must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements. We believe our CAFR conforms to the Certificate of Achievement program requirements

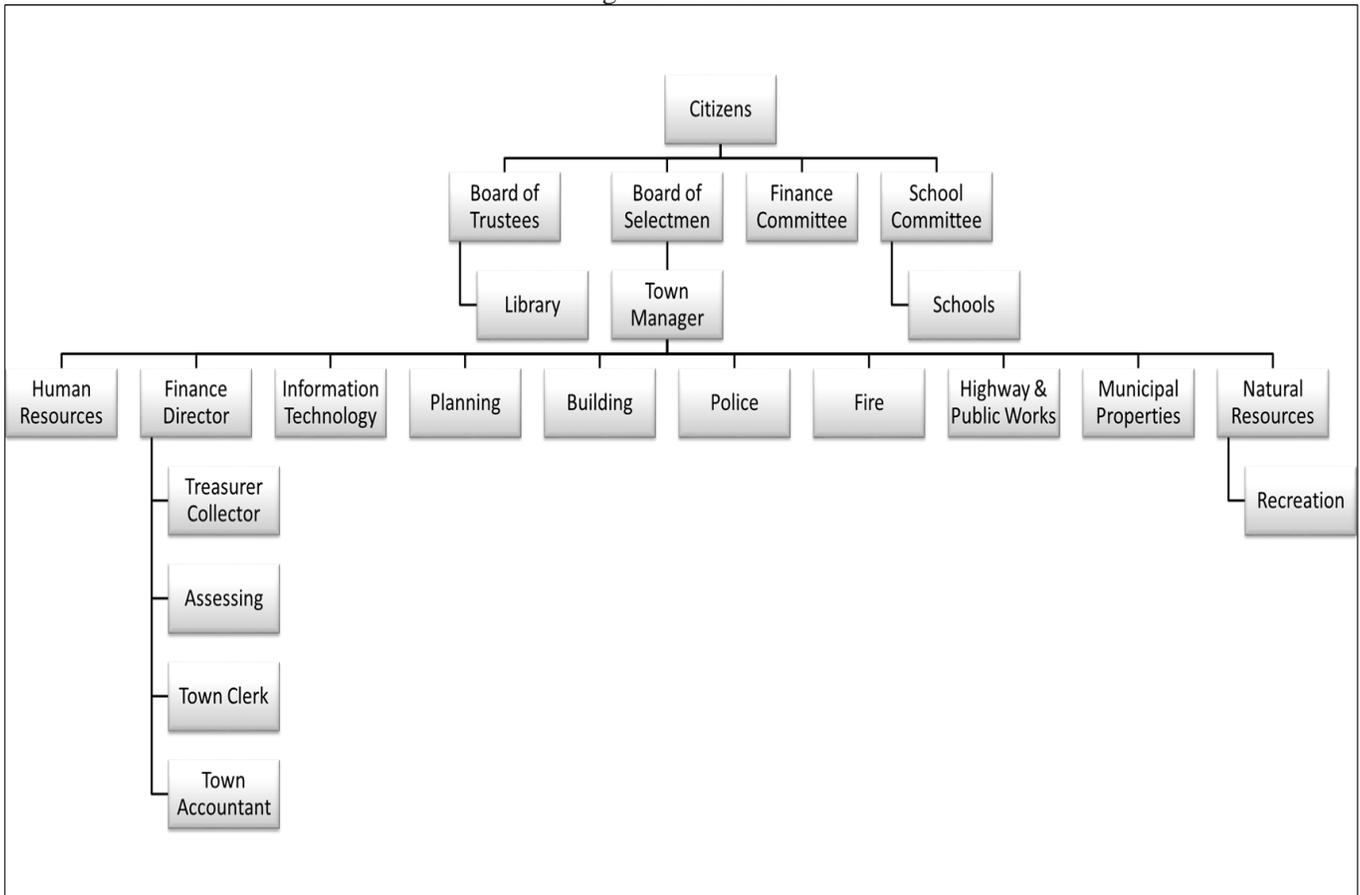
The publication of this CAFR represents an important achievement by the Town of Acton to provide enhanced financial information to its citizens, elected and appointed officials and investors. The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance Department. Special thanks also go to the public accounting firm of Giusti, Hingston & Company, P.C. for their advice and assistance in the preparation of this report.

Respectfully Submitted:

Stephen Barrett, CPA

Stephen Barrett, CPA
Finance Director, Treasurer and Tax Collector

Town of Acton, Massachusetts
Organization Chart



Town of Acton, Massachusetts

Principal Officials

Title	Name	Term Expires
Chair, Board of Selectmen	Michael J. Gowing	2015
Vice - Chair, Board of Selectmen	Katherine E. Green	2016
Clerk, Board of Selectmen	Peter J. Berry	2017
Member, Board of Selectmen	Janet K. Adachi	2016
Member, Board of Selectmen	Frances J. Osman	2017
Chair, Finance Committee	Stephen R. Noone	2016
Vice Chair, Finance Committee	Michael F. Majors	2016
Clerk, Finance Committee	Margaret W. Busse	2017
Finance Committee Member	Roland Bourdon	2016
Finance Committee Member	Doug Tindal	2017
Finance Committee Member	William Mullin	2015
Finance Committee Member	Mary Ann Ashton	2015
Finance Committee Member	Bob Evans	2015
Finance Committee Member	Herman L. Kabakoff	2017
Chair, School Committee	Dennis Bruce	2015
Member, School Committee	Michael Coppolino	2016
Member, School Committee	Paul Murphy	2017
Member, School Committee	Amy Krishnamurthy	2017
Member, School Committee	Deanne O'Sullivan	2015
Member, School Committee	Kristina Rychlik	2016
Town Manager	Steven Ledoux	2017
Assistant Town Manager	Mark Hald	N/A
Finance Director	Stephen Barrett	N/A
Assistant Finance Director	Brian McMullen	N/A
Town Accountant	Lisa Krause	2016
Police Chief	Frank Widmayer, III	N/A
Fire Chief	Patrick Futterer	N/A
Town Clerk	Eva Szkaradek	2017

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FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

Board of Selectmen
Town of Acton
472 Main Street
Acton, MA 01720

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the Town of Acton, Massachusetts as of and for the year ended June 30, 2014, 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 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 opinion.

Opinion

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, the discretely presented component unit, each major fund and the aggregate remaining fund information of the Town of

Acton, Massachusetts as of June 30, 2014 and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in conformity 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, the budgetary comparison schedules, the retirement system schedules and the other post employment benefit schedules 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 Acton, Massachusetts' basic financial statements. The introductory section, the combining and individual fund financial statements and schedules, and the 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 financial statements and schedules 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 financial statements and schedules 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 8, 2014, on our consideration of the Town of Acton, Massachusetts' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant

agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Acton, Massachusetts' internal control over financial reporting and compliance.

Giusti, Hingston and Company

Giusti, Hingston and Company
Certified Public Accountants
Georgetown, Massachusetts
December 8, 2014

Town of Acton, Massachusetts
Management's Discussion and Analysis
Required Supplementary Information
June 30, 2014

As management of the Town of Acton, Massachusetts, we offer readers of these financial statements this narrative overview and analysis of the financial activities of the Town of Acton, Massachusetts for the fiscal year ended June 30, 2014.

Financial Highlights – Primary Government

- The assets of the Town of Acton, Massachusetts exceeded its liabilities at the close of the most recent fiscal year by \$164,277,936 (*net position*).
- The government's total net position decreased by \$2,201,517. The Governmental Activities decreased by \$1,696,255 or 1.2%. The business type activities decreased by \$505,262 or 2.2%.
- At the end of the current fiscal year, unassigned fund balance in the general fund was \$12,103,520, or 13.7% of total general fund expenditures.
- The Town of Acton, Massachusetts' total general obligation bonds payable decreased by \$2,663,830 or 6.8% during the current year. The change is attributed to a decrease in the Governmental Activities (\$1,881,830 or 6.8%) and a decrease in the Business-type Activities (\$782,000 or 4.4%). A considerable amount of the Business-type activity debt will be funded by betterment revenues.

Overview of the Financial Statements – Primary Government

The discussion and analysis is intended to serve as an introduction of the Town of Acton, Massachusetts' basic financial statements. The Town of Acton, Massachusetts' basic financial statements consists of the following: 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 the Town of Acton, Massachusetts' finances, in a manner similar to private-sector business.

The Government-wide financial statements include the Town of Acton, Massachusetts (the Primary Government) and the Acton Community Housing Trust (a component unit for which the town is financially accountable).

The *statement of net position* presents information on all of the Town of Acton, Massachusetts' assets/deferred outflows and liabilities/deferred inflows, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town of Acton, Massachusetts is improving or deteriorating.

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

The government-wide financial statements have separate columns for governmental activities and business-type activities. The Town's activities are classified as follows:

- **Governmental Activities** – Activities reported here include education, public safety, public works, library and general administration. Property taxes, motor vehicle excise taxes, state and other local revenues finance these activities.
- **Business-Type Activities** - Activities reported here are for sanitation, nursing services and sewer operations. User fees charged to the customers receiving services finance these 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. The Town of Acton, Massachusetts, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town of Acton, Massachusetts can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term 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*.

Proprietary funds. The Town of Acton, Massachusetts maintains three proprietary (enterprise) fund types. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Town of Acton, Massachusetts uses enterprise funds to account for its sanitation, nursing services and sewer operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for each enterprise fund. All three funds are considered to be major funds of the Town of Acton, Massachusetts.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the Town's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The Town maintains fiduciary funds to account for activities related to charitable trust funds and for its Other Post Employment Benefits (OPEB) trust fund. The OPEB Trust Fund is used to accumulate resources to provide funding for future OPEB liabilities.

Notes to the Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* concerning the Town of Acton, Massachusetts' progress in funding its obligation to provide pension and OPEB benefits to its employees. The *required supplementary information* also includes budget versus actual information.

Reconciliation of Government-wide Financial Statements to Fund Financial Statements

The governmental activities of the government-wide financial statements and the governmental funds of the fund financial statements do not use the same accounting basis and measurement focus. Capital assets and long-term liabilities are not included on the balance sheet of the governmental funds, but are included on the statement of net position. Capital assets are recorded as expenditures when they are purchased in the governmental funds and depreciated over the useful life in the government-wide financial statements.

We have included schedules that provide a crosswalk from the government-wide financial statements to the governmental funds of the fund financial statements:

- Reconciliation of the balance sheet - governmental funds to the government-wide statement of net position.
- Reconciliation of the statement of revenues and expenditures and changes in fund balances - governmental funds to the government-wide statement of activities.

A reconciliation of government-wide financial statements to enterprise funds of the fund financial statements is not necessary. The business-type activities of the government-wide financial statements and the enterprise funds use the same accounting basis and measurement focus.

Government-Wide Financial Analysis

The following table reflects the condensed net position for the past two fiscal years.

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Current and Other Assets	\$ 43,935,605	\$ 46,156,475	\$ 21,566,183	\$ 22,031,998	\$ 65,501,788	\$ 68,188,473
Capital Assets	138,096,255	138,062,809	17,916,535	18,708,317	156,012,790	156,771,126
Total Assets	<u>182,031,860</u>	<u>184,219,284</u>	<u>39,482,718</u>	<u>40,740,315</u>	<u>221,514,578</u>	<u>224,959,599</u>
Current Liabilities	4,755,506	4,060,361	997,451	965,932	5,752,957	5,026,293
Long Term Liabilities	35,211,293	36,397,607	16,272,392	17,056,246	51,483,685	53,453,853
Total Liabilities	<u>39,966,799</u>	<u>40,457,968</u>	<u>17,269,843</u>	<u>18,022,178</u>	<u>57,236,642</u>	<u>58,480,146</u>
Net Position:						
Net Investment in Capital Assets	128,335,782	128,017,274	1,112,535	1,122,317	129,448,317	129,139,591
Restricted	14,911,665	16,566,766	-	-	14,911,665	16,566,766
Unrestricted	(1,182,386)	(822,724)	21,100,340	21,595,820	19,917,954	20,773,096
Total Net Position	<u>\$ 142,065,061</u>	<u>\$ 143,761,316</u>	<u>\$ 22,212,875</u>	<u>\$ 22,718,137</u>	<u>\$ 164,277,936</u>	<u>\$ 166,479,453</u>

The net position of the Town decreased by \$2,201,517.

Changes in Net Position

The following condensed financial information was derived from the government-wide Statement of Activities. It reflects how the Town's net position has changed during the fiscal year.

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Revenues						
Program Revenues:						
Charges for Services	\$ 4,216,819	\$ 3,589,139	\$ 1,877,294	\$ 2,142,215	\$ 6,094,113	\$ 5,731,354
Operating Grants and Contributions	13,129,117	14,151,048	904,881	927,166	14,033,998	15,078,214
Capital Grants and Contributions	542,488	4,524,343	-	100,759	542,488	4,625,102
General Revenues:						
Property Taxes	72,978,287	70,500,745	-	-	72,978,287	70,500,745
Motor Vehicle and Other Excises	2,919,465	2,823,357	-	-	2,919,465	2,823,357
Intergovernmental Not Restricted to a Specific Program	1,302,663	1,274,777	-	-	1,302,663	1,274,777
Gain (Loss) Sale of Assets	(11,500)	(24,000)	-	20,000	(11,500)	(4,000)
Other	496,263	497,145	-	-	496,263	497,145
Total Revenues	<u>95,573,602</u>	<u>97,336,554</u>	<u>2,782,175</u>	<u>3,190,140</u>	<u>98,355,777</u>	<u>100,526,694</u>
Expenses						
General Government	8,593,144	8,164,815	-	-	8,593,144	8,164,815
Public Safety	8,201,547	8,192,749	-	-	8,201,547	8,192,749
Education	62,551,163	59,827,670	-	-	62,551,163	59,827,670
Highways and Public Works	4,297,273	3,750,820	-	-	4,297,273	3,750,820
Human Services	2,632,642	2,681,919	-	-	2,632,642	2,681,919
Culture and Recreation	2,427,419	1,815,135	-	-	2,427,419	1,815,135
Employee Benefits and Insurance	7,563,997	6,912,937	-	-	7,563,997	6,912,937
Debt Service	867,672	853,957	-	-	867,672	853,957
Sanitation	-	-	647,494	663,877	647,494	663,877
Sewer	-	-	2,255,755	2,352,886	2,255,755	2,352,886
Nursing	-	-	519,188	568,026	519,188	568,026
Total Expenses	<u>97,134,857</u>	<u>92,200,002</u>	<u>3,422,437</u>	<u>3,584,789</u>	<u>100,557,294</u>	<u>95,784,791</u>
Increase (Decrease) in Net Position						
Before Transfers	(1,561,255)	5,136,552	(640,262)	(394,649)	(2,201,517)	4,741,903
Transfers In (Out)	<u>(135,000)</u>	<u>(145,000)</u>	<u>135,000</u>	<u>145,000</u>	<u>-</u>	<u>-</u>
Increase (Decrease) in Net Position	<u>(1,696,255)</u>	<u>4,991,552</u>	<u>(505,262)</u>	<u>(249,649)</u>	<u>(2,201,517)</u>	<u>4,741,903</u>
Net Position - Beginning	<u>143,761,316</u>	<u>138,769,764</u>	<u>22,718,137</u>	<u>22,967,786</u>	<u>166,479,453</u>	<u>161,737,550</u>
Net Position - Ending	<u>\$ 142,065,061</u>	<u>\$ 143,761,316</u>	<u>\$ 22,212,875</u>	<u>\$ 22,718,137</u>	<u>\$ 164,277,936</u>	<u>\$ 166,479,453</u>

As noted earlier, Net position may serve over time as a useful indicator of a government's financial position. At the close of the most recent fiscal year, the Town's net position was \$164,277,936.

By far, the largest portion of the Town of Acton, Massachusetts' net position (\$129,448,317) reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, vehicles, and infrastructure), less any related outstanding debt that was used to acquire those assets. The Town of Acton, Massachusetts uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the Town of Acton, Massachusetts' investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Town of Acton, Massachusetts' net position represents resources that are subject to external restrictions on how they may be used. The remaining balance (\$19,917,954) is unrestricted and may be used to meet the government's ongoing obligations to its citizens and creditors.

Governmental Activities

The net position of the Governmental Activities decreased by \$1,696,255. Key elements of this change are as follows:

Change in OPEB liability	\$ (1,189,779)
Use of Reserves for OPEB Trust	(488,660)
Other	(17,816)
Total	<u><u>\$ (1,696,255)</u></u>

The deficit (\$1,182,386) in the Unrestricted Net Position in the governmental activities is primarily a result of reporting the Town's Other Post Employment Benefits liability (\$13,800,346).

In fiscal year 2014, property taxes accounted for approximately 76 % of the revenues. In fiscal years 2013 and 2012 they accounted for 72 % and 76%, respectively, of the revenues. The difference in fiscal year 2013 as compared to other years is the result of the significant capital grants in fiscal year 2013.

Business Type Activities

The net position of the Business Type Activities decreased by \$505,262. Key elements of this change are as follows:

The net position of the Sanitation Fund increased by \$32,479. This occurred because expenditures were below expectations while revenues met their estimates.

The net position of the Sewer Fund decreased by \$470,179. Revenues decreased by 8.3% while expenditures decreased by 4.13%. The decrease in revenues was the result of a decrease in usage in fiscal year 2014.

The net position of the Nursing Fund decreased by \$67,562. Revenues decreased substantially (44.3%) in fiscal year 2014. The decrease was the result of new competition and the effects of new regulations. The Town transferred \$135,000 from the general fund in order to help mitigate the reduction in revenues

Financial Analysis of the Governmental Funds

Governmental Funds

The focus of the Town of Acton, Massachusetts' 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 Acton, Massachusetts' financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the Town of Acton, Massachusetts itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the Town of Acton, Massachusetts' Selectmen.

As of the end of the current fiscal year, the Town’s governmental funds reported a combined fund balance of \$30,804,681. This represents a decrease of \$1,002,164 from the prior fiscal year. Key elements to the change are as follows:

- The fund balance in the general fund increased by \$841,242 during the current fiscal year.
- The fund balance of the Community Preservation fund decreased by \$1,159,270. The decrease is the result of utilizing reserves that had been set aside for projects.
- The fund balance in the capital projects fund decreased by \$146,015 due to the expenditure of funds borrowed in prior fiscal years.
- The fund balance in the non major special revenue funds decreased by \$717,720, primarily due to transfers out of the Commuter Parking Lot fund (\$383,000) authorized. Other decreases were based on the timing of the revenues received and the timing of the related expenditures.
- The fund balance in the non major trust funds increased by \$179,599 due to significant earnings on investments and new contributions during the fiscal year.

General Fund

The general fund is the chief operating fund of the Town of Acton, Massachusetts. At the end of the current fiscal year, unassigned fund balance of the general fund was \$12,103,520 while total fund balance was \$15,709,932. As a measure of the general fund’s liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures. Unassigned fund balance represents approximately 13.7 percent of total general fund expenditures, while total fund balance represents approximately 17.8 percent of that same amount.

Other General Fund Highlights

- The Town utilized \$1,326,000 of its unassigned fund balance to fund the current year’s budget. However, the results of operations replenished the Town’s unassigned fund balance.
- The Towns revenues exceeded their budget by \$1,497,368. A significant portion of excess resulted from property taxes collections exceeding the budget (less abatements than anticipated in the budget process) and unbudgeted tax lien collections.
- The Town’s departments expended and encumbered \$1,128,605 less than budgeted. Significant amounts were unexpended in the Employee Benefits accounts (\$224,625) due to less than anticipated pension assessment and health insurance premiums and in the DPW Gas and Diesel account (\$206,888).

Based upon the balance sheet as of the close of each fiscal year, the Commonwealth of Massachusetts, Department of Revenue (DOR) determines the amount of general fund “fund balance” available for appropriation. In general, this amount (commonly known as “free cash”) is generated when actual revenues on a cash basis exceed budgeted amounts and expenditures and encumbrances (unpaid commitments) are less than appropriations, or both.

The Town’s certified free cash as of July 1, 2014 was \$9,345,325.

The following table reflects the trend in all the components of fund balance and details the certified free cash for the previous seven fiscal years.

<u>Fiscal Year</u>	<u>Reserved for Encumbrances</u>	<u>Reserved for Petty Cash</u>	<u>Designated for Subsequent Year's Expenditure</u>	<u>Unreserved</u>	<u>Total Fund Balance</u>
2008	\$ 3,186,756	\$ -	\$ 486,850	\$ 5,058,209	\$ 8,731,815
2009	3,353,740	-	1,167,330	5,347,611	9,868,681
2010	2,568,211	1,100	1,266,424	6,457,742	10,293,477

GASB 54 was implemented in fiscal year 2011. As a result the account titles of the components of fund balance changed as follows:

<u>Fiscal Year</u>	<u>Committed</u>	<u>Assigned</u>	<u>Unassigned</u>	Total Fund Balance
2011	\$ 2,302,875	\$ 2,126,226	\$ 7,823,281	\$ 12,252,382
2012	2,013,918	1,308,583	9,691,909	13,014,410
2013	2,638,503	2,269,913	9,959,734	14,868,150
2014	2,009,485	1,596,387	12,103,520	15,709,392

<u>Fiscal Year</u>	<u>Free Cash</u>
2008	\$ 2,454,644
2009	2,333,592
2010	4,650,574
2011	5,933,591
2012	7,080,410
2013	7,406,552
2014	9,345,325

Community Preservation Act Fund

The Community Preservation Act (C.P.A.) fund is used to account for the activities prescribed by Massachusetts General Laws. Revenues are derived, primarily, from property tax surcharges and state aid. Expenditures are allowed for affordable housing, historic preservation and for open space.

The Community Preservation Act expenditures are typically project driven. During 2014, the C.P.A. fund utilized its reserves to complete several planned projects causing the decrease in fund balance. The Town's general fund supported the C.P.A. fund by transferring \$260,000 from unassigned fund balance. The C.P.A. fund still maintains a sizable restricted fund balance (\$4,664,060).

Proprietary Funds

Enterprise Funds The Town of Acton, Massachusetts' proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted Net Position of the Sanitation Enterprise Fund at the end of the year was \$2,906,833 and the increase in net position was \$32,479. Unrestricted Net Position of the Sewer Enterprise Fund at the end of the year was \$18,030,376 and the decrease in net position was \$470,179. Unrestricted Net Position of the Nursing Enterprise Fund at year end was \$163,131 and the decrease in net position was \$67,562.

General Fund Budgetary Highlights

The Town authorizes a bottom line budget in order to provide flexibility within the budget process. The budget is monitored and managed by the Town Manager and the Finance Director. The Town Manager may allow a department to overspend its budget as long as the Town's total expenditures and encumbrances do not exceed the total approved budget. Since Town meeting authorizes a bottom line budget, transfers to offset departmental deficits are not required to be made.

The differences between the original budget and the final amended budget are due to a special Town meeting vote. In the current year, the Town had a supplemental appropriation of \$260,000. The appropriation was funded by unassigned fund balance and was used as a transfer out of the general fund to the Community Preservation fund.

Conservative budget estimates allowed the Town to experience favorable operating results for both revenues and expenditures. Positive budgetary variances occurred in substantially all revenue categories. Property taxes/tax liens revenues exceeded the budget by \$597,239, fees and departmental revenues exceeded the budget by \$356,001 and excise tax revenues exceeded the budget by \$356,001.

Capital Asset and Debt Administration

Capital assets. The Town of Acton, Massachusetts' investments in capital assets for its governmental and business type activities as of June 30, 2014, amounts to \$156,012,790 (net of accumulated depreciation) a decrease of \$758,336 from the prior fiscal year. This investment in capital assets includes land, buildings, improvements, infrastructure, equipment and vehicles.

Major capital asset events during the current fiscal year included the following:

Governmental Activities

- School Security System (\$101,000)
- Vehicles - Various (\$290,879)
- Equipment - Various (\$515,103)
- Land – Newtown Road (\$1,326,086)

Business Type Activities

- Loader (\$25,712)
- Tractor (\$36,078)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Land	\$ 68,693,832	\$ 67,335,721	\$ 534,769	\$ 534,769	\$ 69,228,601	\$ 67,870,490
Buildings	28,712,627	29,561,386	6,010,920	6,351,767	34,723,547	35,913,153
Improvements Other Than Buildings	1,460,314	1,603,867	36,393	38,833	1,496,707	1,642,700
Infrastructure	35,751,518	36,156,113	11,027,194	11,418,812	46,778,712	47,574,925
Equipment	2,815,304	2,798,924	307,259	350,711	3,122,563	3,149,635
Vehicles	662,660	606,798	-	13,425	662,660	620,223
Total	<u>\$ 138,096,255</u>	<u>\$ 138,062,809</u>	<u>\$ 17,916,535</u>	<u>\$ 18,708,317</u>	<u>\$ 156,012,790</u>	<u>\$ 156,771,126</u>

Additional capital asset disclosures can be found in Note III-B of the accompanying financial statements.

Debt

The Town had \$36,275,474 in bonds, outstanding on June 30, 2014. This represents a \$2,633,831 or 6.8% decrease from the previous year.

The Town's bond rating by Standard and Poor's is AAA.

Outstanding General Obligation Bonds

<u>Governmental Activities</u>	<u>2014</u>	<u>2013</u>
General Obligation Bonds Payable	\$ 19,471,474	\$ 21,353,304
<u>Business-type Activities</u>		
Sewer	16,804,000	17,586,000
Total Debt	<u>\$ 36,275,474</u>	<u>\$ 38,939,304</u>

Additional information on long term debt can be found in Note III-C of the accompanying financial statements.

Fiscal Year 2015 Budget

An initiative state statute, commonly known as “Proposition 2 ½”, limits the amount of property taxes that Town can assess in any one year. In general, the Town’s property tax levy may increase by 2 ½ percent over the prior year’s tax levy, plus any additional amount derived by new developments or other changes made to existing property (i.e “new growth”). If a community wishes to levy taxes above the limitations imposed by “Proposition 2 ½”, it is necessary to obtain the approval of a majority of the voters at an election.

The Town’s budget for fiscal year 2015 is \$90,835,647. Although the Town utilized reserves to help fund the 2015 budget, a healthy “free cash” balance remained as of June 30, 2014.

Requests for Information

This financial report is designed to provide a general overview of the Town of Acton, Massachusetts’ 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:

Office of the Finance Director
Town of Acton Massachusetts
472 Main Street
Acton, MA 01720

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BASIC FINANCIAL STATEMENTS

Town of Acton, Massachusetts
Statement of Net Position
June 30, 2014

	Primary Government			Component Unit
	Governmental	Business - Type	Total	Acton Community
	<u>Activities</u>	<u>Activities</u>		<u>Housing Corporation</u>
Assets				
Current:				
Cash and Cash Equivalents	\$ 26,601,819	\$ 8,318,177	\$ 34,919,996	\$ 255,921
Investments	5,217,964	-	5,217,964	-
Accounts Receivable:				
Property Taxes	672,566	-	672,566	-
Tax Liens	1,195,966	-	1,195,966	-
Motor Vehicle Excise	197,241	-	197,241	-
User Charges	107,596	261,973	369,569	-
Special Assessments	172,597	719,820	892,417	-
Departmental	100,703	-	100,703	-
Intergovernmental	2,148,503	-	2,148,503	-
Liens	-	71,681	71,681	-
Due from Town of Acton	-	-	-	911,001
Other	-	-	-	18,000
Noncurrent:				
Accounts Receivable:				
Intergovernmental	7,381,382	-	7,381,382	-
Clause 41 A Property Taxes	139,268	-	139,268	-
Special Assessments Not Yet Due	-	12,184,491	12,184,491	-
Other Post Employment Benefit Net Asset	-	10,041	10,041	-
Capital Assets:				
Assets Not Being Depreciated	68,693,832	534,769	69,228,601	-
Assets Being Depreciated, Net	69,402,423	17,381,766	86,784,189	-
Total Assets	182,031,860	39,482,718	221,514,578	1,184,922
Liabilities				
Current:				
Warrants Payable	853,284	69,185	922,469	-
Accrued Salaries Payable	228,728	8,498	237,226	-
Unclaimed Checks	22,055	-	22,055	-
Accrued Interest	223,012	111,002	334,014	-
Due to Component Unit	872,001	-	872,001	-
Compensated Absences	183,019	4,966	187,985	-
Landfill Closure/Postclosure	2,500	-	2,500	-
Other	149,183	-	149,183	5,306
Bonds Payable	2,221,724	803,800	3,025,524	-
Noncurrent:				
Compensated Absences	1,647,170	19,861	1,667,031	-
Landfill Closure/Postclosure	50,000	-	50,000	-
Other Post Employment Benefit Obligations	13,800,346	252,331	14,052,677	-
Other	2,464,027	-	2,464,027	-
Bonds Payable	17,249,750	16,000,200	33,249,950	-
Total Liabilities	39,966,799	17,269,843	57,236,642	5,306
Net Position				
Net Investment in Capital Assets	128,335,782	1,112,535	129,448,317	-
Restricted for:				
Special Revenue	11,067,043	-	11,067,043	-
Perpetual Funds:				
Expendable	1,853,885	-	1,853,885	-
Nonexpendable	1,990,737	-	1,990,737	-
Unrestricted	(1,182,386)	21,100,340	19,917,954	1,179,616
Total Net Position	\$ 142,065,061	\$ 22,212,875	\$ 164,277,936	\$ 1,179,616

Town of Acton, Massachusetts
Statement of Activities
Fiscal Year Ended June 30, 2014

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position			
	Expenses	Operating		Capital	Primary Government		Component Unit	
		Charges for Services	Grants and Contributions	Grants and Contributions	Governmental Activities	Business Type Activities	Total	Acton Community Housing Corporation
Primary Government:								
<i>Governmental Activities:</i>								
General Government	\$ 8,593,144	\$ 419,124	\$ 736,433	\$ -	\$ (7,437,587)	\$ -	\$ (7,437,587)	\$ -
Public Safety	8,201,547	1,881,840	130,866	-	(6,188,841)	-	(6,188,841)	-
Education	62,551,163	1,029,595	11,234,844	-	(50,286,724)	-	(50,286,724)	-
Highways and Public Works	4,297,273	3,092	357,213	542,488	(3,394,480)	-	(3,394,480)	-
Human Services	2,632,642	493,348	234,299	-	(1,904,995)	-	(1,904,995)	-
Culture and Recreation	2,427,419	389,820	431,374	-	(1,606,225)	-	(1,606,225)	-
Employee Benefits and Insurance	7,563,997	-	-	-	(7,563,997)	-	(7,563,997)	-
Debt Service	867,672	-	4,088	-	(863,584)	-	(863,584)	-
Total Governmental Activities	97,134,857	4,216,819	13,129,117	542,488	(79,246,433)	-	(79,246,433)	-
<i>Business-Type Activities:</i>								
Sanitation	647,494	668,705	11,268	-	-	32,479	32,479	-
Sewer	2,255,755	892,959	892,617	-	-	(470,179)	(470,179)	-
Nursing	519,188	315,630	996	-	-	(202,562)	(202,562)	-
Total Business-Type Activities	3,422,437	1,877,294	904,881	-	-	(640,262)	(640,262)	-
Total Primary Government	\$ 100,557,294	\$ 6,094,113	\$ 14,033,998	\$ 542,488	(79,246,433)	(640,262)	(79,886,695)	-
Component Units:								
Acton Community Housing Corporation	60,350	-	372,169	-	-	-	-	311,819
Total Component Unit	\$ 60,350	\$ -	\$ 372,169	\$ -	-	-	-	311,819
<i>General Revenues:</i>								
Property Taxes					72,978,287	-	72,978,287	-
Motor Vehicle and Other Excise Taxes					2,919,465	-	2,919,465	-
Penalties and Interest on Taxes					210,867	-	210,867	-
Other Taxes, Assessments and in Lieu Payments					15,233	-	15,233	-
Intergovernmental					1,302,663	-	1,302,663	-
Interest and Investment Income					87,867	-	87,867	-
Other Revenue					182,296	-	182,296	-
Gain (Loss) on Disposal of Asset					(11,500)	-	(11,500)	-
Transfer In (Out)					(135,000)	135,000	-	-
Total General Revenues, Gains (Losses) and Transfers					77,550,178	135,000	77,685,178	-
Change in Net Position					(1,696,255)	(505,262)	(2,201,517)	311,819
Net Position:								
Beginning of the Year					143,761,316	22,718,137	166,479,453	867,797
End of the Year					\$ 142,065,061	\$ 22,212,875	\$ 164,277,936	\$ 1,179,616

Town of Acton, Massachusetts

Balance Sheet

Governmental Funds

June 30, 2014

	General	Community Preservation Act	Nonmajor Governmental Funds	Total Governmental Funds
Assets:				
Cash and Cash Equivalents	\$ 14,468,601	\$ 4,823,556	\$ 7,309,662	\$ 26,601,819
Investments	1,373,342		3,844,622	5,217,964
Accounts Receivable:				
Property Taxes	665,968	6,598	-	672,566
Tax Liens	1,189,600	6,366	-	1,195,966
Motor Vehicle Excise	197,241	-	-	197,241
User Charges	-	-	107,596	107,596
Clause 41A Property Taxes	139,268	-	-	139,268
Special Assessments	-	-	172,597	172,597
Departmental	4,001	-	96,702	100,703
Intergovernmental	8,599,761	-	930,124	9,529,885
Tax Foreclosures	250,341	-	-	250,341
Due from Other Funds	289,909	-	-	289,909
Total Assets	<u>\$ 27,178,032</u>	<u>\$ 4,836,520</u>	<u>\$ 12,461,303</u>	<u>\$ 44,475,855</u>
Liabilities:				
Warrants Payable	\$ 745,832	\$ 4,365	\$ 103,087	\$ 853,284
Accrued Payroll Payable	193,560	131	35,037	228,728
Due to Other Fund	-	-	289,909	289,909
Unclaimed Checks	22,055	-	-	22,055
Due to Component Unit	-	175,000	697,001	872,001
Total Liabilities	<u>961,447</u>	<u>179,496</u>	<u>1,125,034</u>	<u>2,265,977</u>
Deferred Inflows of Resources:				
Unavailable Revenue	10,507,193	12,964	885,040	11,405,197
Total Deferred Inflows of Resources	<u>10,507,193</u>	<u>12,964</u>	<u>885,040</u>	<u>11,405,197</u>
Fund Equity:				
Fund Balances:				
Nonspendable	-	-	1,990,737	1,990,737
Restricted	-	4,644,060	6,730,225	11,374,285
Committed	2,009,485	-	1,730,267	3,739,752
Assigned	1,596,387	-	-	1,596,387
Unassigned	12,103,520	-	-	12,103,520
Total Fund Balances	<u>15,709,392</u>	<u>4,644,060</u>	<u>10,451,229</u>	<u>30,804,681</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 27,178,032</u>	<u>\$ 4,836,520</u>	<u>\$ 12,461,303</u>	<u>\$ 44,475,855</u>

Town of Acton, Massachusetts
 Reconciliation of the Balance Sheet - Governmental Funds
 to the Government-wide Statement of Net Position
 Fiscal Year Ended June 30, 2014

Total Governmental Fund Balances	\$ 30,804,681
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	138,096,255
Accounts receivable are not available to pay for current-period expenditures and, therefore, are deferred in the funds	11,154,856
In the statement of activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due	(223,012)
Certain liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds	
Bonds Payable	(19,471,474)
Compensated Absences	(1,830,189)
Other Liabilities	(2,613,210)
Landfill Closure/Postclosure Costs	(52,500)
Other Post Employment Benefit Obligations	(13,800,346)
Net Position of Governmental Activities	\$ 142,065,061

Town of Acton, Massachusetts
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Fiscal Year Ended June 30, 2014

	<u>General</u>	<u>Community Preservation Act</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>Revenues:</u>				
Property Taxes	\$ 71,851,785	\$ 838,496	\$ -	\$ 72,690,281
Tax Liens	203,679	-	-	203,679
Excises	2,918,815	-	-	2,918,815
Penalties and Interest	210,035	832	-	210,867
Licenses and Permits	215,238	-	-	215,238
Fees and Other Departmental	1,042,001	-	-	1,042,001
Intergovernmental	12,520,218	424,035	2,735,643	15,679,896
Charges for Services	25,209	-	2,754,219	2,779,428
Fines and Forfeits	90,672	-	-	90,672
Earnings on Investments	158,450	21,469	196,841	376,760
In Lieu of Taxes	15,233	-	-	15,233
Contributions	182,298	-	793,530	975,828
Miscellaneous	-	50,000	-	50,000
Total Revenues	<u>89,433,633</u>	<u>1,334,832</u>	<u>6,480,233</u>	<u>97,248,698</u>
<u>Expenditures:</u>				
Current				
General Government	6,451,741	2,380,778	985,478	9,817,997
Public Safety	6,883,835	43	1,083,960	7,967,838
Education	59,066,027	-	2,900,925	61,966,952
Intergovernmental	336,501	-	-	336,501
Highways and Public Works	3,326,826	-	632,112	3,958,938
Human Services	1,987,499	19,673	580,046	2,587,218
Culture and Recreation	1,306,039	353,608	614,110	2,273,757
Employee Benefits and Insurance	5,885,558	-	-	5,885,558
Debt Service				
Principal	2,129,617	-	-	2,129,617
Interest	702,826	-	-	702,826
Debt Issuance Costs	127,521	-	-	127,521
Total Expenditures	<u>88,203,990</u>	<u>2,754,102</u>	<u>6,796,631</u>	<u>97,754,723</u>
Excess of Revenues Over (Under) Expenditures	<u>1,229,643</u>	<u>(1,419,270)</u>	<u>(316,398)</u>	<u>(506,025)</u>
<u>Other Financing Sources (Uses):</u>				
Operating Transfers In	617,738	260,000	250,000	1,127,738
Operating Transfers (Out)	(1,133,660)	-	(617,738)	(1,751,398)
Issuance of Refunding Bonds	12,220,000	-	-	12,220,000
Premium on Refunding Bonds	768,190	-	-	768,190
Payment to Refunded Bonds Escrow Agent	(12,860,669)	-	-	(12,860,669)
Total Other Financing Sources (Uses)	<u>(388,401)</u>	<u>260,000</u>	<u>(367,738)</u>	<u>(496,139)</u>
Net Change in Fund Balance	<u>841,242</u>	<u>(1,159,270)</u>	<u>(684,136)</u>	<u>(1,002,164)</u>
Fund Balance, Beginning	<u>14,868,150</u>	<u>5,803,330</u>	<u>11,135,365</u>	<u>31,806,845</u>
Fund Balance, Ending	<u>\$ 15,709,392</u>	<u>\$ 4,644,060</u>	<u>\$ 10,451,229</u>	<u>\$ 30,804,681</u>

Town of Acton, Massachusetts
 Reconciliation of the Statement of Revenues, Expenditures,
 and Changes in Fund Balances - Governmental Funds
 to the Government-wide Statement of Activities
 Fiscal Year Ended June 30, 2014

Net Change in Fund Balances -Total Governmental Funds \$ (1,002,164)

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. This represents the amount by which difference between capital outlay and capital contributions exceeded depreciation in the current period.. 44,946

In the statement of activities, only the gain on the sale of capital assets is reported, whereas in the governmental funds the entire proceeds of the sale are reported. This represents the difference in reporting the sale of capital assets. (11,500)

Revenues in the Statement of Activities that do not provide current financial resources are fully deferred in the Statement of Revenues, Expenditures and Changes in Fund Balances. Therefore, the recognition of revenue for various types of accounts receivable (i.e., real estate and personal property, motor vehicle excise, etc.) differ between the two statements. This amount represents the net change in deferred inflows from the prior fiscal year. (1,663,596)

The issuance of long-term debt (e.g., bonds and leases) provides current financial resources to governmental funds, while the repayment of the principal of long- term debt consumes the financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are amortized in the Statement of Activities. This amount reflects the net effect of these differences in the treatment of long-term debt and related items. 1,881,830

Some expenses reported in the Statement of Activities, such as compensated absences, other post employment benefits payable and interest payable do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. This amount represents the change in these accounts from the prior fiscal year. (945,771)

Change in Net Position of Governmental Activities \$ (1,696,255)

Town of Acton, Massachusetts
Statement of Net Position
Proprietary Funds
June 30, 2014

	<u>Sanitation</u>	<u>Sewer</u>	<u>Nursing</u>	<u>Total</u>
Assets				
Current:				
Cash and Cash Investments	\$ 2,929,918	\$ 5,162,046	\$ 226,213	\$ 8,318,177
Accounts Receivable, Net of Allowance for Uncollectible:				
User Charges	-	92,860	169,113	261,973
Special Assessments	-	719,820	-	719,820
Liens	-	71,681	-	71,681
Noncurrent:				
Accounts Receivable:				
Special Assessments	-	12,184,491	-	12,184,491
Other Post Employment Benefit Net Asset	10,041	-	-	10,041
Assets Not Being Depreciated	435,300	99,469	-	534,769
Assets Being Depreciated, Net	<u>393,757</u>	<u>16,988,009</u>	<u>-</u>	<u>17,381,766</u>
Total Assets	<u><u>3,769,016</u></u>	<u><u>35,318,376</u></u>	<u><u>395,326</u></u>	<u><u>39,482,718</u></u>
Liabilities				
Current:				
Warrants Payable	23,886	20,615	24,684	69,185
Accrued Wages Payable	657	257	7,584	8,498
Accrued Interest Payable	-	111,002	-	111,002
Compensated Absences	1,717	114	3,135	4,966
Bonds Payable	-	803,800	-	803,800
Noncurrent:				
Compensated Absences	6,866	454	12,541	19,861
Other Post Employment Benefit Obligations	-	68,080	184,251	252,331
Bonds Payable	<u>-</u>	<u>16,000,200</u>	<u>-</u>	<u>16,000,200</u>
Total Liabilities	<u><u>33,126</u></u>	<u><u>17,004,522</u></u>	<u><u>232,195</u></u>	<u><u>17,269,843</u></u>
Net Position				
Net Investment in Capital Assets	829,057	283,478	-	1,112,535
Unrestricted	<u>2,906,833</u>	<u>18,030,376</u>	<u>163,131</u>	<u>21,100,340</u>
Total Net Position	<u><u>\$ 3,735,890</u></u>	<u><u>\$ 18,313,854</u></u>	<u><u>\$ 163,131</u></u>	<u><u>\$ 22,212,875</u></u>

Town of Acton, Massachusetts
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
Fiscal Year Ended June 30, 2014

	<u>Sanitation</u>	<u>Sewer</u>	<u>Nursing</u>	<u>Total</u>
Operating Revenues:				
Charges for Services	\$ 668,705	\$ 892,209	\$ 315,630	\$ 1,876,544
Other Operating	-	750	-	750
Total Operating Revenues	<u>668,705</u>	<u>892,959</u>	<u>315,630</u>	<u>1,877,294</u>
Operating Expenditures:				
General Services	524,376	641,135	519,188	1,684,699
Depreciation	123,118	730,454	-	853,572
Total Operating Expenditures	<u>647,494</u>	<u>1,371,589</u>	<u>519,188</u>	<u>2,538,271</u>
Operating Income (Loss)	<u>21,211</u>	<u>(478,630)</u>	<u>(203,558)</u>	<u>(660,977)</u>
Nonoperating Revenues (Expenses):				
Intergovernmental	-	726,074	-	726,074
Committed Interest	-	147,333	-	147,333
Earnings on Investments	11,268	19,210	996	31,474
Interest on Debt	-	(884,166)	-	(884,166)
Total Nonoperating Revenues (Expenses)	<u>11,268</u>	<u>8,451</u>	<u>996</u>	<u>20,715</u>
Income (Loss) Before Transfers	<u>32,479</u>	<u>(470,179)</u>	<u>(202,562)</u>	<u>(640,262)</u>
Operating Transfers In	-	-	135,000	135,000
Total Transfers	<u>-</u>	<u>-</u>	<u>135,000</u>	<u>135,000</u>
Change in Net Position	<u>32,479</u>	<u>(470,179)</u>	<u>(67,562)</u>	<u>(505,262)</u>
Total Net Position - Beginning	<u>3,703,411</u>	<u>18,784,033</u>	<u>230,693</u>	<u>22,718,137</u>
Total Net Position - Ending	<u>\$ 3,735,890</u>	<u>\$ 18,313,854</u>	<u>\$ 163,131</u>	<u>\$ 22,212,875</u>

Town of Acton, Massachusetts
Statement of Cash Flows
Proprietary Fund
Fiscal Year Ended June 30, 2014

	<u>Sanitation</u>	<u>Sewer</u>	<u>Nursing</u>	<u>Total</u>
Cash Flows from Operating Activities:				
Receipts from Customers	\$ 668,704	\$ 894,123	\$ 262,882	\$ 1,825,709
Payments to Employees	1,564	(3,511)	581	(1,366)
Payments to Vendors	(500,862)	(632,403)	(485,940)	(1,619,205)
Net Cash Flows Provided (Used) by Operating Activities	<u>169,406</u>	<u>258,209</u>	<u>(222,477)</u>	<u>205,138</u>
Cash Flows from Non Capital Related Financing Activities:				
Transfer from Other Funds	-	-	135,000	135,000
Net Cash Flows Provided (Used) by Non Capital Related Financing Activities	<u>-</u>	<u>-</u>	<u>135,000</u>	<u>135,000</u>
Cash Flows from Capital and Related Financing Activities:				
Acquisition of Capital Assets	(25,712)	(36,078)	-	(61,790)
Special Assessments	-	843,108	-	843,108
Committed Interest on Special Assessments	-	147,333	-	147,333
Principal Payments on Bonds	-	(659,298)	-	(659,298)
Interest Expense	-	(314,677)	-	(314,677)
Net Cash Flows Provided (Used) by Capital and Related Financing Activities	<u>(25,712)</u>	<u>(19,612)</u>	<u>-</u>	<u>(45,324)</u>
Cash Flows from Investing Activities:				
Earnings on Investments	11,268	19,210	996	31,474
Net Cash Flows Provided (Used) by Investing Activities	<u>11,268</u>	<u>19,210</u>	<u>996</u>	<u>31,474</u>
Net Increase (Decrease) in Cash and Cash Equivalents	154,962	257,807	(86,481)	326,288
Cash and Cash Equivalents, July 1, 2013	<u>2,774,956</u>	<u>4,904,239</u>	<u>312,694</u>	<u>7,991,889</u>
Cash and Cash Equivalents, June 30, 2014	<u>\$ 2,929,918</u>	<u>\$ 5,162,046</u>	<u>\$ 226,213</u>	<u>\$ 8,318,177</u>
Reconciliation of Net Income to Net Cash Provided (Used) by Operating Activities:				
Operating Income (Loss)	\$ 21,211	\$ (478,630)	\$ (203,558)	\$ (660,977)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:				
Depreciation Expense	123,118	730,454	-	853,572
(Increase) Decrease in Assets:				
Accounts Receivable - Customer	-	1,163	(52,748)	(51,585)
Other Post Employment Benefits Asset	580	-	-	580
Increase (Decrease) in Liabilities:				
Warrants, Wages, Absence and Accounts Payables	24,497	(69)	11,941	36,369
Other Post Employment Benefits Liability	-	5,291	21,888	27,179
Net Cash Provided by Operating Activities	<u>\$ 169,406</u>	<u>\$ 258,209</u>	<u>\$ (222,477)</u>	<u>\$ 205,138</u>

Town of Acton, Massachusetts
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2014

	Private Purpose Trust Fund <u>Charity</u>	Other Post Employment Benefits <u>Trust</u>	Agency Funds
Assets			
Cash and Cash Equivalents	\$ -	\$ -	\$ 1,045,068
Investments	276,167	927,704	-
	<hr/>	<hr/>	<hr/>
Total Assets	\$ 276,167	\$ 927,704	\$ 1,045,068
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Liabilities			
Warrants Payable	\$ -	\$ -	\$ 9,711
Due to Component Unit	-	-	39,000
Other	-	-	996,357
	<hr/>	<hr/>	<hr/>
Total Liabilities	-	-	1,045,068
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Net Position			
Held in Trust for OPEB Benefits and Other Purposes	\$ 276,167	\$ 927,704	\$ -
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Town of Acton, Massachusetts
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
Fiscal Year Ended June 30, 2014

	Private Purpose Trust Fund <u>Charity</u>	Other Post Employment Benefits <u>Trust</u>
Additions:		
Gift	\$ 58	\$ -
Interest, Dividends, and Other	14,175	129,044
Total Additions	<u>14,233</u>	<u>129,044</u>
Deductions:		
Trust Distributions	<u>1,994</u>	<u> -</u>
Change in Net Position Before Transfers	<u>12,239</u>	<u>129,044</u>
Transfers In (Out):		
Operating Transfers In (Out)	<u> -</u>	<u>488,660</u>
Change in Net Position	<u>12,239</u>	<u>617,704</u>
Net Position:		
Beginning of the Year	<u>263,928</u>	<u>310,000</u>
Ending of the Year	<u><u>\$ 276,167</u></u>	<u><u>\$ 927,704</u></u>

Town of Acton, Massachusetts
Notes to the Financial Statements
June 30, 2014

I. **Summary of Significant Accounting Policies**

The accounting policies of the Town of Acton, Massachusetts, as reflected in the accompanying financial statements for the year ended June 30, 2014, conform to accounting principles generally accepted in the United States of America for local government units. The more significant accounting policies of the Town are summarized below.

(A) **Reporting Entity**

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

Discretely Presented Component Unit

Based on the aforementioned criteria, the Acton Community Housing Corporation (ACHC) was considered a component unit and included in the accompanying basic financial statements as a discretely presented component unit. The ACHC was created by Special Legislation enacted in 1996 “for the purpose of investigating and implementing alternatives for the provision of and to provide for affordable housing for persons of low, moderate and middle income and other persons whose needs may be determined from time to time”. The Board of Directors of the ACHC (not less than five) is appointed by the Town of Acton, Board of Selectmen and are subject to the supervision of the Board of Selectmen. The separately issued financial statements may be obtained from the Acton Community Housing Corporation.

(B) **Government-Wide and Fund Financial Statements**

Government-Wide Financial Statements

The **government-wide financial statements** (i.e., the **statement of net position** and the **statement of activities**) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of the interfund activity has been removed from these statements. Government activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental 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, liabilities and deferred inflows, revenues, or expenditures/expenses of an individual governmental or enterprise fund are at least 10% of the corresponding element (assets, liabilities, etc.) for all funds of that category or type (total governmental or total enterprise funds), and
- If the total assets and deferred outflows, liabilities and deferred inflows, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5% 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.

(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, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. 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. For the most part, the effect of interfund activity has been removed from the government-wide financial statements.

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 (1) charges to customers or applicants for goods, services or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions (restricted in use for capital items). Taxes and other revenues not categorized as program revenues are reported as general revenues.

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. These revenues are recognized when they become measurable and available as net current assets. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Primary sources of revenue considered susceptible to accrual consist principally of real estate and personal property taxes and motor vehicle excise taxes provided they are collected within 60 days after year end. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period

for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include: (1) accumulated vacation, accumulated sick pay and other employee amounts which are not to be liquidated from expendable and available resources; and (2) debt service expenditures which are recognized when due.

The Town reports the following major governmental funds:

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

Community Preservation Fund – This special revenue fund is used to account for the activities prescribed by the Community Preservation Act of the Massachusetts General Laws. Expenditures are allowed for affordable housing, historic preservation and the purchase of open space.

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 types of funds are included in the nonmajor category:

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 Town reports the following major proprietary funds:

Sanitation Fund – This fund is used to account for the activities related to trash collection.

Sewer Fund – This fund is used to account for the activities related to the sewer system.

Nursing Fund – Activities related to the Town’s nursing program are accounted for in this fund.

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 for future other postemployment benefits (OPEB) liabilities.

The private-purpose trust fund is used to account for trust arrangements that exclusively benefit individuals, private organizations, or other governments. Some of these trusts have donor restrictions and trustee policies that do not allow the endowment portion to be spent. The Town maintains a private purpose trust fund for several charitable trusts funds.

The agency fund is used to account for assets held in a purely custodial capacity. The Town’s agency funds consist primarily of payroll withholdings, police and fire details, escrow deposits and unclaimed property.

(D) Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position or Equity

i Deposits and Investments

The Town’s cash and cash equivalents are considered to be demand deposits and short term investments with original maturities of three months or less from the date of acquisition.

State and local statutes place certain limitations on the nature of deposits and investments available to the Town. Deposits (including demand deposits, term deposits and certificates of deposit) in any one financial institution may not exceed certain prescribed levels without collateralization by the financial institutions involved. Investments can also be made in securities issued by or unconditionally guaranteed by the U.S. government or agencies that have a maturity of less than one year from the date of purchase, repurchase agreements guaranteed by such securities with maturity dates of no more than 90 days from the date of purchase, and units in the Massachusetts Municipal Depository Trust “MMDT”. The Town may invest its trust funds in a wider variety of investment vehicles such as equities and bonds.

ii Property Taxes

The Town's fiscal year runs from July 1 to June 30. Taxes are levied to the owner of record on the preceding January 1. The Town bills property taxes on a quarterly basis. Quarterly payments are due August 1, November 1, February 1 and May 1. Property taxes attach as enforceable liens on property as of July 1 of the next fiscal year.

The Town is permitted under state law (Proposition 2 ½) to levy property taxes up to 2.5% of the full and fair cash value of the Town’s property. In addition, the law limits the amount by which the property tax levy can be increased to 2.5% of the preceding year's levy plus any new growth. An increase above the levy limits of Proposition 2 ½ may approved by a vote of the Town’s citizens.

iii Capital Assets

Capital assets, which include buildings/improvements, machinery and equipment, vehicles, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$10,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The cost of normal maintenance and repairs that does not add to the value of the asset or materially extend assets lives is not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Capital assets of the primary government are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	10- 40
Improvements (Other Than Buildings)	10-20
Infrastructure	40
Vehicles	5-15
Machinery and Equipment	5-15

iv. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and balance sheet 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.

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

The Town’s statement of net position did not have any items that are required to be reported as deferred outflows or deferred inflows of resources. The balance sheet in the Town’s fund financial statements reflect deferred inflows or resources for revenues that were not “available”.

v. Net Position and Fund Equity

Government-Wide Financial Statements (Net Position)

Net position represents the difference between assets/deferred outflows and liabilities/deferred inflows.

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

Net position is reported as restricted when there is an externally imposed restriction on its use or it is limited by enabling legislation.

When expenditures are incurred for purposes for which different net position classifications could be used, the Town’s policy is to use restricted amounts first followed by unrestricted amounts.

Fund Financial Statements (Fund Balances)

Fund balance for **governmental** funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to the constraints on the specific purposes for which the amounts in those funds can be spent.

GASB 54 requires that the fund balance amounts to be reported within one of the fund balance categories list below.

1. **Nonspendable**, includes amounts that cannot be spent because (a) they are not in spendable form (such as fund balance associated with inventories), or (b) they are legally or contractually required to stay intact (i.e. corpus of a permanent trust fund).
2. **Restricted**, constraints on the use of resources for specific purposes are imposed (a) by creditors, grantors or contributors, or (b) by law through constitutional provisions or through enabling legislation.
3. **Committed**, includes amounts that can be used only for the specific purposes determined by a formal action of the Board of Selectmen and/or Town meeting (the Town’s highest level of decision-making authority). Similar formal action by the Board of Selectmen and/or Town meeting is required in order to “reverse” the commitment or commit it for another purpose.
4. **Assigned**, intentions (by the Board of Selectmen, Town Administrator or Town Accountant) that resources are to be used by the government for specific purposes, but the restrictions do not meet the criteria necessary to be classified as restricted or committed.
5. **Unassigned**, the residual classification for the government’s general fund. It includes all spendable amounts not contained in the restricted, committed or assigned categories. A “positive” unassigned may only be displayed in the general fund.

When expenditures are incurred for purposes for which different fund balance classifications could be used, the Town's policy is to use restricted amounts first, followed by committed, assigned and then unassigned amounts.

vi. Compensated Absences

Employees are granted vacation and sick leave in varying amounts based on contractual agreements. The liabilities for compensated absences reported in the government-wide and proprietary fund statements consists of unpaid accumulated annual vacation and sick leave benefits. A liability for the compensated absences is reported in the governmental funds only if they have matured and will be paid from available resources.

vii. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources and principal payments are recorded as expenditures. Issuance costs are reported as expenditures.

viii. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

ix. Warrants Payable

The balance in this account consists of those warrants approved by the Selectmen for payment between July 1, 2014 and July 15, 2014. These warrants have been recorded as expenditures during the fiscal year ended June 30, 2014 and the corresponding credit is to the account entitled warrants payable.

x. 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.

II Stewardship, Compliance and Accountability

(A) Budgetary Information

i General Budget Policies

Budget requests are prepared by the various Town departments and submitted to the Selectmen and Finance Committee for review during January, February and March of each year. The Selectmen and Finance Committee have until April, which is when the annual Town meeting is held, to make any changes to the departmental requests. After approval of the budget at the annual Town meeting, the tax recapitulation (recap) sheet is prepared. During this process, the property tax rate is determined and the recap sheet is sent to the Department of Revenue for approval.

The Town authorizes a bottom line budget in order to provide flexibility within the budget process. The budget is monitored and managed by the Town Manager and the Finance Director. The Town Manager may allow a department to overspend its budget as long as the Town's total expenditures and encumbrances do not exceed the total approved budget. Since Town meeting authorizes a bottom line budget, transfers to offset departmental deficits are not required to be made.

Formal budgetary integration is utilized in the General Fund, in the Council on Aging, Septage and Ambulance special revenue funds and in the Sanitation, Sewer and Nursing Enterprise fund. All budgeted funds are authorized as bottom line budgets.

Encumbrance accounting is utilized when purchase orders, contracts or other commitments for purchases are recorded in order to reserve that portion of the applicable appropriations. Encumbrances do not constitute expenditures or liabilities.

At year end, appropriation balances lapse except for encumbrances and certain "articles voted" (that may be carried forward until the project is complete).

ii Budget Basis of Accounting

The final budget appearing in the required supplementary information section of the financial statements includes the fiscal year 2014 annual/Town meeting voted amounts adjusted for any special Town meeting votes applicable to fiscal 2014 and any transfers authorized by the Finance Committee.

The following reconciliation summarizes the differences between the general fund budget basis and the Generally Accepted Accounting Principles (GAAP) basis (fund financial statements) for the year ended June 30, 2014. The budget basis for the Community Preservation Act fund is GAAP.

	<u>Revenues</u>
As Reported Budget Basis	\$ 85,053,372
Adjustments:	
Sixty Day Accrual - Net	(165,470)
MWPAT Subsidies	6,893
On Behalf Payments Included in Intergovernmental	4,538,838
As Reported GAAP Statement	<u>\$ 89,433,633</u>
	<u>Expenditures</u>
As Reported Budget Basis	\$ 83,530,738
Adjustments:	
MWPAT Subsidies	6,893
Debt Issuance cost on Refunding Bond	127,521
On Behalf Payments Included in Education	4,538,838
As Reported GAAP Statement	<u>\$ 88,203,990</u>

iii Fund Deficits and Appropriation Deficits

At June 30, 2014, individual fund deficits existed as follows:

<u>Nonmajor Governmental Funds</u>	
Town Grants	\$249,412
School Grants	1,608
Town Donations and Gifts	<u>2,750</u>
Total	<u>\$253,770</u>

These deficits will be funded through grant proceeds and other revenues in fiscal year 2015.

III Detailed Notes on All Funds

A. Deposits and Investments

i.) Deposits

a.) Custodial Credit Risk - Deposits

Custodial Credit Risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. Massachusetts General Laws Chapter 44 Section 55 provide that municipalities "shall not at any one time have on deposit in a bank or trust company or banking company an amount exceeding sixty per cent of the capital and surplus of such bank or trust company or banking company, unless satisfactory security is given". As of June 30, 2014, the Town's bank balance was \$37,037,530 and \$13,800,727 of that amount was exposed to custodial credit risk because it was uninsured and uncollateralized. The Town does not have a formal policy regarding custodial credit risk on deposits.

ii.) Investments

a.) As of June 30, 2014, the Town had the following investments and maturities.

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in Years)</u>		
		<u>Less Than 1</u>	<u>1-5</u>	<u>5-10</u>
Debt Related Securities:				
U.S. Treasuries	\$ 1,505,175	\$ 250,723	\$ 1,254,452	\$ -
Government Agencies	<u>223,252</u>	<u>-</u>	<u>223,252</u>	<u>-</u>
Total Debt Related Securities	<u>1,728,427</u>	<u>250,723</u>	<u>1,477,704</u>	<u>-</u>
<u>Investment Type</u>	<u>Fair Value</u>			
Other Investments:				
Money Market Funds	1,021,725			
Equities	1,371,066			
Pension Reserve Investment Trust	927,704			
Mass. Municipal Depository Trust	<u>1,372,913</u>			
Total Other Investments	<u>4,693,408</u>			
Total Investments	<u><u>\$ 6,421,835</u></u>			

The Town is a participant in the State Retiree Benefits Trust Fund (SRBTF). The Town's other post employment benefits trust funds are invested by the SRBTF in the Pension Reserve Investment Trust (PRIT) Fund, which is a pooled investment trust. The PRIT Fund is managed by the Pension Reserves Investment Management (PRIM) Board. The Town owns units or shares in the PRIT Fund's General Allocation Account. Fair value is the same as the value of the pool share. The Pool is not rated.

In addition, the Town is a participant in Massachusetts Municipal Depository Trust (MMDT) a pooled investment trust established by the Commonwealth of Massachusetts. MMDT offers a cash portfolio and a short term bond portfolio. Fair value is the same as the value of the pool share. The Pool is not rated.

b.) Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer until maturity of an investment, the more sensitive its fair value will be to changes in interest rates. 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.

c.) Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Massachusetts General Laws Chapter 44 Section 55 limits the short term investment of surplus funds to the top rating issued by at least one nationally recognized rating organization. The Commonwealth of Massachusetts, also, has an investment "legal list" that the Town follows. However the Town does not have its own formal policy regarding credit risk. The investment ratings are as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Rating</u>
U.S. Treasuries	\$ 1,505,175	AA+
Government Agencies	223,252	AA+
	<u>\$ 1,728,427</u>	

d.) Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The Town does not have a formal policy regarding concentration of credit risk. The Town did not have more than 5% of its investments in any one individual security.

e.) Custodial Credit Risk - Investments

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All of the Town's investments in U.S. Treasury Notes (\$1,505,175), Government Agencies (\$223,252) and equity securities (\$1,371,066) are exposed to custodial credit risk because the related securities are uninsured, unregistered, and held by the government's brokerage firm, which is also the counterparty for these particular securities. The Town does not have a formal policy regarding custodial credit risk on investments.

B. Accounts Receivable

At June 30, 2014, receivables for the individual major governmental funds and the non-major governmental funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	Gross	Allowance	Net
<u>Accounts Receivable:</u>	<u>Amount</u>	<u>for</u>	<u>Amount</u>
		<u>Uncollectible</u>	
Real and Personal Property Taxes	\$ 672,566	\$ -	\$ 672,566
Tax Liens	1,195,966	-	1,195,966
Motor Vehicle Excise Taxes	479,211	(281,970)	197,241
User Charges	107,596	-	107,596
Clause 41 A Property Taxes	139,268	-	139,268
Special Assessments	172,597	-	172,597
Departmental	100,703	-	100,703
Intergovernmental	9,529,885	-	9,529,885
Tax Foreclosures	250,341	-	250,341
Total	<u>\$ 12,648,133</u>	<u>\$ (281,970)</u>	<u>\$ 12,366,163</u>

B. Accounts Receivable (Continued)

At June 30, 2014 the accounts receivable of the Sanitation, Sewer and Nursing enterprise fund were comprised of the following:

<u>Accounts Receivable:</u>	<u>Gross</u> <u>Amount</u>	<u>Allowance</u> <u>for</u> <u>Uncollectible</u>	<u>Net</u> <u>Amount</u>
Sewer - User Charges	\$ 92,860	\$ -	\$ 92,860
Sewer - Special Assessments	12,904,311	-	12,904,311
Sewer - Liens	71,681	-	71,681
Nursing - User Charges	169,113	-	169,113
Total	<u>\$ 13,237,965</u>	<u>\$ -</u>	<u>\$ 13,237,965</u>

Governmental Funds report unavailable revenues for accounts receivables that are not considered to be available to liquidate current liabilities. The various components of unavailable revenue are as follows:

<u>Unavailable Revenue Category</u>	<u>General Fund</u>	<u>Other</u> <u>Governmental</u> <u>Funds</u>	<u>Total</u>
Real and Personal Property Taxes	\$ 577,413	\$ 6,598	\$ 584,011
Departmental	4,001	55,083	59,084
Clause 41 A Property Taxes	139,268	-	139,268
Tax Liens	1,189,599	6,366	1,195,965
Motor Vehicle Excise Taxes	42,516	-	42,516
Special Assessments	-	172,597	172,597
Tax Foreclosures	250,341	-	250,341
User Charges	-	107,596	107,596
Intergovernmental	8,304,055	549,764	8,853,819
	<u>\$ 10,507,193</u>	<u>\$ 898,004</u>	<u>\$ 11,405,197</u>

C. Capital Assets

Capital asset activity for the year ended June 30, 2014 was as follows:

Government Activities:	<u>Beginning</u> <u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending</u> <u>Balance</u>
Assets Not Being Depreciated:				
Land	\$ 67,335,721	\$ 1,358,111	\$ -	\$ 68,693,832
Total Capital Assets Not Being Depreciated	<u>67,335,721</u>	<u>1,358,111</u>	<u>-</u>	<u>68,693,832</u>
Assets Being Depreciated:				
Buildings	43,763,696	120,950	-	43,884,646
Improvements Other Than Buildings	3,353,122	-	-	3,353,122
Infrastructure	47,596,912	542,488	-	48,139,400
Equipment	7,423,201	515,103	(17,799)	7,920,505
Vehicles	1,853,077	290,879	(183,901)	1,960,055
Total Capital Assets Being Depreciated	<u>103,990,008</u>	<u>1,469,420</u>	<u>(201,700)</u>	<u>105,257,728</u>

C. Capital Assets (Continued)

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Less Accumulated Depreciation for:				
Buildings	(14,202,310)	(969,709)	-	(15,172,019)
Improvements Other Than Buildings	(1,749,255)	(143,553)	-	(1,892,808)
Infrastructure	(11,440,799)	(947,083)	-	(12,387,882)
Equipment	(4,624,277)	(498,723)	17,799	(5,105,201)
Vehicles	(1,246,279)	(223,517)	172,401	(1,297,395)
Total Accumulated Depreciation	<u>(33,262,920)</u>	<u>(2,782,585)</u>	<u>190,200</u>	<u>(35,855,305)</u>
Capital Assets Being Depreciated, Net	<u>70,727,088</u>	<u>(1,313,165)</u>	<u>(11,500)</u>	<u>69,402,423</u>
Governmental Activities Capital Assets, Net	<u>\$ 138,062,809</u>	<u>\$ 44,946</u>	<u>\$ (11,500)</u>	<u>\$ 138,096,255</u>

Depreciation expense was charged to functions as follows:

Government Activities:	
General Government	\$ 182,664
Public Safety	472,402
Education	655,092
Highways and Public Works	1,203,786
Human Services	66,503
Culture and Recreation	202,138
Total Governmental Activities Depreciation Expense	<u>\$ 2,782,585</u>

Business-Type Activities:

Assets Not Being Depreciated:

Land	\$ 534,769	\$ -	\$ -	\$ 534,769
Total Capital Assets Not Being Depreciated	<u>534,769</u>	<u>-</u>	<u>-</u>	<u>534,769</u>

Assets Being Depreciated:

Buildings	10,185,166	-	-	10,185,166
Improvements Other Than Buildings	48,796	-	-	48,796
Infrastructure	15,760,086	-	-	15,760,086
Equipment	1,068,931	61,790	-	1,130,721
Vehicles	129,825	-	-	129,825
Total Capital Assets Being Depreciated	<u>27,192,804</u>	<u>61,790</u>	<u>-</u>	<u>27,254,594</u>

Less Accumulated Depreciation for:

Buildings	(3,833,399)	(340,847)	-	(4,174,246)
Improvements Other Than Buildings	(9,963)	(2,440)	-	(12,403)
Infrastructure	(4,341,274)	(391,618)	-	(4,732,892)
Equipment	(718,220)	(105,242)	-	(823,462)
Vehicles	(116,400)	(13,425)	-	(129,825)
Total Accumulated Depreciation	<u>(9,019,256)</u>	<u>(853,572)</u>	<u>-</u>	<u>(9,872,828)</u>
Capital Assets Being Depreciated, Net	<u>18,173,548</u>	<u>(791,782)</u>	<u>-</u>	<u>17,381,766</u>
Business-Type Activities Capital Assets, Net	<u>\$ 18,708,317</u>	<u>\$ (791,782)</u>	<u>\$ -</u>	<u>\$ 17,916,535</u>

Depreciation expense was charged to functions as follows:

Business-Type Activities:	
Sanitation	\$ 123,118
Sewer	730,454
Total Business-Type Activities Depreciation Expense	<u>\$ 853,572</u>

D. Debt

i Short Term Debt

The Town did not have any short term debt activity in fiscal year 2014.

ii Long Term Debt

The Town issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities. General obligation bonds are direct obligations and pledge the full faith and credit of the government. These bonds generally are issued as serial bonds with equal amounts of principal maturing each year with maturities that range from 5 to 20 years. General obligation bonds outstanding at June 30, 2014 are as follows:

(a) General Obligation Bonds Outstanding at June 30, 2014

Governmental Activities:

<u>General Obligation Bond</u>	<u>Sale Date</u>	<u>Original Borrowing</u>	<u>Interest Rates to Maturities</u>	<u>Final Maturity</u>	<u>Balance July 1, 2013</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Balance June 30, 2014</u>
School Project	2014	\$ 12,220,000	2.00% - 4.00%	2023	\$ -	\$ 12,220,000	\$ 1,110,000	\$ 11,110,000
School Project	2003	21,350,000	4.00%	2014	12,745,000	-	12,745,000	-
Public Safety	2004	6,400,000	3.50% - 4.50%	2024	3,430,000	-	330,000	3,100,000
School Repair	2005	164,000	3.40% - 3.64%	2015	32,800	-	16,400	16,400
School Repair	2005	136,000	3.40% - 3.64%	2015	27,200	-	13,600	13,600
MWPAT - Water study	2005	218,403	5.00%	2023	136,021	-	12,365	123,656
Land acquisition	2007	545,000	4.70%	2017	215,000	-	55,000	160,000
MWPAT - Water study	2008	154,350	0.00%	2023	102,901	-	10,289	92,612
MWPAT - Title V	2009	174,305	0.00%	2028	130,730	-	8,715	122,015
Library building	2010	1,860,000	3.00% - 4.00%	2018	990,000	-	210,000	780,000
School facilities	2010	851,805	2.00% - 3.30%	2024	660,000	-	60,000	600,000
School building remodeling	2010	245,270	2.00% - 3.30%	2024	185,000	-	20,000	165,000
Town equipment	2010	279,386	2.00% - 3.30%	2024	215,816	-	19,619	196,197
Ambulance	2010	503,819	2.00% - 3.30%	2024	389,184	-	35,380	353,804
Building Remodel - Town Hall	2013	400,000	1.375% - 3.00%	2028	400,000	-	30,000	370,000
Surface Drain - Quarry Rd Drainage	2013	189,000	1.375% - 3.00%	2028	189,000	-	19,000	170,000
Portable Intersection Traffic Control	2013	150,000	1.375% - 3.00%	2023	150,000	-	15,000	135,000
Departmental Equipment Radio Narrow banding	2013	103,000	1.375% - 3.00%	2023	103,000	-	13,000	90,000
Departmental Equipment Standby Generator Senior Center	2013	75,000	1.375% - 3.00%	2023	75,000	-	10,000	65,000
Departmental Equipment DPW F-350 Truck	2013	44,000	1.375% - 3.00%	2022	44,000	-	4,000	40,000
Departmental Equipment DPW Skid Steer (Bobcat)	2013	134,100	1.375% - 3.00%	2028	134,100	-	14,100	120,000
Departmental Equipment DPW Towable Generator	2013	55,000	1.375% - 3.00%	2018	55,000	-	15,000	40,000
Departmental Equipment DPW Utility Truck	2013	42,000	1.375% - 3.00%	2021	42,000	-	7,000	35,000
Departmental Equipment DPW Sander/Dump truck	2013	190,346	1.375% - 3.00%	2028	190,346	-	15,346	175,000
Departmental Equipment DPW One ton Truck	2013	51,000	1.375% - 3.00%	2023	51,000	-	6,000	45,000
Police Communication Installation	2013	116,500	1.375% - 3.00%	2018	116,500	-	26,500	90,000
Dept Equipment Goward Playground	2013	150,000	1.375% - 3.00%	2028	150,000	-	10,000	140,000
Computer Hardware Unified Network File Storage	2013	79,100	1.375% - 3.00%	2023	79,100	-	14,100	65,000
Computer Hardware Core Network Replace	2013	47,000	1.375% - 3.00%	2023	47,000	-	2,000	45,000
School Project	2013	267,606	1.375% - 3.00%	2028	267,606	-	22,606	245,000
Total Governmental Activities					\$ 21,353,304	\$ 12,220,000	\$ 14,870,020	\$ 18,703,284

D. Debt (Continued)

Business Type Activities:

<u>General Obligation Bond</u>	<u>Sale Date</u>	<u>Original Borrowing</u>	<u>Interest Rates to Maturities</u>	<u>Final Maturity</u>	<u>Balance July 1, 2013</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Balance June 30, 2014</u>
Sewer	2004	694,000	3.50% - 4.50%	2024	385,000	-	35,000	350,000
MWPAT - Sewer	2005	817,200	4.20% - 5.00%	2019	401,000	-	62,000	339,000
MWPAT - Sewer	2005	1,852,634	5.20% - 5.50%	2031	1,450,000	-	60,000	1,390,000
MWPAT - Sewer	2005	7,800,326	5.06% - 5.50%	2031	6,090,000	-	245,000	5,845,000
MWPAT - Sewer	2005	12,159,555	4.58% - 5.12%	2031	9,260,000	-	380,000	8,880,000
Total Business Type Activities					<u>\$ 17,586,000</u>	<u>\$ -</u>	<u>\$ 782,000</u>	<u>16,804,000</u>

(b) Summary of Debt Service Requirements to Maturity

<u>Fiscal Year Ended</u>	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2015	\$ 2,136,370	\$ 617,762	\$ 803,800	\$ 863,198	\$ 2,940,170	\$ 1,480,960
2016	2,101,371	561,956	835,800	816,534	2,937,171	1,378,490
2017	2,081,371	498,756	862,800	770,564	2,944,171	1,269,320
2018	2,056,371	425,322	889,800	718,404	2,946,171	1,143,726
2019	1,878,844	352,268	921,800	664,136	2,800,644	1,016,404
2020 - 2024	8,114,093	729,620	4,695,000	2,478,863	12,809,093	3,208,483
2025 - 2029	334,864	12,750	5,380,000	1,240,678	5,714,864	1,253,428
2030 - 2034	-	-	2,415,000	162,469	2,415,000	162,469
	<u>\$ 18,703,284</u>	<u>\$ 3,198,434</u>	<u>\$ 16,804,000</u>	<u>\$ 7,714,846</u>	<u>\$ 35,507,284</u>	<u>\$ 10,913,280</u>

(c) Bond Authorizations

Long-term debt authorizations voted by the Town which have not been issued or rescinded as of June 30, 2014, are as follows:

<u>Date Authorized</u>	<u>Purpose</u>	<u>Amount</u>
April 6, 2009	School Roof Replacement	\$128,890
April 7, 2008	Conant Boiler	226,420
April 7, 2014	Community Preservation Open Space	<u>990,000</u>
	Total	<u>\$1,345,310</u>

D. Debt (Continued)

iii Refunding of Long Term Debt

Current Refunding

On September 5, 2104, the Town issued \$12,220,000 of general obligation refunding bonds with an average interest rate of 2.36% to current refund \$12,745,000 of 2003 outstanding school building debt with an average interest rate of 4.22%. The net proceeds (after payment of underwriting fees, insurance and other issuance costs) were used to pay off the 2003 debt that was called on October 15 2013. The 2003 school building debt is considered defeased and has been removed from the statement of net position.

The net present value benefit as a result of the refunding issue is 1,251,440. The Town (33%) and the Massachusetts School Building Authority (67%) shared in the savings.

Prior year Defeased Debt

In prior years, the government defeased general obligation bonds by placing the proceeds of the new bonds into an irrevocable trust account to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the government's financial statements. At June 30, 2014, \$820,000 of defeased bonds remain outstanding.

iv Legal Debt Margin

The government is subject to a debt limit that is 5 percent of equalized valuation of the Town. The legal debt margin applies to debt issued "inside the debt limit." Some debt may be issued "outside the debt limit." At June 30, 2014, the Town's equalized valuation was \$3,865,006. The debt limit at June 30, 2014 is \$193,250,300. The Town's outstanding debt as of June 30, 2014 that was subject to the debt limit was \$24,152,282 or 12.5% (13.2% when including authorized/unissued) of the amount allowed by the legal debt margin.

v Changes in Long Term Debt

Changes in the government's long-term liabilities for the year ended June 30, 2014 are as follows:

	Balance			Balance	
	July 1, 2013	Additions	Reductions	June 30, 2014	Current Portion
<u>Governmental Activities</u>					
Bonds Payable	\$ 21,353,304	\$ 12,220,000	\$ (14,870,020)	\$ 18,703,284	\$ 2,136,370
Add: Unamortized Premium	-	768,190	-	768,190	85,354
Total Bonds Payable	<u>21,353,304</u>	<u>12,988,190</u>	<u>(14,870,020)</u>	<u>19,471,474</u>	<u>2,221,724</u>
Compensated Absences	1,840,779	357,566	(368,156)	1,830,189	183,019
Landfill Closure Costs	55,000	-	(2,500)	52,500	2,500
Other (Sewer Betterments)	2,761,187	-	(147,977)	2,613,210	149,183
Other Post Employment Benefits	<u>12,610,567</u>	<u>2,867,702</u>	<u>(1,677,923)</u>	<u>13,800,346</u>	-
Total Governmental Activities	<u>\$ 38,620,837</u>	<u>\$ 16,213,458</u>	<u>\$ (17,066,576)</u>	<u>\$ 37,767,719</u>	<u>\$ 2,556,426</u>
<u>Business Type Activities</u>					
Bonds Payable	\$ 17,586,000	\$ -	\$ (782,000)	\$ 16,804,000	\$ 803,800
Compensated Absences	27,094	3,152	(5,419)	24,827	4,966
Other Post Employment Benefits	<u>214,531</u>	<u>50,489</u>	<u>(22,730)</u>	<u>242,290</u>	-
Total Business Type Activities	<u>\$ 17,827,625</u>	<u>\$ 53,641</u>	<u>\$ (810,149)</u>	<u>\$ 17,071,117</u>	<u>\$ 808,766</u>

E. Governmental Fund Balance Classification

The Governmental Accounting Standards Board (GASB) issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions (GASB 54)*. This Statement established accounting and financial reporting standards for all governmental funds. It, also, established criteria for classifying fund balances into specifically defined classifications.

Fund balance for **governmental** funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to the constraints on the specific purposes for which the amounts in those funds can be spent.

GASB 54 requires that the fund balance amounts to be reported within one of the fund balance categories list below.

1. **Nonspendable**, includes amounts that cannot be spent because (a) they are not in spendable form (such as fund balance associated with inventories), or (b) they are legally or contractually required to stay intact (i.e. corpus of a permanent trust fund).

2. **Restricted**, constraints on the use of resources for specific purposes are imposed (a) by creditors, grantors or contributors, or (b) by law through constitutional provisions or through enabling legislation.

3. **Committed**, includes amounts that can be used only for the specific purposes determined by a formal action of the Board of Selectmen and/or Town meeting (the Town's highest level of decision-making authority). Similar formal action by the Board of Selectmen and/or Town meeting is required in order to "reverse" the commitment or commit it for another purpose.

4. **Assigned**, intentions (by the Board of Selectmen, Town Administrator or Finance Director) that resources are to be used by the government for specific purposes, but the restrictions do not meet the criteria necessary to be classified as restricted or committed.

5. **Unassigned**, the residual classification for the government's general fund. It includes all spendable amounts not contained in the restricted, committed or assigned categories. A "positive" unassigned may only be displayed in the general fund.

When expenditures are incurred for purposes for which different fund balance classifications could be used, the Town's policy is to use restricted amounts first, followed by committed, assigned and then unassigned amounts.

Details of Fund Balance Classifications

The following schedule shows the detail of the fund balance classifications displayed in the aggregate on the Town's balance sheet.

	<u>General Fund</u>	<u>Community Preservation</u>	<u>Non Major Funds</u>	<u>Total</u>
Fund Balances:				
Nonspendable:				
General Government	\$ -	\$ -	\$ 25,094	\$ 25,094
Public Safety	-	-	11,145	11,145
Education	-	-	15,000	15,000
Highways and Public Works	-	-	1,769,621	1,769,621
Human Services	-	-	30,000	30,000
Culture and Recreation	-	-	139,877	139,877
Total Nonspendable	<u>-</u>	<u>-</u>	<u>1,990,737</u>	<u>1,990,737</u>
Restricted for:				
General Government	-	4,644,060	1,484,540	6,128,600
Public Safety	-	-	1,554,244	1,554,244
Education	-	-	520,382	520,382
Highways and Public Works	-	-	1,867,291	1,867,291
Human Services	-	-	439,705	439,705
Culture and Recreation	-	-	864,063	864,063
Total Restricted	<u>-</u>	<u>4,644,060</u>	<u>6,730,225</u>	<u>11,374,285</u>
Committed to:				
General Government	995,796	-	836,472	1,832,268
Public Safety	73,476	-	283,332	356,808
Education	251,037	-	313,710	564,747
Highways and Public Works	595,615	-	93	595,708
Human Services	91,672	-	295,600	387,272
Culture and Recreation	1,889	-	1,060	2,949
Total Committed	<u>2,009,485</u>	<u>-</u>	<u>1,730,267</u>	<u>3,739,752</u>
Assigned to:				
General Government	935,777	-	-	935,777
Public Safety	44,777	-	-	44,777
Education	61,433	-	-	61,433
Highways and Public Works	172,712	-	-	172,712
Human Services	49,019	-	-	49,019
Culture and Recreation	7,669	-	-	7,669
Reduce the tax levy	325,000	-	-	325,000
Total Assigned	<u>1,596,387</u>	<u>-</u>	<u>-</u>	<u>1,596,387</u>
Unassigned	<u>12,103,520</u>	<u>-</u>	<u>-</u>	<u>12,103,520</u>
Total Fund Balances	<u>\$ 15,709,392</u>	<u>\$ 4,644,060</u>	<u>\$ 10,451,229</u>	<u>\$ 30,804,681</u>

F. Interfund Receivables, Payables and Transfers

Interfund receivables and payables for the year ended June 30, 2014 are summarized below:

<u>Fund</u>	<u>Receivable</u>	<u>Payable</u>
General Fund	\$ 289,909	\$ -
Special Revenue Town Grants	-	195,322
Special Revenue School Grants	-	94,587
Total	<u>\$ 289,909</u>	<u>\$ 289,909</u>

The receivables/payables represent advances to meet temporary cash flow needs.

The accompanying financial statements reflect transactions between the various funds. These transactions represent operating transfers and do not constitute revenues or expenditures of the funds. Operating transfers made during the year were as follows:

<u>Fund Financial Statements</u>	Transfer <u>In</u>	Transfer <u>(Out)</u>	<u>Total</u>
General	\$ 617,738	\$ (1,133,660)	\$ (515,922)
Community Preservation Fund	260,000	-	260,000
Non-Major Governmental	250,000	(617,738)	(367,738)
Fiduciary Fund	488,660	-	488,660
Enterprise - Business Type	135,000	-	135,000
Total Operating Transfer In/(Out)	<u>\$ 1,751,398</u>	<u>\$ (1,751,398)</u>	<u>\$ -</u>

<u>Entity Wide Financial Statements</u>	Governmental Activities Net Transfer <u>In (Out)</u>	Business Type Activities Net Transfer <u>In (Out)</u>	<u>Total</u>
General (Net of Transfer Out to Fiduciary Fund)	\$ (27,262)	\$ -	\$ (27,262)
Community Preservation Fund	260,000	-	260,000
Non-Major Governmental	(367,738)	-	(367,738)
Enterprise - Business Type	-	135,000	135,000
Total Operating Transfer In/(Out)	<u>\$ (135,000)</u>	<u>\$ 135,000</u>	<u>\$ -</u>

IV Other Information

A. Risk Management

The Town is exposed to various risks of loss related to torts, theft, damage to or destruction of assets, errors and omissions, injuries to employees, employee's health and life and natural disasters. There were no significant reductions in insurance coverage from the previous year and there have been no material settlements in excess of coverage in any of the past three fiscal years.

Buildings are fully insured against fire, theft, and natural disaster (except for losses due to flood or earthquake) to the extent that losses exceeded \$1,000 per incident.

The Town is insured for general liability; however, Chapter 258 of the Massachusetts General Laws limits the Town's liability to a maximum of \$100,000 per claim in all matters except in actions relating to federal civil rights, eminent domain and breach of contract. Such claims are charged to the general fund.

The Town participates in the Acton Health Insurance Trust for health care benefits. The Trust includes the Town of Acton and the Acton-Boxborough Regional School. The claims administration contract holds all participants jointly and severally liable for claims. The Trust provides health care coverage for all active and retired employees that qualify for and select health care coverage as an employee benefit. Active and retired employees participating in the Trust pay a percentage of an estimated health insurance premium. The contribution percentage for active employees is 25%. All retired employees pay 50% of the established premium.

Health benefits include Master Health Plus, HMO Blue, and Medex offered by Blue Cross Blue Shield of Massachusetts, as well as Harvard Pilgrim HMO offered by Harvard Pilgrim Health Care. Blue Cross and Blue Shield and Harvard Pilgrim Health Care administer the claims program for the pool. The Trust pays in a standard monthly amount towards claims incurred. Annually, actual claims payable, (or prepaid claims deposits) are established by adjusting for actual claims and estimated claims incurred but not reported. The Trust's expenses are for actual claims incurred, excess claims insurance coverage and administrative costs for the plan administrators. Excess claims insurance coverage is purchased to cover any medical claims in excess of \$110,000, to a lifetime maximum amount payable of \$4,000,000.

As of June 30, 2014, the Trust's financial statements (unaudited) reflected total assets of \$5,462,555, total liabilities of \$2,900,027 (including \$850,000 estimated benefits obligations), and a total net position of \$2,562,528. A copy of the Trust's audited financial statements may be obtained from the Town of Acton's Finance Department.

B. Workers' Compensation

Workers' compensation claims are administered by a third party administrator and are funded by a policy premium. This is paid for from the Town appropriation. The estimated future workers' compensation liability is not material at June 30, 2014, and is therefore not reported.

C. Pension Plans

a) Plan Description

The Town provides pension benefits to employees by contributing to the Middlesex Retirement System, a cost sharing multiple-employer defined benefit pension plan administered by the Commonwealth of Massachusetts. Substantially all employees are members of the System, except for public school teachers and certain administrators who are members of the Massachusetts Teachers Retirement System, to which the Town does not contribute. Pension benefits and administrative expenses paid by the Teachers Retirement Board are the legal responsibility of the Commonwealth.

The system provides retirement benefits, cost of living adjustments, disability benefits and death benefits. The system is a member of the Massachusetts Contributory System and is governed by Chapter 32 of the Massachusetts General Laws (MGL). The authority to establish and amend benefit provisions requires a statutory change to Chapter 32. The Middlesex Retirement System issues a publicly available financial report in accordance with guidelines established by the Commonwealth's Public Employee Retirement Administration Commission. The report may be obtained by writing to Middlesex Retirement System, 25 Linnell Circle, P.O. Box 160, Billerica, Massachusetts 01865.

b) Funding Policy

Active members of the Middlesex Retirement System contribute either 5%, 7%, 8% or 9% of their gross regular compensation depending on the date upon which their membership began. An additional 2% is required from employees for earnings in excess of \$30,000. The Town is required to pay into the System its share of the system-wide actuarial determined contribution that is apportioned among the employers based on active current payroll. Administrative expenses are funded through investment earnings. Chapter 32 of the MGL governs the contributions of plan members and the Town.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. These actuarially determined amounts are subject to continual revisions as actual results are compared to past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing relative to the actuarial accrued liability for benefits.

The Town's contributions for the years ending June 30, 2014, 2013 and 2012 were \$2,787,273, \$2,755,584 and \$2,629,169 respectively, equal to the required contributions each year.

D. On Behalf Payments

In accordance with Governmental Accounting Standards Board Statement Number 24, "Accounting and Financial Reporting for Certain Grants and Other Financial Assistance," the Town is required to recognize, as income, certain payments made on behalf of the Town by the Commonwealth of Massachusetts. Specifically, the Commonwealth makes contributions to a contributory retirement plan administered by the Massachusetts Teachers' Retirement Board (the "State Plan") on behalf of the Town's teaching employees. The Town is not legally required to contribute to the State Plan, which is fully funded by the Commonwealth.

For the fiscal year ended June 30, 2014, the Commonwealth paid \$4,538,838 to the State Plan on behalf of employees of the Town. Accordingly, the accompanying financial statements include the required adjustments, which have increased both Intergovernmental revenues and the Education expenditures by the same amount in the fund financial statements and the education expense and program revenue in the government wide financial statements. The net effect of this adjustment does not change the excess of revenues and other financing sources over expenditures and other financing uses for the year ended June 30, 2014, or fund balance/net position at June 30, 2014.

E. Other Postemployment Benefits (OPEB) Disclosures

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

a. Plan Description

Eligibility is met upon retirement depending on the employee's date of entering service. Group 1 employees who entered service before April 2, 2012 become eligible at age 55 with 10 years of creditable service or any age with 20 years of creditable service. Group 1 employees who entered service on or after April 2, 2012 become eligible at age 60 with ten years of creditable service. Currently there are 359 active employees and 290 retired employees (including beneficiaries and dependents) who are eligible to participate in the plan.

b. Funding Policy

The Town pays 50% of the total premiums for health insurance and life insurance policies. Benefits paid by the Town are on a pay-as-you-go basis. The contribution requirements of plan members and the Town are established and may be amended from time to time by local law or union agreements, within the constraints of Massachusetts General Laws.

c. Annual OPEB Cost and OPEB Obligation

The annual Other Postemployment Benefit (OPEB) cost is calculated based on the Annual Required Contribution (ARC) of the Town, an amount that has been actuarially determined in accordance with the parameters of GASB #45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and to amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The following table shows the components of the Town's annual OPEB cost for the fiscal year ended June 30, 2014, the amount contributed to the plan, and the Town's Net OPEB Obligation (NOO):

Annual Required Contribution (ARC)	\$2,726,081
Interest on Net OPEB Obligation	801,569
Adjustment to Annual Required Contribution	(609,459)
Annual OPEB Cost (Expense)	<u>2,918,191</u>
Contributions Made	<u>(1,700,653)</u>
Increase in Net OPEB Obligation	1,217,538
Net OPEB Obligation (NOO)- Beginning of Year	12,825,098
Net OPEB Obligation (NOO)- End of Year	<u><u>\$14,042,636</u></u>

The Town's annual OPEB cost, the percentage of the annual OPEB cost contributed to the plan and the net OPEB obligation for the past three years are as follows:

<u>Fiscal Year</u> <u>Ended June 30</u>	<u>Annual</u> <u>OPEB Cost</u>	<u>Percentage of</u> <u>Annual OPEB</u> <u>Cost Contributed</u>	<u>Net OPEB</u> <u>Obligation</u>
2012	\$4,348,834	32.3%	\$11,488,358
2013	\$2,765,646	51.7%	\$12,825,098
2014	\$2,918,191	58.3%	\$14,042,636

d. Funded Status and Funding Progress

As of December 31, 2012, the most recent actuarial valuation date, the Actuarial Accrued Liability (AAL) for benefits was \$31,187,810, and the actuarial value of assets was zero, resulting in an Unfunded Actuarial Accrued Liability (UAAL) of \$31,187,810.

Subsequent to the most recent valuation date, the Town adopted legislation and established an OPEB Trust Fund. The OPEB Trust Fund has a balance of \$927,704 as of June 30, 2014. It is reported with the Town's fiduciary funds.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare cost trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as Required Supplementary Information (RSI) following the notes to the financial statements, presents multiyear trend information about whether the

actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

e. Actuarial Methods and Assumptions

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

In the December 31, 2012, actuarial valuation, the projected unit credit method was used. The actuarial assumptions included a 6.25 percent investment rate of return (previously 4.5%) and annual healthcare cost trend rates of 8.0 percent initially, reduced by decrements of 0.50% annually for 6 years to an ultimate rate of 5 percent per year. The assumptions included a 3.5% inflation rate. The actuarial value of assets is determined using market value. The UAAL is being amortized over a thirty year open amortization period with payments increasing at 3.5% per year.

F. Landfill Postclosure Care Costs

State and Federal laws and regulations require the Town to perform certain maintenance and monitoring functions at the site after closure. The Town has closed the landfill and has recorded its estimated postclosure care costs to be \$52,500 which has been recorded as a governmental activity liability at June 30, 2014. Actual costs may be higher due to inflation, changes in technology or changes in regulations.

G. Regionalization of School System

Effective July 1, 2014, the Town of Acton's elementary schools (Kindergarten through grade six) became part of the Acton-Boxborough Regional School District (the School District). The Town's Middle and High Schools are already members of the School District. In 2015, school revenues and related expenditures, previously recorded in the Town's accounting records (i.e. school state and federal grants, school lunch revolving fund, other school special revenue funds...), will be revenues and expenditures of the School District. The school chapter 70 local aid previously received by the Town will be a revenue of the School District (the loss of chapter 70 aid should not impact the Town's budgetary capacity because the town's share of the School District's assessment will be reduced by the chapter 70 aid). Beginning in fiscal year 2015, all of the school expenditures reflected in the Town's accounting system will be the result of assessments from the School District.

The regionalization process and the effects mentioned above will have a significant impact on the Town's fiscal year 2015 financial statements. The non-major governmental funds will have considerably less revenues and expenditures than in prior years and the general fund education expenditures and intergovernmental/program revenues will be less by the chapter 70 aid amount.

The regionalization agreement included language regarding the transfer of assets and liabilities. As a result, the school building and other school capital assets will be transferred to the School District as of July 1, 2014. Certain liabilities (i.e. compensated absences for school employees) will also be transferred to the School District. Although the net affect has not been calculated, the transfer of the school building will cause a considerable reduction in the Town's net position.

H. Commitments and Contingencies

The government participates in various federal grant programs, the principal of which are subject to program compliance audits pursuant to the Single Audit Act as amended. Accordingly, the government's compliance with applicable grant requirements will be established at a future date. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the government anticipates such amounts, if any, will be immaterial.

Various legal actions and claims are pending. Although the outcome of the litigation is not presently determinable, in the opinion of the Town's legal counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the Town.

The financial statements include encumbrances as noted below:

<u>Fund</u>	<u>Total</u>	<u>Assigned Fund Balance</u>	<u>Unrestricted Net Position</u>
General	\$ 1,270,287	\$ 1,270,287	\$ -
Sanitation	5,750	-	5,750
Sewer	43,974	-	43,974
Nursing	14,394	-	14,394
	<u>\$ 1,334,405</u>	<u>\$ 1,270,287</u>	<u>\$ 64,118</u>

I. Implementation of New GASB Pronouncements

During fiscal year 2014, the following GASB pronouncements were implemented:

- GASB Statement #65, *Items Previously Reported as Assets and Liabilities*. The balance sheet in the Town's fund financial statements reflect deferred inflows of resources due to the implementation of this pronouncement.
- GASB Statement #70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*. The implementation of this pronouncement did not impact the financial statements.

The following GASB pronouncements will be implemented in future fiscal years:

- The GASB issued Statement #68, *Accounting and Financial Reporting for Pensions, an amendment of GASB Statement No. 27*, which is required to be implemented in fiscal year 2015.
- The GASB issued Statement #69, *Government Combinations and Disposals of Government Operations*, which is required to be implemented in fiscal year 2015.
- The GASB issued Statement #70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*, which is required to be implemented in fiscal year 2015.
- The GASB issued Statement #71, *Pension Transitions for Contributions Made Subsequent to the Measurement Date*, which is required to be implemented in fiscal year 2015.

Management is currently assessing the impact that the implementation of these pronouncements will have on the basic financial statements. Management's current assessment is that GASB Statement #68 will have a significant impact on the Town's basic financial statements by recognizing as a liability and expense, the Town's applicable portion of the Middlesex County Retirement System's actuarially accrued liability.

REQUIRED SUPPLEMENTARY INFORMATION

Town of Acton, Massachusetts
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
General Fund
Fiscal Year Ended June 30, 2014
(Continued on Page 60)

	Carried forward from <u>Prior Year</u>	Original <u>Budget</u>	Revised <u>Budget</u>	Actual Amounts <u>(Budgetary Basis)</u>	Carried forward to Subsequent <u>Year</u>	Variance to <u>Final Budget</u>
Revenues						
Property Taxes	\$ -	\$ 71,536,337	\$ 71,536,337	\$ 71,929,897	\$ -	\$ 393,560
Tax Liens	-	-	-	203,679	-	203,679
Excises	-	2,700,000	2,700,000	3,006,174	-	306,174
Penalties and Interest	-	150,000	150,000	210,035	-	60,035
Licenses and Permits	-	199,000	199,000	215,238	-	16,238
Fees and Other Departmental	-	686,000	686,000	1,042,001	-	356,001
Intergovernmental	-	7,980,667	7,980,667	7,977,291	-	(3,376)
Charges for Services	-	27,000	27,000	25,209	-	(1,791)
Fines and Forfeits	-	119,000	119,000	158,450	-	39,450
Earnings on Investments	-	96,000	96,000	87,867	-	(8,133)
In Lieu of Taxes	-	12,000	12,000	15,233	-	3,233
Miscellaneous	-	50,000	50,000	182,298	-	132,298
Total Revenues	-	83,556,004	83,556,004	85,053,372	-	1,497,368
Expenditures						
<u>General Government</u>						
Moderator						
Salaries	-	200	200	-	40	160
Expenses	-	20	20	-	-	20
Total	-	220	220	-	40	180
Town Manager						
Salaries	-	433,022	433,022	294,456	-	138,566
Expenses	152,657	830,600	830,600	602,102	253,646	127,509
Total	152,657	1,263,622	1,263,622	896,558	253,646	266,075
Green Advisory Board						
Salaries	-	32,169	32,169	28,876	-	3,293
Expenses	1,998	19,746	19,746	14,414	5,112	2,218
Total	1,998	51,915	51,915	43,290	5,112	5,511
Finance Committee						
Expenses	-	500	500	273	-	227
Total	-	500	500	273	-	227
Finance Director						
Salaries	-	255,938	255,938	255,478	-	460
Expenses	45,111	329,849	329,849	366,432	24,147	(15,619)
Total	45,111	585,787	585,787	621,910	24,147	(15,159)

See Notes to the Required Supplementary Information

Town of Acton, Massachusetts
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
General Fund
Fiscal Year Ended June 30, 2014
(Continued on Page 61)

	Carried forward from <u>Prior Year</u>	Original <u>Budget</u>	Revised <u>Budget</u>	Actual Amounts <u>(Budgetary Basis)</u>	Carried forward to Subsequent <u>Year</u>	Variance to <u>Final Budget</u>
Comptroller						
Salaries	-	296,206	296,206	272,573	-	23,633
Expenses	<u>2,400</u>	<u>3,900</u>	<u>3,900</u>	<u>7,971</u>	<u>-</u>	<u>(1,671)</u>
Total	<u>2,400</u>	<u>300,106</u>	<u>300,106</u>	<u>280,544</u>	<u>-</u>	<u>21,962</u>
Board Of Assessors						
Salaries	-	221,741	221,741	242,301	-	(20,560)
Expenses	<u>19,350</u>	<u>23,200</u>	<u>23,200</u>	<u>8,066</u>	<u>45,050</u>	<u>(10,566)</u>
Total	<u>19,350</u>	<u>244,941</u>	<u>244,941</u>	<u>250,367</u>	<u>45,050</u>	<u>(31,126)</u>
Collector						
Salaries	-	96,487	96,487	93,041	-	3,446
Expenses	<u>3,587</u>	<u>46,450</u>	<u>46,450</u>	<u>15,402</u>	<u>3,540</u>	<u>31,095</u>
Total	<u>3,587</u>	<u>142,937</u>	<u>142,937</u>	<u>108,443</u>	<u>3,540</u>	<u>34,541</u>
Human Resource						
Salaries	-	207,632	207,632	218,224	-	(10,592)
Expenses	<u>20,613</u>	<u>148,705</u>	<u>148,705</u>	<u>67,669</u>	<u>26,071</u>	<u>75,578</u>
Total	<u>20,613</u>	<u>356,337</u>	<u>356,337</u>	<u>285,893</u>	<u>26,071</u>	<u>64,986</u>
Information Technology						
Salaries	-	436,661	436,661	351,954	-	84,707
Expenses	<u>851,493</u>	<u>1,177,950</u>	<u>1,177,950</u>	<u>1,299,714</u>	<u>832,894</u>	<u>(103,165)</u>
Total	<u>851,493</u>	<u>1,614,611</u>	<u>1,614,611</u>	<u>1,651,668</u>	<u>832,894</u>	<u>(18,458)</u>
Town Clerk						
Salaries	-	184,585	184,585	180,380	-	4,205
Expenses	<u>-</u>	<u>3,300</u>	<u>3,300</u>	<u>3,561</u>	<u>-</u>	<u>(261)</u>
Total	<u>-</u>	<u>187,885</u>	<u>187,885</u>	<u>183,941</u>	<u>-</u>	<u>3,944</u>
Elections						
Salaries	-	3,800	3,800	13,625	-	(9,825)
Expenses	<u>4,738</u>	<u>72,750</u>	<u>72,750</u>	<u>17,462</u>	<u>-</u>	<u>60,026</u>
Total	<u>4,738</u>	<u>76,550</u>	<u>76,550</u>	<u>31,087</u>	<u>-</u>	<u>50,201</u>
Planning						
Salaries	-	256,767	256,767	260,663	-	(3,896)
Expenses	<u>40,325</u>	<u>289,920</u>	<u>289,920</u>	<u>60,177</u>	<u>242,748</u>	<u>27,320</u>
Total	<u>40,325</u>	<u>546,687</u>	<u>546,687</u>	<u>320,840</u>	<u>242,748</u>	<u>23,424</u>

See Notes to the Required Supplementary Information

Town of Acton, Massachusetts
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
General Fund
Fiscal Year Ended June 30, 2014
(Continued on Page 62)

	Carried forward from <u>Prior Year</u>	Original <u>Budget</u>	Revised <u>Budget</u>	Actual Amounts <u>(Budgetary Basis)</u>	Carried forward to Subsequent <u>Year</u>	Variance to <u>Final Budget</u>
Municipal Properties						
Salaries	-	503,114	503,114	533,770	-	(30,656)
Expenses	<u>421,107</u>	<u>1,361,567</u>	<u>1,361,567</u>	<u>1,243,157</u>	<u>497,226</u>	<u>42,291</u>
Total	<u>421,107</u>	<u>1,864,681</u>	<u>1,864,681</u>	<u>1,776,927</u>	<u>497,226</u>	<u>11,635</u>
Total - General Government	<u>1,563,379</u>	<u>7,236,779</u>	<u>7,236,779</u>	<u>6,451,741</u>	<u>1,930,474</u>	<u>417,943</u>
<u>Public Safety</u>						
Police						
Salaries	-	3,165,051	3,165,051	3,176,516	-	(11,465)
Expenses	<u>56,686</u>	<u>327,150</u>	<u>327,150</u>	<u>249,772</u>	<u>82,698</u>	<u>51,366</u>
Total	<u>56,686</u>	<u>3,492,201</u>	<u>3,492,201</u>	<u>3,426,288</u>	<u>82,698</u>	<u>39,901</u>
Fire						
Salaries	-	2,493,976	2,493,976	2,563,904	-	(69,928)
Expenses	<u>60,284</u>	<u>132,257</u>	<u>132,257</u>	<u>164,885</u>	<u>1,740</u>	<u>25,916</u>
Total	<u>60,284</u>	<u>2,626,233</u>	<u>2,626,233</u>	<u>2,728,789</u>	<u>1,740</u>	<u>(44,012)</u>
Dispatch						
Salaries	-	514,304	514,304	471,794	-	42,510
Expenses	<u>-</u>	<u>2,200</u>	<u>2,200</u>	<u>2,200</u>	<u>-</u>	<u>-</u>
Total	<u>-</u>	<u>516,504</u>	<u>516,504</u>	<u>473,994</u>	<u>-</u>	<u>42,510</u>
Building Inspector						
Salaries	-	223,094	223,094	220,059	-	3,035
Expenses	<u>1,157</u>	<u>9,185</u>	<u>9,185</u>	<u>6,710</u>	<u>32,500</u>	<u>(28,868)</u>
Total	<u>1,157</u>	<u>232,279</u>	<u>232,279</u>	<u>226,769</u>	<u>32,500</u>	<u>(25,833)</u>
Emergency Management						
Salaries	-	-	-	11,550	-	(11,550)
Expenses	<u>-</u>	<u>28,100</u>	<u>28,100</u>	<u>15</u>	<u>-</u>	<u>28,085</u>
Total	<u>-</u>	<u>28,100</u>	<u>28,100</u>	<u>11,565</u>	<u>-</u>	<u>16,535</u>
Dog Officer						
Expenses	<u>160</u>	<u>20,000</u>	<u>20,000</u>	<u>16,430</u>	<u>1,315</u>	<u>2,415</u>
Total	<u>160</u>	<u>20,000</u>	<u>20,000</u>	<u>16,430</u>	<u>1,315</u>	<u>2,415</u>
Total - Public Safety	<u>118,287</u>	<u>6,915,317</u>	<u>6,915,317</u>	<u>6,883,835</u>	<u>118,253</u>	<u>31,516</u>

See Notes to the Required Supplementary Information

Town of Acton, Massachusetts
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
General Fund
Fiscal Year Ended June 30, 2014
(Continued on Page 63)

	Carried forward from <u>Prior Year</u>	Original <u>Budget</u>	Revised <u>Budget</u>	Actual Amounts <u>(Budgetary Basis)</u>	Carried forward to Subsequent <u>Year</u>	Variance to <u>Final Budget</u>
<u>Education</u>						
General Education						
Salaries	-	18,921,914	18,371,375	18,388,525	3,792	(20,942)
Expenses	551,675	8,038,811	8,589,350	8,991,812	57,641	91,572
Acton Boxborough Reg Assmt.	-	26,459,873	26,459,873	26,459,873	-	-
Minuteman Tech- Assmt.	-	686,979	686,979	686,979	-	-
Total - Education	551,675	54,107,577	54,107,577	54,527,189	61,433	70,630
<u>Intergovernmental</u>						
State And County						
Expenses	-	317,667	317,667	336,501	-	(18,834)
Total	-	317,667	317,667	336,501	-	(18,834)
Total - Intergovernmental	-	317,667	317,667	336,501	-	(18,834)
<u>Highways and Public Works</u>						
Engineering						
Salaries	-	240,181	240,181	283,378	-	(43,197)
Expenses	255,111	207,250	207,250	39,499	378,299	44,563
Total	255,111	447,431	447,431	322,877	378,299	1,366
Highway						
Salaries	-	909,256	909,256	898,419	-	10,837
Expenses	267,445	94,847	94,847	130,051	226,478	5,763
	267,445	1,004,103	1,004,103	1,028,470	226,478	16,600
Roads						
Expenses	57,300	260,315	260,315	280,114	28,432	9,069
Total	57,300	260,315	260,315	280,114	28,432	9,069
Snow And Ice						
Salaries	-	143,585	143,585	173,220	-	(29,635)
Expenses	33,747	378,125	378,125	495,616	-	(83,744)
Total	33,747	521,710	521,710	668,836	-	(113,379)
Gas And Diesel						
Expenses	184,900	407,114	407,114	349,187	35,939	206,888
Total	184,900	407,114	407,114	349,187	35,939	206,888

See Notes to the Required Supplementary Information

Town of Acton, Massachusetts
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
General Fund
Fiscal Year Ended June 30, 2014
(Continued on Page 64)

	Carried forward from <u>Prior Year</u>	Original <u>Budget</u>	Revised <u>Budget</u>	Actual Amounts <u>(Budgetary Basis)</u>	Carried forward to Subsequent <u>Year</u>	Variance to <u>Final Budget</u>
Machinery Expenses	60,546	322,707	322,707	342,728	3,867	36,658
Total	<u>60,546</u>	<u>322,707</u>	<u>322,707</u>	<u>342,728</u>	<u>3,867</u>	<u>36,658</u>
Special Projects Expenses	208,042	306,682	306,682	334,614	95,312	84,798
Total	<u>208,042</u>	<u>306,682</u>	<u>306,682</u>	<u>334,614</u>	<u>95,312</u>	<u>84,798</u>
Total - Highways and Public Works	<u>1,067,091</u>	<u>3,270,062</u>	<u>3,270,062</u>	<u>3,326,826</u>	<u>768,327</u>	<u>242,000</u>
<u>Human Services</u>						
Board Of Health Salaries	-	186,741	186,741	191,353	-	(4,612)
Expenses	72,423	293,745	293,745	379,161	7,560	(20,553)
Total	<u>72,423</u>	<u>480,486</u>	<u>480,486</u>	<u>570,514</u>	<u>7,560</u>	<u>(25,165)</u>
Nursing Service Salaries	-	97,371	97,371	94,367	-	3,004
Expenses	-	33,129	33,129	38,632	976	(6,479)
Total	<u>-</u>	<u>130,500</u>	<u>130,500</u>	<u>132,999</u>	<u>976</u>	<u>(3,475)</u>
Council On Aging Salaries	-	249,350	249,350	248,277	-	1,073
Expenses	19,651	28,161	28,161	43,259	10,887	(6,334)
Total	<u>19,651</u>	<u>277,511</u>	<u>277,511</u>	<u>291,536</u>	<u>10,887</u>	<u>(5,261)</u>
Veterans Services Salaries	-	62,580	62,580	62,262	-	318
Expenses	-	76,500	76,500	119,000	3,464	(45,964)
Total	<u>-</u>	<u>139,080</u>	<u>139,080</u>	<u>181,262</u>	<u>3,464</u>	<u>(45,646)</u>
Commission On Disabilities Expenses	180	1,468	1,468	300	-	1,348
Total	<u>180</u>	<u>1,468</u>	<u>1,468</u>	<u>300</u>	<u>-</u>	<u>1,348</u>

See Notes to the Required Supplementary Information

Town of Acton, Massachusetts
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
General Fund
Fiscal Year Ended June 30, 2014
(Continued on Page 65)

	Carried forward from <u>Prior Year</u>	Original <u>Budget</u>	Revised <u>Budget</u>	Actual Amounts <u>(Budgetary Basis)</u>	Carried forward to Subsequent <u>Year</u>	Variance to <u>Final Budget</u>
Natural Resources						
Salaries	-	693,638	693,638	712,334	-	(18,696)
Expenses	172,297	62,550	62,550	98,554	117,804	18,489
Total	172,297	756,188	756,188	810,888	117,804	(207)
Total - Human Services	264,551	1,785,233	1,785,233	1,987,499	140,691	(78,406)
<u>Culture and Recreation</u>						
Recreation						
Expenses	3,504	2,000	2,000	3,615	1,889	-
Total	3,504	2,000	2,000	3,615	1,889	-
Memorial Library						
Salaries	-	990,074	990,074	966,274	-	23,800
Expenses	9,800	249,825	249,825	277,809	7,000	(25,184)
Total	9,800	1,239,899	1,239,899	1,244,083	7,000	(1,384)
Citizens Library						
Salaries	-	46,161	46,161	44,541	-	1,620
Expenses	347	7,655	7,655	7,092	669	241
Total	347	53,816	53,816	51,633	669	1,861
Historic Commission						
Expenses	-	380	380	-	-	380
Total	-	380	380	-	-	380
Celebrations						
Salaries	-	6,000	6,000	-	-	6,000
Expenses	1,031	14,000	14,000	6,708	-	8,323
Total	1,031	20,000	20,000	6,708	-	14,323
Total - Culture and Recreation	14,682	1,316,095	1,316,095	1,306,039	9,558	15,180
<u>Employee Benefits and Insurances</u>						
Pension Assessment	-	2,947,212	2,947,212	2,790,014	-	157,198
Medicare	-	150,000	150,000	162,757	-	(12,757)
Insurances and Other Benefits	1,650	3,011,321	3,011,321	2,932,787	-	80,184
Total	1,650	6,108,533	6,108,533	5,885,558	-	224,625
Total - Employee Benefits and Insurances	1,650	6,108,533	6,108,533	5,885,558	-	224,625

See Notes to the Required Supplementary Information

Town of Acton, Massachusetts
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
General Fund
Fiscal Year Ended June 30, 2014
(Continued from Page 64)

	Carried forward from <u>Prior Year</u>	Original <u>Budget</u>	Revised <u>Budget</u>	Actual Amounts <u>(Budgetary Basis)</u>	Carried forward to Subsequent <u>Year</u>	Variance to <u>Final Budget</u>
<u>Debt Service</u>						
Principal	-	2,216,127	2,216,127	2,122,724	-	93,403
Interest	-	<u>833,374</u>	<u>833,374</u>	<u>702,826</u>	-	<u>130,548</u>
Total	-	<u>3,049,501</u>	<u>3,049,501</u>	<u>2,825,550</u>	-	<u>223,951</u>
Total - Debt Service	-	<u>3,049,501</u>	<u>3,049,501</u>	<u>2,825,550</u>	-	<u>223,951</u>
Total Expenditures	<u>3,581,315</u>	<u>84,106,764</u>	<u>84,106,764</u>	<u>83,530,738</u>	<u>3,028,736</u>	<u>1,128,605</u>
Excess of Revenues Over (Under)						
Expenditures	<u>(3,581,315)</u>	<u>(550,760)</u>	<u>(550,760)</u>	<u>1,522,634</u>	<u>(3,028,736)</u>	<u>2,625,973</u>
Operating Transfers In	-	383,000	383,000	617,738	-	234,738
Operating Transfers (Out)	-	<u>(873,660)</u>	<u>(1,133,660)</u>	<u>(1,133,660)</u>	-	-
Total Other Financing Sources (Uses)	-	<u>(490,660)</u>	<u>(750,660)</u>	<u>(515,922)</u>	-	<u>234,738</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing (Uses)						
	<u>(3,581,315)</u>	<u>(1,041,420)</u>	<u>(1,301,420)</u>	<u>1,006,712</u>	<u>(3,028,736)</u>	<u>2,860,711</u>
Fund Balance Beginning of the Year	-	<u>14,411,967</u>	<u>14,411,967</u>	<u>14,411,967</u>	-	-
Fund Balance End of the Year	<u>\$ (3,581,315)</u>	<u>\$ 13,370,547</u>	<u>\$ 13,110,547</u>	<u>\$ 15,418,679</u>	<u>\$ (3,028,736)</u>	<u>\$ 2,860,711</u>

See Notes to the Required Supplementary Information

Town of Acton, Massachusetts
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Community Preservation Act Fund
Fiscal Year Ended June 30, 2014

	Carried Forward from Prior Year	Original	Final	Actual Amounts (Budgetary Basis)	Carried Forward to Subsequent Year	Variance to Final Budget
Revenues						
Property Taxes	\$ -	\$ 728,388	\$ 728,388	\$ 838,496	\$ -	\$ 110,108
Penalties and Interest	-	-	-	832	-	832
Intergovernmental	-	225,000	225,000	424,035	-	199,035
Earnings on Investment	-	-	-	21,469	-	21,469
Miscellaneous	-	-	-	50,000	-	50,000
Total Revenues	-	953,388	953,388	1,334,832	-	381,444
Expenditures						
<u>Community Preservation Act Commission</u>						
<u>General Government</u>						
Expenses	3,739,307	580,107	840,107	2,380,778	2,198,636	-
<u>Public Safety</u>						
Expenses	43	-	-	43	-	-
<u>Human Services</u>						
Expenses	-	19,673	19,673	19,673	-	-
<u>Culture and Recreation</u>						
Expenses	-	353,608	353,608	353,608	-	-
Total Expenditures	3,739,350	953,388	1,213,388	2,754,102	2,198,636	-
Excess (Deficiency) Of Revenues Over Expenditures	<u>(3,739,350)</u>	<u>-</u>	<u>(260,000)</u>	<u>(1,419,270)</u>	<u>(2,198,636)</u>	<u>381,444</u>
<u>Other Financing Sources and (Uses)</u>						
Transfers In	-	-	260,000	260,000	-	-
Total Other Financing Sources and (Uses)	-	-	260,000	260,000	-	-
Excess (Deficiency) Of Revenues and Other Financing Sources Over Expenditures and Other Financing (Uses)	<u>(3,739,350)</u>	<u>-</u>	<u>-</u>	<u>(1,159,270)</u>	<u>(2,198,636)</u>	<u>381,444</u>
Fund Balance Beginning of the Year	-	-	5,803,330	5,803,330	-	-
Fund Balance End of the Year	<u>\$ (3,739,350)</u>	<u>\$ -</u>	<u>\$ 5,803,330</u>	<u>\$ 4,644,060</u>	<u>\$ (2,198,636)</u>	<u>\$ 381,444</u>

See Notes to the Required Supplementary Information

Required Supplementary Information
Middlesex Retirement System
Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Accrued Liability (AAL) Entry Age (B)	Unfunded AAL (UAAL) (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	UAAL as a Percentage of Covered Payroll ((B-A)/C)
1/1/1996	\$ 373,750,361	\$ 634,920,488	\$ 261,170,127	58.87%	\$ 218,345,024	119.61%
1/1/1998	476,708,969	763,093,878	286,384,909	62.47%	215,380,186	132.97%
1/1/2000	570,263,467	905,280,472	335,017,005	62.99%	253,228,818	132.30%
1/1/2002	599,699,143	1,020,828,178	421,129,035	58.75%	280,740,439	150.01%
1/1/2004	618,163,380	1,223,828,127	605,664,747	50.51%	306,025,949	197.91%
1/1/2006	653,156,866	1,364,582,969	711,426,103	47.86%	330,999,861	214.93%
1/1/2008	774,863,669	1,529,806,307	754,942,638	50.65%	360,206,302	209.59%
1/1/2010	819,987,914	1,743,581,707	923,593,793	47.03%	384,933,571	239.94%
1/1/2012	862,323,395	1,974,144,909	1,111,821,514	43.68%	393,100,995	282.83%

See Notes to the Required Supplementary Information

Required Supplementary Information
Middlesex Retirement System
Schedule of Employer's Contributions

System Wide				Town of Acton	
Fiscal Year Ended June 30	Annual Required Contributions	Actual Contributions (A)	Percentage Contributed	Actual Contributions (B)	Town's Percentage of System Wide Actual Contributions (B/A)
2002	\$ 30,248,147	\$ 30,248,147	100.00%	\$ 661,330	2.19%
2003	35,411,500	35,411,500	100.00%	748,446	2.11%
2004	52,902,366	52,902,366	100.00%	780,178	1.47%
2005	52,298,150	52,298,150	100.00%	923,751	1.77%
2006	60,169,717	60,169,717	100.00%	1,037,884	1.72%
2007	64,664,829	64,664,829	100.00%	1,171,886	1.81%
2008	72,050,318	72,050,318	100.00%	1,040,723	1.44%
2009	78,212,121	78,212,121	100.00%	1,136,369	1.45%
2010	76,146,963	76,146,963	100.00%	2,390,614	3.14%
2011	78,662,214	78,662,214	100.00%	2,498,120	3.18%

The Town's actual contribution equaled 100% of its required contribution for each period presented.

See Notes to the Required Supplementary Information

Town of Acton, Massachusetts
 Required Supplementary Information - GASB 45
 Schedule of Funding Progress
 June 30, 2014

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b) - (a)	Funded Ratio (a) / (b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b) - (a) / (c)]
12/31/07	\$0	\$48,495,069	\$48,495,069	0%	\$10,500,000	461.9%
12/31/10	\$0	\$57,330,858	\$57,330,858	0%	\$11,115,982	515.8%
12/31/12	\$0	\$31,187,810	\$31,187,810	0%	\$11,905,512	262.0%

This schedule of funding progress presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

See Notes to the Required Supplementary Information

Required Supplementary Information - GASB 45
Town of Acton, Massachusetts
Valuation Details
Fiscal Year Ended June 30, 2014

Valuation Date	December 31, 2012
Actuarial Cost Method	Projected Unit Credit
Amortization Method	Payments Increasing at 3.5%
Remaining Amortization Period	30 Years Open
Asset Valuation Method	Market Value

Actuarial Assumptions:

Discount Rate	6.25% (previously 4.5%)
OPEB Trust Asset Return	8.00%
Inflation Rate	3.5%
Medical/Drug Cost Trend Rates	8.0% decreasing by 0.50% for 6 years to an ultimate level of 5.00% per year.

Plan Membership:

Current retirees, beneficiaries, and dependents	290
Current active members	<u>359</u>
Total	<u>649</u>

See Notes to the Required Supplementary Information

Town of Acton, Massachusetts
Notes to the Required Supplementary Information
June 30, 2014

(A) Budgetary Information

i General Budget Policies

Budget requests are prepared by the various Town departments and submitted to the Selectmen and Finance Committee for review during January, February and March of each year. The Selectmen and Finance Committee have until April, which is when the annual Town meeting is held, to make any changes to the departmental requests. After approval of the budget at the annual Town meeting, the tax recapitulation (recap) sheet is prepared. During this process, the property tax rate is determined and the recap sheet is sent to the Department of Revenue for approval.

The Town authorizes a bottom line budget in order to provide flexibility within the budget process. The budget is monitored and managed by the Town Manager and the Finance Director. The Town Manager may allow a department to overspend its budget as long as the Town's total expenditures and encumbrances do not exceed the total approved budget. Since Town meeting authorizes a bottom line budget, transfers to offset departmental deficits are not required to be made.

Encumbrance accounting is utilized when purchase orders, contracts or other commitments for purchases are recorded in order to reserve that portion of the applicable appropriations. Encumbrances do not constitute expenditures or liabilities.

At year end, appropriation balances lapse except for encumbrances and certain articles "voted" (that may be carried forward until the project is complete).

ii Budget Basis of Accounting

The final budget appearing in the required supplementary information section of the financial statements includes the fiscal year 2014 annual Town meeting voted amounts adjusted for any special Town meeting votes applicable to fiscal 2014 and any transfers authorized by the Finance Committee.

The following reconciliation summarizes the differences between the general fund budget basis and the Generally Accepted Accounting Principles (GAAP) basis (fund financial statements) for the year ended June 30, 2014. The budget basis for the Community Preservation Act fund is GAAP.

	<u>Revenues</u>
As Reported Budget Basis	\$ 85,053,372
Adjustments:	
Sixty Day Accrual - Net	(165,470)
MWPAT Subsidies	6,893
On Behalf Payments Included in Intergovernmental	4,538,838
As Reported GAAP Statement	<u>\$ 89,433,633</u>
	<u>Expenditures</u>
As Reported Budget Basis	\$ 83,530,738
Adjustments:	
MWPAT Subsidies	6,893
Debt Issuance cost on Refunding Bond	127,521
On Behalf Payments Included in Education	4,538,838
As Reported GAAP Statement	<u>\$ 88,203,990</u>

Budget requests are prepared by the various Town departments and submitted to the Selectmen and Finance Committee for review during January and February of each year. The Selectmen and Finance Committee have until the annual Town meeting is held, to make any changes to the departments' requests. After approval of the budget at the annual Town meeting, the tax recapitulation (recap) sheet is prepared. During this process the property tax rate is determined and the recap sheet is sent to the Department of Revenue for approval.

Encumbrance accounting is utilized when purchase orders, contracts or other commitments for purchases are recorded in order to reserve that portion of the applicable appropriations. Encumbrances do not constitute expenditures or liabilities.

(B) Pension Plans

1. Plan Description

The Town provides pension benefits to employees by contributing to Middlesex Retirement System, a cost sharing multiple-employer defined benefit pension plan administered by the Middlesex Retirement System. The system provides retirement benefits, cost of living adjustments, disability benefits and death benefits.

The system is a member of the Massachusetts Contributory Retirement System and is governed by Chapter 32 of the Massachusetts General Laws (MGL). The authority to establish and amend benefit provisions requires a statutory change to Chapter 32. The Middlesex Retirement System issues a publicly available financial report in accordance with guidelines established by the Commonwealth's Public Employee Retirement Administration Commission. That report may be obtained by writing to the Middlesex Retirement System, 25 Linnell Circle, P.O. Box 160, Billerica, Massachusetts 01865.

2. Funding Policy

Active members of the Middlesex Retirement System contribute either 5%, 7%, 8% or 9% of their gross regular compensation depending on the date upon which their membership began. An additional 2% is required from employees for earnings in excess of \$30,000.

The Town is required to pay an actuarially determined rate. The Town is required to pay into the System its share of the system-wide actuarial determined contribution that is apportioned among the employers based on active current payroll. Administrative expenses are funded through investment earnings. Chapter 32 of the MGL governs the contributions of plan members and the Town.

The schedule of funding progress, presented as required supplementary information, presents multiyear trend information about whether the actuarial value of the plan assets is increasing or decreasing over time relative to the accrued liability for benefits. Additionally, a schedule of employer contributions is presented as required supplementary information

The schedules presented relate to the Middlesex Retirement System as a whole (of which the Town is one participating employer). The Town's data included should be helpful for understanding the scale of the information presented relative to the Town.

3. Actuarial Assumptions

Valuation Date	January 1, 2012
Actuarial Cost Method	Entry age normal cost method.
Amortization Method	Prior year's total contribution increased by 6.5% for fiscal year 2014 through fiscal year 2020, and thereafter the remaining unfunded liability will be amortized on a 4.0% annual increasing basis; ERI liability amortized in level payments.
Remaining Amortization Period	As of July 1, 2012, 7 years remaining for the 2002 ERI liability; 8 years remaining for the 2003 ERI liability; 10 years remaining for the 2010 ERI liability and 23 years for the remaining unfunded liability.
Asset Valuation Method	The difference between the expected return and the actual investment return on a market value basis is recognized over a five year period as described by revenue procedure 2000-40.
Actuarial Assumptions:	
Investment Rate of Return	8.00% (previously, 8.125%)
Projected Salary Increases	4.75% for Group 1 and 5.25% for Group 4
Cost of Living Adjustments	3.00% of the first \$14,000 of retirement income, (previously, 3.00% of the first \$12,000 of retirement income)
Plan Membership:	
Retired Participants and Beneficiaries Receiving Benefits	4,886
Inactive Participants Entitled to a Return of their Employee Contributions	2,708
Invested Participants with a Vested Right to a Deferred or Immediate Benefit	394
Active Participants	<u>8,979</u>
Total	<u>16,967</u>

(C) Other Postemployment Benefits (OPEB) Disclosures

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

a. Plan Description

Eligibility is met upon retirement depending on the employee’s date of entering service. Group 1 employees who entered service before April 2, 2012 become eligible at age 55 with 10 years of creditable service or any age with 20 years of creditable service. Group 1 employees who entered service on or after April 2, 2012 become eligible at age 60 with ten years of creditable service. Currently there are 359 active employees and 290 retired employees (including beneficiaries and dependents) who are eligible to participate in the plan.

b. Funding Policy

The Town pays 50% of the total premiums for health insurance and life insurance policies. Benefits paid by the Town are on a pay-as-you-go basis. The contribution requirements of plan members and the Town are established and may be amended from time to time by local law or union agreements, within the constraints of Massachusetts General Laws.

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

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

The Schedule of Valuation Details presents factors that significantly affect the identification of trends in the amounts reported.

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**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND
SCHEDULES**

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Nonmajor Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes. The combining statements are categorized and reported in the following fund types:

Town Grants Fund – This fund is used to account for non-school related activity specifically financed by federal, state, and other grants which are restricted for specific programs.

School Grants Fund – This fund is used to account for the educational programs specifically financed by federal, state and other grants which are restricted for specific programs.

Town Revolving Accounts Fund – This fund is used to account for non-school related revolving funds specifically allowed by the laws of the Commonwealth of Massachusetts. These funds are expended for purposes specified by the enabling statute.

School Revolving Accounts Fund – This fund is used to account for school related revolving funds specifically allowed by the laws of the Commonwealth of Massachusetts. These funds are expended for purposes specified by the enabling statutes.

School Lunch Fund – This fund is used to account for all cafeteria activities and is funded by user charges, federal and state grants and commodities received.

Town Donations & Gifts Fund – This fund is used to account for gifts which have been accepted by the Town to be used for the purpose specified by the donor.

School Donations & Gifts Fund – This fund is used to account for gifts which have been accepted by the School Department to be used for the purpose specified by the donor.

Other Funds – This fund is used to report all special revenue funds that are not separately reported in other categories.

Capital Project Funds

Capital projects funds are used for the acquisition and construction of the Town's major capital assets or facilities, except those financed by the proprietary fund types.

Town Hall Land Use- This fund is used to account for Town Hall renovations and other Municipal land use projects.

Other Funds – This fund is used to report all capital projects funds that are not separately reported in other categories.

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.

Cemetery Fund – This fund is used to account for contributions and expenditures related to cemetery perpetual care and other cemetery related bequests.

Library Fund – This fund is used to account for various contributions/bequests associated with the Town's library.

Other Fund – This fund is used to account for various permanent fund contributions/bequests that are not reported in other categories.

Town of Acton, Massachusetts
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2014

	Special Revenue <u>Town Grants</u>	Special Revenue <u>School Grants</u>	Special Revenue <u>Revolving - Town</u>	Special Revenue <u>Revolving - School</u>	Special Revenue <u>School Lunch</u>	Special Revenue <u>Donations and Gifts - Town</u>	Special Revenue <u>Donations and Gifts - School</u>	Special Revenue <u>Other</u>	Subtotal Special Revenue Funds
Assets:									
Cash and Cash Equivalents	\$ -	\$ -	\$ 662,890	\$ 311,852	\$ 111,095	\$ 2,407,256	\$ 235,778	\$ 2,512,127	\$ 6,240,998
Investments	-	-	-	-	-	-	-	-	-
Accounts Receivable:									
User Charges	-	-	-	-	-	-	-	107,596	107,596
Special Assessments	-	-	-	-	-	-	-	172,597	172,597
Departmental	-	-	24,100	-	-	-	-	72,602	96,702
Intergovernmental	806,158	123,966	-	-	-	-	-	-	930,124
Total Assets	\$ 806,158	\$ 123,966	\$ 686,990	\$ 311,852	\$ 111,095	\$ 2,407,256	\$ 235,778	\$ 2,864,922	\$ 7,548,017
Liabilities:									
Warrants Payable	\$ -	\$ -	\$ 6,003	\$ -	\$ -	\$ -	\$ -	\$ 97,084	\$ 103,087
Accrued Payroll Payable	454	-	18,132	-	-	64	-	16,387	35,037
Due to Other Fund	195,322	94,587	-	-	-	-	-	-	289,909
Due to Component Unit	-	-	-	-	-	697,001	-	-	697,001
Total Liabilities	195,776	94,587	24,135	-	-	697,065	-	113,471	1,125,034
Deferred Inflows of Resources:									
Unavailable Revenues	549,764	-	24,100	-	-	-	-	311,176	885,040
Total Deferred Inflows of Resources	549,764	-	24,100	-	-	-	-	311,176	885,040
Fund Equity:									
Fund Balances:									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	60,618	29,379	233,415	-	111,095	1,710,191	235,778	1,427,200	3,807,676
Committed	-	-	405,340	311,852	-	-	-	1,013,075	1,730,267
Total Fund Balances	60,618	29,379	638,755	311,852	111,095	1,710,191	235,778	2,440,275	5,537,943
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 806,158	\$ 123,966	\$ 686,990	\$ 311,852	\$ 111,095	\$ 2,407,256	\$ 235,778	\$ 2,864,922	\$ 7,548,017

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Town of Acton, Massachusetts
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2014

	Capital Projects Town Hall Land Use	Capital Projects Other	Subtotal Capital Projects	Permanent Trust Cemetery	Permanent Trust Library	Permanent Trust Other	Subtotal Permanent Trust	Total Nonmajor Governmental Funds
Assets:								
Cash and Cash Equivalents	\$ 371,290	\$ 697,374	\$ 1,068,664	\$ -	\$ -	\$ -	\$ -	\$ 7,309,662
Investments	-	-	-	3,014,220	541,305	289,097	3,844,622	3,844,622
Accounts Receivable:								
User Charges	-	-	-	-	-	-	-	107,596
Special Assessments	-	-	-	-	-	-	-	172,597
Departmental	-	-	-	-	-	-	-	96,702
Intergovernmental	-	-	-	-	-	-	-	930,124
Total Assets	\$ 371,290	\$ 697,374	\$ 1,068,664	\$ 3,014,220	\$ 541,305	\$ 289,097	\$ 3,844,622	\$ 12,461,303
Liabilities:								
Warrants Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 103,087
Accrued Payroll Payable	-	-	-	-	-	-	-	35,037
Due to Other Fund	-	-	-	-	-	-	-	289,909
Due to Component Unit	-	-	-	-	-	-	-	697,001
Total Liabilities	-	-	-	-	-	-	-	1,125,034
Deferred Inflows of Resources:								
Unavailable Revenues	-	-	-	-	-	-	-	885,040
Total Deferred Inflows of Resources	-	-	-	-	-	-	-	885,040
Fund Equity:								
Fund Balances:								
Nonspendable	-	-	-	1,866,598	87,900	36,239	1,990,737	1,990,737
Restricted	371,290	697,374	1,068,664	1,147,622	453,405	252,858	1,853,885	6,730,225
Committed	-	-	-	-	-	-	-	1,730,267
Total Fund Balances	371,290	697,374	1,068,664	3,014,220	541,305	289,097	3,844,622	10,451,229
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 371,290	\$ 697,374	\$ 1,068,664	\$ 3,014,220	\$ 541,305	\$ 289,097	\$ 3,844,622	\$ 12,461,303

Concluded

Town of Acton, Massachusetts
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Fiscal Year Ended June 30, 2014

	Special Revenue Town Grants	Special Revenue School Grants	Special Revenue Revolving - Town	Special Revenue Revolving - School	Special Revenue School Lunch	Special Revenue Donations and Gifts - Town	Special Revenue Donations and Gifts - School	Special Revenue Other	Subtotal Special Revenue Funds
Revenues:									
Intergovernmental	\$ 1,412,711	\$ 1,225,708	\$ -	\$ -	\$ 97,224	\$ -	\$ -	\$ -	\$ 2,735,643
Charges for Services	-	-	731,083	529,943	499,652	-	-	993,541	2,754,219
Earnings on Investments	-	-	-	-	-	-	-	-	-
Contributions	-	-	-	-	-	123,849	616,353	-	740,202
Total Revenues	<u>1,412,711</u>	<u>1,225,708</u>	<u>731,083</u>	<u>529,943</u>	<u>596,876</u>	<u>123,849</u>	<u>616,353</u>	<u>993,541</u>	<u>6,230,064</u>
Expenditures:									
Current									
General Government	589,399	-	-	-	-	189,120	-	112,876	891,395
Public Safety	115,656	-	216,323	-	-	2,657	-	747,747	1,082,383
Education	-	1,195,210	-	598,913	555,598	-	549,476	-	2,899,197
Highways and Public Works	542,488	-	-	-	-	8,414	-	-	550,902
Human Services	153,186	-	156,186	-	-	24,512	-	244,455	578,339
Culture and Recreation	21,992	-	449,084	-	-	59,022	-	47,840	577,938
Total Expenditures	<u>1,422,721</u>	<u>1,195,210</u>	<u>821,593</u>	<u>598,913</u>	<u>555,598</u>	<u>283,725</u>	<u>549,476</u>	<u>1,152,918</u>	<u>6,580,154</u>
Excess of Revenues Over (Under) Expenditures	<u>(10,010)</u>	<u>30,498</u>	<u>(90,510)</u>	<u>(68,970)</u>	<u>41,278</u>	<u>(159,876)</u>	<u>66,877</u>	<u>(159,377)</u>	<u>(350,090)</u>
Other Financing Sources (Uses):									
Operating Transfers In	-	-	-	-	-	-	-	250,000	250,000
Operating Transfers (Out)	(120,609)	-	-	-	-	(114,021)	-	(383,000)	(617,630)
Proceeds from Bonds	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>(120,609)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(114,021)</u>	<u>-</u>	<u>(133,000)</u>	<u>(367,630)</u>
Net Change in Fund Balance	<u>(130,619)</u>	<u>30,498</u>	<u>(90,510)</u>	<u>(68,970)</u>	<u>41,278</u>	<u>(273,897)</u>	<u>66,877</u>	<u>(292,377)</u>	<u>(717,720)</u>
Fund Balance, Beginning	<u>191,237</u>	<u>(1,119)</u>	<u>729,265</u>	<u>380,822</u>	<u>69,817</u>	<u>1,984,088</u>	<u>168,901</u>	<u>2,732,652</u>	<u>6,255,663</u>
Fund Balance, Ending	<u>\$ 60,618</u>	<u>\$ 29,379</u>	<u>\$ 638,755</u>	<u>\$ 311,852</u>	<u>\$ 111,095</u>	<u>\$ 1,710,191</u>	<u>\$ 235,778</u>	<u>\$ 2,440,275</u>	<u>\$ 5,537,943</u>

Continued on Next Page

Town of Acton, Massachusetts
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Governmental Funds
 Fiscal Year Ended June 30, 2014

	Capital Projects Town Hall Land Use	Capital Projects Other	Subtotal Capital Projects	Permanent Trust Cemetery	Permanent Trust Library	Permanent Trust Other	Subtotal Permanent Trust	Total Non Major Governmental Funds
Revenues:								
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	2,735,643
Charges for Services	-	-	-	-	-	-	-	2,754,219
Earnings on Investments	-	-	-	154,042	27,948	14,851	196,841	196,841
Contributions	-	-	-	53,328	-	-	53,328	793,530
Total Revenues	-	-	-	207,370	27,948	14,851	250,169	6,480,233
Expenditures:								
Current								
General Government	28,710	65,074	93,784	-	-	299	299	985,478
Public Safety	-	-	-	-	-	1,577	1,577	1,083,960
Education	-	1,728	1,728	-	-	-	-	2,900,925
Highways and Public Works	-	19,918	19,918	61,292	-	-	61,292	632,112
Human Services	-	1,322	1,322	-	-	385	385	580,046
Culture and Recreation	-	29,155	29,155	-	7,017	-	7,017	614,110
Total Expenditures	28,710	117,197	145,907	61,292	7,017	2,261	70,570	6,796,631
Excess of Revenues Over (Under) Expenditures	(28,710)	(117,197)	(145,907)	146,078	20,931	12,590	179,599	(316,398)
Other Financing Sources (Uses):								
Operating Transfers In	-	-	-	-	-	-	-	250,000
Operating Transfers (Out)	-	(108)	(108)	-	-	-	-	(617,738)
Proceeds from Bonds	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	(108)	(108)	-	-	-	-	(367,738)
Net Change in Fund Balance	(28,710)	(117,305)	(146,015)	146,078	20,931	12,590	179,599	(684,136)
Fund Balance, Beginning	400,000	814,679	1,214,679	2,868,142	520,374	276,507	3,665,023	11,135,365
Fund Balance, Ending	\$ 371,290	\$ 697,374	\$ 1,068,664	\$ 3,014,220	\$ 541,305	\$ 289,097	\$ 3,844,622	\$ 10,451,229

Concluded

Town of Acton, Massachusetts
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Non Major Special Revenue - Council on Aging Fund
Fiscal Year Ended June 30, 2014

	Carried Forward from Prior Year	Original	Final	Actual Amounts (Budgetary Basis)	Carried Forward to Subsequent Year	Variance to Final Budget
<u>Revenues</u>						
Charges for Services	\$ -	\$ 39,109	\$ 39,109	\$ 48,392	\$ -	\$ 9,283
Earnings on Investments	-	-	-	250	-	250
Total Revenues	-	39,109	39,109	48,642	-	9,533
<u>Expenditures</u>						
Salaries and Wages	-	61,176	61,176	49,015	-	12,161
Expenses	-	39,164	39,164	27,798	745	10,621
Total Expenditures	-	100,340	100,340	76,813	745	22,782
<u>Other Financing Sources and (Uses)</u>						
Transfers In	-	50,000	50,000	50,000	-	-
Total Other Financing Sources and (Uses)	-	50,000	50,000	50,000	-	-
Excess (Deficiency) Of Revenues and Other Financing Sources Over Expenditures and Other Financing (Uses)	-	(11,231)	(11,231)	21,829	(745)	32,315
Fund Balance Beginning of the Year	-	50,980	50,980	50,980	-	-
Fund Balance End of the Year	\$ -	\$ 39,749	\$ 39,749	\$ 72,809	\$ (745)	\$ 32,315

Town of Acton, Massachusetts
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Non Major Special Revenue - Septage Fund
Fiscal Year Ended June 30, 2014

	Carried Forward from Prior Year	Original	Final	Actual Amounts (Budgetary Basis)	Carried Forward to Subsequent Year	Variance to Final Budget
<u>Revenues</u>						
Charges for Services	\$ -	\$ 133,193	\$ 133,193	\$ 143,105	\$ -	\$ 9,912
Earnings on Investments	-	-	-	583	-	583
Total Revenues	-	133,193	133,193	143,688	-	10,495
<u>Expenditures</u>						
Salaries and Wages	-	108,238	108,238	99,548	-	8,690
Expenses	-	39,955	39,955	24,581	3,072	12,302
Total Expenditures	-	148,193	148,193	124,129	3,072	20,992
<u>Other Financing Sources and (Uses)</u>						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Total Other Financing Sources and (Uses)	-	-	-	-	-	-
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing (Uses)	-	(15,000)	(15,000)	19,559	(3,072)	31,487
Fund Balance Beginning of the Year		136,577	136,577	136,577	(3,072)	40,177
Fund Balance End of the Year	\$ -	\$ 121,577	\$ 121,577	\$ 156,136	\$ (6,144)	\$ 71,664

Town of Acton, Massachusetts
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Non Major Special Revenue - Ambulance Fund
Fiscal Year Ended June 30, 2014

	Carried Forward from Prior Year	Original	Final	Actual Amounts (Budgetary Basis)	Carried Forward to Subsequent Year	Variance to Final Budget
<u>Revenues</u>						
Charges for Services	\$ -	\$ 556,512	\$ 556,512	\$ 576,460	\$ -	\$ 19,948
Earnings on Investments	-	-	-	4,422	-	4,422
Total Revenues	-	556,512	556,512	580,882	-	24,370
<u>Expenditures</u>						
Salaries and Wages	-	511,931	511,931	510,889	-	1,042
Expenses	3,983	254,257	254,257	236,859	5,144	16,237
Total Expenditures	3,983	766,188	766,188	747,748	5,144	17,279
<u>Other Financing Sources and (Uses)</u>						
Transfers In	-	200,000	200,000	200,000	-	-
Total Other Financing Sources and (Uses)	-	200,000	200,000	200,000	-	-
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing (Uses)	(3,983)	(9,676)	(9,676)	33,134	(5,144)	41,649
Fund Balance Beginning of the Year	-	1,095,981	1,095,981	1,095,981	(5,144)	42,691
Fund Balance End of the Year	<u>\$ (3,983)</u>	<u>\$ 1,086,305</u>	<u>\$ 1,086,305</u>	<u>\$ 1,129,115</u>	<u>\$ (10,288)</u>	<u>\$ 84,340</u>

Fiduciary Funds

Private Purpose Trust Funds

Private purpose trust funds are used to account for resources that are held for the benefit of parties outside the government (i.e. charitable trusts, scholarship trusts).

Charity Fund – This fund is used to account for resources related to bequests made to the Town for charitable purposes.

Other Post-Employment Benefits Liability Trust Fund

The Other Post-Employment Benefits Liability Trust Fund is used to account for the resources set aside by the Town to fund the retirees' health and life insurance liability. The Town adopted Massachusetts General Laws, Chapter 32, Section 20 which provides for the establishment of the fund.

Agency Fund

Agency funds are used to account for the short-term custodial collections of resources on behalf of another individual, entity or government.

Town of Acton, Massachusetts
Combining Statement of Net Position
Fiduciary Funds
June 30, 2014

	Private Purpose Trust Fund <u>Charity</u>	Other Post Employment Benefits <u>Trust</u>	Total Fiduciary <u>Funds</u>
Assets			
Investments	\$ 276,167	\$ 927,704	\$ 1,203,871
	<hr/>	<hr/>	<hr/>
Total Assets	\$ 276,167	\$ 927,704	\$ 1,203,871
	<hr/>	<hr/>	<hr/>
Liabilities	\$ -	\$ -	\$ -
	<hr/>	<hr/>	<hr/>
Net Position			
Held in Trust for OPEB Benefits and Other Purposes	\$ 276,167	\$ 927,704	\$ 1,203,871
	<hr/>	<hr/>	<hr/>

Town of Acton, Massachusetts
Combining Statement of Changes in Net Position
Fiduciary Funds
Fiscal Year Ended June 30, 2014

	<u>Charity</u>	Other Post Employment Benefits <u>Trust</u>	Total Private-Purpose <u>Trust</u>
Additions:			
Gift	\$ 58	\$ -	\$ 58
Interest, Dividends, and Other	14,175	129,044	143,219
Total Additions	<u>14,233</u>	<u>129,044</u>	<u>143,277</u>
Deductions:			
Trust Distributions	<u>1,994</u>	<u>-</u>	<u>1,994</u>
Change in Net Position Before Transfers	<u>12,239</u>	<u>129,044</u>	<u>141,283</u>
Transfers In (Out):			
Operating Transfers In (Out)	<u>-</u>	<u>488,660</u>	<u>488,660</u>
Change in Net Position	<u>12,239</u>	<u>617,704</u>	<u>629,943</u>
Net Position:			
Beginning of the Year	<u>263,928</u>	<u>310,000</u>	<u>573,928</u>
Ending of the Year	<u>\$ 276,167</u>	<u>\$ 927,704</u>	<u>\$ 1,203,871</u>

Town of Acton, Massachusetts
Statement of Changes in Assets and Liabilities
Agency Fund
Fiscal Year Ended June 30, 2014

	Balance <u>July 1, 2013</u>	<u>Additions</u>	<u>Deductions</u>	Balance <u>June 30, 2014</u>
Assets				
Cash and Cash Investments	\$ 1,003,273	\$18,474,232	\$18,432,437	\$ 1,045,068
Total Assets	<u>1,003,273</u>	<u>18,474,232</u>	<u>18,432,437</u>	<u>1,045,068</u>
Liabilities				
Warrants Payable	450	9,711	450	9,711
Due to Component Unit	39,000	-	-	39,000
Other	963,823	18,464,521	18,431,987	996,357
Total Liabilities	<u>\$ 1,003,273</u>	<u>\$18,474,232</u>	<u>\$18,432,437</u>	<u>\$ 1,045,068</u>

Statistical Section

This part of the 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 Trend

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

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

Town of Acton, Massachusetts

Net Position by Component

Last Ten Fiscal Years

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental Activities										
Net Investment in Capital Assets	\$ 103,101,408	\$ 103,711,310	\$ 109,573,255	\$ 112,137,634	\$ 112,630,806	\$ 123,516,112	\$ 125,181,483	\$ 124,135,789	\$ 128,017,274	\$ 128,335,782
Restricted	12,287,620	11,206,544	8,650,063	9,330,249	9,815,277	14,945,567	14,528,079	16,648,883	16,566,766	14,911,665
Unrestricted	<u>22,389,929</u>	<u>26,130,703</u>	<u>24,815,551</u>	<u>22,841,093</u>	<u>20,323,886</u>	<u>1,101,139</u>	<u>121,396</u>	<u>(2,014,908)</u>	<u>(822,724)</u>	<u>(1,182,386)</u>
Total Governmental Activities Net Position	<u>\$ 137,778,957</u>	<u>\$ 141,048,557</u>	<u>\$ 143,038,869</u>	<u>\$ 144,308,976</u>	<u>\$ 142,769,969</u>	<u>\$ 139,562,818</u>	<u>\$ 139,830,958</u>	<u>\$ 138,769,764</u>	<u>\$ 143,761,316</u>	<u>\$ 142,065,061</u>
Business-type Activities										
Net Investment in Capital Assets	810,875	1,933,264	1,878,219	1,121,828	1,318,690	1,510,488	1,393,955	1,122,678	1,122,317	1,112,535
Unrestricted	<u>23,428,078</u>	<u>23,684,124</u>	<u>23,723,094</u>	<u>23,632,188</u>	<u>22,264,589</u>	<u>24,038,048</u>	<u>22,948,277</u>	<u>21,845,108</u>	<u>21,595,820</u>	<u>21,100,340</u>
Total Business-type Activities Net Position	<u>\$ 24,238,953</u>	<u>\$ 25,617,388</u>	<u>\$ 25,601,313</u>	<u>\$ 24,754,016</u>	<u>\$ 23,583,279</u>	<u>\$ 25,548,536</u>	<u>\$ 24,342,232</u>	<u>\$ 22,967,786</u>	<u>\$ 22,718,137</u>	<u>\$ 22,212,875</u>
Primary Government										
Net Investment in Capital Assets	103,912,283	105,644,574	111,451,474	113,259,462	113,949,496	125,026,600	126,575,438	125,258,467	129,139,591	129,448,317
Restricted	12,287,620	11,206,544	8,650,063	9,330,249	9,815,277	14,945,567	14,528,079	16,648,883	16,566,766	14,911,665
Unrestricted	<u>45,818,007</u>	<u>49,814,827</u>	<u>48,538,645</u>	<u>46,473,281</u>	<u>42,588,475</u>	<u>25,139,187</u>	<u>23,069,673</u>	<u>19,830,200</u>	<u>20,773,096</u>	<u>19,917,954</u>
Total Primary Government Activities Net Position	<u>\$ 162,017,910</u>	<u>\$ 166,665,945</u>	<u>\$ 168,640,182</u>	<u>\$ 169,062,992</u>	<u>\$ 166,353,248</u>	<u>\$ 165,111,354</u>	<u>\$ 164,173,190</u>	<u>\$ 161,737,550</u>	<u>\$ 166,479,453</u>	<u>\$ 164,277,936</u>

Data Source: Audited Financial Statements

Notes:

Above amounts were adjusted to reflect prior period adjustments

Beginning in fiscal year 2010, the Community Preservation Act fund balance was reported as restricted fund balance. It had been reported as unrestricted.

Beginning in fiscal year 2010, Massachusetts School Building Authority's share of long term debt was considered non capital related.

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Town of Acton, Massachusetts
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Expenses										
Governmental Activities										
General Government	\$ 4,460,300	\$ 5,361,111	\$ 5,975,259	\$ 6,694,402	\$ 7,265,199	\$ 7,723,442	\$ 7,565,406	\$ 7,840,931	\$ 8,164,815	\$ 8,593,144
Public Safety	6,339,448	6,336,508	6,852,601	7,119,437	7,280,663	6,719,393	7,300,753	7,978,973	8,192,749	8,201,547
Education	42,156,545	44,437,365	47,556,668	49,770,110	50,645,080	55,527,097	57,160,597	58,736,652	59,827,670	62,551,163
Highways and Public Works	2,885,847	2,665,414	2,728,218	3,054,702	2,971,877	3,409,695	3,384,408	3,300,843	3,750,820	4,297,273
Human Services	1,291,457	1,548,211	1,719,482	1,803,986	1,932,660	1,442,893	1,509,794	1,821,505	2,681,919	2,632,642
Culture and Recreation	1,012,544	994,584	1,010,220	1,166,486	1,199,756	1,756,220	1,718,825	1,872,516	1,815,135	2,427,419
Employee Benefits	5,639,239	6,649,477	7,145,340	7,867,362	11,641,091	8,257,314	8,371,686	8,555,932	6,912,937	7,563,997
Intergovernmental	183,570	195,447	201,736	219,000	234,647	-	-	-	-	-
Interest on Long-term Debt	1,260,785	981,357	1,080,466	1,422,885	1,138,519	915,272	853,934	784,868	853,957	867,672
Total Government Activities Expenses	65,229,735	69,169,474	74,269,990	79,118,370	84,309,492	85,751,326	87,865,403	90,892,220	92,200,002	97,134,857
Business-Type Activities										
Sanitation	1,689,530	621,467	567,297	562,158	536,781	620,004	657,036	727,553	663,877	647,494
Sewer	2,096,363	2,403,833	2,425,790	2,427,678	2,370,246	2,427,828	2,400,915	2,366,763	2,352,886	2,255,755
Nursing	580,014	571,332	586,671	636,860	767,263	773,649	728,750	614,531	568,026	519,188
Total Business-Type Activities Expenses	4,365,907	3,596,632	3,579,758	3,626,696	3,674,290	3,821,481	3,786,701	3,708,847	3,584,789	3,422,437
Total Primary Government Expenses	\$ 69,595,642	\$ 72,766,106	\$ 77,849,748	\$ 82,745,066	\$ 87,983,782	\$ 89,572,807	\$ 91,652,104	\$ 94,601,067	\$ 95,784,791	\$ 100,557,294
Program Revenues										
Governmental Activities										
Charges for Services:										
General Government	\$ 256,636	\$ 270,274	\$ 298,844	\$ 337,243	\$ 239,853	\$ 721,958	\$ 385,134	\$ 395,755	\$ 358,437	\$ 419,124
Public Safety	765,583	904,645	1,098,124	989,413	1,060,347	929,412	815,258	1,300,079	1,503,328	1,881,840
Education	802,567	840,237	879,321	903,832	944,625	1,244,888	1,230,379	1,139,880	882,912	1,029,595
Highways and Public Works	114,723	67,934	156,523	161,152	112,174	1,000	25,994	9,420	6,013	3,092
Human Services	569,490	654,802	791,349	711,101	609,035	355,796	284,098	413,646	442,286	493,348
Culture and Recreation	46,209	51,334	53,614	43,513	51,473	461,933	383,932	427,867	396,163	389,820
Operating Grants and Contributions	7,733,160	7,782,760	8,146,994	9,841,626	11,040,558	11,933,644	12,938,309	13,519,601	14,151,048	13,129,117
Capital Grants and Contributions	5,622,580	820,488	478,784	569,197	571,307	513,776	523,327	-	4,524,343	542,488
Total Government Activities Program Revenues	15,910,948	11,392,474	11,903,553	13,557,077	14,629,372	16,162,407	16,586,431	17,206,248	22,264,530	17,888,424
Business-Type Activities										
Charges for Services:										
Sanitation	1,803,338	1,753,314	607,461	619,444	616,278	609,125	617,081	680,418	671,029	668,705
Sewer	582,560	876,608	1,196,120	1,042,800	1,387,686	1,090,808	1,147,946	880,224	930,586	892,959
Nursing	437,357	703,960	611,572	659,559	516,472	676,118	544,337	524,637	540,600	315,630
Operating Grants and Contributions	180,899	766,754	282,754	185,173	91,878	835,399	809,808	957,512	927,166	904,881
Capital Grants and Contributions	14,938,882	829,977	821,322	806,278	797,613	-	303,725	87,530	100,759	-
Total Business-Type Activities Program Revenues	17,943,036	4,930,613	3,519,229	3,313,254	3,409,927	3,211,450	3,422,897	3,130,321	3,170,140	2,782,175
Total Primary Government Program Revenues	\$ 33,853,984	\$ 16,323,087	\$ 15,422,782	\$ 16,870,331	\$ 18,039,299	\$ 19,373,857	\$ 20,009,328	\$ 20,336,569	\$ 25,434,670	\$ 20,670,599
Net (Expense)/Revenue										
Governmental Activities	\$ (49,318,787)	\$ (57,777,000)	\$ (62,366,437)	\$ (65,561,293)	\$ (69,680,120)	\$ (69,588,919)	\$ (71,278,972)	\$ (73,685,972)	\$ (69,935,472)	\$ (79,246,433)
Business-Type Activities	13,577,129	1,333,981	(60,529)	(313,442)	(264,363)	(610,031)	(363,804)	(578,526)	(414,649)	(640,262)
Total Primary Government Net Expense	\$ (35,741,658)	\$ (56,443,019)	\$ (62,426,966)	\$ (65,874,735)	\$ (69,944,483)	\$ (70,198,950)	\$ (71,642,776)	\$ (74,264,498)	\$ (70,350,121)	\$ (79,886,695)

(continued)

Town of Acton, Massachusetts
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year									
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
General Revenues and Other Changes in Net Position										
Governmental Activities										
Property Taxes	\$ 48,416,915	\$ 54,520,286	\$ 57,395,411	\$ 58,863,336	\$ 60,631,206	\$ 64,514,109	\$ 66,103,406	\$ 67,967,690	\$ 70,500,745	\$ 72,978,287
Motor Vehicle and Other Excise Taxes	3,168,124	2,840,631	2,662,192	2,897,507	2,449,134	2,607,181	2,612,767	2,568,195	2,823,357	2,919,465
Penalties and Interest on Taxes	102,516	69,515	140,196	185,981	115,996	129,092	323,733	389,984	150,149	210,867
Other Taxes, Assessments and In Lieu of	172,117	176,009	131,140	211,342	726,851	11,934	11,771	12,441	12,046	15,233
Intergovernmental	2,578,416	2,795,749	3,266,664	3,284,233	2,942,724	1,324,707	1,271,625	1,276,872	1,274,777	1,302,663
Interest and Investment Income	218,327	354,574	735,567	712,994	278,320	196,502	130,319	100,921	96,587	87,867
Other Revenue	18,119	334,290	70,033	142,152	90,508	150,486	181,397	73,305	162,993	182,296
Contributions to Permanent Funds	-	-	-	-	-	57,360	91,571	103,860	75,370	-
Gain (Loss) on Disposal of Asset	-	-	-	-	-	(29,365)	(21,977)	(442,384)	(24,000)	(11,500)
Transfers, Net	(54,228)	(44,454)	(44,454)	(94,638)	635,000	(4,950)	842,500	573,894	(145,000)	(135,000)
Total Governmental Activities	<u>54,620,306</u>	<u>61,046,600</u>	<u>64,356,749</u>	<u>66,202,907</u>	<u>67,869,739</u>	<u>68,957,056</u>	<u>71,547,112</u>	<u>72,624,778</u>	<u>74,927,024</u>	<u>77,550,178</u>
Business-Type Activities										
Gain (Loss) on Disposal of Asset	-	-	-	-	-	-	-	-	20,000	-
Transfers, Net	54,228	44,454	44,454	94,638	(635,000)	-	(842,500)	(795,920)	145,000	135,000
Total Business-type Activities	<u>54,228</u>	<u>44,454</u>	<u>44,454</u>	<u>94,638</u>	<u>(635,000)</u>	<u>-</u>	<u>(842,500)</u>	<u>(795,920)</u>	<u>165,000</u>	<u>135,000</u>
Total Primary Government	<u>\$ 54,674,534</u>	<u>\$ 61,091,054</u>	<u>\$ 64,401,203</u>	<u>\$ 66,297,545</u>	<u>\$ 67,234,739</u>	<u>\$ 68,957,056</u>	<u>\$ 70,704,612</u>	<u>\$ 71,828,858</u>	<u>\$ 75,092,024</u>	<u>\$ 77,685,178</u>
Changes in Net Position										
Governmental Activities	\$ 5,301,519	\$ 3,269,600	\$ 1,990,312	\$ 641,614	\$ (1,810,381)	\$ (631,863)	\$ 268,140	\$ (1,061,194)	\$ 4,991,552	\$ (1,696,255)
Business-Type Activities	13,631,357	1,378,435	(16,075)	(218,804)	(899,363)	(610,031)	(1,206,304)	(1,374,446)	(249,649)	(505,262)
Total Primary Government Changes in Net Position	<u>\$ 18,932,876</u>	<u>\$ 4,648,035</u>	<u>\$ 1,974,237</u>	<u>\$ 422,810</u>	<u>\$ (2,709,744)</u>	<u>\$ (1,241,894)</u>	<u>\$ (938,164)</u>	<u>\$ (2,435,640)</u>	<u>\$ 4,741,903</u>	<u>\$ (2,201,517)</u>

Data Source: Audited Financial Statements

Concluded

Notes:

Beginning in fiscal year 2010, the intergovernmental general fund expenditures were reported by function.

Beginning in fiscal year 2010, the intergovernmental general fund revenues were reported as program revenues when applicable.

Beginning in fiscal year 2010, expenditures related to health insurance for school employees were reported as Education functional expenditures . Those expenditures were previously reported within the Employee Benefits function.

Above amounts were adjusted to reflect prior period adjustments

Town of Acton, Massachusetts
Fund Balances - Governmental Funds
Last Ten Fiscal Years

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Fund										
Reserved	\$ 3,472,266	\$ 4,266,907	\$ 3,467,832	\$ 3,186,756	\$ 3,353,740	\$ 2,569,311	\$ -	\$ -	\$ -	\$ -
Unreserved	4,148,237	5,141,156	5,961,413	5,545,059	6,514,941	7,724,166	-	-	-	-
Committed	-	-	-	-	-	-	2,302,875	2,013,918	2,638,503	2,009,485
Assigned	-	-	-	-	-	-	2,126,226	1,308,583	2,269,913	1,596,387
Unassigned	-	-	-	-	-	-	7,823,281	9,691,909	9,959,734	12,103,520
Total General fund	\$ 7,620,503	\$ 9,408,063	\$ 9,429,245	\$ 8,731,815	\$ 9,868,681	\$ 10,293,477	\$ 12,252,382	\$ 13,014,410	\$ 14,868,150	\$ 15,709,392
All Other Governmental Funds										
Reserved	\$ 1,700,118	\$ 1,666,004	\$ 1,767,193	\$ 1,728,494	\$ 1,773,712	\$ 2,028,738	\$ -	\$ -	\$ -	\$ -
Unreserved Reported in:										
Special Revenue Funds	5,525,301	7,211,787	9,423,242	10,565,651	10,760,391	10,420,754	-	-	-	-
Capital Project Funds	452,021	324,578	895,742	(174,096)	(1,080,352)	148,950	-	-	-	-
Permanent Funds	1,432,033	1,460,803	1,514,426	1,593,718	1,368,242	1,479,395	-	-	-	-
Nonspendable	-	-	-	-	-	-	1,818,691	1,922,486	1,937,409	1,990,737
Restricted	-	-	-	-	-	-	9,663,298	11,587,369	12,546,863	11,374,285
Committed	-	-	-	-	-	-	2,158,920	2,353,385	2,454,423	1,730,267
Unassigned	-	-	-	-	-	-	(386,980)	(352,708)	-	-
Total All Other Governmental Funds	\$ 9,109,473	\$ 10,663,172	\$ 13,600,603	\$ 13,713,767	\$ 12,821,993	\$ 14,077,837	\$ 13,253,929	\$ 15,510,532	\$ 16,938,695	\$ 15,095,289

Data Source: Audited Financial Statements

- (1) 2011 balances reflect implementation of GASB 54.
- (2) The negative unassigned fund balances (fiscal years 2011 and 2012) are the result of capital project expenditures before long term financing was in place.
- (3) The negative unreserved Capital Projects fund balances (fiscal years 2008 and 2009) are the result of capital project expenditures before long term financing was in place.

Town of Acton, Massachusetts
 Changes in Fund Balances - Governmental Funds
 Last Ten Fiscal Years
 (Modified Accrual Basis of Accounting)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Revenues:										
Property Taxes	\$ 48,447,749	\$54,410,781	\$ 57,288,281	\$ 58,990,869	\$ 61,235,586	\$ 64,130,848	\$ 65,760,590	\$ 67,761,562	\$ 70,211,964	\$ 72,690,281
Tax Liens	-	-	-	-	-	372,152	248,123	427,398	78,900	203,679
Excises	3,151,571	2,805,457	2,690,322	2,869,975	2,520,198	2,514,503	2,702,506	2,587,467	2,829,935	2,918,815
Penalties and Interest	102,516	69,515	140,196	185,981	115,996	185,509	323,733	389,984	150,149	210,867
Licenses and Permits	-	-	-	-	-	196,224	183,246	196,664	285,253	215,238
Fees and Other Departmental	1,215,954	1,282,904	2,146,362	2,017,634	1,710,219	473,940	717,439	613,321	686,450	1,042,001
Intergovernmental	10,120,903	10,638,013	11,448,625	12,826,638	13,791,368	13,279,181	14,320,167	14,645,294	15,866,576	15,679,896
Charges for Services	2,383,779	2,654,056	2,211,418	2,155,361	2,096,113	3,307,675	2,839,146	2,864,964	2,390,181	2,779,428
Fines and Forfeits	-	-	-	-	-	152,218	129,828	110,102	119,031	90,672
Earnings on Investments	309,457	480,622	1,088,992	897,319	290,108	285,776	252,556	135,015	312,898	376,760
In Lieu of Taxes	-	-	-	-	-	11,934	11,771	12,441	12,046	15,233
Contributions	554,407	1,093,487	1,161,761	918,242	738,721	743,102	697,835	1,268,702	1,138,539	975,828
Miscellaneous	-	-	-	-	-	138,774	184,693	308,585	162,993	50,000
Total Revenues	66,286,336	73,434,835	78,175,957	80,862,019	82,498,309	85,791,836	88,371,633	91,321,499	94,244,915	97,248,698
Expenditures										
General Government	4,321,970	4,951,950	5,550,414	5,848,662	6,378,881	7,363,318	7,138,188	7,305,105	7,756,004	8,287,796
Public Safety	6,093,779	5,719,163	6,276,045	6,924,214	6,137,576	6,278,627	6,822,714	7,461,956	7,712,351	7,721,001
Education	41,585,023	43,807,496	46,966,317	48,958,266	50,101,248	55,439,657	56,382,116	58,309,808	59,294,289	61,865,952
Highways and Public Works	2,077,549	1,915,797	1,927,009	2,559,079	2,086,664	2,474,696	2,369,243	2,273,413	2,638,370	3,095,661
Human Services	1,281,231	1,537,912	1,704,518	1,763,345	1,812,878	1,423,963	1,462,501	1,753,193	2,609,785	2,560,767
Culture and Recreation	840,691	891,091	868,360	989,443	1,082,525	1,588,729	1,533,189	1,689,249	1,626,342	2,213,992
Intergovernmental	183,570	195,447	201,736	219,000	234,647	232,927	221,957	266,187	301,874	336,501
Employee Benefits	5,781,189	6,586,457	7,143,959	7,837,536	8,845,267	5,455,257	5,534,807	5,662,223	5,606,493	5,885,558
Capital Outlay	3,498,742	1,829,846	2,878,599	3,268,406	3,277,352	2,871,559	3,623,282	1,214,244	2,498,417	2,827,531
Debt Service										
Principal	1,689,370	1,659,677	1,703,444	1,981,746	1,779,027	1,859,282	2,009,876	2,029,920	1,900,257	2,129,617
Interest	1,278,177	1,186,680	1,174,989	1,176,255	1,152,152	998,511	981,263	911,464	967,482	702,826
Debt Issuance	-	-	-	-	-	-	-	-	-	127,521
Total Expenditures	68,631,291	70,281,516	76,395,390	81,525,952	82,888,217	85,986,526	88,079,136	88,876,762	92,911,664	97,754,723
Excess of Revenues Over (Under) Expenditures	(2,344,955)	3,153,319	1,780,567	(663,933)	(389,908)	(194,690)	292,497	2,444,737	1,333,251	(506,025)
Other Financing Sources (Uses):										
Proceeds from Bonds	76,849	232,394	1,222,500	174,305	-	1,880,280	-	-	2,093,652	-
Issuance of Refunding Bonds	-	-	-	-	-	-	-	-	-	12,220,000
Premium from Refunding Bonds	-	-	-	-	-	-	-	-	-	768,190
Payment to Refunded Bonds Escrow Agent	-	-	-	-	-	-	-	-	-	(12,860,669)
Operating Transfers In	179,435	73,153	119,024	111,848	882,652	775,463	1,530,157	1,007,258	440,619	1,127,738
Operating Transfers (Out)	(233,663)	(117,607)	(163,478)	(206,486)	(247,652)	(780,413)	(687,657)	(433,364)	(585,619)	(1,751,399)
Total Other Financing Sources (Uses)	22,621	187,940	1,178,046	79,667	635,000	1,875,330	842,500	573,894	1,948,652	(496,139)
Net Change in Fund Balance	\$ (2,322,334)	\$ 3,341,259	\$ 2,958,613	\$ (584,266)	\$ 245,092	\$ 1,680,640	\$ 1,134,997	\$ 3,018,631	\$ 3,281,903	\$ (1,002,164)

Debt Service as a										
Percentage of Noncapital										
Expenditures	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
	4.6%	4.2%	3.9%	4.0%	3.7%	3.4%	3.5%	3.4%	3.2%	3.0%

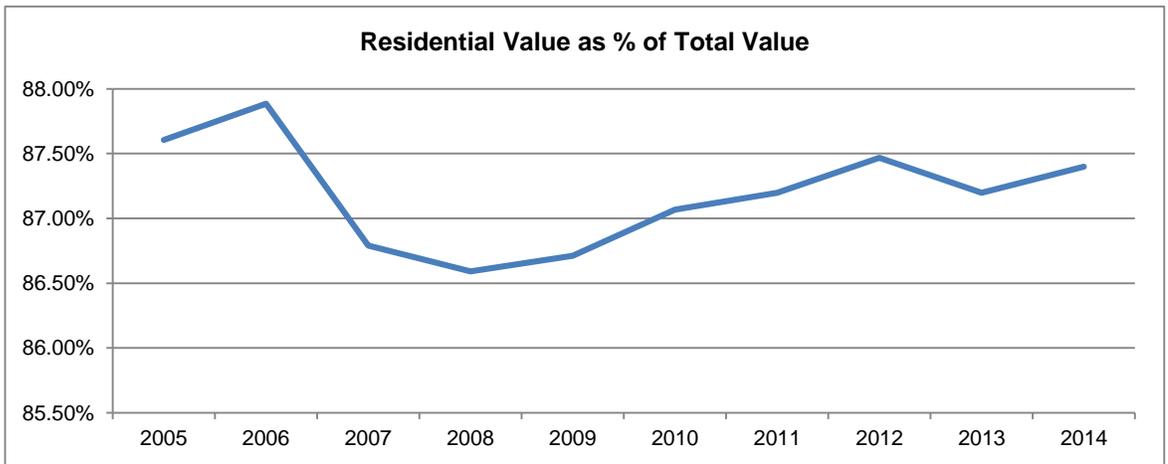
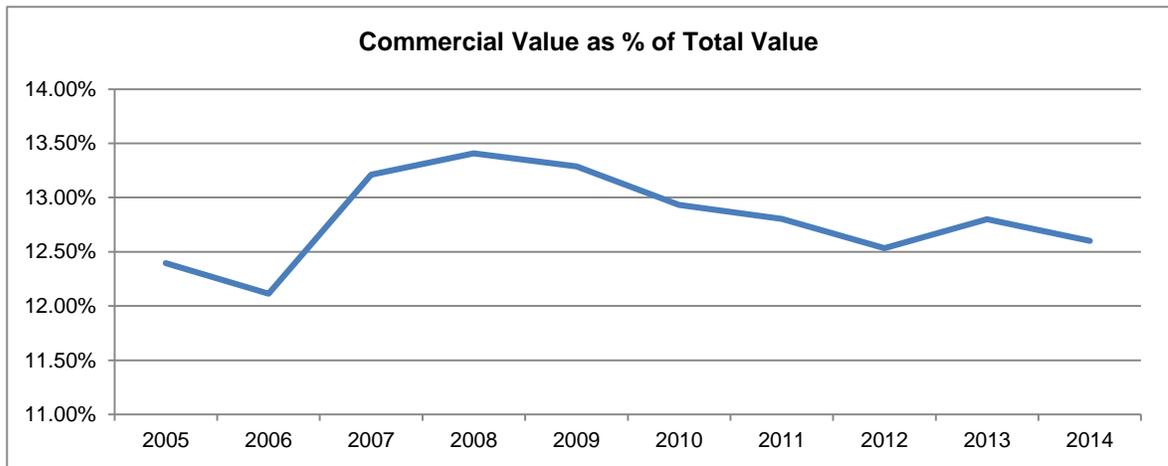
Notes:
 Prior to fiscal year 2010, tax liens were reported with property taxes in the financial statements

From fiscal year 2010 forward, certain revenues previously reported in a combined "Fees and Other Departmental" category were reported by management in more specific categories (i.e. Licenses and Permits, Fines and Forfeits, Charges for Services, In Lieu of Taxes and Miscellaneous).

Beginning in fiscal year 2010, expenditures related to health insurance for school employees were reported as Education functional expenditures. Those expenditures were previously reported within the Employee Benefits function.

Town of Acton, Massachusetts
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Residential Property	Residential % of Total Value	Commercial Property	Industrial Property	Personal Property	Total Commercial Property	Commercial % of Total Value	Total Taxable Assessed Value	Total Direct Tax Rate
2005	\$3,103,206,201	87.61%	\$287,139,825	\$98,745,115	\$53,163,636	\$439,048,576	12.39%	\$3,542,254,777	\$13.81
2006	\$3,318,844,983	87.88%	\$310,323,682	\$106,668,445	\$40,528,806	\$457,520,933	12.12%	\$3,776,365,916	\$14.58
2007	\$3,426,424,133	86.79%	\$364,989,988	\$115,243,945	\$41,313,257	\$521,547,190	13.21%	\$3,947,971,323	\$14.62
2008	\$3,334,950,720	86.59%	\$358,212,176	\$111,533,010	\$46,680,230	\$516,425,416	13.41%	\$3,851,376,136	\$15.39
2009	\$3,252,816,010	86.71%	\$336,316,163	\$103,515,920	\$58,607,037	\$498,439,120	13.29%	\$3,751,255,130	\$16.53
2010	\$3,257,545,318	87.07%	\$321,119,694	\$97,872,285	\$64,884,117	\$483,876,096	12.93%	\$3,741,421,414	\$17.12
2011	\$3,174,679,623	87.20%	\$309,194,597	\$90,955,570	\$65,944,035	\$466,094,202	12.80%	\$3,640,773,825	\$18.08
2012	\$3,185,180,125	87.47%	\$299,215,620	\$91,837,570	\$65,316,803	\$456,369,993	12.53%	\$3,641,550,118	\$18.55
2013	\$3,208,128,927	87.20%	\$312,904,977	\$94,158,445	\$63,924,158	\$470,987,580	12.80%	\$3,679,116,507	\$19.10
2014	\$3,247,953,628	87.40%	\$305,863,245	\$92,840,385	\$69,608,967	\$468,312,597	12.60%	\$3,716,266,225	\$19.45



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 fiscal 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 (new growth) 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

Data Source:
Board of Assessors & Town's tax recapitulation sheets

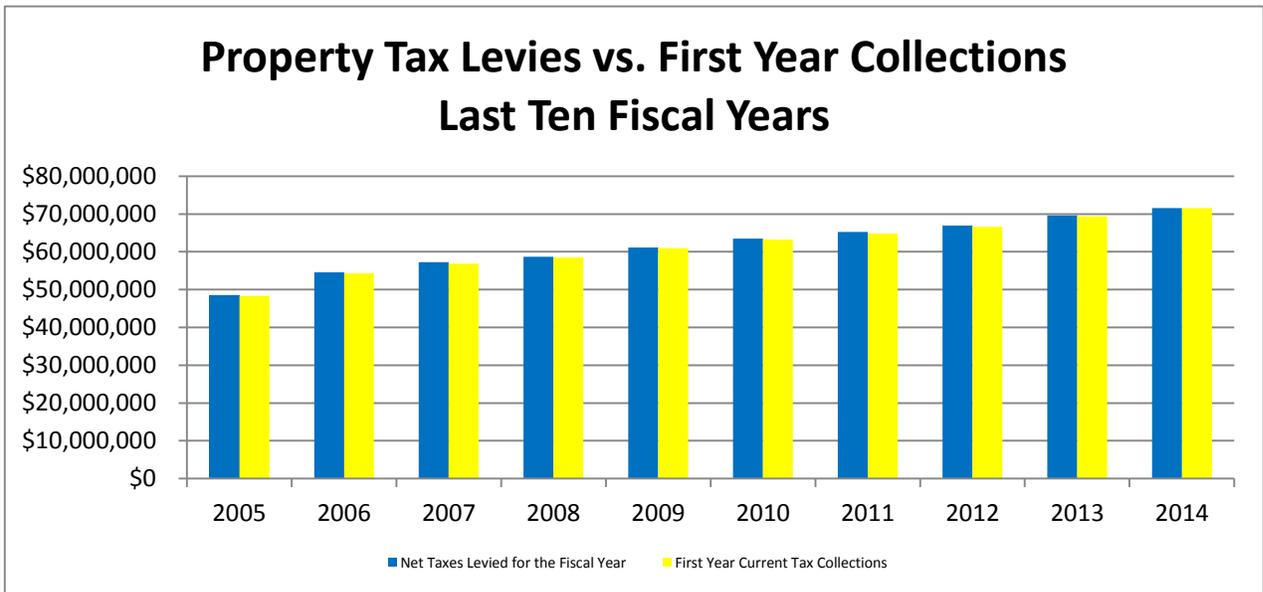
Town of Acton, Massachusetts
Principal Property Taxpayers
Current Year and Nine Years Ago

		2014				2005			
		Assessed Valuation	Amount of Tax	Percentage of Total Taxable Assessed Value	Rank	Assessed Valuation	Amount of Tax	Percentage of Total Taxable Assessed Value	Rank
Avalon Acton Inc.	Rental Housing	\$ 33,782,200	\$ 657,064	0.91%	1	\$ -	\$ -	0.00%	N/A
NSTAR Services	Utility	\$ 21,130,241	\$ 410,983	0.57%	2	\$ 15,502,970	\$ 214,096	0.44%	4
Verizon New England, Inc.	Telecommunications	\$ 17,261,500	\$ 335,736	0.46%	3	\$ -	\$ -	0.00%	N/A
Haartz Auto Fabric	Manufacturer	\$ 17,102,800	\$ 332,649	0.46%	4	\$ 16,306,000	\$ 225,186	0.46%	3
ND/Winrock Acton LLC	Office/R&D	\$ 13,222,600	\$ 257,180	0.36%	5	\$ -	\$ -	0.00%	N/A
E&A Northeast Ltd. Prtn.	Retail	\$ 12,780,400	\$ 248,579	0.34%	6	\$ 10,844,100	\$ 149,757	0.31%	6
TIAA	Retail	\$ 12,184,800	\$ 236,994	0.33%	7	\$ -	\$ -	0.00%	N/A
Atlantic Acton Realty Trust	Retail	\$ 10,373,500	\$ 201,765	0.28%	8	\$ 10,217,000	\$ 141,097	0.29%	7
Seachange International Inc.	Office/R&D	\$ 8,131,400	\$ 158,156	0.22%	9	\$ -	\$ -	0.00%	N/A
A-B Properties	Office	\$ 7,311,000	\$ 142,199	0.20%	10	\$ -	\$ -	0.00%	N/A
Koll Bren Fund VI LP	Investment Firm	\$ -	\$ -	0.00%		\$ 29,002,800	\$ 400,529	0.82%	1
Nagog Park Investors, LLC	R&D	\$ -	\$ -	0.00%		\$ 23,253,000	\$ 321,124	0.66%	2
Auto Dealers Exchange Concord	Auction	\$ -	\$ -	0.00%		\$ 14,313,600	\$ 197,671	0.40%	5
Farm Hill Mall	Retail	\$ -	\$ -	0.00%		\$ 8,299,500	\$ 114,616	0.23%	8
Acton Assisted Living LLC	Assisted Living	\$ -	\$ -	0.00%		\$ 8,232,000	\$ 113,684	0.23%	9
Great Equity Partners	Office	\$ -	\$ -	0.00%		\$ 7,746,300	\$ 106,976	0.22%	10
		<u>\$ 153,280,441</u>	<u>\$ 2,981,305</u>	<u>4.13%</u>		<u>\$ 143,717,270</u>	<u>\$ 1,984,735</u>	<u>4.06%</u>	

Data Source:
Board of Assessors

Town of Acton, Massachusetts
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Less Abatements & Exemptions Provided	(1) & (2)	(3)	Percentage of Net Levy Collected	Delinquent Tax Collections	Total Tax Collections	Percentage of Levy
			Net Taxes Levied for the Fiscal Year	First Year Current Tax Collections				
2005	\$48,918,538	(\$328,006)	\$48,590,532	\$48,311,301	99.43%	\$97,993	\$48,409,294	99.63%
2006	\$55,059,415	(\$465,832)	\$54,593,583	\$54,352,594	99.56%	\$238,912	\$54,591,506	100.00%
2007	\$57,719,341	(\$469,262)	\$57,250,079	\$56,799,978	99.21%	\$61,710	\$56,861,688	99.32%
2008	\$59,272,679	(\$605,267)	\$58,667,412	\$58,556,159	99.81%	\$63,851	\$58,620,010	99.92%
2009	\$62,008,247	(\$846,421)	\$61,161,826	\$60,958,789	99.67%	\$139,260	\$61,098,049	99.90%
2010	\$64,053,135	(\$558,253)	\$63,494,882	\$63,223,631	99.57%	\$51,047	\$63,274,678	99.65%
2011	\$65,825,191	(\$612,708)	\$65,212,483	\$64,819,703	99.40%	\$292,980	\$65,112,683	99.85%
2012	\$67,550,755	(\$615,641)	\$66,935,114	\$66,629,784	99.54%	\$293,782	\$66,923,566	99.98%
2013	\$70,271,125	(\$655,946)	\$69,615,179	\$69,362,198	99.64%	\$298,966	\$69,661,164	100.07%
2014	\$72,281,378	(\$745,041)	\$71,536,337	\$71,589,738	100.07%	\$128,079	\$71,717,817	100.25%



Data Source:

- (1) Tax recapitulation sheets
- (2) Massachusetts Division of Local Services website
- (3) Town's accounting system

Town of Acton, Massachusetts
Ratios of Outstanding Debt by Type and General Bonded Debt
Last Ten Fiscal Years

Fiscal Year Ended June 30,	(1) Population	(2) Personal Income	(3) Assessed Valuation	Governmental Activities Debt			
				General Obligation Bonds	Per Capita	Percentage of Personal Income	Percentage of Assessed Value
2005	20,303	\$ 987,641,000	\$ 3,542,254,777	\$ 30,673,403	\$ 1,511	3.11%	0.87%
2006	20,081	\$ 1,103,337,000	\$ 3,776,365,916	\$ 29,246,120	\$ 1,456	2.65%	0.77%
2007	20,482	\$ 1,224,285,000	\$ 3,947,971,323	\$ 28,765,176	\$ 1,404	2.35%	0.73%
2008	22,181	\$ 1,170,226,000	\$ 3,851,376,136	\$ 26,957,735	\$ 1,215	2.30%	0.70%
2009	21,908	\$ 1,085,528,000	\$ 3,751,255,130	\$ 25,178,708	\$ 1,149	2.32%	0.67%
2010	21,918	\$ 1,216,704,000	\$ 3,741,421,414	\$ 25,199,706	\$ 1,150	2.07%	0.67%
2011	22,071	\$ 1,245,096,000	\$ 3,640,773,825	\$ 23,189,830	\$ 1,051	1.86%	0.64%
2012	21,649	\$ 1,263,772,440	\$ 3,641,550,118	\$ 21,159,910	\$ 977	1.67%	0.58%
2013	21,564	\$ 1,282,729,027	\$ 3,679,116,507	\$ 21,353,305	\$ 990	1.66%	0.58%
2014	21,366	\$ 1,301,969,962	\$ 3,716,266,225	\$ 19,471,474	\$ 911	1.50%	0.52%

Fiscal Year Ended June 30,	Business-type Activities Debt	Total Primary Government			
	Sewer Fund	Total Debt Outstanding	Per Capita	Percentage of Personal Income	Percentage of Assessed Value
2005	\$ 23,006,230	\$ 53,679,633	\$ 2,644	5.44%	1.52%
2006	\$ 22,389,770	\$ 51,635,890	\$ 2,571	4.68%	1.37%
2007	\$ 21,758,524	\$ 50,523,700	\$ 2,467	4.13%	1.28%
2008	\$ 21,110,903	\$ 48,068,638	\$ 2,167	4.11%	1.25%
2009	\$ 20,444,692	\$ 45,623,400	\$ 2,082	4.20%	1.22%
2010	\$ 19,757,123	\$ 44,956,829	\$ 2,051	3.69%	1.20%
2011	\$ 19,047,400	\$ 42,237,230	\$ 1,914	3.39%	1.16%
2012	\$ 18,312,800	\$ 39,472,710	\$ 1,823	3.12%	1.08%
2013	\$ 17,586,000	\$ 38,939,305	\$ 1,806	3.04%	1.06%
2014	\$ 16,804,000	\$ 36,275,474	\$ 1,698	2.79%	0.98%

Data Source:

(1) from Town Clerk

(2) U. S. Census

(3) Board of Assessors - Tax Recap Sheets

Town of Acton, Massachusetts
 Direct and Overlapping Governmental Activities Debt
 As of June 30, 2014

	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Overlapping Debt:			
Acton Boxborough Regional School District	\$ 17,690,000	86.61%	\$ 15,321,309
Town Direct Debt			<u>19,471,474</u>
Total Direct and Overlapping Debt			<u><u>\$ 34,792,783</u></u>

Data Source:
 Acton Boxborough Regional School District

Town of Acton, Massachusetts
 Legal Debt Margin Information
 Last Ten Fiscal Years
 (Amounts in Thousands)

	Fiscal Year									
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Equalized Valuation (1)	<u>\$ 3,398,233</u>	<u>\$ 3,909,227</u>	<u>\$ 3,909,227</u>	<u>\$ 3,909,227</u>	<u>\$ 4,102,028</u>	<u>\$ 3,988,811</u>	<u>\$ 3,988,811</u>	<u>\$ 3,858,860</u>	<u>\$ 3,858,860</u>	<u>\$ 3,865,006</u>
Debt Limit - 5% Equalized Valuation	169,912	195,461	195,461	195,461	205,101	199,441	199,441	192,943	192,943	193,250
Less:										
Outstanding Debt Applicable to Limit (2)	(33,585)	(32,416)	(32,179)	(30,599)	(29,028)	(29,267)	(27,487)	(25,708)	(26,194)	(24,152)
Authorized and Unissued Debt (2)	<u>(1,050)</u>	<u>(1,050)</u>	<u>(1,050)</u>	<u>(876)</u>	<u>(3,897)</u>	<u>(2,265)</u>	<u>(2,265)</u>	<u>(4,317)</u>	<u>(1,499)</u>	<u>(1,345)</u>
Total Debt Applicable to Limitation	<u>(34,635)</u>	<u>(33,466)</u>	<u>(33,229)</u>	<u>(31,475)</u>	<u>(32,925)</u>	<u>(31,532)</u>	<u>(29,752)</u>	<u>(30,025)</u>	<u>(27,693)</u>	<u>(25,497)</u>
Legal Debt Margin	<u>\$ 204,547</u>	<u>\$ 228,927</u>	<u>\$ 228,690</u>	<u>\$ 226,936</u>	<u>\$ 238,026</u>	<u>\$ 230,973</u>	<u>\$ 229,193</u>	<u>\$ 222,968</u>	<u>\$ 220,636</u>	<u>\$ 218,747</u>
Total Debt Applicable to the Limit as a Percentage of Debt Limit	20.38%	17.12%	17.00%	16.10%	16.05%	15.81%	14.92%	15.56%	14.35%	13.19%

Data Source:

- (1) MA Division of Local Services (DataBank)
- (2) Town's Finance Department

Town of Acton, Massachusetts
Demographic and Economic Statistics
Last Ten Fiscal Years

<u>Year</u>	(1) <u>Population</u>	(2) Personal <u>Income</u>	Per Capita Personal <u>Income</u>	(3) Median <u>Age</u>	(4) School <u>Enrollment</u>	Unemployment <u>Rate</u>
2005	20,303	\$ 987,641,000	\$ 48,645	37.80	2,568	2.97%
2006	20,081	\$ 1,103,337,000	\$ 54,944	37.80	2,546	3.19%
2007	20,482	\$ 1,224,285,000	\$ 59,774	37.80	2,564	2.87%
2008	22,181	\$ 1,170,226,000	\$ 52,758	37.80	2,584	4.04%
2009	21,908	\$ 1,085,528,000	\$ 49,549	37.80	2,556	5.54%
2010	21,918	\$ 1,216,704,000	\$ 55,512	41.90	2,614	5.86%
2011	22,071	\$ 1,245,096,000	\$ 56,413	40.80	2,566	5.46%
2012	21,649	\$ 1,263,772,440	\$ 58,376	40.80	2,514	4.29%
2013	21,564	\$ 1,282,729,027	\$ 59,485	40.80	2,512	3.96%
2014	21,366	\$ 1,301,969,962	\$ 60,937	40.80	2,473	3.96%

Data Source:

(1) Town Clerk

(2) Massachusetts Division of Local Services databank website

(3) IRS website, SOI statistic study; Current median age based on most recent census data

(4) Massachusetts Department of Elementary and Secondary Education website

Town of Acton, Massachusetts
Principal Employers
Current Year and Nine Years Ago

<u>Employers</u>	<u>Nature of Business</u>	<u>2014</u>			<u>2005</u>		
		<u>Employees</u>	<u>Rank</u>	<u>Percentage of Town Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Town Employment</u>
Haartz Inc.	Manufacturing	282	1	2.20%	300	1	2.60%
Roche Bros. Inc.	Retail Trade	260	2	2.03%	250	2	2.17%
Town of Acton	Municipality	196	3	1.53%	184	4	1.59%
Acton Medical	Health Care Services	190	4	1.48%	190	3	1.65%
Lifecare Center of Acton	Nursing and Rehabilitation Services	160	5	1.25%	160	5	1.39%
Idylwilde Farm	Agricultural/Retail	110	6	0.86%	100	8	0.87%
Donelan's Market	Grocery	109	7	0.85%	115	7	1.00%
Stop & Shop	Grocery	100	8	0.78%	85	10	0.74%
Honeywell/Data Instruments	Manufacturing	67	9	0.52%	148	6	1.28%
L.M.I. Inc.	Manufacturing	57	10	0.44%	100	9	0.87%
Total		<u>1,531</u>			<u>1,632</u>		
Total Employment for the Town of Acton (1)		<u>12,825</u>			<u>11,537</u>		

Data Source:
Official Statements

- (1) MA Division of Local Services DataBank
(2) Official Statements

Town of Acton, Massachusetts
Full Time Equivalent Employees by Function
Last Ten Fiscal Years

Function	Fiscal Year									
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
General Government	34.26	35.43	35.30	39.95	40.70	38.95	37.95	39.34	39.34	40.43
Public Safety	86.30	89.20	90.00	90.25	92.40	91.98	92.18	92.18	91.78	97.18
Public Works	21.25	20.25	19.45	21.45	21.45	21.00	21.00	21.75	21.75	21.25
Education	301.00	303.00	305.00	307.80	318.80	316.50	316.40	327.00	339.30	331.30
Human Services	19.27	19.30	19.30	18.79	20.19	21.02	21.70	23.34	23.61	23.86
Culture and Recreation	15.64	15.59	15.83	15.69	16.27	18.22	18.56	18.96	18.67	18.90
Nursing	9.03	7.85	8.15	7.45	7.75	7.75	7.23	6.48	6.25	6.28
Sewer	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Total	487.74	491.61	494.03	502.38	518.56	516.41	516.01	530.04	541.69	540.19

Data Source:

Town - Budget Documents

School - Department of Secondary and Elementary Education website

Town of Acton, Massachusetts
Operating Indicators by Function/Program
Last Ten Fiscal Years

Function	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Government										
Finance										
Registered Voters	12,189	12,418	12,800	14,035	13,736	13,808	12,377	14,388	14,237	13,926
Taxable Property Parcels Assessed	8,309	8,418	8,505	8,562	8,598	8,604	8,701	8,719	8,745	8,834
Public Safety										
Police										
Physical Arrests	226	262	248	183	210	227	195	144	160	160
Traffic Violations	2,294	2,208	2,494	2,020	2,355	1,874	1,355	1,104	1,287	1,466
Fire and Rescue										
Emergency Responses	4,347	4,841	4,783	4,772	4,380	4,517	4,823	4,834	4,834	4,068
Fires Extinguished	47	63	89	94	74	93	87	90	71	35
Number of Inspections Conducted	805	589	811	677	730	720	729	722	944	772
Emergency Medical Responses	1,133	1,072	1,379	1,462	1,479	1,535	1,592	1,439	1,539	1,279
Building Inspection										
Building Permits	612	701	597	619	665	685	896	1,040	980	1,194
Estimated Construction Value (in Thousands)	30,661	52,380	37,742	35,648	22,812	24,824	33,345	39,005	40,228	51,262
Highways and Public Works										
Public Works										
Street Resurfacing (miles)	4	6	5	2	3	1	2	3	3	3
Salt Used (tons)	2,402	3,266	2,214	3,861	4,640	3,143	3,579	1,561	5,583	4,724
Sanitation										
Refuse Collected (tons)	N/A	N/A	N/A	N/A	3,584	3,784	3,672	3,640	3,513	3,535
Recycling (tons)	N/A	N/A	N/A	N/A	2,511	1,901	1,699	1,641	2,314	3,267
Sewage System										
Average Daily Sewage Treatment (Thousands of Gallons)	105,824	126,309	115,628	127,978	139,572	139,149	134,760	145,045	138,535	145,208
Number of House Connections	427	443	474	530	550	573	585	604	620	636
Human Services										
Senior Center										
Number of 60+ Residents per Town Census	3,000	2,920	3,217	3,495	3,511	3,717	3,938	4,060	4,210	4,344
Number of Elders Served	900	950	1,040	1,020	1,068	1,123	1,149	1,226	1,167	1,175
Number of Non-Seniors Served	300	320	250	220	245	210	112	94	61	21
Nursing Services										
Home Visits:										
Registered Nurse	1,355	1,641	1,820	1,883	1,652	1,714	1,623	1,489	1,673	1,207
Home Health Aide	3,139	2,724	2,618	2,659	2,431	1,545	2,190	1,983	2,073	1,586
Physical Therapy	1,445	1,788	1,377	1,390	1,257	1,360	1,158	1,192	1,194	534
Occupational Therapy	40	112	79	83	91	73	70	70	123	28
Speech Therapy	12	10	N/A	N/A	14	1	2	1	35	N/A
Medical Social Work	16	2	1	N/A	1	1	5	N/A	N/A	N/A
Total Home Visits	6,007	6,277	5,895	6,015	5,446	4,694	5,048	4,735	5,098	3,355
Health Promotion Activities:										
TB Testing	N/A	N/A	134	21	14	31	26	15	6	N/A
Blood Pressure Checks	909	1,021	505	235	720	776	402	595	806	798
Podiatry Clinic	179	180	276	292	420	381	381	255	285	289
Influenza Vaccinations	825	1,255	1,273	1,590	1,385	1,540	1,326	845	1,690	1,006
Other Vaccinations	78	78	66	66	140	124	23	17	27	17
H1N1 Vaccinations	N/A	N/A	N/A	N/A	4,000	N/A	N/A	N/A	N/A	N/A
Culture and Recreation										
Public Library										
Volumes in Collections	141,506	146,578	154,770	161,250	164,181	167,872	166,734	179,188	192,073	191,500
Total Volumes Borrowed	525,475	533,263	557,582	609,947	665,137	686,737	679,790	658,938	634,492	580,323

Data Source:

Various Town Departments

N/A - Information not available

Town of Acton, Massachusetts
 Capital Asset Statistics by Function/Program
 Last Ten Fiscal Years

Function/Program	Fiscal Year									
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
General Government										
Number of Buildings	15	15	15	15	15	17	17	17	15	15
Public Safety										
Police										
Number of Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	4	4	5	5	5	5	5	5	5	5
Animal Control Facilities	1	1	1	1	1	1	1	1	1	1
Fire										
Number of Stations	3	3	3	3	3	3	3	3	3	3
Number of Fire Trucks	11	11	11	12	12	12	12	12	12	12
Number of Ambulances	1	1	1	1	1	2	2	2	2	2
Education										
Number of Elementary Schools	4	4	4	4	4	4	4	4	4	4
Highway and Public Works										
Public Works										
Miles of Streets	105.8	106.6	107.3	107.3	107.3	107.5	108.3	108.3	108.4	108.4
Miles of Highways	10.3	10.3	10.3	10.3	10.3	10.2	10.2	10.2	10.2	10.2
Number of Cemeteries	2	2	2	2	2	2	2	2	2	2
Number of Snow Plows	13	13	13	13	13	13	13	13	13	13
Human Services										
Council on Aging - Senior Center	1	1	1	1	1	1	1	1	1	1
Culture and Recreation										
Recreation Land (Acreage)	30.25	30.25	30.25	30.25	30.25	30.25	30.25	32.25	32.25	32.25
Number of Playgrounds	8	7	7	7	7	6	6	6	5	6
Number of Ball fields	9	10	10	10	10	10	10	12	12	12
Number of Tennis Courts	2	2	2	2	2	2	2	2	2	2
Number of Public Beaches/Pools	1	1	1	1	1	1	1	1	1	1
Number of Libraries	2	2	2	2	2	2	2	2	2	2
Sanitation										
Landfill (Acreage)	17.5	17.5	17.5	17.5	17.5	17.5	17.5	17.5	17.5	17.5
Sewer										
Miles of Sanitary Sewers	10.01	10.01	10.21	10.21	10.21	10.21	10.21	10.21	10.21	10.21
Number of Treatment Plants	1	1	1	1	1	1	1	1	1	1

Data Source:
 Finance Department