TOWN OF BRAINTREE, MASSACHUSETTS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2019

On the Cover: WWI Centenary on November 11, 2018 – “They shall not grow old, as we that are left to grow old. Age shall not weary them, nor the years condemn. At the going down of the sun and in the morning, We will remember them.”

Santa on his way to greet residents during the Town’s annual Christmas Tree lighting on December 6, 2018.

Town of
Braintree, Massachusetts

Comprehensive
Annual Financial Report

For the Year Ended
June 30, 2019

Prepared by:
Edward J. Spellman, Jr.
Director of Municipal Finance

TOWN OF BRAINTREE, MASSACHUSETTS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

June 30, 2019

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Introductory Section

On April 29, 2019 Mayor Sullivan joined Donate Life New England to celebrate the life of Lucas Flint with his mother Susan – he saved 5 lives as an organ donor.

Introductory Section

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Edward J. Spellman, Jr.
Director of Finance

Joseph C. Sullivan
Mayor

TOWN OF BRAINTREE
DEPARTMENT OF MUNICIPAL FINANCE
One JFK Memorial Drive, Braintree, MA 02184
Tel: 781-794-8035 Fax: 781-794-8181

Letter of Transmittal

December 19, 2019

To the Honorable Town Council and Citizens of the Town of Braintree:

State law requires the Town of Braintree to publish at the close of each year a complete set of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) that are audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue this Comprehensive Annual Financial Report (CAFR) of the Town of Braintree, Massachusetts, for the year ending June 30, 2019.

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

This report consists of management's representations concerning the finances of the Town of Braintree. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects. In order to provide a reasonable basis for making these financial representations, management continues to review and improve its established comprehensive internal controls. The framework for these controls is designed to protect, to the extent possible, the government's assets from loss, theft or misuse. The cost of internal controls should not outweigh their benefits. As a result, the Town of Braintree's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements for the year ended June 30, 2019, are fairly presented in conformity with GAAP.

The Town of Braintree's financial statements have been audited by Powers & Sullivan, LLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town of Braintree for the year ended June 30, 2019, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Town of Braintree's financial statements for the year ended June 30, 2019, 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 Braintree was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the Town's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the Town of Braintree's separately issued Single Audit Report.

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

Profile of the Town

The Town of Braintree is a suburban community with a strong residential character located twelve miles south of Boston, with a land area of 14.52 square miles. Incorporated in 1640, Braintree has a rich history. Old Braintree was the birthplace of two presidents, John Adams and John Quincy Adams, as well as John Hancock and General Sylvanus Thayer, the founder of West Point. The Town is ideally situated at the crossroads of Route I-93 (128) and Route 3 for easy access to the Greater Boston area and Cape Cod as well as having excellent public transportation to Boston and Logan International Airport.

There is a strong business base which includes one of the largest regional shopping centers in the northeast; the South Shore Plaza. Attractive office and industrial parks are located in the Town as well, because of its ideal location.

The Town offers a full range of services including police and fire protection, education, maintenance of streets and infrastructure, solid waste collection and disposal, health and human services, cultural and recreational, administrative and financial services.

The Town operates under a Mayor and Town Council form of government. A nine-member Town Council, three members at large and six district members, serves as representative legislature.

The School Committee consisting of six elected members and the Mayor, appoint the School Superintendent who administers the public school system of the Town.

Factors Affecting Financial Condition

The Town of Braintree continues to reflect a strong local economic condition. The per capita income continues to rise and outpace the state averages. The Town also has a low comparable unemployment rate.

The Town remains a very desirable community and this is reflected in the strong residential sales market, which have regained their pre-fiscal crisis levels. The Town offers a unique mix of proximity to Boston and major highways and transportation, while maintaining a desirable residential community. The Town offers a broad range of high quality services and an attractive quality of life.

The growth of the Town's main source of revenues, property taxes, is capped by Proposition 2½ and can only be overridden by a majority vote at a Town election. While revenue increases have been limited in recent years, tax base growth was enhanced by commercial construction. This helped offset the steady increases in fixed costs, including health insurance and pension costs which have both increased substantially. On the Town's operating side, the FY2020 budgets and service level were maintained through a 4.1% increase in the operating budget. Funded with a 4.2% increase in real estate and personal property tax revenue and $1.2 million use of

free cash, this allowed the Town to continue to provide high quality services while minimizing the impact on the property tax burden.

The Town continues to manage its financial affairs in a prudent manner, primarily through considerable long-term planning and strong financial policies. It has maintained a high bond rating even with the overall unsettled economy. It has been able to do so by incorporating long range planning tools such as a five-year Capital Improvement Program; maintaining reserve balances despite tight budgets; investing in technology to ensure efficient operations; negotiating sustainable collective bargaining agreements and maintaining an aggressive pay as you go financing strategy for capital improvements. The Town's long-term policies will preserve its strong financial position for the foreseeable future.

The Town has remained dedicated to an aggressive retirement of debt policy. Whenever possible, debt is issued for shorter time periods than allowed, typically ten years. The Town monitors and schedules retirement and issuance of debt to ensure that debt service does not exceed 10% of the operating budget to ensure availability of resources for ongoing operations.

The Town remains committed to the ongoing and continuous repair and improvement of our infrastructure. Four major projects of note are 1) The East Middle School (EMS) renovation and addition, 2) The South Middle School (SMS) addition, 3) The Tri Town regional Water treatment plant and 4) The Peterson pool and recreation complex. Additionally, annual repair and maintenance of our public buildings, roads, sidewalks and ADA compliance remain priority items.

The school projects are part of a town wide adjustment of the school system. These projects will add classrooms to both middle schools and allow the town to move the fifth-grade classes to the middle school which will free up 22 classrooms at the six elementary schools and relieve space issues due to increased enrollment and other educational requirements such as ELL programing in the elementary schools. The new configuration will be elementary K-4 grade, middle school 5-8 and high school 9-12. This option will keep in place our neighborhood schools so we won't need to redistrict town wide. In addition, the middle schools will operate as two academies 5-6 and 7-8. This plan will also allow for the fifth grade to be able to access certain middle school programs that do not exist at the elementary level.

The East Middle School's $83 million renovation and addition project was completed in September 2019. The Massachusetts School Building Authority (MSBA) is partnering with the Town and providing over forty-one million dollars of the total cost. We have appropriated one million dollars for planning and design funds for the South Middle School (SMS). We have received notice from the MSBA of their approval for the planned $86.5 million replacement of the South Middle School. The MSBA has committed $31 million of the South Middle School project costs. We are currently reviewing funding options with the new administration taking office in January 2020.

The Tri-Town Regional Treatment plant is a regional effort with Braintree, Randolph and Holbrook. Through Tri-Town, a new larger regional water treatment plant will replace the two smaller plants built in the 1930's, one owned and operated by Braintree and the other jointly owned by Randolph and Holbrook. One new larger and more efficient plant will allow all communities to benefit through shared construction and operating costs. Through a regional approach Tri-Town can access low interest rate funds through the Massachusetts Water Abatement Trust saving all communities significant interest over the term of the bonds. The three communities have approved a request to file with the State special legislation to replace the original Tri-Town legislation of 1885. It is expected to be filed in January 2020.

Additionally, the Peterson Pool and Recreational complex is an exciting public private partnership that will be built on town owned land located at the high school. The Captain Peterson pool trust fund will contribute $1.5 million towards an estimated $22 million project to build a sports complex that will include two regulation-sized ice rinks

and an AAU approved pool is scheduled to open next year that will serve the residents of the Town, the school sport teams, and other local sport teams. The site will allow for a regional usage for local and regional swim and hockey tournaments that will increase revenue into our local economy through meals and hotel rooms' tax.

Financial and Management Systems

Internal Controls

The Mayor and Director of Municipal Finance of the Town are responsible for establishing and maintaining an internal control structure designed to ensure the assets of the Town are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The Director of Municipal Finance is responsible for evaluating the adequacy and effectiveness of the internal control structure and implementing improvements.

Because the cost of internal controls should not outweigh their benefits, the Town of Braintree'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.

Budgetary Controls

The Mayor is responsible for preparing and presenting the budget to the Town Council. The Council, having the authority to amend down and/or reject the budget or any line item, adopts the expenditure budget by majority vote.

The level of budgetary control is established by Town Council and defines the level at which expenditures may not exceed appropriations. This level is typically at the individual department program level. The Town Accountant is responsible for ensuring all payroll and invoices are within the budgetary control level before authorizing payment. Additional appropriations may be approved by Town Council throughout the year.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town for its CAFR for the year ended June 30, 2018. This was the seventh time that the Town submitted a CAFR to the GFOA. The Town was awarded this Certificate in all seven years. In order to receive this prestigious award, a government had to publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable legal requirements.

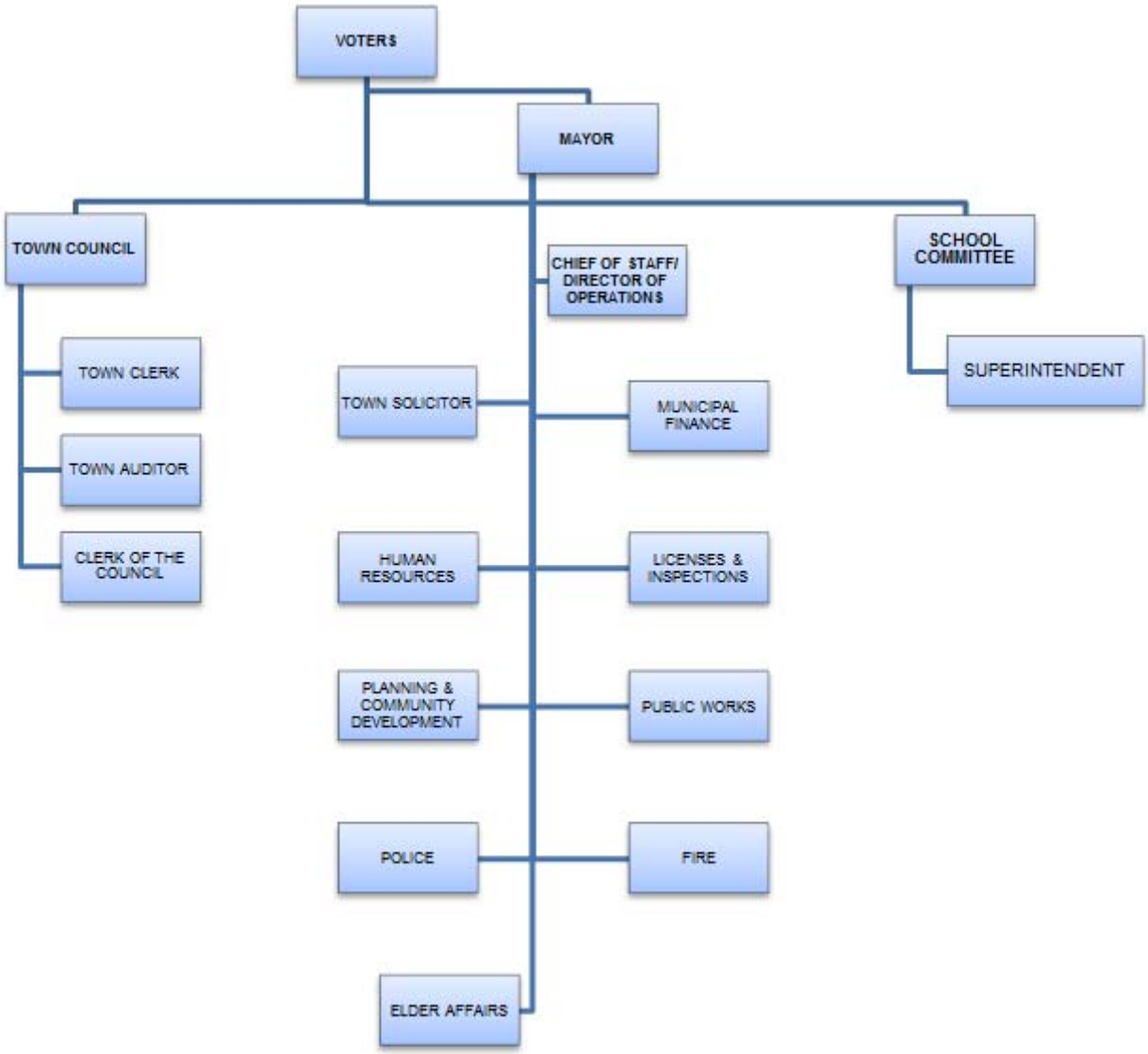
A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

This report represents significant effort by the entire financial team of the Town, whose dedicated efforts have significantly improved the financial operations of the Town. We would like to express our appreciation to the members of all the departments who assisted and contributed to the preparation of this report. I would also like to acknowledge and give credit to the Mayor and the Town Council for their constant support to uphold the highest standards of professionalism in the management of the Town of Braintree's finances.

Respectfully submitted,

Edward J. Spellman, Jr.
Director of Municipal Finance

Town of Braintree
Organizational Chart



Principal Town Officials

Elected Officials		Term Expires
Mayor	Joseph C. Sullivan	2020
Town Council	Councilors-at-Large	
	Charles B. Ryan, President	2020
	Sean E. Powers	2020
	Shannon Hume	2020
	District Councilors	
	Thomas M. Bowes	2020
	Charles C. Kokoros, Vice President	2020
	David Ringius, Jr.	2020
	Timothy Carey	2020
	Stephen C. O'Brien	2020
	Thomas Whalen	2020
School Committee	Lisa Fiske Heger, Chairperson	2020
	Thomas Devin, Vice Chairperson	2020
	George Kokoros	2022
	Cyril Chafe	2022
	Kate Naughton	2020
	Jennifer A. Dolan	2022
	Joseph C. Sullivan, Mayor	2020

Appointed Officials

Appointed by the Mayor	
Chief of Staff	Joseph Reynolds
Director of Municipal Finance	Edward J. Spellman, Jr.
Town Solicitor	Nicole I. Taub
Director of Human Resources	Karen M. Shanley
Director of Inspectional Services	Marybeth McGrath
Director of Department of Public Works	James Arsenault
Director of Planning & Community Development	Christine Stickney
Police Chief	Paul Shastany
Fire Chief	James O'Brien
Director of Elder Affairs	Sharmila Biswas
Assessor	Robert Brinkmann
Treasurer/Collector	Barbara Walls
Town Accountant	Mark Lin

Appointed by the Town Council	
Town Clerk	James M. Casey
Clerk of the Council	Susan M. Cimino

Appointed by the School Committee	
School Superintendent	Frank Hackett, Ed. D
School Assistant Superintendent	James Lee
School Business Manager	Edward Cronin

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Town of Braintree

Massachusetts

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morrill

Executive Director/CEO

Financial Section

On May 21, 2019, the Town of Braintree celebrated “National Public Works Week,” with a Touch-A-Truck event held at the Braintree Highway Barn. The event showcased the equipment and duties of all the divisions of the Town’s Public Works Department.

Financial Section

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Powers & Sullivan, LLC
Certified Public Accountants

100 Quannapowitt Parkway
Suite 101
Wakefield, MA 01880
T. 781-914-1700
F. 781-914-1701
www.powersandsullivan.com

Independent Auditor's Report

To the Honorable Mayor and the Town Council
Town of Braintree, Massachusetts

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Braintree, Massachusetts as of and for the year ended June 30, 2019 (except for the Braintree Contributory Retirement System which is as of and for the year ended December 31, 2018), and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Braintree Electric Light Department as of December 31, 2018, which is both a major fund and 69%, 60%, and 76%, respectively, of the assets, net position, and revenues of the business-type activities. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the business-type activities of the Braintree Electric Light Department, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Braintree, Massachusetts, as of June 30, 2019 (except for the Braintree Contributory Retirement System and the Braintree Electric Light Department which are as of and for the year ended December 31, 2018), and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors 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 Braintree, Massachusetts' basic financial statements. The introductory section, combining and individual fund statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2019, on our consideration of the Town of Braintree, 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 the 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 Braintree, Massachusetts' internal control over financial reporting and compliance.

Powers & Sullivan, LLC

December 19, 2019

Management's Discussion and Analysis

Management's Discussion and Analysis

This analysis, prepared by the Finance Director, offers readers of the Town's financial statements a narrative overview and analysis of the financial activities of the Town of Braintree for the year ended June 30, 2019. We encourage readers to consider the information presented in this report in conjunction with additional information that we have furnished in our letter of transmittal.

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

Governments must adhere to GASB pronouncements in order to issue their financial statements in conformity with GAAP. The users of financial statements also rely on the independent auditor's opinion. If the Town's financial statements have significant departures from GAAP the independent auditors may issue a modified opinion or a disclaimer (where no opinion is given). These types of opinions may have an adverse effect on the Town's bond rating and our ability to borrow money at favorable interest rates. The Town has enjoyed an unmodified opinion on its financial statements for many years.

Financial Highlights

- The Town's government-wide assets and deferred outflows of resources were less than liabilities and deferred inflows of resources for governmental activities at the close of the most recent year by $34.5 million. Business-type activities assets and deferred outflows of resources exceeded liabilities and deferred inflows of activities at the close of the most recent year by $103.5 million. The business-type activities include the activities of the water and sewer, golf course, stormwater, and the electric light enterprise funds.

- At the close of the current year, the Town of Braintree's general fund reported an ending fund balance of $18.9 million, a decrease of $3.2 million from the prior year. Total fund balance represents 12.3% of total general fund expenditures. Approximately $15.6 million of this total amount is available for appropriation at the Town's discretion.

- The Town's governmental long-term debt, net of unamortized premiums, increased by $28.4 million during the current year as a result of new issuances of $32.3 million and scheduled principal payments and premium amortizations of $4.0 million.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Town of Braintree's basic financial statements. These basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

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

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

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

The government-wide financial statements include not only the Town of Braintree itself (known as the *primary government*), but also a legally separate public employee retirement system for which the Town of Braintree is financially accountable. Financial information for this *component unit* is reported separately within the fiduciary fund statements.

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

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

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

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

The Town's general fund and Town capital projects are shown separately, and the remaining governmental funds are aggregated and shown as nonmajor governmental funds.

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

Enterprise funds are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Town uses enterprise funds to account for its water and sewer, golf course, stormwater, and electric light activities.

Internal service funds are an accounting device used to accumulate and allocate costs internally among various functions. The Town uses internal service funds to account for health insurance activities.

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

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

Financial Highlights.

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The Town's liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources for governmental activities by $34.5 million. Key components of the Town's activities are presented below.

Governmental Activities

	2019	2018 (As Restated)
Assets:		
Current assets	$ 96,400,214	$ 101,108,888
Capital assets, non depreciable	71,522,749	23,766,841
Capital assets, net of accumulated depreciation	72,073,040	71,649,582
Total assets	**239,996,003**	**196,525,311**
Deferred outflows of resources	**22,182,537**	**21,185,971**
Liabilities:		
Current liabilities (excluding debt)	21,785,074	16,876,663
Noncurrent liabilities (excluding debt)	191,974,813	175,005,603
Current debt	6,150,974	12,852,657
Noncurrent debt	71,648,899	44,483,426
Total liabilities	**291,559,760**	**249,218,349**
Deferred inflows of resources	**5,111,894**	**10,539,851**
Net position:		
Net investment in capital assets	76,180,050	62,716,807
Restricted	26,924,401	25,308,498
Unrestricted	(137,597,565)	(130,072,223)
Total net position	$ **(34,493,114)**	$ **(42,046,918)**

Net investment in capital assets of $76.2 million reflects our investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that are still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the investment in its capital assets is reported net of its related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of net position, $26.9 million, represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* resulted in a deficit of $137.6 million. The primary reason for this deficit balance is the recognition of the net pension and net OPEB liabilities in the amounts of $89.0 million and $100.2 million, respectively.

	2019	2018 (As Restated)
Program Revenues:		
Charges for services	$ 8,689,943	$ 8,189,597
Operating grants and contributions	43,665,849	41,185,089
Capital grants and contributions	20,303,255	4,880,757
General Revenues:		
Real estate and personal property taxes, net of tax refunds payable	90,051,214	87,933,671
Tax and other liens	716,826	470,064
Motor vehicle and other excise taxes	6,667,855	6,602,941
Hotel/motel tax	1,728,984	1,558,537
Meals tax	1,249,555	1,208,369
Community preservation tax	764,993	733,774
Penalties and interest on taxes	298,708	318,098
Payments in lieu of taxes	602,234	668,783
Grants and contributions not restricted to specific programs	6,399,260	6,128,412
Unrestricted investment income	1,682,743	660,991
Total revenues	**182,821,419**	**160,539,083**
Expenses:		
General government	6,388,587	8,044,316
Public safety	32,268,620	29,703,546
Education	118,055,819	108,661,022
Public works	10,746,722	10,612,447
Human services	1,617,032	1,489,530
Sanitation	2,475,231	1,661,204
Culture and recreation	3,292,243	2,917,090
Community preservation	195,951	459,507
Interest	1,555,926	711,160
Total expenses	**176,596,131**	**164,259,822**
Excess (Deficiency) before transfers	**6,225,288**	**(3,720,739)**
Transfers	**1,328,516**	**2,317,859**
Change in net position	**7,553,804**	**(1,402,880)**
Net position, beginning of year (as restated)	**(42,046,918)**	**(40,644,038)**
Net position, end of year	$ **(34,493,114)**	$ **(42,046,918)**

Beginning net position of the governmental activities has been restated to reflect the update of the net OPEB liability's measurement date to the current year end. Accordingly, previously reported deficit net position of $31.9 million has been restated and totals a deficit net position of $42.0 million (see Note 17).

The governmental net position increased by $7.6 million during the current year as compared to a $1.4 million decrease in the prior year. The Town's revenue increased by $22.3 million in 2019, most notably of which $15 million was from the Massachusetts School Building Authority for the East and South Middle School projects, $2 million from real estate and property taxes, $1 million from investment income, and $870,000 from excess insurance proceeds related to school roof projects. Total expenses increased by $12.3 million of which $10.5 million was related to pension and OPEB changes.

Business-type Activities. Business-type activities increased the Town's net position by $6.9 million compared to an increase of $5.4 million in the prior year. The results of operations for the business-type activities are discussed in the following paragraphs and tables.

The water and sewer fund was established in 1984 pursuant to an act establishing the water and sewer commission. Water and sewer business-type activities assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $42.3 million at the close of 2019. Net investment in capital assets was $36.6 million while unrestricted net position was $5.6 million. There was an increase of $3.4 million in net position compared to an increase of $3.2 million in the prior year.

Golf Course business-type activities liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by $982,000 at the close of 2019. Net investment in capital assets was $744,000 while unrestricted net position was in a deficit in the amount of $1.7 million. There was an increase of $330,000 in net position compared to a decrease of $443,000 in the prior year. This was mainly due to a transfer from the general fund to fund the operating deficit.

The Town established the stormwater business-type activity in FY19. The stormwater liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by $159,000 at the close of 2019. Unrestricted net position was in a deficit for this same amount.

Electric light business-type activities assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $62.4 million at December 31, 2018. Net investment in capital assets was $67.3 million, while restricted net position was $2.5 million and unrestricted net position was in a deficit in the amount of $7.4 million. There was an increase of $3.3 million in net position compared to an increase of $2.7 million in the prior year.

Beginning net position in the water and sewer and golf course enterprise funds have been restated to reflect the update of the net OPEB liability's measurement date to the current year end. Beginning net position of the electric light enterprise fund has been revised to reflect the implementation of GASB Statement #75. Accordingly, previously reported net position of $96,622,416 has been revised/restated and totals net position of $96,607,368 (see Note 17).

Business Type Activities

	2019	2018 (As Revised/ Restated)
Assets:		
Current assets	$ 55,886,535	$ 52,407,550
Noncurrent assets (excluding capital)	2,013,762	3,685,674
Capital assets, non depreciable	14,658,384	12,865,000
Capital assets, net of accumulated depreciation	182,812,356	183,132,161
Total assets	**255,371,037**	**252,090,385**
Deferred outflows of resources	**13,453,029**	**14,928,905**
Liabilities:		
Current liabilities (excluding debt)	9,961,316	10,533,650
Noncurrent liabilities (excluding debt)	38,323,821	37,606,645
Current debt	10,490,901	10,027,220
Noncurrent debt	95,815,146	102,229,729
Total liabilities	**154,591,184**	**160,397,244**
Deferred inflows of resources	**10,723,104**	**10,014,678**
Net position:		
Net investment in capital assets	104,641,964	90,227,690
Restricted	5,038,499	5,038,499
Unrestricted	(6,170,685)	1,341,179
Total net position	$ **103,509,778**	$ **96,607,368**

	2019	2018 (As Revised/ Restated)
Program Revenues:		
Charges for services	$ 93,310,462	$ 89,112,948
Operating grants and contributions	-	352,867
Capital grants and contributions	1,380,189	710,203
General Revenues:		
Unrestricted investment income	534,440	486,818
Total revenues	**95,225,091**	**90,662,836**
Expenses:		
Water and sewer	17,432,168	15,960,271
Golf course	1,603,029	1,931,876
Stormwater	792,701	-
Municipal Light	67,166,267	64,704,494
Total expenses	**86,994,165**	**82,596,641**
Excess (Deficiency) before transfers	**8,230,926**	**8,066,195**
Transfers	**(1,328,516)**	**(2,317,859)**
Change in net position	**6,902,410**	**5,748,336**
Net position, beginning of year (as revised/restated)	**96,607,368**	**91,211,899**
Net position, end of year	$ **103,509,778**	$ **96,960,235**

Financial Analysis of the Government's Funds

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

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

At the end of the current year, governmental funds reported combined ending fund balances of $62.2 million, which represents a decrease of $1.8 million from the prior year. The general fund decreased by $3.2 million, the Town capital project fund decreased by $179,000, and the nonmajor funds increased by $1.6 million.

The general fund is the chief operating fund. At the end of the current year, unassigned fund balance of the general fund was $15.6 million, while total fund balance was $18.9 million. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 10.1% of total general fund expenditures, while total fund balance represents 12.3% of that same amount.

The Town capital projects fund is used to account for the acquisition, construction or improvement of major capital assets. At the end of the current year, total fund balance was $16.5 million which represents a decrease of $179,000 from the prior year. The fund received $18.8 million of school construction grants, issued general obligation bonds of $32.2 million, and spent $52.8 million primarily for the East Middle School and various roadway projects. School insurance proceeds in the amount of $1,691,000 were also transferred in from a nonmajor fund.

***Proprietary funds*.** The Town's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Factors concerning the finances of these funds have already been addressed in the discussion of the Town's business-type activities.

General Fund Budgetary Highlights

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

During 2019, the Town Council approved supplemental appropriations totaling approximately $5.4 million. These supplemental appropriations mainly consisted of $950,000 appropriated for stabilization, $2.5 million for public safety, $884,000 for education, and $1.1 million for public works.

Actual revenues came in lower than budget by approximately $280,000 or 0.2%. The largest deficit was other intergovernmental revenue of $951,000. This was offset by a surplus in unbudgeted tax liens of $550,000 and state aid intergovernmental revenue of $145,000.

Actual expenditures and encumbrances came in $1.5 million less than budgeted. Virtually all departments realized budgetary savings.

Capital Asset and Debt Administration

In conjunction with the operating budget, the Town annually prepares capital budgets for the upcoming year.

During 2019, the Town expended $52.5 million on governmental activities capital assets. The expenditures consisted mainly of roadway improvements, construction in progress primarily of the East Middle School and the School ESCO project. The business type activities expended $11.2 million during 2019. This consisted mainly of $6.7 million in the electric light plant, $4.3 million for the water distribution system, and $133,000 for golf.

Outstanding long-term debt of the governmental activities, as of June 30, 2019, totaled $71.8 million, of which $56.0 million relates to public building construction, $10.6 million relates to road construction, $990,000 relates to land acquisition, and $4.3 million relates to other projects.

The enterprise funds had $27.9 million in water and sewer debt, $280,000 in golf course debt, and $64.6 million in Electric Light debt that is fully supported by the rates and do not rely on a general fund subsidy.

During 2019, the Town issued long-term bonds in the amounts of $29.0 million for governmental funds. Water and sewer enterprise fund issued $3.4 million in long term bonds. Golf enterprise fund issued $138,000 in long term bonds.

During 2019, the Town issued $8.9 million of bond anticipation notes for governmental funds related to the ESCO project.

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

Requests for Information

This financial report is designed to provide a general overview of the Town of Braintree's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Municipal Finance, Town Hall, One JFK Memorial Drive, Braintree, Massachusetts 02184.

Basic Financial Statements

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STATEMENT OF NET POSITION

JUNE 30, 2019

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
CURRENT:			
Cash and cash equivalents	$ 71,672,987	$ 37,528,263	$ 109,201,250
Investments	7,232,308	-	7,232,308
Receivables, net of allowance for uncollectibles:			
Real estate and personal property taxes	893,774	-	893,774
Tax liens	1,299,079	36,700	1,335,779
Motor vehicle and other excise taxes	481,488	-	481,488
User charges	-	11,365,313	11,365,313
Departmental and other	1,094,258	841,331	1,935,589
Intergovernmental	12,942,489	-	12,942,489
Community preservation state share	89,150	-	89,150
Tax foreclosures	78,281	-	78,281
Inventory	-	4,428,468	4,428,468
Other assets	616,400	1,686,460	2,302,860
Total current assets	96,400,214	55,886,535	152,286,749
NONCURRENT:			
Other assets	-	2,013,762	2,013,762
Capital assets, nondepreciable	71,522,749	14,658,384	86,181,133
Capital assets, net of accumulated depreciation	72,073,040	182,812,356	254,885,396
Total noncurrent assets	143,595,789	199,484,502	343,080,291
TOTAL ASSETS	239,996,003	255,371,037	495,367,040
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows for refunding debt	-	6,945,018	6,945,018
Deferred outflows related to pensions	16,277,577	6,072,330	22,349,907
Deferred outflows related to other postemployment benefits	5,904,960	435,681	6,340,641
TOTAL DEFERRED OUTFLOWS OF RESOURCES	22,182,537	13,453,029	35,635,566
LIABILITIES			
CURRENT:			
Warrants payable	9,527,333	5,080,439	14,607,772
Accrued payroll	6,383,579	49,496	6,433,075
Health claims payable	1,012,000	-	1,012,000
Tax refunds payable	1,027,500	-	1,027,500
Accrued interest	258,287	115,449	373,736
Other liabilities	-	1,776,708	1,776,708
Fees collected in advance	905,254	2,266,186	3,171,440
Capital lease obligations	-	147,912	147,912
Compensated absences	2,659,571	660,420	3,319,991
Workers' compensation	11,550	12,618	24,168
Notes payable	1,000,000	-	1,000,000
Bonds payable	5,150,974	10,342,989	15,493,963
Total current liabilities	27,936,048	20,452,217	48,388,265
NONCURRENT:			
Customer deposits	-	993,885	993,885
Capital lease obligations	-	120,815	120,815
Compensated absences	2,718,677	237,838	2,956,515
Workers' compensation	103,946	113,562	217,508
Net pension liability	88,978,547	29,007,356	117,985,903
Net other postemployment benefits liability	100,173,643	7,971,180	108,144,823
Bonds payable	71,648,899	95,694,331	167,343,230
Total noncurrent liabilities	263,623,712	134,138,967	397,762,679
TOTAL LIABILITIES	291,559,760	154,591,184	446,150,944
DEFERRED INFLOWS OF RESOURCES			
Rate stabilization reserve	-	9,496,964	9,496,964
Deferred inflows related to pensions	1,566,526	1,162,702	2,729,228
Deferred inflows related to other postemployment benefits	3,545,368	63,438	3,608,806
TOTAL DEFERRED INFLOWS OF RESOURCES	5,111,894	10,723,104	15,834,998
NET POSITION			
Net investment in capital assets	76,180,050	104,641,964	180,822,014
Restricted for:			
Depreciation	-	5,038,499	5,038,499
Permanent funds:			
Expendable	7,345,922	-	7,345,922
Nonexpendable	2,564,529	-	2,564,529
Gifts and grants	9,298,549	-	9,298,549
Community preservation	7,715,401	-	7,715,401
Unrestricted	(137,597,565)	(6,170,685)	(143,768,250)
TOTAL NET POSITION	$ (34,493,114)	$ 103,509,778	$ 69,016,664

See notes to basic financial statements.

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2019

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue
Primary Government:					
Governmental Activities:					
General government	$ 6,388,587	$ 961,168	$ 418,943	$ -	$ (5,008,476)
Public safety	32,268,620	2,711,210	617,983	-	(28,939,427)
Education	118,055,819	2,200,923	40,705,877	18,757,896	(56,391,123)
School insurance proceeds, net of expenses	-	-	870,682	-	870,682
Public works	10,746,722	897,409	330,768	1,402,606	(8,115,939)
Human services	1,617,032	24,626	655,596	-	(936,810)
Sanitation	2,475,231	1,436,760	-	-	(1,038,471)
Culture and recreation	3,292,243	457,847	66,000	-	(2,768,396)
Community preservation	195,951	-	-	142,753	(53,198)
Interest	1,555,926	-	-	-	(1,555,926)
Total Governmental Activities	176,596,131	8,689,943	43,665,849	20,303,255	**(103,937,084)**
Business-Type Activities:					
Water and sewer	17,432,168	19,954,585	-	680,189	3,202,606
Golf course	1,603,029	1,590,783	-	-	(12,246)
Stormwater	792,701	633,507	-	-	(159,194)
Municipal Light	67,166,267	71,131,587	-	700,000	4,665,320
Total Business-Type Activities	86,994,165	93,310,462	-	1,380,189	**7,696,486**
Total Primary Government	$ 263,590,296	$ 102,000,405	$ 43,665,849	$ 21,683,444	$ **(96,240,598)**

See notes to basic financial statements.

(Continued)

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2019

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Changes in net position:			
Net (expense) revenue from previous page	$ **(103,937,084)**	$ **7,696,486**	$ **(96,240,598)**
General revenues:			
Real estate and personal property taxes, net of tax refunds payable	90,051,214	-	90,051,214
Tax and other liens	716,826	-	716,826
Motor vehicle and other excise taxes	6,667,855	-	6,667,855
Hotel/motel tax	1,728,984	-	1,728,984
Meals tax	1,249,555	-	1,249,555
Community preservation tax	764,993	-	764,993
Penalties and interest on taxes	298,708	-	298,708
Payments in lieu of taxes	602,234	-	602,234
Grants and contributions not restricted to specific programs	6,399,260	-	6,399,260
Unrestricted investment income	1,682,743	534,440	2,217,183
Transfers, net	1,328,516	(1,328,516)	-
Total general revenues and transfers	111,490,888	(794,076)	110,696,812
Change in net position	7,553,804	6,902,410	14,456,214
Net position:			
Beginning of year, as restated/revised	(42,046,918)	96,607,368	54,560,450
End of year	$ (34,493,114)	$ 103,509,778	$ 69,016,664

See notes to basic financial statements. (Concluded)

GOVERNMENTAL FUNDS
BALANCE SHEET

JUNE 30, 2019

	General	Town Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	$ 24,490,113	$ 17,594,209	$ 19,983,131	$ 62,067,453
Investments	-	-	7,232,308	7,232,308
Receivables, net of uncollectibles:				
Real estate and personal property taxes	893,100	-	674	893,774
Tax liens	1,299,079	-	-	1,299,079
Motor vehicle and other excise taxes	481,488	-	-	481,488
Departmental and other	65,796	-	-	65,796
Intergovernmental	3,288,062	7,105,324	2,549,103	12,942,489
Community preservation state share	-	-	89,150	89,150
Tax foreclosures	78,281	-	-	78,281
Due from other funds	648,118	-	-	648,118
TOTAL ASSETS	$ 31,244,037	$ 24,699,533	$ 29,854,366	$ 85,797,936
LIABILITIES				
Warrants payable	$ 1,190,193	$ 7,210,075	$ 589,844	$ 8,990,112
Accrued payroll	6,376,843	-	6,736	6,383,579
Tax refunds payable	1,027,500	-	-	1,027,500
Due to other funds	-	-	648,118	648,118
Fees collected in advance	905,254	-	-	905,254
Notes payable	-	1,000,000	-	1,000,000
TOTAL LIABILITIES	9,499,790	8,210,075	1,244,698	18,954,563
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	2,876,269	-	1,775,091	4,651,360
FUND BALANCES				
Nonspendable	-	-	2,564,529	2,564,529
Restricted	-	17,658,952	24,270,048	41,929,000
Committed	2,271,429	-	-	2,271,429
Assigned	1,021,666	-	-	1,021,666
Unassigned	15,574,883	(1,169,494)	-	14,405,389
TOTAL FUND BALANCES	18,867,978	16,489,458	26,834,577	62,192,013
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	$ 31,244,037	$ 24,699,533	$ 29,854,366	$ 85,797,936

See notes to basic financial statements.

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

JUNE 30, 2019

Total governmental fund balances		$ 62,192,013
Capital assets (net) used in governmental activities are not financial resources and, therefore, are not reported in the funds		143,595,789
Accounts receivable are not available to pay for current-period expenditures and, therefore, are unavailable in the funds		4,651,360
The statement of net position includes certain deferred inflows of resources and deferred outflows of resources that will be amortized over future periods. In governmental funds, these amounts are not deferred		17,070,643
The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position		9,701,175
In the statement of activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due		(258,287)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:		
Bonds payable	(76,799,873)	
Net pension liability	(88,978,547)	
Other postemployment benefits	(100,173,643)	
Workers' compensation	(115,496)	
Compensated absences	(5,378,248)	
Net effect of reporting long-term liabilities		(271,445,807)
Net position of governmental activities		$ (34,493,114)

See notes to basic financial statements.

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2019

	General	Town Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES:				
Real estate and personal property taxes, net of tax refunds	$ 90,085,816	$ -	$ -	$ 90,085,816
Tax liens	549,557	-	1,087	550,644
Motor vehicle and other excise taxes	6,675,091	-	-	6,675,091
Hotel/motel tax	1,728,984	-	-	1,728,984
Meals tax	1,249,555	-	-	1,249,555
Penalties and interest on taxes	298,708	-	-	298,708
Payments in lieu of taxes	602,234	-	-	602,234
Intergovernmental - state aid	24,286,156	-	-	24,286,156
Intergovernmental - Teachers Retirement	15,234,260	-	-	15,234,260
Intergovernmental - other	560,206	18,809,296	8,246,998	27,616,500
Departmental and other	6,535,944	-	2,982,924	9,518,868
Community preservation taxes	-	-	764,993	764,993
Community preservation state match	-	-	139,255	139,255
Contributions and donations	-	-	918,637	918,637
Investment income	1,126,479	-	556,264	1,682,743
TOTAL REVENUES	148,932,990	18,809,296	13,610,158	181,352,444
EXPENDITURES:				
Current:				
General government	4,533,217	783,106	616,547	5,932,870
Public safety	21,540,003	581,037	491,218	22,612,258
Education	70,490,672	48,748,059	9,179,980	128,418,711
Public works	6,565,463	2,381,567	1,037,585	9,984,615
Human services	909,694	-	202,272	1,111,966
Sanitation	2,433,081	-	-	2,433,081
Culture and recreation	1,487,267	343,054	399,993	2,230,314
Community preservation	-	-	951,848	951,848
Pension benefits - Town	7,647,629	-	-	7,647,629
Pension benefits - Teachers Retirement	15,234,260	-	-	15,234,260
Property and liability insurance	532,312	-	-	532,312
Employee benefits	12,902,971	-	-	12,902,971
State and county charges	4,113,515	-	-	4,113,515
Debt service:				
Principal	3,736,000	-	-	3,736,000
Interest	1,692,236	-	-	1,692,236
TOTAL EXPENDITURES	153,818,320	52,836,823	12,879,443	219,534,586
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(4,885,330)	(34,027,527)	730,715	(38,182,142)
OTHER FINANCING SOURCES (USES):				
Issuance of bonds	-	29,033,500	-	29,033,500
Premium from issuance of bonds	3,352	3,123,500	156,095	3,282,947
School insurance proceeds	-	-	2,753,639	2,753,639
Transfers in	2,609,964	1,691,453	670,023	4,971,440
Transfers out	(944,857)	-	(2,698,067)	(3,642,924)
TOTAL OTHER FINANCING SOURCES (USES)	1,668,459	33,848,453	881,690	36,398,602
NET CHANGE IN FUND BALANCES	(3,216,871)	(179,074)	1,612,405	(1,783,540)
FUND BALANCES AT BEGINNING OF YEAR	22,084,849	16,668,532	25,222,172	63,975,553
FUND BALANCES AT END OF YEAR	$ 18,867,978	$ 16,489,458	$ 26,834,577	$ 62,192,013

See notes to basic financial statements.

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

YEAR ENDED JUNE 30, 2019

Net change in fund balances - total governmental funds		$ (1,783,540)
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.		
Capital outlay	52,479,788	
Capital asset deletions	(55,802)	
Depreciation expense	(4,244,620)	
Net effect of reporting capital assets		48,179,366
Revenues in the Statement of Activities that do not provide current financial resources are unavailable in the Statement of Revenues, Expenditures and Changes in Fund Balances. Therefore, the recognition of revenue for various types of accounts receivable differ between the two statements. This amount represents the net change in unavailable revenue		598,293
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the financial resources of governmental funds. Neither transaction has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are unavailable and amortized in the Statement of Activities.		
Issuance of bonds	(29,033,500)	
Premium from issuance of bonds	(3,282,947)	
Net amortization of premium from issuance of bonds	216,657	
Debt service principal payments	3,736,000	
Net effect of reporting long-term debt		(28,363,790)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		
Net change in compensated absences accrual	(27,459)	
Net change in accrued interest on long-term debt	(80,347)	
Net change in deferred outflow/(inflow) of resources related to pensions	12,630,921	
Net change in net pension liability	(8,809,375)	
Net change in deferred outflow/(inflow) of resources related to other postemployment benefits	(6,206,398)	
Net change in other postemployment benefits liability	(8,138,559)	
Net change in workers' compensation liability	13,788	
Net effect of recording long-term liabilities		(10,617,429)
The net activity of internal service funds is reported with Governmental Activities		(459,096)
Change in net position of governmental activities		$ 7,553,804

See notes to basic financial statements.

PROPRIETARY FUNDS
STATEMENT OF NET POSITION

JUNE 30, 2019

	Business-type Activities - Enterprise Funds					
	Water and Sewer	Golf Course	Stormwater	Electric Light December 31, 2018	Total	Governmental Activities - Internal Service Fund
ASSETS						
CURRENT:						
Cash and cash equivalents	$ 13,525,006	$ 162,636	$ 194,925	$ 23,645,696	$ 37,528,263	$ 9,605,534
Receivables, net of allowance for uncollectibles:						
Liens - user charges	36,700	-	-	-	36,700	-
User charges	4,897,135	-	64,900	6,403,278	11,365,313	-
Departmental and other	-	-	-	841,331	841,331	1,028,462
Inventory	-	66,521	-	4,361,947	4,428,468	-
Other assets	-	-	-	1,686,460	1,686,460	616,400
Total current assets	18,458,841	229,157	259,825	36,938,712	55,886,535	11,250,396
NONCURRENT:						
Other assets	-	-	-	2,013,762	2,013,762	-
Capital assets, non depreciable	13,099,844	375,876	-	1,182,664	14,658,384	-
Capital assets, net of accumulated depreciation	46,403,481	647,829	-	135,761,046	182,812,356	-
Total noncurrent assets	59,503,325	1,023,705	-	138,957,472	199,484,502	-
TOTAL ASSETS	77,962,166	1,252,862	259,825	175,896,184	255,371,037	11,250,396
DEFERRED OUTFLOWS OF RESOURCES						
Deferred loss on refunding	400,292	-	-	6,544,726	6,945,018	-
Deferred outflows related to pensions	837,073	240,658	83,707	4,910,892	6,072,330	-
Deferred outflows related to other postemployment benefits	73,332	32,327	-	330,022	435,681	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	1,310,697	272,985	83,707	11,785,640	13,453,029	-
LIABILITIES						
CURRENT:						
Warrants payable	623,611	13,641	739	4,442,448	5,080,439	537,221
Accrued payroll	30,340	12,937	6,219	-	49,496	-
Health claims payable	-	-	-	-	-	1,012,000
Accrued interest	115,449	-	-	-	115,449	-
Other liabilities	-	-	-	1,776,708	1,776,708	-
Fees collected in advance	-	96,909	-	2,169,277	2,266,186	-
Capital lease obligations	-	-	-	147,912	147,912	-
Compensated absences	203,099	120,581	17,676	319,064	660,420	-
Workers' compensation	12,618	-	-	-	12,618	-
Bonds payable	2,946,137	103,000	-	7,293,852	10,342,989	-
Total current liabilities	3,931,254	347,068	24,634	16,149,261	20,452,217	1,549,221
NONCURRENT:						
Customer deposits	-	2,150	-	991,735	993,885	-
Capital lease obligations	-	-	-	120,815	120,815	-
Compensated absences	150,128	75,245	12,465	-	237,838	-
Workers' compensation	113,562	-	-	-	113,562	-
Net pension liability	4,575,713	1,315,517	457,571	22,658,555	29,007,356	-
Net other postemployment benefits liability	1,244,029	548,394	-	6,178,757	7,971,180	-
Bonds payable	26,852,253	176,700	-	68,665,378	95,694,331	-
Total noncurrent liabilities	32,935,685	2,118,006	470,036	98,615,240	134,138,967	-
TOTAL LIABILITIES	36,866,939	2,465,074	494,670	114,764,501	154,591,184	1,549,221
DEFERRED INFLOWS OF RESOURCES						
Rate stabilization reserve	-	-	-	9,496,964	9,496,964	-
Deferred inflows related to pensions	80,558	23,161	8,056	1,050,927	1,162,702	-
Deferred inflows related to other postemployment benefits	44,029	19,409	-	-	63,438	-
TOTAL DEFERRED INFLOWS OF RESOURCES	124,587	42,570	8,056	10,547,891	10,723,104	-
NET POSITION						
Net investment in capital assets	36,637,480	744,005	-	67,260,479	104,641,964	-
Restricted for:						
Depreciation	-	-	-	2,524,744	2,524,744	
Unrestricted	5,643,857	(1,725,802)	(159,194)	(7,415,791)	(3,656,930)	9,701,175
TOTAL NET POSITION	$ 42,281,337	$ (981,797)	$ (159,194)	$ 62,369,432	$ 103,509,778	$ 9,701,175

See notes to basic financial statements.

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

YEAR ENDED JUNE 30, 2019

	Business-type Activities - Enterprise Funds					
	Water and Sewer	Golf Course	Stormwater	Electric Light December 31, 2018	Total	Governmental Activities - Internal Service Fund
OPERATING REVENUES:						
Employee contributions	$ -	$ -	$ -	$ -	$ -	$ 7,744,953
Employer contributions	-	-	-	-	-	10,897,241
Charges for services	19,767,169	1,590,783	633,507	69,793,996	91,785,455	-
Liens - charges for services	187,416	-	-	-	187,416	-
Other operating revenues	-	-	-	1,337,591	1,337,591	-
TOTAL OPERATING REVENUES	19,954,585	1,590,783	633,507	71,131,587	93,310,462	18,642,194
OPERATING EXPENSES:						
Cost of services and administration	4,586,562	1,317,461	792,147	18,256,096	24,952,266	-
MWRA assessment	9,758,859	-	-	-	9,758,859	-
Purchased power	-	-	-	24,673,872	24,673,872	-
Fuel for generation	-	-	-	3,670,339	3,670,339	-
Repairs and maintenance	433,516	213,176	554	10,343,876	10,991,122	-
Depreciation	1,870,938	76,389	-	7,735,409	9,682,736	-
Employee benefits	-	-	-	-	-	19,101,290
TOTAL OPERATING EXPENSES	16,649,875	1,607,026	792,701	64,679,592	83,729,194	19,101,290
OPERATING INCOME (LOSS)	3,304,710	(16,243)	(159,194)	6,451,995	9,581,268	(459,096)
NONOPERATING REVENUES (EXPENSES):						
Investment income	185,958	-	-	348,482	534,440	-
Interest expense	(782,293)	3,997	-	(2,486,675)	(3,264,971)	-
TOTAL NONOPERATING REVENUES (EXPENSES), NET	(596,335)	3,997	-	(2,138,193)	(2,730,531)	-
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	2,708,375	(12,246)	(159,194)	4,313,802	6,850,737	(459,096)
CAPITAL CONTRIBUTIONS	680,189	-	-	700,000	1,380,189	-
TRANSFERS:						
Transfers in	54,770	342,164	-	-	396,934	-
Transfers out	-	-	-	(1,725,450)	(1,725,450)	-
TOTAL TRANSFERS	54,770	342,164	-	(1,725,450)	(1,328,516)	-
CHANGE IN NET POSITION	3,443,334	329,918	(159,194)	3,288,352	6,902,410	(459,096)
NET POSITION AT BEGINNING OF YEAR, AS RESTATED/REVISED	38,838,003	(1,311,715)	-	59,081,080	96,607,368	10,160,271
NET POSITION AT END OF YEAR	$ 42,281,337	$ (981,797)	$ (159,194)	$ 62,369,432	$ 103,509,778	$ 9,701,175

See notes to basic financial statements.

PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS

YEAR ENDED JUNE 30, 2019

	Business-type Activities - Enterprise Funds					
	Water and Sewer	Golf Course	Stormwater	Electric Light December 31, 2018	Total	Governmental Activities - Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES:						
Receipts from customers and users	$ 19,420,711	$ 1,587,684	$ 568,607	$ 73,776,661	$ 95,353,663	$ 7,744,953
Receipts from interfund services provided	-	-	-	-	-	10,897,241
Payments to vendors	(11,436,452)	(796,078)	(209,399)	(44,416,132)	(56,858,061)	-
Payments to employees	(2,723,932)	(973,242)	(164,283)	(9,993,643)	(13,855,100)	-
Payments for interfund services used	-	-	-	-	-	(19,025,867)
NET CASH FROM OPERATING ACTIVITIES	5,260,327	(181,636)	194,925	19,366,886	24,640,502	(383,673)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:						
Transfers in	54,770	342,164	-	-	396,934	-
Transfers out	-	-	-	(1,725,450)	(1,725,450)	-
NET CASH FROM NONCAPITAL FINANCING ACTIVITIES	54,770	342,164	-	(1,725,450)	(1,328,516)	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:						
Proceeds from the issuance of bonds	3,413,050	138,000	-	-	3,551,050	-
Premium from the issuance of bonds	407,349	12,629	-	-	419,978	-
Capital contributions	680,189	-	-	700,000	1,380,189	-
Acquisition and construction of capital assets	(4,345,227)	(132,912)	-	(6,560,258)	(11,038,397)	-
Principal payments on bonds and notes	(2,502,948)	(75,000)	-	(5,600,000)	(8,177,948)	-
Principal payments on capital lease obligations	-	-	-	(139,073)	(139,073)	-
Interest expense	(959,520)	(8,632)	-	(3,241,164)	(4,209,316)	-
NET CASH FROM CAPITAL AND RELATED FINANCING ACTIVITIES	(3,307,107)	(65,915)	-	(14,840,495)	(18,213,517)	-
CASH FLOWS FROM INVESTING ACTIVITIES:						
Investment income	185,958	-	-	348,482	534,440	-
NET CHANGE IN CASH AND CASH EQUIVALENTS	2,193,948	94,613	194,925	3,149,423	5,632,909	(383,673)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	11,331,058	68,023	-	20,496,273	31,895,354	9,989,207
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 13,525,006	$ 162,636	$ 194,925	$ 23,645,696	$ 37,528,263	$ 9,605,534
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES:						
Operating income (loss)	$ 3,304,710	$ (16,243)	$ (159,194)	$ 6,451,995	$ 9,581,268	$ (459,096)
Adjustments to reconcile operating income to net cash from operating activities:						
Depreciation	1,870,938	76,389	-	7,735,409	9,682,736	-
Deferred (outflows)/inflows related to pensions	(645,800)	(176,203)	(75,651)	1,872,331	974,677	-
Deferred (outflows)/inflows related to other postemployment benefits	136,415	31,457	-	(330,022)	(162,150)	-
Deferred (outflows)/inflows related to rate stabilization reserve	-	-	-	570,878	570,878	-
Changes in assets and liabilities:						
Liens - user charges	(154)	-	-	-	(154)	-
User charges	(533,720)	-	(64,900)	1,915,633	1,317,013	-
Departmental and other	-	-	-	97,625	97,625	(311,473)
Inventory	-	(26,261)	-	11,623	(14,638)	-
Other assets	-	-	-	2,425,990	2,425,990	29,200
Warrants payable	389,230	(8,435)	739	(113,170)	268,364	310,696
Accrued payroll	(831)	(8,078)	6,219	-	(2,690)	-
Health claims payable	-	-	-	-	-	47,000
Fees collected in advance	-	(3,099)	-	(17,102)	(20,201)	-
Customer deposits	-	-	-	78,040	78,040	-
Other liabilities	-	-	-	(831,419)	(831,419)	-
Compensated absences	(6,941)	26,679	30,141	91,242	141,121	-
Workers' compensation	(41,295)	-	-	-	(41,295)	-
Net pension liability	848,886	(74,530)	457,571	(708,813)	523,114	-
Net other postemployment benefits liability	(61,111)	(3,312)	-	116,646	52,223	-
Total adjustments	1,955,617	(165,393)	354,119	12,914,891	15,059,234	75,423
NET CASH FROM OPERATING ACTIVITIES	$ 5,260,327	$ (181,636)	$ 194,925	$ 19,366,886	$ 24,640,502	$ (383,673)
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:						
Capital lease financing	$ -	$ -	$ -	$ 117,918	$ 117,918	$ -
Premium applied to the issuance of debt	406,500	12,000	-	-	418,500	-
Change in the deferred loss on debt refunding	(90,158)	-	-	(710,739)	(800,897)	-

See notes to basic financial statements.

FIDUCIARY FUNDS

STATEMENT OF FIDUCIARY NET POSITION

JUNE 30, 2019

	Pension and Other Employee Benefit Trust Funds	Private Purpose Trust Funds	Agency Funds
ASSETS			
Cash and cash equivalents	$ 375,272	$ 145,765	$ 762,699
Investments:			
Investments in Pension Reserve Investment Trust	23,068,869	-	-
Government sponsored enterprises	-	107,613	-
Corporate bonds	-	71,837	-
Equity securities	573,121	309,489	-
Equity mutual funds	101,057,512	-	-
Fixed income mutual funds	47,358,631	51,133	-
Pooled alternative investments	33,827,310	-	-
Receivables, net of allowance for uncollectibles:			
Departmental and other	120,940	-	-
TOTAL ASSETS	206,381,655	685,837	762,699
LIABILITIES			
Warrants payable	64,577	-	-
Liabilities due depositors	-	-	762,699
TOTAL LIABILITIES	64,577	-	762,699
NET POSITION			
Restricted for pensions	192,715,084	-	-
Restricted for other postemployment benefits	13,601,994	-	-
Held in trust for other purposes	-	685,837	-
TOTAL NET POSITION	$ 206,317,078	$ 685,837	$ -

See notes to basic financial statements.

FIDUCIARY FUNDS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

YEAR ENDED JUNE 30, 2019

	Pension and Other Employee Benefit Trust Funds	Private Purpose Trust Funds
ADDITIONS:		
Contributions:		
Employer contributions	$ 12,647,627	$ -
Employer contributions for other postemployment benefit payments	4,813,181	-
Member contributions	4,656,331	-
Transfers from other systems	487,416	-
3(8)c contributions from other systems	300,207	-
State COLA reimbursements	126,018	-
Member makeup payments and redeposits	113,492	-
Total contributions	23,144,272	-
Net investment income:		
Investment income (loss)	4,395,493	61,443
Net change in fair value of investments	(12,576,891)	-
Less: investment expense	(1,339,538)	-
Net investment income (loss)	(9,520,936)	61,443
TOTAL ADDITIONS	13,623,336	61,443
DEDUCTIONS:		
Administration	290,686	-
Transfers to other systems	211,946	-
3(8)c transfer to other systems	511,127	-
Retirement benefits and refunds	16,567,488	-
Other postemployment benefit payments	4,813,181	-
Educational scholarships	-	20,200
TOTAL DEDUCTIONS	22,394,428	20,200
NET INCREASE (DECREASE) IN NET POSITION	(8,771,092)	41,243
NET POSITION AT BEGINNING OF YEAR, AS RESTATED	215,088,170	644,594
NET POSITION AT END OF YEAR	$ 206,317,078	$ 685,837

See notes to basic financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The Town is a municipal corporation that is governed by an elected Mayor. A nine-member Town Council, 3 members elected at large and 6 district members, serves as a representative legislature.

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.

Component Unit Presented as a Fiduciary Fund – The following component unit is presented as a fiduciary fund of the primary government due to the nature and significance of the relationship between the Town and the component unit.

The Braintree Contributory Retirement System (the System) was established to provide retirement benefits to Town employees and Braintree Housing Authority employees, and their beneficiaries. The System is governed by a five-member board comprised of two elected members, (nominees must be active or retired members), two appointed members by the Executive Authority, and the fifth member shall be an independent member appointed by the other four members. The System is presented using the accrual basis of accounting and is reported as a pension trust fund in the fiduciary fund financial statements.

Availability of Financial Information for Component Units, the Electric Light Department and the Joint Venture

The System issues a publicly available financial report in accordance with guidelines established by the Commonwealth of Massachusetts' (Commonwealth) Public Employee Retirement Administration Commission (PERAC). That report may be obtained by contacting the System located at 74 Pond Street, 2nd Floor, Braintree, Massachusetts 02184.

In accordance with Massachusetts General Laws, Chapter 164, the Braintree Electric Light Department (the BELD) was established to generate and distribute electricity for municipal and residential use within the Town. The BELD is governed by an elected three-member board and is operated by a manager appointed by the BELD's elected board. The manager has charge of BELD's operations and is subject to the direction and control of the Braintree Municipal Light Board. It is not a separate legal entity and therefore the condensed financial statements of the BELD are reported as an enterprise fund. A complete audited financial statement for the BELD, for the year ended December 31, 2018, can be obtained directly from their administrative office located at 150 Potter Road, Braintree, Massachusetts 02184.

Joint Venture – The Town is a member of the Blue Hills Regional Technical School (School) that serves the members students from nine area communities seeking an education in academic and technical studies. The

members share in the operations of the School and each member is responsible for its proportionate share of the operational and capital costs of the School, which are paid in the form of assessments. The Town does not have an equity interest in the School and the 2019 assessment was $2,771,756. The School issues a publicly available financial report that includes its financial statements. That report can be obtained by writing to the School Business Manager at 800 Randolph Street, Canton, Massachusetts 02021.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The government-wide financial statements (i.e., statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units.

Governmental activities, which are primarily supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which are supported primarily by user fees and charges.

Fund Financial Statements

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

Major Fund Criteria

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

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

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

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

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

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

Government-Wide Financial Statements

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

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

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

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

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

Fund Financial Statements

Governmental fund financial statements are reported using the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when due, and certain compensated absences, claims and judgments which are recognized when the obligations are expected to be liquidated with current expendable available resources.

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

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

The following major governmental funds are reported:

The *general fund* is the primary operating fund. It is used to account for all financial resources, except those that are required to be accounted for in another fund. Included within the general fund are three stabilization funds. The balance in the general stabilization fund increased from $145,160 in 2018 to $148,788 in 2019, the capital stabilization fund decreased from $1.8 million in 2018 to $334,000 in 2019, and the school building stabilization fund increased from $1.0 million in 2018 to $2.0 million in 2019. The stabilization funds can be used for general and/or capital purposes upon Town Council and the Mayor's approval.

The *Town capital projects fund* is used to account for the construction and renovation of various Town projects.

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

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

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

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

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

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

The following major proprietary funds are reported:

The *water and sewer enterprise fund* was jointly established in 1984 pursuant to an act establishing the water and sewer commission. It is used to account for water and sewer activities.

The *golf course enterprise fund* is used to account for the operations of the municipal golf course.

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

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

Additionally, the following proprietary fund type is reported:

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

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

The following fiduciary fund types are reported:

The *pension and other employee benefit trust funds* is used to account for the activities of the Braintree Contributory Retirement System, which accumulates resources to provide pension benefits to eligible retirees and their beneficiaries, and to accumulate resources to provide funding for future other postemployment benefits liabilities.

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

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

D. Cash and Investments

Government-Wide and Fund Financial Statements

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

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

E. Fair Value Measurements

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

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

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

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

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

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

Market price is affected by a number of factors, including the type of instrument and the characteristics specific to the instrument. Instruments with readily available active quoted prices generally will have a higher degree of

market price observability and a lesser degree of judgment used in measuring fair value. It is reasonably possible that change in values of these instruments will occur in the near term and that such changes could materially affect amounts reported in these financial statements. For more information on the fair value of the Town's financial instruments, see Note 2 – Cash and Investments.

F. Accounts Receivable

Government-Wide and Fund Financial Statements

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

Real Estate, Personal Property Taxes and Tax Liens

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

Tax liens are imposed at least every three years after the original tax is considered delinquent and are processed subsequent to July 1st every year.

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

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

Motor Vehicle and Other Excise Taxes

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

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

Room Occupancy Tax

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

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

Meals Tax

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

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

Trash

Trash fees have been levied on an annual basis for each residential property that utilizes the collection service. Each per living unit is billed annually by the Public Works Department for all residents not choosing one of the several opt-out methods. The collection service includes weekly curbside collection.

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

Water and Sewer and Electric Light Department

User fees are levied quarterly for water and sewer and monthly for electric light, based on individual meter readings and are subject to penalties and interest if they are not paid by the respective due date. Water and sewer liens are processed in December of every year and included as a lien on the property owner's tax bill. Water and sewer charges and related liens are recorded as receivables in the year of the levy.

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

Departmental and Other

Departmental and other receivables consist primarily of parking fines and other receivables of the BELD and are recorded as receivables in the year accrued. The allowance for uncollectibles is estimated based on historical trends and specific account analysis.

Intergovernmental

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

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

G. Inventories

Government-Wide and Fund Financial Statements

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

Inventories of the golf course enterprise fund are stated at the lower of cost or market. Inventories of the BELD enterprise fund are stated at original cost, using the average cost method.

H. Capital Assets

Government-Wide and Proprietary Fund Financial Statements

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

All purchases and construction costs in excess of $5,000 are capitalized at the date of acquisition or construction, respectively, with expected useful lives of greater than one year.

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

Capital Asset Type	Estimated Useful Life (in years)
Land improvements	10 - 30
Plant in service	30 - 40
Buildings	40
Machinery and equipment	5 - 15
Infrastructure	20 - 50

The statutory provision for depreciation of a utility plant is computed on the straight-line method at 3 percent of the cost of plant in service at the beginning of the year, exclusive of land and land rights. Massachusetts law stipulates that the Electric Department may change from the statutory depreciation rate only with the approval of the Massachusetts Department of Public Utilities. The Department has consistently used an overall depreciation rate of approximately 3.0%, which approximates GAAP.

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

Governmental Fund Financial Statements

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

I. Deferred Outflows/Inflows of Resources

Government-Wide Financial Statements (Net Position)

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a

consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The Town has reported a deferred loss on refunding and deferred outflows of resources related to pensions and other postemployment benefits in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources,* represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The Town has recorded deferred inflows related to pensions, other postemployment benefits, and for the electric light department's rate stabilization reserve as allowed under GASB Statement No. 65, for *regulated operations*.

Governmental Fund Financial Statements

In addition to liabilities, the governmental funds balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents amounts that have been recorded in the governmental fund financial statements but the revenue is not available and so will not be recognized as an inflow of resources (revenue) until it becomes available. The Town has recorded unavailable revenue as deferred inflows of resources in the governmental funds balance sheet.

J. Interfund Receivables and Payables

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

Government-Wide Financial Statements

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

Fund Financial Statements

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

K. Interfund Transfers

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

Government-Wide Financial Statements

Transfers between and within governmental funds and internal service funds are eliminated from the governmental activities in the statement of net position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the statement of activities as "Transfers, net".

Fund Financial Statements

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

L. Unearned and Unavailable Revenue

Unearned revenue at the government-wide and fund financial statement level represents resources that have been received, but not yet earned.

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

M. Net Position and Fund Equity

Government-Wide Financial Statements (Net Position)

Net position reported as “net investment in capital assets” includes capital assets, net of accumulated depreciation, less the principal balance of outstanding debt used to acquire capital assets. Unspent proceeds of capital related debt are not considered to be capital assets.

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

Net position has been “restricted for” the following:

“Depreciation” represents amounts restricted in the Electric department for the statutory reserve for funded depreciation.

“Permanent funds - expendable” represents amounts of realized and unrealized investment earnings of donor restricted trusts. The restrictions and trustee policies only allow the trustees to approve spending of the realized investment earnings.

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

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

“Community preservation” represents amounts held for uses restricted by law for community preservation purposes.

Sometimes the Town will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Town’s policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Fund Financial Statements (Fund Balances)

Governmental fund equity is classified as fund balance. Fund balance is further classified as follows:

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

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

"Committed" fund balance includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority. A Town Council vote to approve a Council Order submitted by the Mayor is the highest level of decision-making authority that can commit funds for specific purposes. Once voted, the limitation imposed by the vote remains in place until the funds are used for their intended purpose or a vote is taken to rescind the commitment.

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

"Unassigned" fund balance includes the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund is the only governmental fund that can report a positive unassigned fund balance. In other governmental funds it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

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

N. Long-term debt

Government-Wide and Proprietary Fund Financial Statements

Long-term debt is reported as liabilities in the government-wide and proprietary fund statement of net position. Material bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

Governmental Fund Financial Statements

The face amount of governmental funds long-term debt is reported as other financing sources. Bond premiums and discounts, as well as issuance costs, are recognized in the current period. Bond premiums are reported as other financing sources and bond discounts are reported as other financing uses. Issuance costs, whether or not withheld from the actual bond proceeds received, are reported as general government expenditures.

O. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of both the Braintree Contributory Retirement System (BCRS) and the Massachusetts Teachers' Retirement System and additions to/deductions from the Systems fiduciary net position have been determined on the same basis as they are reported by the Systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

P. Investment Income

Excluding the permanent funds, investment income derived from major and nonmajor governmental funds is legally assigned to the general fund unless otherwise directed by Massachusetts General Law (MGL). Investment income from proprietary funds is maintained in those funds.

Q. Compensated Absences

Employees are granted vacation and sick leave in varying amounts based on collective bargaining agreements, state laws and executive policies.

Government-Wide and Proprietary Fund Financial Statements

Vested or accumulated vacation and sick leave are reported as liabilities and expensed as incurred.

Governmental Fund Financial Statements

Compensated absences are reported in the governmental funds only if they have matured as a result of employee resignations or retirements. Vested or accumulated vacation and sick leave, which will be liquidated with expendable available financial resources, are reported as expenditures and fund liabilities upon maturity of the liability.

R. Use of Estimates

Government-Wide and Fund Financial Statements

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

S. Total Column

Government-Wide Financial Statements

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

Fund Financial Statements

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

NOTE 2 – CASH AND INVESTMENTS

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

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

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

The Retirement System participates, as a Participating member, in the Pension Reserves Investment Trust (PRIT), which meets the criteria of an external investment pool. PRIT is administered by the Pension Reserves Investment Management Board, which was established by the Treasurer of the Commonwealth of Massachusetts who serves as trustee. The fair value of the position in the PRIT is the same as the value of the PRIT shares.

The Other Postemployment Benefits (OPEB) trust participates as a Purchasing Member of the Pension Reserve Investment Trust (PRIT) through the State Retirees Benefits Trust Fund (SRBTF). Government entities are allowed to invest their OPEB funds through the SRBTF. OPEB trusts are allowed to invest in the $72 billion PRIT fund and get the economies of scale and diversification that an individual community with a small fund could not obtain on its own.

The PRIT fund, as a pool, invests in various products including, but not limited to, money market mutual funds, equities, pooled foreign and domestic fixed income and equity funds, United States government sponsored enterprises and Treasury notes, real estate, and commodities. The underlying components of PRIT's fixed income portfolio had an effective weighted duration rate ranging from 0.18 to 15.31 years.

Custodial Credit Risk – Deposits

In the case of deposits, this is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. The Town does not have a deposit policy for custodial risk. At year-end, the carrying amount of deposits totaled $52,951,857 and the bank balances totaled $54,866,943. Of the bank balance, $3,000,000 was covered by Federal Depository Insurance, $16,916,008 was covered by the Depositors Insurance Fund, $1,862,842 was covered by the Share Insurance Fund, $25,246,212 was collateralized, and $7,841,881 was exposed to custodial credit risk because it was uninsured and uncollateralized.

The System limits its custodial credit risk by utilizing an institutional custodial bank, currently SEI Private Trust Company, to custody all separately held securities which are registered under a nominee name that is specific to the System. Assets held in commingled fund accounts are also held in a similar fashion, with individual fund securities held in the fund's name at their custodian bank. A small percentage of the System's assets (typically less than 5%) may be held from time to time in commingled cash equivalent vehicles where the assets are subject

to counterparty risk. At December 31, 2018, the carrying amount of deposits for the System totaled $375,272 and the bank balance totaled $414,466. The bank balance was fully covered by Federal Depository Insurance.

Custodial Credit Risk – Investments

For an investment, this is the risk that, in the event of a failure by the counterparty, the Town will not be able to recover the value of its investments or collateral security that are in the possession of an outside party. The Town has custodial credit risk exposure relating to its $179,450 investment in Debt Securities and its $309,489 investment in Equity Securities because the securities are uninsured, unregistered, and held by the counterparty. The Town does not have an investment policy for custodial credit risk.

The System investments are not subjected to custodial credit risk as all of the securities are insured or registered and held by its agents in the name of the Town of Braintree.

Investments

As of June 30, 2019, the Town had the following investments and maturities:

		Maturities		
Investment Type	**Fair value**	**Under 1 Year**	**1-5 Years**	**6-10 Years**
Debt securities:				
U.S. treasury notes	$ 56,178	$ -	$ 30,559	$ 25,619
Government sponsored enterprises	51,435	-	51,435	-
Corporate bonds	71,837	24,990	46,847	-
Total debt securities	179,450	$ 24,990	$ 128,841	$ 25,619
Other investments:				
Equity securities	309,489			
Equity mutual funds	399,023			
Fixed income mutual funds	51,133			
Money market mutual funds	24,211,137			
Pension Reserve Investment Trust (PRIT)	14,289,161			
MMDT - Bond portfolio	6,833,285			
MMDT - Cash portfolio	33,345,743			
Total investments	$ 79,618,421			

The Town participates in MMDT, which maintains a cash portfolio and a short-term bond fund with average maturities of approximately 28 to 68 days and a weighted average maturity of 2.78 years, respectively. The Town's investments in MMDT are unrated.

As of December 31, 2018, the Braintree Contributory Retirement System had the following investments:

Investment Type	Fair value
Other investments:	
Equity securities	$ 573,121
Equity mutual funds	101,057,512
Fixed income mutual funds	47,358,631
Private equity	33,827,310
Pension Reserve Investment Trust (PRIT)	9,466,875
Total investments	$ 192,283,449

Interest Rate Risk

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

All of the System's fixed income assets are held in professionally managed, institutional commingled funds. The System limits its effective exposure to interest rate risk by benchmarking its commingled fixed income investment accounts to an intermediate duration benchmark (Barclays) with duration of 4-5 years.

Credit Risk

The Town has not adopted a formal policy related to Credit Risk. The Town's investments are rated as follows:

Quality Rating	U.S. Treasury Notes	Government Sponsored Enterprises	Corporate Bonds	Total
AAA	$ 56,178	$ 51,435	$ -	$ 107,613
A	-	-	46,847	46,847
BAA	-	-	24,990	24,990
Total	$ 56,178	$ 51,435	$ 71,837	$ 179,450

The System controls and limits its exposure to credit risk by investing in well diversified, commingled fixed income funds that are both passively and actively managed. In the case of the actively managed fixed income fund, investments in below-investment grade securities are permitted, up to a maximum position of 10% of that individual commingled fund's assets, which would represent approximately 2% of the System's total assets.

Concentration of Credit Risk

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

Fair Value Measurement

The Town holds investments that are measured at fair value on a recurring basis. Because investing is not a core

part of the Town's mission, the Town determines that the disclosures related to these investments only need to be disaggregated by major type. The Town chooses a tabular format for disclosing the levels within the fair value hierarchy.

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

The following table presents financial assets at June 30, 2019, that the Town measures fair value on a recurring basis, by level, within the fair value hierarchy:

		Fair Value Measurements Using		
Investment Type	June 30, 2019	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments measured at fair value:				
Debt securities:				
U.S. treasury notes	$ 56,178	$ 56,178	$ -	$ -
Government sponsored enterprises	51,435	51,435	-	-
Corporate bonds	71,837	-	71,837	-
Total debt securities	179,450	107,613	71,837	-
Other investments:				
Equity securities	309,489	309,489	-	-
Equity mutual funds	399,023	399,023	-	-
Fixed income mutual funds	51,133	51,133	-	-
Money market mutual funds	24,211,137	24,211,137	-	-
MMDT - Bond portfolio	6,833,285	6,833,285	-	-
Total other investments	31,804,067	31,804,067	-	-
Total investments measured at fair value	31,983,517	$ 31,911,680	$ 71,837	$ -
Investments measured at amortized cost:				
MMDT - Cash portfolio	33,345,743			
Investments measured at net asset value:				
Pension Reserve Investment Trust (PRIT)	14,289,161			
Total investments	$ 79,618,421			

U.S. treasury notes, government sponsored enterprises, equity securities, equity mutual funds, fixed income, money market mutual funds and MMDT short-term bond funds classified in Level 1 of the fair value hierarchy are

valued using prices quoted in active markets for those securities. Corporate bonds classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

The Town holds investments in the MMDT Cash Portfolio which are valued at amortized cost. Under the amortized cost valuation method, an investment is valued initially at its cost and thereafter adjusted for the amount of interest income accrued each day over the term of the investment to account for any difference between the initial cost of the investment and the amount payable at its maturity. If amortized cost is determined not to approximate fair value, the value of the portfolio securities will be determined under procedures established by MMDT's adviser, Federated Investment Corporation.

The Retirement System's retiree pension defined benefit plan holds significant amounts of investments that are measured at fair value on a recurring basis. Because investing is a key part of the plan's activities, the plan shows greater disaggregation in its disclosures. The plan chooses a tabular format for disclosing the levels within the fair value hierarchy.

PRIT investments are valued using the net asset value method. This investment pool was established by the Treasurer of the Commonwealth of Massachusetts, who serves as Trustee. PRIT is administered by the Pension Reserves Investment Management Board (PRIM). The fair values of the positions in each investment Pool are the same as the value of each Pool's shares. Neither the Town nor the System have the ability to control any of the investment decisions relative to its funds in PRIT.

The Retirement System categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The following table presents financial assets at December 31, 2018, that the System measures fair value on a recurring basis, by level, within the fair value hierarchy:

		Fair Value Measurements Using		
Investment Type	December 31, 2018	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments measured at fair value:				
Other investments:				
Equity securities	$ 573,121	$ 573,121	$ -	$ -
Equity mutual funds	101,057,512	101,057,512	-	-
Fixed income	47,358,631	-	47,358,631	-
Private equity	33,827,310	-	-	33,827,310
Total other investments	182,816,574	101,630,633	47,358,631	33,827,310
Total investments measured at fair value	182,816,574	$ 101,630,633	$ 47,358,631	$ 33,827,310
Investments measured at net asset value:				
Pension Reserve Investment Trust (PRIT)	9,466,875			
Total investments	$ 192,283,449			

Equity securities and equity mutual funds classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Fixed income funds classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Private equity investments classified in Level 3 are valued using either a discounted cash flow or market comparable companies' technique.

NOTE 3 – RECEIVABLES

At June 30, 2019, receivables for the individual major, nonmajor governmental funds, and the internal service fund in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	Gross Amount	Allowance for Uncollectibles	Net Amount
Receivables:			
Real estate and personal property taxes	$ 1,153,674	$ (259,900)	$ 893,774
Tax liens	1,299,079	-	1,299,079
Motor vehicle and other excise taxes	1,224,588	(743,100)	481,488
Departmental and other	1,161,258	(67,000)	1,094,258
Intergovernmental	12,942,489	-	12,942,489
Community preservation state share	89,150	-	89,150
Total	$ 17,870,238	$ (1,070,000)	$ 16,800,238

Intergovernmental receivables of $12,942,489 as shown above, includes $7,943,000 of state aid received in July of 2019. These receivables are not considered unavailable funds at June 30, 2019.

At June 30, 2019 (December 31, 2018 for the Electric Light balances), receivables for the proprietary funds consist of the following:

	Gross Amount	Allowance for Uncollectibles	Net Amount
Receivables:			
Water and sewer liens - user charges	$ 36,700	$ -	$ 36,700
Water and sewer user charges	4,897,135	-	4,897,135
Stormwater user charges	64,900	-	64,900
Electric light user charges	6,539,900	(136,622)	6,403,278
Electric light departmental and other	841,331	-	841,331
Total	$ 12,379,966	$ (136,622)	$ 12,243,344

At December 31, 2018, the Pension Trust Fund had departmental and intergovernmental receivables totaling $120,940.

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

	General Fund	Other Governmental Funds	Total
Receivables:			
Real estate and personal property taxes	$ 772,487	$ -	$ 772,487
Tax liens	1,299,079	-	1,299,079
Community preservation fund surtax	-	674	674
Motor vehicle and other excise taxes	481,488	-	481,488
Departmental and other	28,690	-	28,690
Intergovernmental	216,244	1,685,267	1,901,511
Community preservation state share	-	89,150	89,150
Tax foreclosures	78,281	-	78,281
Total	$ 2,876,269	$ 1,775,091	$ 4,651,360

NOTE 4 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2019, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets not being depreciated:				
Land	$ 14,748,506	$ 620,000	$ -	$ 15,368,506
Construction in progress	9,018,335	47,498,792	(362,884)	56,154,243
Total capital assets not being depreciated	23,766,841	48,118,792	(362,884)	71,522,749
Capital assets being depreciated:				
Land improvements	11,386,470	37,560	-	11,424,030
Buildings	53,374,651	664,613	-	54,039,264
Machinery and equipment	21,705,501	274,714	(1,186,330)	20,793,885
Vehicles	1,339,217	482,033	-	1,821,250
Infrastructure	76,707,241	3,264,960	(9,782,509)	70,189,692
Total capital assets being depreciated	164,513,080	4,723,880	(10,968,839)	158,268,121
Less accumulated depreciation for:				
Land improvements	(8,606,256)	(239,769)	-	(8,846,025)
Buildings	(33,814,378)	(965,513)	-	(34,779,891)
Machinery and equipment	(17,783,669)	(1,105,338)	1,135,009	(17,753,998)
Vehicles	(138,360)	(234,767)	-	(373,127)
Infrastructure	(32,520,835)	(1,699,233)	9,778,028	(24,442,040)
Total accumulated depreciation	(92,863,498)	(4,244,620)	10,913,037	(86,195,081)
Total capital assets being depreciated, net	71,649,582	479,260	(55,802)	72,073,040
Total governmental activities capital assets, net	$ 95,416,423	$ 48,598,052	$ (418,686)	$ 143,595,789

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities:				
Capital assets not being depreciated:				
Land	$ 2,208,198	$ -	$ -	$ 2,208,198
Intangible plant	289,851	-	-	289,851
Construction in progress	10,366,951	3,225,573	(1,432,189)	12,160,335
Total capital assets not being depreciated	12,865,000	3,225,573	(1,432,189)	14,658,384
Capital assets being depreciated:				
Land improvements	1,134,917	651,966	-	1,786,883
Plant in service	259,447,830	6,748,231	(755,452)	265,440,609
Buildings	1,664,908	-	-	1,664,908
Machinery and equipment	2,983,558	585,967	-	3,569,525
Vehicles	-	507,340	-	507,340
Infrastructure	81,363,851	922,356	(11,196,055)	71,090,152
Total capital assets being depreciated	346,595,064	9,415,860	(11,951,507)	344,059,417
Less accumulated depreciation for:				
Land improvements	(837,967)	(40,476)	-	(878,443)
Plant in service	(122,646,677)	(7,768,523)	735,637	(129,679,563)
Buildings	(1,186,565)	(21,256)	-	(1,207,821)
Machinery and equipment	(2,637,579)	(176,382)	-	(2,813,961)
Vehicles	-	(101,468)	-	(101,468)
Infrastructure	(36,154,115)	(1,607,745)	11,196,055	(26,565,805)
Total accumulated depreciation	(163,462,903)	(9,715,850)	11,931,692	(161,247,061)
Total capital assets being depreciated, net	183,132,161	(299,990)	(19,815)	182,812,356
Total business-type activities capital assets, net	$ 195,997,161	$ 2,925,583	$ (1,452,004)	$ 197,470,740

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

Governmental Activities:	
General government	$ 269,614
Public safety	675,338
Education	747,432
Public works	2,188,101
Health and human services	29,009
Culture and recreation	260,725
Community preservation	74,401
Total depreciation expense - governmental activities	$ 4,244,620
Business-Type Activities:	
Water and sewer	$ 1,870,938
Golf course	76,389
Electric Light	7,768,523
Total depreciation expense - business-type activities	$ 9,715,850

NOTE 5 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

At June 30, 2019, the Town has an interfund receivable/payable totaling $648,118 which exists between the general fund and highway improvements fund. The purpose of this balance is to cover short-term cash needs that will be funded by future grant proceeds.

Interfund transfers for the year ended June 30, 2019, are summarized as follows:

	Transfers In:						
Transfers Out:	General fund	Town capital projects	Nonmajor governmental funds	Water and sewer enterprise fund	Golf course enterprise fund	Total	
General fund	$ -	$ -	$ 547,923	$ 54,770	$ 342,164	$ 944,857	(1)
Nonmajor governmental funds	884,514	1,691,453	122,100	-	-	2,698,067	(2)
Electric light enterprise fund	1,725,450	-	-	-	-	1,725,450	(3)
Total	$ 2,609,964	$ 1,691,453	$ 670,023	$ 54,770	$ 342,164	$ 5,368,374	

(1) Represents budgeted transfers from the general fund to the nonmajor special revenue fund for employee benefits. Also represents budgeted transfers to the water and sewer enterprise fund for debt service and to the golf enterprise fund for the operating deficit and fund new concession services.
(2) Represents transfers to the general fund and to the Town capital projects fund from the Town special revenue fund for school insurance reimbursements and various transfers within the nonmajor governmental funds.
(3) Represents the Payment in Lieu of Tax payment received from the BELD.

NOTE 6 – LEASES

Capital Leases

The BELD entered into a capitalized lease for cable and light division equipment expiring through 2020. The assets and liabilities under the capital lease are recorded at the present value of the minimum lease payments. The assets are depreciated over the life of the equipment.

The following schedule presents the future minimum lease payments as of December 31, 2018:

Years ending December 31:	Business-Type Activities
2019	$ 147,912
2020	105,171
2021	35,462
2022	7,997
Total minimum lease payments	296,542
Less: amounts representing interest	(27,815)
Present value of minimum lease payments	$ 268,727

Operating Leases

The Town leases school buses under noncancelable operating leases that are scheduled to expire in 2020. The cost of the lease for the year ended June 30, 2019, totaled approximately $142,000 and is reported as education expenditures in the general fund.

The future minimum lease payments are as follows:

Years ending June 30:		Governmental Activities
2020	$	142,209

The Golf Course leases golf carts under noncancelable operating leases that are scheduled to expire in 2022. The cost of the lease for the year ended June 30, 2019, totaled approximately $53,000.

The future minimum lease payments are as follows:

Years ending June 30:		Business-Type Activities
2020	$	53,378
2021		53,378
2022		53,378
Total	$	160,134

NOTE 7 – SHORT-TERM FINANCING

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

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

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

Details related to the short-term debt activity for the year ended June 30, 2019, is as follows:

Type	Purpose	Rate (%)	Due Date	Balance at June 30, 2018	Renewed/ Issued	Retired/ Redeemed	Balance at June 30, 2019
Governmental Funds:							
BAN	Municipal Purpose……	2.75%	06/13/19	$ 8,900,000	$ -	$ (8,900,000)	$ -
BAN	Municipal Purpose……	2.25%	06/12/20	-	1,000,000	-	1,000,000
	Total Governmental Funds……			$ 8,900,000	$ 1,000,000	$ (8,900,000)	$ 1,000,000

NOTE 8 – LONG-TERM DEBT

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

Details related to the Town's general obligation indebtedness at June 30, 2019, and the debt service requirements are as follows:

Bonds and Notes Payable Schedule – Governmental Funds

Project	Maturities Through	Original Loan Amount	Interest Rate (%)	Outstanding at June 30, 2019
Municipal Purpose Loan of 2010……	2030	$ 6,782,000	1.5 - 4.5	$ 2,695,000
Municipal Purpose Loan of 2011……	2031	6,010,000	2.00 - 4.50	2,940,000
Municipal Purpose Loan of 2012……	2032	4,240,000	2.00-4.00	2,170,000
Municipal Purpose Loan of 2013……	2033	2,990,000	2.00-2.75	1,675,000
Municipal Purpose Loan of 2014……	2034	3,519,000	2.00 - 4.00	1,915,000
Municipal Purpose Refunding Loan of 2015…..	2028	1,680,000	3.00 - 5.00	1,325,000
Municipal Purpose Loan of 2015……	2035	3,226,000	3.00 - 5.00	2,050,000
Municipal Purpose Loan of 2016……	2036	3,874,000	2.00 - 4.00	2,395,000
Municipal Purpose Loan of 2017……	2037	4,537,300	2.00 - 4.00	3,664,600
Municipal Purpose Loan of 2018……	2048	22,764,000	3.00 - 5.00	21,955,000
Municipal Purpose Loan of 2019……	2039	29,033,500	3.00 - 5.00	29,033,500
Total Bonds Payable……				71,818,100
Add: Unamortized premium on bonds……				4,981,773
Total……				$ 76,799,873

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

Year	Principal	Interest	Total
2020	$ 4,636,500	$ 2,715,539	$ 7,352,039
2021	4,391,200	2,556,970	6,948,170
2022	4,118,100	2,382,946	6,501,046
2023	3,915,000	2,210,793	6,125,793
2024	3,668,000	2,044,778	5,712,778
2025	3,654,000	1,886,807	5,540,807
2026	3,659,000	1,726,971	5,385,971
2027	3,349,200	1,572,457	4,921,657
2028	3,207,000	1,430,325	4,637,325
2029	3,085,000	1,289,598	4,374,598
2030	3,019,000	1,155,698	4,174,698
2031	2,770,000	1,036,906	3,806,906
2032	2,668,000	934,552	3,602,552
2033	2,553,000	834,168	3,387,168
2034	2,543,000	752,491	3,295,491
2035	2,473,000	669,295	3,142,295
2036	2,508,000	594,060	3,102,060
2037	2,556,100	517,033	3,073,133
2038	2,585,000	438,500	3,023,500
2039	2,005,000	359,038	2,364,038
2040	815,000	295,925	1,110,925
2041	845,000	267,400	1,112,400
2042	875,000	237,825	1,112,825
2043	905,000	207,200	1,112,200
2044	935,000	175,525	1,110,525
2045	970,000	142,800	1,112,800
2046	1,000,000	108,850	1,108,850
2047	1,035,000	73,850	1,108,850
2048	1,075,000	37,634	1,112,634
Total	$ 71,818,100	$ 28,655,934	$ 100,474,034

Bonds and Notes Payable Schedule – Water and Sewer Enterprise Fund

Project	Maturities Through	Original Loan Amount	Interest Rate (%)	Outstanding at June 30, 2019
Municipal Purpose Refunding Loan of 2011.....	2022	$ 2,921,500	2.00 - 4.00	$ 815,000
Municipal Purpose Loan of 2011.....	2031	2,286,000	2.00 - 4.50	1,120,000
Municipal Purpose Loan of 2012.....	2032	2,000,000	2.00-4.00	1,150,000
Municipal Purpose Loan of 2013.....	2033	3,108,000	2.00-2.75	2,085,000
Municipal Purpose Loan of 2014.....	2034	2,248,000	2.00-4.00	1,575,000
MWRA Sewer Bonds of 2015.....	2020	962,500	0.00	192,500
Municipal Purpose Refunding Loan of 2015.....	2029	5,890,000	3.00 - 5.00	5,105,000
Municipal Purpose Loan of 2015.....	2035	2,084,000	3.00 - 5.00	1,660,000
MWRA Sewer Bonds of 2016.....	2021	227,960	0.00	91,184
Municipal Purpose Loan of 2016.....	2036	2,394,000	2.00 - 4.00	1,985,000
Municipal Purpose Loan of 2016.....	2028	391,042	3.00 - 5.00	341,832
MWRA Sewer Bonds of 2017.....	2027	165,000	3.00 - 5.00	132,000
Municipal Purpose Loan of 2017.....	2037	3,453,000	2.00 - 4.00	3,063,700
Municipal Purpose Loan of 2018.....	2038	5,241,000	3.00 - 5.00	4,945,000
MWRA Sewer Bonds of 2018.....	2028	226,250	0.00	203,625
MWRA Sewer Bonds of 2019.....	2029	219,550	0.00	219,550
Municipal Purpose Loan of 2019.....	2039	3,193,500	3.00 - 5.00	3,193,500
Total Bonds Payable.....				27,877,891
Add: Unamortized premium on bonds.....				1,920,499
Total.....				$ 29,798,390

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

Year	Principal	Interest	Total
2020	$ 2,671,739	$ 1,011,996	$ 3,683,735
2021	2,459,182	925,913	3,385,095
2022	2,342,740	840,492	3,183,232
2023	1,959,197	757,586	2,716,783
2024	1,921,562	678,041	2,599,603
2025	1,915,933	599,022	2,514,955
2026	1,911,311	520,615	2,431,926
2027	1,736,498	443,426	2,179,924
2028	1,622,593	375,415	1,998,008
2029	1,552,370	312,557	1,864,927
2030	1,186,825	252,755	1,439,580
2031	1,191,244	208,735	1,399,979
2032	1,103,671	172,110	1,275,781
2033	1,034,106	136,515	1,170,621
2034	914,550	103,269	1,017,819
2035	750,004	72,742	822,746
2036	645,466	49,654	695,120
2037	508,900	30,017	538,917
2038	350,000	14,123	364,123
2039	100,000	3,000	103,000
Total	$ 27,877,891	$ 7,507,983	$ 35,385,874

Bonds and Notes Payable Schedule – Golf Course Enterprise Fund

Project	Maturities Through	Original Loan Amount	Interest Rate (%)	Outstanding at June 30, 2019
Municipal Purpose Loan of 2016	2021	$ 219,000	4.00	$ 80,000
Municipal Purpose Loan of 2017	2022	92,700	2.00 - 4.00	51,700
Municipal Purpose Loan of 2018	2020	20,000	5.00	10,000
Municipal Purpose Loan of 2019	2024	138,000	5.00	138,000
Total Bonds Payable				$ 279,700

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

Year	Principal	Interest	Total
2020	$ 103,000	$ 11,957	$ 114,957
2021	88,700	8,118	96,818
2022	38,000	4,270	42,270
2023	25,000	2,500	27,500
2024	25,000	1,250	26,250
Total	$ 279,700	$ 28,095	$ 307,795

Bonds and Notes Payable Schedule – Electric Light Enterprise Fund (BELD)

Project	Maturities Through	Original Loan Amount	Interest Rate (%)	Outstanding at December 31, 2018
Municipal Purpose Loan of 2009	2019	$ 109,700,000	3.00 - 5.00	$ 5,875,000
Municipal Purpose Refunding Loan of 2015	2028	58,750,000	4.00 - 5.00	58,750,000
Total Bonds Payable				$ 64,625,000
Add: Unamortized premium on bonds				11,334,230
Total				$ 75,959,230

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

Year	Principal	Interest	Total
2019	$ 5,875,000	$ 6,138,844	$ 12,013,844
2020	5,965,000	5,845,094	11,810,094
2021	6,180,000	2,570,000	8,750,000
2022	6,515,000	2,265,100	8,780,100
2023	6,785,000	2,004,500	8,789,500
2024	7,120,000	1,665,250	8,785,250
2025	7,475,000	1,309,250	8,784,250
2026	7,845,000	935,500	8,780,500
2027	7,545,000	543,250	8,088,250
2028	3,320,000	166,000	3,486,000
Total	$ 64,625,000	$ 23,442,788	$ 88,067,788

Authorized and unissued debt

The Town is subject to various debt limits by statute and may issue additional general obligation debt under the normal debt limit. At June 30, 2019, the Town had the following authorized and unissued debt:

Purpose		Amount
Building compliance ADA	$	30,000
Daugherty gym		369,000
DPW building repairs		76,000
DPW cemetery		111,000
DPW engineering drainage work		48,000
DPW facilities		481,000
DPW fence reconstruction		12,000
DPW field reconstruction		30,000
DPW highway		99,000
DPW trucks		410,000
DPW parks equip. & court repairs		100,000
DPW recreation		44,000
East Middle School renovation/addition		26,680,534
Elder Affairs paving		15,000
Electronic archiving		89,000
Fire brush truck		188,000
Fire station headquarters renovation		1,335,000
Golf course		10,000
High School field irrigation		40,000
Middle Street engineering and design		100,000
MWRA financial assistance		6,060,000
Police station building		115,000
Roadway resurfacing		1,700,000
School building renovation/repairs		30,000
School education technology		200,000
School paving		5,000
School security upgrades		12,000
Sewer commerce drive pump station		800,000
South Middle school planning and development		731,334
Town clerk polling books		60,000
Townwide computer system and radio systems migrations		670,000
Town Hall building renovations		500,000
Town school ESCO project		600,000
Tri town water plant		24,700,000
Water system improvements		3,000,000
Water treatment plant		428,000
Total	$	69,878,868

Changes in Long-term Liabilities

During the year ended June 30, 2019, the following changes occurred in long-term liabilities:

	Beginning Balance	Bonds Issued	Bonds Redeemed	Other Increases	Other Decreases	Ending Balance	Due Within One Year
Governmental Activities:							
Long-term bonds payable	$ 46,520,600	$ 29,033,500	$ (3,736,000)	$ -	$ -	$ 71,818,100	$ 4,636,500
Add: Unamortized premium on bonds	1,915,483	3,282,947	(216,657)	-	-	4,981,773	514,474
Total bonds payable	48,436,083	32,316,447	(3,952,657)	-	-	76,799,873	5,150,974
Compensated absences	5,350,789	-	-	2,622,540	(2,595,081)	5,378,248	2,659,571
Workers' compensation	129,284	-	-	69,857	(83,645)	115,496	11,550
Net pension liability	70,020,777	-	-	30,971,378	(12,013,608)	88,978,547	-
Net other postemployment benefits	102,183,479	-	-	3,230,150	(5,239,986)	100,173,643	-
Total governmental activity long-term liabilities	$ 226,120,412	$ 32,316,447	$ (3,952,657)	$ 36,893,925	$ (19,932,320)	$ 271,445,807	$ 7,822,095
Business-Type Activities:							
Long-term bonds payable	$ 97,409,489	$ 3,551,050	$ (8,177,948)	$ -	$ -	$ 92,782,591	$ 10,068,591
Add: Unamortized premium on bonds	14,557,578	419,978	(1,722,827)	-	-	13,254,729	274,398
Total bonds payable	111,967,067	3,971,028	(9,900,775)	-	-	106,037,320	10,342,989
Capital lease obligations	289,882	-	-	117,918	(139,073)	268,727	147,912
Compensated absences	757,137	-	-	669,777	(528,656)	898,258	660,420
Workers' compensation	167,475	-	-	67,060	(108,355)	126,180	12,618
Net pension liability	28,484,242	-	-	1,038,078	(514,964)	29,007,356	-
Net other postemployment benefits	7,846,339	-	-	1,289,237	(1,164,396)	7,971,180	-
Total business-type activity long-term liabilities	$ 149,512,142	$ 3,971,028	$ (9,900,775)	$ 3,182,070	$ (2,455,444)	$ 144,309,021	$ 11,163,939

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

NOTE 9 – GOVERNMENTAL FUND BALANCE CLASSIFICATIONS

The Town adopted GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, as part of the 2012 reporting. The intention of the GASB is to provide a more structured classification of fund balance and to improve the usefulness of fund balance reporting to the users of the Town's financial statements. The reporting standard establishes a hierarchy for fund balance classifications and the constraints imposed on the uses of those resources.

GASB 54 provides for two major types of fund balances, which are nonspendable and spendable. Nonspendable fund balances are balances that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories, and principal (corpus) of an endowment fund. The Town has reported principal portions of endowment funds as nonspendable.

In addition to the nonspendable fund balance, GASB 54 has provided a hierarchy of spendable fund balances, based on a hierarchy of spending constraints.

- Restricted: fund balances that are constrained by external parties, constitutional provisions, or enabling legislation.
- Committed: fund balances that contain self-imposed constraints of the government from its highest level of decision-making authority. The Town's highest level of decision making is made by Town Council.

- Assigned: fund balances that contain self-imposed constraints of the government to be used for a particular purpose.

- Unassigned: fund balance of the general fund that is not constrained for any particular purpose.

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

	General	Town Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
Fund Balances:				
Nonspendable:				
Permanent fund principal	$ -	$ -	$ 2,564,529	$ 2,564,529
Restricted for:				
Town capital projects	-	17,658,952	-	17,658,952
Town special revenue funds	-	-	6,488,372	6,488,372
School lunch	-	-	596,276	596,276
School revolving funds	-	-	2,213,901	2,213,901
Community preservation fund	-	-	7,625,577	7,625,577
Expendable trust funds	-	-	7,345,922	7,345,922
Committed to:				
Articles and continuing appropriations:				
General government	275,665	-	-	275,665
Public safety	834,393	-	-	834,393
Education	363,032	-	-	363,032
Public works	656,016	-	-	656,016
Health and human services	67,146	-	-	67,146
Culture and recreation	75,177	-	-	75,177
Assigned to:				
Encumbrances:				
General government	415,466	-	-	415,466
Public safety	172,878	-	-	172,878
Education	179,384	-	-	179,384
Public works	253,695	-	-	253,695
Culture and recreation	243	-	-	243
Unassigned	15,574,883	(1,169,494)	-	14,405,389
Total Fund Balances	$ 18,867,978	$ 16,489,458	$ 26,834,577	$ 62,192,013

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

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

In accordance with Statement No. 54, the stabilization funds have been reported in the general fund. At June 30, 2019, the balances of the general, capital stabilization and school building stabilization funds were $148,788, $334,194, and $2,007,131, respectively. These amounts are included in the unassigned fund balance.

NOTE 10 – RISK FINANCING

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

The Town is self-insured for its health and workers' compensation insurance activities. Health insurance activities are accounted for in the internal service fund where revenues are recorded when earned and expenses are recorded when the liability is incurred. Workers' compensation claims are administered by a third-party administrator and are funded on a pay-as-you-go basis from annual appropriations.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). The result of the process to estimate the claims liability is not an exact amount as it depends on many factors. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claims settlement trends, and other economic and social factors.

(a) Health Insurance

The estimate of IBNR claims is based on management's best estimate of claims history. The Town purchases specific stop loss insurance for claims in excess of $100,000 per claim. At June 30, 2019, the amount of the liability for health insurance claims totaled $1,012,000 which is the best estimate based on available information. Changes in the reported liability since July 1, 2017, are as follows:

	Balance at Beginning of Year	Current Year Claims and Changes in Estimate	Claims Payments	Balance at Year-End Currently Due
2018……	$ 1,145,000	$ 14,867,168	$ (15,047,168)	$ 965,000
2019……	965,000	18,232,357	(18,185,357)	1,012,000

(b) Workers' Compensation

The estimated workers' compensation liability is based on claims history, frequency and injury type. The Town purchases specific reinsurance with attachment points from $450,000 to $500,000 per claim and aggregate reinsurance with an attachment point of $1,742,669 in 2019. At June 30, 2019, the amount of the liability for workers' compensation claims totaled $241,676, of which $24,168 is current. Changes in the reported liability since July 1, 2017, are as follows:

	Balance at Beginning of Year	Current Year Claims and Changes in Estimate	Claims Payments	Balance at Year-End
2018…….	$ 273,658	$ 331,405	$ (308,304)	$ 296,759
2019…….	296,759	243,721	(298,804)	241,676

The BELD participates in the Massachusetts Municipal Self Insurance Trust (the Trust) with 17 other municipal light departments for the purpose of sharing excess liability and directors' and officers' liability risks. Through the

Trust, BELD is commercially insured for $500,000 per occurrence, with a $50,000 deductible that would be paid by the BELD. Environmental insurance coverage provides for $1,500,000 per occurrence, with a $100,000 deductible that would be paid by the BELD. Each of the participating light departments contributes to the Trust based on its share of the group's total kilowatt-hour sales. Payments for claims under the deductible limit are funded by trust assets or, if required, additional contributions from the participants. The BELD considers its share of potential losses to be immaterial to its financial statements as of December 31, 2018.

NOTE 11 – PENSION PLAN

Plan Descriptions

The Town is a member of the Braintree Contributory Retirement System (BCRS), a cost-sharing multiple-employer defined benefit pension plan covering eligible employees of the 2 member units. The System is administered by five board members (Board) on behalf of all current employees and retirees except for current teachers and retired teachers. Chapter 32 of the MGL assigns authority to establish and amend benefit provisions of the plan. The System is a component unit and is reported as a pension trust fund within the fiduciary fund financial statements. The System issues a publicly available financial report in accordance with guidelines established by the Commonwealth of Massachusetts' (Commonwealth) Public Employee Retirement Administration Commission (PERAC). That report may be obtained by contacting the System located at 74 Pond Street, 2nd Floor, Braintree, Massachusetts 02184.

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

Special Funding Situation

The Commonwealth is a nonemployer contributor and is required by statute to make 100% of all actuarially determined employer contributions on behalf of the Town to the MTRS. Therefore, the Town is considered to be in a special funding situation as defined by GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and the Commonwealth is a nonemployer contributor in MTRS. Since the Town does not contribute directly to MTRS, there is no net pension liability to recognize. The total of the Commonwealth provided contributions have been allocated based on each employer's covered payroll to the total covered payroll of employers in MTRS as of the measurement date of June 30, 2018. The Town's portion of the collective pension expense, contributed by the Commonwealth, of $15,234,260 is reported in the general fund as intergovernmental revenue and pension benefits in the current fiscal year. The portion of the Commonwealth's collective net pension liability associated with the Town is $150,334,844 as of the measurement date.

Benefits Provided

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

preceding retirement. Benefit payments are based upon a member's age, length of creditable service, level of compensation, and group classification. Members become vested after ten years of creditable service.

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

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

There were no changes of benefit terms that affected the total pension liability at December 31, 2018.

At December 31, 2018, the BCRS membership consists of the following:

Active members	870
Inactive members entitled to but not yet receiving benefits	124
Inactive members or beneficiaries currently receiving benefits	512
Total	1,506

Contributions

Chapter 32 of the MGL governs the contributions of plan members and member units. Active plan members are required to contribute at rates ranging from 5% to 9% of gross regular compensation with an additional 2% contribution required for compensation exceeding $30,000. The percentage rate is keyed to the date upon which an employee's membership commences. The member units are required to pay into the BCRS a legislatively mandated actuarial determined contribution that is apportioned among the employers based on active current payroll. The total member units' contribution for the year ended December 31, 2018, was $10,691,027, 22.39% of covered payroll, actuarially determined as an amount that, when combined with plan member contributions, is expected to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. The Town's, excluding BELD, proportionate share of the required contribution was $8,189,611 which equaled its actual contribution.

Pension Liabilities

The components of the net pension liability of the participating member units at December 31, 2018, were as follows:

Total pension liability	$ 317,158,998
Total pension plan's fiduciary net position	(192,715,084)
Total net pension liability	$ 124,443,914
The pension plan's fiduciary net position as a percentage of the total pension liability	60.76%

The Town and the BELD, reported liabilities of $95,327,348 and $22,658,555, respectively, for their proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2018. Accordingly, update procedures were used to roll forward the total pension liability to the measurement date. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating members. At December 31, 2018, the Town's proportion was 76.60%, which increased by 0.79% from its proportion measured at December 31, 2017. At December 31, 2017, the BELD's proportion was 22.06%, which decreased by 0.80% from its proportion measured at December 31, 2016.

Pension Expense

For the year ended June 30, 2019, the Town recognized a net pension expense of $14,850,733. At June 30, 2019, Town reported deferred outflows of resources related to pensions of $22,349,907, and deferred inflows of resources related to pensions of $2,729,228.

The balances of deferred outflows and inflows at June 30, 2019 and December 31, 2018, consist of the following:

Deferred Category	Deferred Outflows of Resources	Deferred Inflows of Resources	Total
Differences between expected and actual experience	$ 592,060	$ (2,336,720)	$ (1,744,660)
Difference between projected and actual earnings, net	10,495,707	-	10,495,707
Changes in assumptions	7,923,463	-	7,923,463
Changes in proportion and proportionate share of contributions	828,255	(392,508)	435,747
Contributions made subsequent to the measurement date	2,510,422	-	2,510,422
Total deferred outflows/(inflows) of resources	$ 22,349,907	$ (2,729,228)	$ 19,620,679

Deferred outflows of resources related to pension resulting from contributions subsequent to the measurement date will be recognized in pension expense in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year ended:	Town June 30	BELD December 31
2019	$ -	$ 301,701
2020	6,226,796	301,701
2021	3,112,045	348,074
2022	2,302,277	398,067
2023	4,096,172	-
2024	23,424	-
Subtotal amortized deferred outflows/(inflows) of resources	15,760,714	1,349,543
Contributions made subsequent to the measurement date	-	2,510,422
Total deferred outflows/(inflows) of resources	$ 15,760,714	$ 3,859,965

Actuarial Assumptions

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

Valuation date……	1/1/2018
Actuarial cost method……	Entry Age Normal.
Amortization method - UAAL……	Increasing dollar amount at 4.00% to reduce the Unfunded Actuarial Accrued Liability to zero on or before June 30, 2033. The annual increase in appropriations is further limited to 8.00% per year.
Amortization method - 2002, 2003, & 2010 ERI Actuarial Liability……	Level dollar amount to reduce the 2002, 2003 and 2010 ERI Actuarial Accrued Liability to zero on or before June 30, 2019, June 30, 2020, and June 30, 2022, respectively.
Asset valuation method……	The Actuarial Value of Assets is the market value of assets as of the valuation date reduced by the sum of: a) 75% of gains and losses of the prior year, b) 50% of gains and losses of the second prior year and c) 25% of gains and losses of the third prior year. Investment gains and losses are determined by the excess or deficiency of the expected return over the actual return on the market value. The actuarial valuation of assets is further constrained to be not less than 90% or more than 110% of market value.
Investment rate of return……	7.65%, net of pension plan investment expense, including inflation.
Discount rate……	7.65% per year.
Inflation rate……	3.00% per year.
Projected salary increases……	Group 1 and 2: 6.00% to 4.25% based on service. Group 4: 7.00% to 4.75% based on service.
Payroll growth……	4.00% per year
Cost of living adjustments……	3.00% of the first $12,000 of annual retirement allowance.
Mortality rates……	RP-2000 Mortality Table (base year 2009) with full generational mortality improvement using Scale BB. For disabled members, RP-2000 Mortality Table (base year 2012) with full generational mortality improvement using Scale BB.

Investment Policy

The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the Board. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the pension plan.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2018, are summarized in the following table:

Asset Class	Long-Term Expected Asset Allocation	Long-Term Expected Real Rate of Return
Domestic equitiy……	32.00%	5.94%
International equity……	17.00%	6.88%
Domestic fixed income……	18.00%	3.86%
Hedge funds……	5.00%	6.21%
Private equity……	8.00%	10.11%
Real estate……	10.00%	4.80%
Alternative investments……	7.00%	8.41%
Other……	3.00%	6.25%
Total……	100.00%	

Rate of Return

For the year ended December 31, 2018, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was -4.75%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Discount Rate

The discount rate used to measure the total pension liability was 7.65%, which decreased from 7.75% the prior year. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and that contributions will be made at rates equal to the actuarially determined contribution rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the net pension liability to changes in the discount rate – The table on the following page presents the net pension liability, calculated using the discount rate of 7.65%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.65%) or 1-percentage-point higher (8.65%) than the current rate.

	1% Decrease (6.65%)	Current Discount (7.65%)	1% Increase (8.65%)
	December 31, 2018 Measurement Date		
The Town's proportionate share of the net pension liability……	$ 121,117,636	$ 95,327,348	$ 73,295,490
BCRS total net pension liability……	$ 158,111,528	$ 124,443,914	$ 95,682,696
	December 31, 2017 Measurement Date		
The Municipal Light Plant's proportionate share of the net pension liability……	$ 30,128,103	$ 22,658,555	$ 16,276,901

Changes of Assumptions – None.

Changes in Plan Provisions – None.

NOTE 12 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

Plan Description – The Town administers a single-employer defined benefit healthcare plan ("the Retiree Health Plan"). The plan provides lifetime healthcare and life insurance for eligible retirees and their spouses through the Town's group health insurance plan, which covers both active and retired members, including teachers. Chapter 32B of the MGL assigns authority to establish and amend benefit provisions of the Plan. Medical and prescription drug benefits are provided to all eligible retirees through a variety of plans offered by Blue Cross Blue Shield of Massachusetts, Harvard Pilgrim Health Care, and Tufts Health Plan. Benefit provisions are negotiated between the Town and the unions representing Town employees and are renegotiated each bargaining period. The Retiree Health Plan does not issue a publicly available financial report.

The Town and all Departments except for the Braintree Electric Light Department (BELD) are included in the actuarial valuation for GASB 74 and 75 for the measurement date of June 30, 2019. The BELD obtains a separate valuation for its measurement date of December 31, 2018 because the BELD's year-end is as of December 31st whereas the rest of the Town reports as of June 30th. The two actuarial valuations are performed by the same actuary using virtually the same assumptions for each measurement date.

Funding Policy – Contributions requirements are also negotiated between the Town and union representatives. The required contribution is based on a pay-as-you-go financing requirement. Retired plan members and beneficiaries currently receiving benefits are required to contribute between 33% and 50% of the cost of benefits provided depending on the plan they choose. The Town is required to contribute the balance of the current premiums and may contribute additional amounts to pre-fund benefits. For 2019, the Town's age-adjusted contribution to the plan totaled $6,769,781. For the year ended June 30, 2019, the Town's average contribution rate was 7.39% of covered-employee payroll.

The Commonwealth of Massachusetts passed special legislation that has allowed the Town and the BELD to establish postemployment benefit trust funds and to enable them to begin pre-funding their OPEB liabilities. The Town and BELD have named the Health Care Security Board of Trustees (HCSBT) as Trustees of the OPEB Funds and as such have authorized the OPEB Trust Funds to be invested entirely in the State Retirement Benefits Trust Fund (SRBT Fund). Massachusetts General Law directs the HSCBT to invest the SRBT Fund in the Pension Reserves Investment Trust (PRIT) Fund. The Trustees have adopted a trust agreement detailing their duties and responsibilities as Trustees. The PRIT Fund is subject to oversight by the Pension Reserves

Investment Management Board (PRIM) Board. A nine-member Board of Trustees governs the PRIM Board. The Board of Trustees has the authority to employ an Executive Director, outside investment managers, custodians, consultants, and others as it deems necessary to formulate policies and procedures and to take such other actions as necessary and appropriate to manage the assets of the PRIT Fund.

For the year ending June 30, 2019, the Town pre-funded future OPEB liabilities totaling $1,436,600 by contributing funds to the Other Postemployment Benefit Fund in excess of the pay-as-you-go required contribution. These funds are reported within the Fiduciary Funds financial statements. As of June 30, 2019, the balance of this fund totaled $9,252,474.

For the year ending December 31, 2018, the BELD pre-funded future OPEB liabilities totaling $520,000 by contributing funds to the Other Postemployment Benefit Fund in excess of the pay-as-you-go required contribution. These funds are reported within the Fiduciary Funds financial statements. As of December 31, 2018, the balance of this fund totaled $4,349,520.

OPEB Employer Financial Reporting for the Town

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

Measurement Date – GASB Statement #75 requires the net OPEB liability to be measured as of a date no earlier than the end of the employer's prior fiscal year and no later than the end of the employer's current fiscal year, consistently applied from period to period. Accordingly, the net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of July 1, 2017.

Employees Covered by Benefit Terms – The following table represents the Plan's membership at June 30, 2019:

Active members	1,203
Inactive employees or beneficiaries currently receiving benefits	844
Total	2,047

Components of the Town's OPEB Liability – The following table represents the components of the Plan's Net OPEB liability as of June 30, 2019:

Total OPEB liability	$ 111,218,540
Less: OPEB plan's fiduciary net position	(9,252,474)
Net OPEB liability	$ 101,966,066
The OPEB plan's fiduciary net position as a percentage of the total OPEB liability	8.32%

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

Valuation date……	July 1, 2017
Actuarial cost method……	Individual Entry Age Normal Cost Method.
Asset valuation method……	Market value of assets as of the reporting date, June 30, 2019.
Inflation……	2.75% per year.
Discount rate……	7.00% per annum (same as previous).
Investment rate of return……	7.04%, net of OPEB plan investment expense, including inflation.
Municipal bond rate……	2.79% as of July 30, 2019 (source: S&P Municipal Bond 20-Year High Grade Index - SAPIHG).
Participation rate……	It was assumed that 80% of employees eligible to receive retirement benefits would enroll in the retiree medical plans upon retirement. For life insurance plans, it was assumed that 80% of eligible employees would elect coverage upon retirement.
Percent married……	It was assumed that 80% of male employees and 70% of female employees who elect retiree healthcare coverage for themselves would also elect coverage for a spouse upon retirement. If provided, the actual census information was used. Otherwise it was assumed that a male spouse is three years older than a female spouse and same sex spouses are assumed to be the same age.
Salary increases……	3.00% per year.
Pre-retirement mortality……	RP-2000 Employee Mortality Table projected generationally with scale BB and a base year 2009 for males and females.
Post-retirement mortality……	RP-2000 Healthy Annuitant Mortality Table projected generationally with scale BB and a base year 2009 for males and females.
Disabled mortality……	RP-2000 Healthy Annuitant Mortality Table projected generationally with scale BB and a base year 2012 for males and females.

Rate of return – For the year ended June 30, 2019, the annual money-weighted rate of return on investments, net of investment expense, was 5.59%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return of by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The Plan's expected future real rate of return of 4.79% is added to the expected inflation of 2.75% to produce the long-term expected nominal rate of return of 7.54%. Best estimates of geometric real rates of return for each major asset class included in the OPEB plan's target asset allocation as of June 30, 2019, are summarized in the following table:

Asset Class	Long-Term Expected Asset Allocation	Long-Term Expected Real Rate of Return
Domestic equity - large cap	14.50%	4.00%
Domestic equity - small/mid cap	3.50%	6.00%
International equity - developed market	16.00%	4.50%
International equity - emerging market	6.00%	7.00%
Domestic fixed income	20.00%	2.00%
International fixed income	3.00%	3.00%
Alternatives	23.00%	6.50%
Real estate	14.00%	6.25%
Total	100.00%	

Discount rate – The discount rate used to measure the total OPEB liability was 7.00% as of June 30, 2019, and June 30, 2018. The projection of cash flows used to determine the discount rate assumed that contributions will be made in accordance with the Plan's funding policy. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be sufficient to make all projected benefit payments to current plan members. Therefore, the long-term expected rate of return on the OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Changes in the Town's (non-BELD) Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at June 30, 2018	$ 105,619,566	$ 7,332,817	$ 98,286,749
Changes for the year:			
Service cost	2,570,164	-	2,570,164
Interest	7,422,116	-	7,422,116
Net investment income	-	483,057	(483,057)
Employer contributions to Trust	-	5,829,906	(5,829,906)
Benefit payments	(4,393,306)	(4,393,306)	-
Net change	5,598,974	1,919,657	3,679,317
Balances at June 30, 2019	$ 111,218,540	$ 9,252,474	$ 101,966,066

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate – The following table presents the net other postemployment benefit liability, calculated using the discount rate of 7.00%, as well as what the net other postemployment benefit liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current discount rate.

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Net OPEB liability	$ 80,124,431	$ 101,966,066	$ 129,181,542

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following table presents the net other postemployment benefit liability, as well as what the net other postemployment benefit liability would be if it were calculated using a healthcare trend rate that is 1-percentage-point lower or 1-percentage-point higher.

	1% Decrease	Current Trend	1% Increase
Net OPEB liability	$ 117,720,461	$ 101,966,066	$ 86,211,671

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB – For the year ended June 30, 2019, the GASB Statement #75 measurement date, the Town recognized OPEB expense of $4,300,011. At June 30, 2019, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Deferred Category	Deferred Outflows of Resources	Deferred Inflows of Resources	Total
Differences between expected and actual experience	$ -	$ (3,427,711)	$ (3,427,711)
Difference between projected and actual earnings, net	-	(181,095)	(181,095)
Changes in assumptions	6,010,619	-	6,010,619
Total deferred outflows/(inflows) of resources	$ 6,010,619	$ (3,608,806)	$ 2,401,813

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:	
2020	$ 703,576
2021	703,576
2022	703,576
2023	291,085
Total	$ 2,401,813

Changes of Assumptions – None.

Changes in Plan Provisions – None.

OPEB Employer Financial Reporting for the Braintree Electric Light Department (BELD)

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

Measurement Date – GASB Statement #75 requires the net OPEB liability to be measured as of a date no earlier than the end of the employer's prior fiscal year and no later than the end of the employer's current fiscal year, consistently applied from period to period. Accordingly, the net OPEB liability for the BELD was measured as of December 31, 2018, and the total OPEB liability for the BELD used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2017.

Employees Covered by Benefit Terms – The following table represents the Plan's membership related to the BELD at December 31, 2018:

Active members	101
Inactive employees or beneficiaries currently receiving benefits	69
Total	170

Components of the BELD's OPEB Liability – The following table represents the components of the Plan's Net OPEB liability related to the BELD as of December 31, 2018:

Total OPEB liability	$ 10,528,277
Less: OPEB plan's fiduciary net position	(4,349,520)
Net OPEB liability	$ 6,178,757
The OPEB plan's fiduciary net position as a percentage of the total OPEB liability	41.31%

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

Valuation date……	July 1, 2017
Actuarial cost method……	Individual Entry Age Normal Cost Method.
Asset valuation method……	Market value of assets as of the reporting date, December 31, 2018.
Inflation……	2.75% per year.
Discount rate……	7.00% per annum (same as previous).
Investment rate of return……	7.04%, net of OPEB plan investment expense, including inflation.
Municipal bond rate……	3.64% as of December 31, 2018 (source: S&P Municipal Bond 20-Year High Grade Index - SAPIHG).
Participation rate……	It was assumed that 80% of employees eligible to receive retirement benefits would enroll in the retiree medical plans upon retirement. For life insurance plans, it was assumed that 80% of eligible employees would elect coverage upon retirement.
Percent married……	It was assumed that 80% of male employees and 70% of female employees who elect retiree healthcare coverage for themselves would also elect coverage for a spouse upon retirement. If provided, the actual census information was used. Otherwise it was assumed that a male spouse is three years older than a female spouse and same sex spouses are assumed to be the same age.
Salary increases……	3.00% per year.
Pre-retirement mortality……	RP-2000 Employee Mortality Table projected generationally with scale BB and a base year 2009 for males and females.
Post-retirement mortality……	RP-2000 Healthy Annuitant Mortality Table projected generationally with scale BB and a base year 2009 for males and females.
Disabled mortality……	RP-2000 Healthy Annuitant Mortality Table projected generationally with scale BB and a base year 2012 for males and females.

Rate of return – For the year ended December 31, 2018, the annual money-weighted rate of return on investments, net of investment expense, was negative 2.79%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return of by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The Plan's expected future real rate of return of 4.79% is added to the expected inflation of 2.75% to produce the long-term expected nominal rate of return of 7.54%. Best estimates of geometric real rates of return for each major asset class included in the OPEB plan's target asset allocation as of December 31, 2018, are summarized in the following table:

Asset Class	Long-Term Expected Asset Allocation	Long-Term Expected Real Rate of Return
Domestic equity - large cap	14.50%	4.00%
Domestic equity - small/mid cap	3.50%	6.00%
International equity - developed market	16.00%	4.50%
International equity - emerging market	6.00%	7.00%
Domestic fixed income	20.00%	2.00%
International fixed income	3.00%	3.00%
Alternatives	23.00%	6.50%
Real estate	14.00%	6.25%
Total	100.00%	

Discount rate – The discount rate used to measure the total OPEB liability was 7.00% as of December 31, 2018. The projection of cash flows used to determine the discount rate assumed that contributions will be made in accordance with the Plan's funding policy. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be sufficient to make all projected benefit payments to current plan members. Therefore, the long-term expected rate of return on the OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance at December 31, 2017	$ 10,008,351	$ 3,946,240	$ 6,062,111
Changes for the year:			
Service cost	237,068	-	237,068
Interest	702,733	-	702,733
Net investment income	-	(116,720)	116,720
Employer contributions to Trust	-	939,875	(939,875)
Benefit payments	(419,875)	(419,875)	-
Net change	519,926	403,280	116,646
Balance at December 31, 2018	$ 10,528,277	$ 4,349,520	$ 6,178,757

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate – The following table presents the net other postemployment benefit liability, calculated using the discount rate of 7.00%, as well as what the net other postemployment benefit liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current discount rate.

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Net OPEB liability……	$ 7,583,148	$ 6,178,757	$ 4,774,366

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following table presents the net other postemployment benefit liability, as well as what the net other postemployment benefit liability would be if it were calculated using a healthcare trend rate that is 1-percentage-point lower or 1-percentage-point higher.

	1% Decrease	Current Trend	1% Increase
Net OPEB liability……	$ 3,738,532	$ 6,178,757	$ 9,194,117

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB – For the year ended December 31, 2018, the GASB Statement #75 measurement date, the BELD recognized OPEB expense of $726,499. At December 31, 2018, the BELD reported deferred outflows of resources related to OPEB from the following sources:

Deferred Category	Deferred Outflows of Resources
Difference between projected and actual earnings……	$ 330,022

Amounts reported as deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended December 31:	
2019……	$ 82,506
2020……	82,506
2021……	82,506
2022……	82,504
Total……	$ 330,022

Changes of Assumptions – None.

Changes in Plan Provisions – None.

NOTE 13 – FINANCIAL STATEMENTS FOR PENSION AND OTHER POSTEMPLOYMENT BENEFITS TRUST FUNDS

GAAP requires that all Pension and Other Postemployment Trust Funds be combined and presented in one column in the Fiduciary Funds financial statements and that the individual financial statements for each trust fund plan are reported in the notes to the financial statements. Provided below are the individual financial statements for the pension and OPEB plans that are included in the Fiduciary Funds as Pension and Other Postemployment Benefit Trust Funds.

	Pension Trust Fund (as of December 31, 2018)	Town's Other Postemployment Benefit Trust Fund	BELD's Other Postemployment Benefit Trust Fund (as of December 31, 2018)	Total Pension and Other Employee Benefit Trust Funds
ASSETS				
Cash and cash equivalents	$ 375,272	$ -	$ -	$ 375,272
Investments:				
Investments in Pension Reserve Investment Trust	9,466,875	9,252,474	4,349,520	23,068,869
Equity securities	573,121	-	-	573,121
Equity mutual funds	101,057,512	-	-	101,057,512
Fixed income mutual funds	47,358,631	-	-	47,358,631
Pooled alternative investments	33,827,310	-	-	33,827,310
Receivables, net of allowance for uncollectibles:				
Departmental and other	120,940	-	-	120,940
TOTAL ASSETS	192,779,661	9,252,474	4,349,520	206,381,655
LIABILITIES				
Warrants payable	64,577	-	-	64,577
NET POSITION				
Restricted for pensions	192,715,084	-	-	192,715,084
Restricted for other postemployment benefits	-	9,252,474	4,349,520	13,601,994
TOTAL NET POSITION	$ 192,715,084	$ 9,252,474	$ 4,349,520	$ 206,317,078

	Pension Trust Fund (as of December 31, 2018)	Town's Other Postemployment Benefit Trust Fund	BELD's Other Postemployment Benefit Trust Fund (as of December 31, 2018)	Total Pension and Other Employee Benefit Trust Funds
ADDITIONS:				
Contributions:				
Employer contributions	$ 10,691,027	$ 1,436,600	$ 520,000	$ 12,647,627
Employer contributions for other postemployment benefit payments	-	4,393,306	419,875	4,813,181
Member contributions	4,656,331	-	-	4,656,331
Transfers from other systems	487,416	-	-	487,416
3(8)c contributions from other systems	300,207	-	-	300,207
State COLA reimbursements	126,018	-	-	126,018
Member makeup payments and redeposits	113,492	-	-	113,492
Total contributions	16,374,491	5,829,906	939,875	23,144,272
Net investment income:				
Investment income (loss)	4,029,156	483,057	(116,720)	4,395,493
Net change in fair value of investments	(12,576,891)	-	-	(12,576,891)
Less: investment expense	(1,339,538)	-	-	(1,339,538)
Net investment income (loss)	(9,887,273)	483,057	(116,720)	(9,520,936)
TOTAL ADDITIONS	6,487,218	6,312,963	823,155	13,623,336
DEDUCTIONS:				
Administration	290,686	-	-	290,686
Transfers to other systems	211,946	-	-	211,946
3(8)c transfer to other systems	511,127	-	-	511,127
Retirement benefits and refunds	16,567,488	-	-	16,567,488
Other postemployment benefit payments	-	4,393,306	419,875	4,813,181
TOTAL DEDUCTIONS	17,581,247	4,393,306	419,875	22,394,428
NET INCREASE IN NET POSITION	(11,094,029)	1,919,657	403,280	(8,771,092)
NET POSITION AT BEGINNING OF YEAR, AS RESTATED	203,809,113	7,332,817	3,946,240	215,088,170
NET POSITION AT END OF YEAR	$ 192,715,084	$ 9,252,474	$ 4,349,520	$ 206,317,078

NOTE 14 – COMMITMENTS

Under the terms of an Administrative Consent Order (ACO) from the Commonwealth's Department of Environmental Protection, the Town is obligated to make various repairs and improvements to its sewer and drainage system. Accordingly, the Town has expended over $18.8 million on improvements to the system over the last 17 years to comply with the ACO.

The Town has entered into contracts totaling approximately $35.9 million for various school, water, public works, and public safety building projects. The Town has authorized water system, school planning, and public works renovations of approximately $34.0 million. The Town also plans to authorize and contract for an additional $92.3 million for a new South Middle School, building repairs, roadway repairs, and water distribution system projects. The South Middle School project of $86,585,919 has an MSBA reimbursement rate of 53.96% of eligible costs or $30,997,288 which will reduce the $92.3 million of contracted debt to be issued.

Seabrook Project

BELD has entered into a power sales agreement, as a participant in Nuclear Project No. 5, with Massachusetts Municipal Wholesale Electric Company (MMWEC) for a share of the power supply capability of Seabrook Unit 1. BELD effectively participates in a 0.6% (7 MW) share of Seabrook Unit 1. Under the terms of the power sales agreement, BELD is obligated to pay for its share of MMWEC's actual operating and capital costs, including decommissioning, interest and financing costs related to this generating unit. Seabrook Unit 1 began commercial operations in 1990 and its operating license expires in 2030. BELD's obligations to pay are not contingent on the future operation of the unit. The Seabrook bonds were paid off in full in June 2018 by MMWEC. BELD will continue to pay for Seabrook capacity and energy on a monthly basis.

Long-term Power Purchase Commitments

BELD's total capacity, O&M and debt costs related to its long-term power purchase commitments as of year-end 2018 are approximately as follows:

Seabrook 1 Nuclear Unit	$	2,000,000
NYPA		1,000,000
Hydro Quebec Phase II		450,000
	$	3,450,000

The contract entitlements decrease and expire as follows:

2019	$	1,200,000
2020		600,000
2021		500,000
2022-2025		1,150,000
Total	$	3,450,000

NOTE 15 – CONTINGENCIES

The Town participates in a number of federal award programs. Although the grant programs have been audited in accordance with the provisions of the Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,* these programs are still subject to financial and compliance audits. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although it is expected such amounts, if any, to be immaterial.

The BELD is subject, like other electric utilities, to evolving standards administered by federal, state and local authorities relating to the quality of the environment. These standards affect the sighting of electric property, ambient air and water quality, plant safety and other environmental factors. These standards have had an impact on the BELD's operations in the past and they will continue to have an impact on future operations, capital costs and construction schedules.

Various legal actions and claims are pending. Litigation is subject to many uncertainties, and the outcome of individual litigated matters is not always predictable. Although the amount of liability, if any, at June 30, 2019, cannot be ascertained, management believes any resulting liability should not materially affect the financial statements at June 30, 2019.

NOTE 16 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 19, 2019, which is the date the financial statements were available to be issued.

NOTE 17 – REVISION AND RESTATEMENT OF NET POSITION PREVIOUSLY REPORTED

Beginning net position of the electric light enterprise within the business-type activities has been revised to reflect the implementation of GASB Statement #75. Beginning net position of the governmental activities, the water and sewer and golf enterprise funds within the business-type activities, and the OPEB Trust Fund within the Pension and Other Employee Benefit Trust Funds have been restated as management has determined that it would be preferable to use the respective year end measurement dates for GASB Statement #75 to coincide with similar information reported for GASB Statement #74. Accordingly, the beginning net position was updated to bring the measurement dates from June 30, 2017 to June 30, 2018 and December 31, 2016 to December 31, 2017. The cumulative effect of the revision and the restatement is as follows:

	Previously Reported Balances	Revised for implementation of GASB #75	Restated for update of OPEB measurement date	Revised/ Restated Balances
Government-Wide Financial Statements				
Governmental activities	$ (31,898,523)	$ -	$ (10,148,395)	$ (42,046,918)
Business-type activities	96,622,416	(72,618)	57,570	96,607,368
Total	$ 64,723,893	$ (72,618)	$ (10,090,825)	$ 54,560,450
Business-type Activities - Enterpise Funds				
Water and sewer	$ 38,788,581	$ -	$ 49,422	$ 38,838,003
Golf course	(1,319,863)	-	8,148	(1,311,715)
Electric light	59,153,698	(72,618)	-	59,081,080
Total	$ 96,622,416	$ (72,618)	$ 57,570	$ 96,607,368
Fiduciary Funds - Pension and Other Employee Benefit Trust Funds				
OPEB Trust Fund	$ 11,598,563	$ -	$ (319,506)	$ 11,279,057

NOTE 18 – IMPLEMENTATION OF NEW GASB PRONOUNCEMENTS

During 2019, the following GASB pronouncements were implemented:

- GASB Statement #83, *Certain Asset Retirement Obligations*. This pronouncement did not impact the basic financial statements.
- GASB Statement #88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. This pronouncement did not impact the basic financial statements.

The following GASB pronouncements will be implemented in the future:

- The GASB issued Statement #84, *Fiduciary Activities,* which is required to be implemented in 2020.
- The GASB issued Statement #87, *Leases*, which is required to be implemented in 2021.

- The GASB issued Statement #89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, which is required to be implemented in 2021.

- The GASB issued Statement #90, *Majority Equity Interests – an amendment of GASB Statements #14 and #61*, which is required to be implemented in 2020.

- The GASB issued Statement #91, *Conduit Debt Obligations*, which is required to be implemented in 2022.

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

Required Supplementary Information

General Fund Budgetary Comparison Schedule

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

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

YEAR ENDED JUNE 30, 2019

	Budgeted Amounts				
	Original Budget	Final Budget	Actual Budgetary Amounts	Amounts Carried Forward To Next Year	Variance to Final Budget
REVENUES:					
Real estate and personal property taxes, net of tax refunds	$ 89,935,317	$ 90,021,155	$ 90,136,812	$ -	$ 115,657
Tax liens	-	-	549,557	-	549,557
Motor vehicle and other excise taxes	6,613,000	6,613,000	6,675,091	-	62,091
Hotel/motel tax	1,585,000	1,585,000	1,728,984	-	143,984
Meals tax	1,208,000	1,208,000	1,249,555	-	41,555
Penalties and interest on taxes	318,000	318,000	298,708	-	(19,292)
Payments in lieu of taxes	2,572,000	2,572,000	2,327,684	-	(244,316)
Intergovernmental - state aid	24,141,314	24,141,314	24,286,156	-	144,842
Intergovernmental - other	1,511,000	1,511,000	560,206	-	(950,794)
Departmental and other	6,538,000	6,538,000	6,535,944	-	(2,056)
Investment income	1,200,000	1,200,000	1,078,632	-	(121,368)
TOTAL REVENUES	135,621,631	135,707,469	135,427,329	-	(280,140)
EXPENDITURES:					
Current:					
General Government:					
Town Council					
Administration	205,537	208,463	188,615	-	19,848
Reserve Fund	40,000	40,000	-	-	40,000
Internal Audit	126,196	126,196	78,235	47,644	317
Articles	29,817	29,817	-	29,817	-
Total	401,550	404,476	266,850	77,461	60,165
Mayor's Office					
Administration	557,907	579,890	572,496	-	7,394
Fair Housing	-	-	-	-	-
Substance Use Prevention	91,787	91,787	80,167	2,000	9,620
Articles	85,789	85,789	(6,084)	91,873	-
Total	735,483	757,466	646,579	93,873	17,014
Finance Department					
Administration	183,110	181,710	165,415	15,775	520
Accounting	278,033	276,338	254,783	467	21,088
Assessing	292,104	295,704	281,823	-	13,881
Information Technology	483,448	483,448	455,030	28,197	221
General Insurances	612,558	612,558	532,312	10,958	69,288
Treasurer/Collector	1,891,849	1,891,849	1,859,967	1,269	30,613
Bond Principal	3,374,200	3,346,000	3,346,000	-	-
Bond Interest	961,257	992,236	992,236	-	-
Leases	56,640	56,640	56,640	-	-
Capital School Building Authority	1,090,000	1,090,000	1,090,000	-	-
Capital Project	9,731	9,731	-	9,731	-
Articles	175,101	175,101	104,893	70,208	-
Total	9,408,031	9,411,315	9,139,099	136,605	135,611
Law Department					
Administration	341,019	341,019	270,564	41,409	29,046
Licensing Board	34,705	3,965	2,796	-	1,169
Total	375,724	344,984	273,360	41,409	30,215
Human Resources					
Administration	505,006	753,146	727,164	-	25,982
Employee Benefits	20,395,548	19,886,175	19,284,570	125,547	476,058
Veterans Benefits	397,203	397,203	367,661	-	29,542
Celebrations	7,000	7,000	6,994	-	6
Total	21,304,757	21,043,524	20,386,389	125,547	531,588
Town Clerk					
Administration	135,405	138,573	123,754	938	13,881
Elections	65,655	65,655	53,452	-	12,203
Registration	183,209	195,477	189,961	780	4,736
Articles	2,632	2,632	-	2,632	-
Total	386,901	402,337	367,167	4,350	30,820

(Continued)

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

YEAR ENDED JUNE 30, 2019

	Budgeted Amounts				
	Original Budget	Final Budget	Actual Budgetary Amounts	Amounts Carried Forward To Next Year	Variance to Final Budget
Planning and Community Development					
Administration	294,840	294,840	287,106	2,304	5,430
Planning	80,615	80,615	75,387	3,021	2,207
Conservation	128,813	134,813	97,536	28,411	8,866
Zoning Board of Appeals	85,066	85,066	70,857	-	14,209
Economic Development	198,079	198,079	71,720	106,746	19,613
Historical Commission	6,030	6,030	746	-	5,284
Capital Projects	196,312	196,313	124,909	71,404	-
Total	989,755	995,756	728,261	211,886	55,609
Total General Government	33,602,201	33,359,858	31,807,705	691,131	861,022
Public Safety:					
Police					
Administration	1,110,796	1,177,934	1,085,958	62,379	29,597
Building Maintenance	150,637	150,436	122,823	19,142	8,471
Equipment Maintenance	264,535	263,911	263,330	-	581
Patrol Bureau	6,315,073	7,180,291	7,057,359	11,739	111,193
Communications	516,778	575,778	541,932	-	33,846
Detective Bureau	999,632	1,165,632	1,156,397	605	8,630
Traffic Bureau	85,887	91,987	91,912	-	75
Special Services/Community Policing	804,976	890,571	887,152	-	3,419
Harbormaster	9,700	9,700	8,278	92	1,330
Animal Control	80,248	85,248	79,114	234	5,900
Capital Projects	242,580	659,283	283,125	376,158	-
Total	10,580,842	12,250,771	11,577,380	470,349	203,042
Fire					
Administration	298,757	298,757	274,494	16,087	8,176
Building Maintenance	143,914	151,214	149,190	1,630	394
Equipment Maintenance	166,223	172,597	170,960	1,468	169
Fire Suppression	7,560,112	8,170,989	8,124,929	-	46,060
Fire Alarm Repair	160,790	160,790	152,843	-	7,947
Fire Hazmat	121,981	121,981	118,756	-	3,225
Fire Prevention	123,560	123,560	121,881	-	1,679
Training	130,530	130,530	110,839	-	19,691
Fire Boat	35,000	35,000	7,954	-	27,046
Capital Projects	237,995	390,744	31,449	359,295	-
Total	8,978,862	9,756,162	9,263,295	378,480	114,387
Municipal Licenses and Inspection					
Administration	266,913	266,913	262,533	375	4,005
Equipment Maintenance	2,000	2,000	1,171	-	829
Commission on Disabilities	1,025	1,025	636	-	389
Inspections/Code Enforcement	522,770	540,130	434,988	59,127	46,015
Health	231,895	231,895	230,043	-	1,852
Articles	23,940	98,940	-	98,940	-
Total	1,048,543	1,140,903	929,371	158,442	53,090
Total Public Safety	20,608,247	23,147,836	21,770,046	1,007,271	370,519
Education:					
Education	66,802,084	67,685,759	67,506,375	179,384	-
Regional School District	2,779,024	2,779,024	2,771,756	-	7,268
Capital Projects	575,573	575,573	212,541	363,032	-
Total Education	70,156,681	71,040,356	70,490,672	542,416	7,268

(Continued)

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

YEAR ENDED JUNE 30, 2019

	Budgeted Amounts				
	Original Budget	Final Budget	Actual Budgetary Amounts	Amounts Carried Forward To Next Year	Variance to Final Budget
Public Works:					
Public Works					
Administration	391,970	391,970	342,198	-	49,772
Building Maintenance	1,187,961	1,538,109	1,421,259	115,488	1,362
Equipment Maintenance	255,328	255,180	255,180	-	-
Engineering	193,363	193,363	190,333	3,030	-
Construction Administration	363,862	363,862	339,778	-	24,084
Highway	1,591,889	1,697,459	1,608,404	83,680	5,375
Drains	115,570	10,000	10,000	-	-
Sidewalks	29,400	29,400	29,400	-	-
Street Lighting	430,000	430,000	415,200	-	14,800
Traffic	126,079	126,079	123,861	1,575	643
Snow and Ice	500,000	824,577	824,577	-	-
Environmental Affairs and Waste Collection	2,414,836	2,464,750	2,433,081	30,055	1,614
Cemetery	140,965	140,965	130,373	-	10,592
Maintenance Town Hall	116,469	116,469	114,382	-	2,087
Recreation and Community Events	238,286	238,286	217,972	4,622	15,692
Grounds Maintenance	539,676	539,676	449,509	15,245	74,922
Summer Programs	209,095	209,095	209,095	-	-
Brawey Recreation	108,767	108,767	108,767	-	-
Articles	440,544	795,819	139,803	656,016	-
Total Public Works	9,394,060	10,473,826	9,363,172	909,711	200,943
Human Services:					
Council on Aging					
Administration	231,717	231,717	227,238	-	4,479
Equipment Maintenance	65,116	65,116	61,196	-	3,920
Building Maintenance	25,778	25,778	23,556	-	2,222
Articles	45,146	67,146	-	67,146	-
Total Human Services	367,757	389,757	311,990	67,146	10,621
Culture and Recreation:					
Library					
Administration	236,462	236,462	225,963	-	10,499
Building Maintenance	130,934	130,934	121,937	-	8,997
Equipment Maintenance	900	900	458	-	442
Technology	55,000	55,000	52,293	-	2,707
Current Topics and Titles	976,981	976,981	911,161	-	65,820
Lifelong Learning	141,853	141,853	139,916	-	1,937
Community Commons	15,650	15,650	11,823	243	3,584
Articles	68,894	98,893	23,716	75,177	-
Total Culture and Recreation	1,626,674	1,656,673	1,487,267	75,420	93,986
State and County Assessments	4,009,186	4,113,515	4,113,515	-	-
TOTAL EXPENDITURES	139,764,806	144,181,821	139,344,367	3,293,095	1,544,359
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(4,143,175)	(8,474,352)	(3,917,038)	(3,293,095)	1,264,219
OTHER FINANCING SOURCES (USES):					
Premium from issuance of bonds	-	-	3,352	-	3,352
Transfers in	819,895	1,906,036	2,758,850	-	852,814
Transfers out	(950,000)	(1,886,091)	(1,886,091)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(130,105)	19,945	876,111	-	856,166
NET CHANGE IN FUND BALANCE	(4,273,280)	(8,454,407)	(3,040,927)	(3,293,095)	2,120,385
BUDGETARY FUND BALANCE, Beginning of year	20,445,896	20,445,896	20,445,896	-	-
BUDGETARY FUND BALANCE, End of year	$ 16,172,616	$ 11,991,489	$ 17,404,969	$ (3,293,095)	$ 2,120,385

(Concluded)

See notes to required supplementary information.

Pension Plan Schedules – Retirement System

The Pension Plan's Schedule of Changes in the Net Pension Liability presents multi-year trend information on the net pension liability and related ratios.

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

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

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

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY
AND RELATED RATIOS
BRAINTREE CONTRIBUTORY RETIREMENT SYSTEM

	December 31, 2014	December 31, 2015	December 31, 2016	December 31, 2017	December 31, 2018
Total pension liability:					
Service cost	$ 6,023,441	$ 6,023,441	$ 7,011,992	$ 7,317,237	$ 7,670,520
Interest	18,204,152	19,380,005	21,147,039	22,115,653	23,130,160
Changes in benefit terms	-	-	-	-	-
Differences between expected and actual experience	-	1,815,050	-	(3,576,168)	-
Changes in assumptions	-	9,995,718	-	7,136,232	-
Benefit payments	(15,009,048)	(15,148,464)	(15,656,177)	(16,251,114)	(16,567,488)
Interest on benefit payments	-	-	-	-	-
Net change in total pension liability	9,218,545	22,065,750	12,502,854	16,741,840	14,233,192
Total pension liability - beginning	242,396,817	251,615,362	273,681,112	286,183,966	302,925,806
Total pension liability - ending (a)	$ 251,615,362	$ 273,681,112	$ 286,183,966	$ 302,925,806	$ 317,158,998
Plan fiduciary net position:					
Employer contributions	$ 8,455,791	$ 8,771,129	$ 9,165,831	$ 9,899,098	$ 10,691,027
Member contributions	4,658,478	3,889,183	4,043,379	4,482,120	4,656,331
Net investment income (loss)	9,407,198	(2,891,404)	14,033,058	27,290,344	(9,887,273)
Administrative expenses	(267,893)	(266,847)	(314,174)	(287,298)	(290,686)
Retirement benefits and refunds	(15,009,048)	(15,148,464)	(15,656,177)	(16,251,114)	(16,567,488)
Other receipts	-	54,614	124,202	45,984	304,060
Net increase (decrease) in fiduciary net position	7,244,526	(5,591,789)	11,396,119	25,179,134	(11,094,029)
Fiduciary net position - beginning of year	165,581,123	172,825,649	167,233,860	178,629,979	203,809,113
Fiduciary net position - end of year (b)	$ 172,825,649	$ 167,233,860	$ 178,629,979	$ 203,809,113	$ 192,715,084
Net pension liability - ending (a)-(b)	$ 78,789,713	$ 106,447,252	$ 107,553,987	$ 99,116,693	$ 124,443,914
Plan fiduciary net position as a percentage of the total pension liability	68.69%	61.11%	62.42%	67.28%	60.76%
Covered payroll	$ 38,444,353	$ 39,982,127	$ 47,022,635	$ 44,507,860	$ 47,744,449
Net pension liability as a percentage of covered payroll	204.94%	266.24%	228.73%	222.69%	260.65%

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

See notes to required supplementary information.

SCHEDULE OF CONTRIBUTIONS

BRAINTREE CONTRIBUTORY RETIREMENT SYSTEM

Year	Actuarially determined contribution	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
December 31, 2018……	$ 10,691,027	$ (10,691,027)	$ -	$ 47,744,449	22.39%
December 31, 2017……	9,899,098	(9,899,098)	-	44,507,860	22.24%
December 31, 2016……	9,165,831	(9,165,831)	-	47,022,635	19.49%
December 31, 2015……	8,771,129	(8,771,129)	-	39,982,127	21.94%
December 31, 2014……	8,455,791	(8,455,791)	-	38,444,353	21.99%

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

See notes to required supplementary information.

SCHEDULE OF INVESTMENT RETURNS
BRAINTREE CONTRIBUTORY RETIREMENT SYSTEM

Year	Annual money-weighted rate of return, net of investment expense
December 31, 2018	-4.75%
December 31, 2017	15.45%
December 31, 2016	8.49%
December 31, 2015	-1.70%
December 31, 2014	5.73%

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

See notes to required supplementary information.

Pension Plan Schedules – Town & Electric Light Department

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

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

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

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

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

SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
BRAINTREE CONTRIBUTORY RETIREMENT SYSTEM

Year	Proportion of the net pension liability (asset)	Proportionate share of the net pension liability (asset)	Covered payroll	Net pension liability as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
June 30, 2019……	76.60%	$ 95,327,348	$ 36,573,518	260.65%	60.76%
June 30, 2018……	75.81%	75,137,651	35,646,572	210.79%	67.28%
June 30, 2017……	76.94%	82,751,470	36,176,897	228.74%	62.42%
June 30, 2016……	76.75%	72,633,217	30,706,775	236.54%	61.11%
June 30, 2015……	75.87%	59,777,226	29,167,473	204.94%	68.69%

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

See notes to required supplementary information.

SCHEDULE OF THE ELECTRIC LIGHT DEPARTMENT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
BRAINTREE CONTRIBUTORY RETIREMENT SYSTEM

Year ending	Proportion of the net pension liability (asset)	Proportionate share of the net pension liability (asset)	Covered payroll	Net pension liability as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
December 31, 2018……	23.17%	$ 22,658,555	$ 10,749,374	210.79%	67.28%
December 31, 2017……	22.02%	23,367,368	10,215,635	228.74%	62.42%
December 31, 2016……	22.70%	23,312,268	9,902,018	235.43%	61.11%
December 31, 2015……	21.90%	17,885,794	8,727,126	204.94%	68.69%

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

The Electric Light Enterprise Fund year end is December 31st, while the Town is June 30th.
The Electric Light Enterprise Fund's initial implementation of GASB 68 was for the year ended December 31, 2015 and used the measurement date of December 31, 2014.

See notes to required supplementary information.

SCHEDULE OF THE TOWN'S CONTRIBUTIONS
BRAINTREE CONTRIBUTORY RETIREMENT SYSTEM

Year ending	Actuarially determined contribution	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
Town of Braintree (1):					
June 30, 2019……	$ 8,189,611	$ (8,189,611)	$ -	$ 36,573,518	22.39%
June 30, 2018……	7,561,879	(7,561,879)	-	36,359,503	20.80%
June 30, 2017……	6,957,634	(6,957,634)	-	36,900,435	18.86%
June 30, 2016……	6,638,150	(6,638,150)	-	31,320,911	21.19%
June 30, 2015……	6,247,261	(6,247,261)	-	29,750,822	21.00%
Electric Light Department:					
December 31, 2018……	$ 2,205,290	$ (2,205,290)	$ -	$ 10,749,374	20.52%
December 31, 2017……	2,084,994	(2,084,994)	-	10,215,635	20.41%
December 31, 2016……	2,014,473	(2,014,473)	-	9,902,018	20.34%
December 31, 2015……	2,026,172	(2,026,172)	-	8,727,126	23.22%

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

(1) Excluding the Electric Light Department.

See notes to required supplementary information.

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

The Commonwealth of Massachusetts is a nonemployer contributor and is required by statute to make all actuarially determined employer contributions on behalf of the member employers which creates a special funding situation. Therefore, there is no net pension liability to recognize. This schedule discloses the Commonwealth's 100% share of the associated collective net pension liability; the portion of the collective pension expense as both a revenue and pension expense recognized; and the Plan's fiduciary net position as a percentage of the total liability.

Year	Commonwealth's 100% Share of the Braintree Teachers' Associated Net Pension Liability	Expense and Revenue Recognized for the Commonwealth's Support	Plan Fiduciary Net Position as a Percentage of the Total Liability
2019	$ 150,334,844	$ 15,234,260	54.84%
2018	142,585,990	14,882,115	54.25%
2017	138,904,668	14,169,187	52.73%
2016	125,093,998	10,146,237	55.38%
2015	94,963,590	6,597,576	61.64%

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

See notes to required supplementary information.

Other Postemployment Benefits Plan Schedules

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

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

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

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

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

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

	June 30, 2017	June 30, 2018	June 30, 2019
Total OPEB Liability			
Service Cost	$ 2,399,962	$ 2,556,839	$ 2,570,164
Interest	6,993,990	8,481,030	7,422,116
Differences between expected and actual experience	(5,871,558)	(6,228,755)	-
Changes of assumptions	10,295,994	5,395,723	-
Benefit payments	(4,794,382)	(4,464,476)	(4,393,306)
Net change in total OPEB liability	9,024,006	5,740,361	5,598,974
Total OPEB liability - beginning	90,855,199	99,879,205	105,619,566
Total OPEB liability - ending (a)	$ 99,879,205	$ 105,619,566	$ 111,218,540
Plan fiduciary net position			
Employer contributions	$ 1,610,000	$ 1,809,100	$ 1,436,600
Employer contributions for OPEB payments	4,794,382	4,464,476	4,393,306
Net investment income	992,382	948,310	483,057
Benefit payments	(4,794,382)	(4,464,476)	(4,393,306)
Net change in plan fiduciary net position	2,602,382	2,757,410	1,919,657
Plan fiduciary net position - beginning of year	1,973,025	4,575,407	7,332,817
Plan fiduciary net position - end of year (b)	$ 4,575,407	$ 7,332,817	$ 9,252,474
Net OPEB liability - ending (a)-(b)	$ 95,303,798	$ 98,286,749	$ 101,966,066
Plan fiduciary net position as a percentage of the total OPEB liability	4.58%	6.94%	8.32%
Covered-employee payroll	$ 85,926,398	$ 88,504,190	$ 81,163,442
Net OPEB liability as a percentage of covered-employee payroll	110.91%	111.05%	125.63%

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

See notes to required supplementary information.

SCHEDULE OF CHANGES IN THE ELECTRIC LIGHT DEPARTMENT'S NET OPEB LIABILITY AND RELATED RATIOS

OTHER POSTEMPLOYMENT BENEFIT PLAN

	December 31, 2017	December 31, 2018
Total OPEB Liability		
Service Cost	$ 215,928	$ 237,068
Interest	667,147	702,733
Benefit payments	(372,645)	(419,875)
Net change in total OPEB liability	510,430	519,926
Total OPEB liability - beginning	9,497,921	10,008,351
Total OPEB liability - ending (a)	$ 10,008,351	$ 10,528,277
Plan fiduciary net position		
Employer contributions	$ 520,000	$ 520,000
Employer contributions for OPEB payments	372,645	419,875
Net investment income	537,467	(116,720)
Benefit payments	(372,645)	(419,875)
Net change in plan fiduciary net position	1,057,467	403,280
Plan fiduciary net position - beginning of year	2,888,773	3,946,240
Plan fiduciary net position - end of year (b)	$ 3,946,240	$ 4,349,520
Net OPEB liability - ending (a)-(b)	$ 6,062,111	$ 6,178,757
Plan fiduciary net position as a percentage of the total OPEB liability	39.43%	41.31%
Covered-employee payroll	$ 9,768,070	$ 10,061,112
Net OPEB liability as a percentage of covered-employee payroll	62.06%	61.41%

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

See notes to required supplementary information.

SCHEDULE OF THE TOWN'S CONTRIBUTIONS
OTHER POSTEMPLOYMENT BENEFIT PLAN

Year	Actuarially determined contribution	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	Covered-employee payroll	Contributions as a percentage of covered-employee payroll
Town of Braintree (1):					
June 30, 2019……	$ 10,744,848	$ (5,829,906)	$ 4,914,942	$ 81,163,442	7.18%
June 30, 2018……	10,150,937	(6,273,576)	3,877,361	88,504,190	7.09%
June 30, 2017……	9,955,126	(6,455,382)	3,499,744	85,926,398	7.51%
Electric Light Department:					
December 31, 2018……	$ 693,632	$ (939,875)	$ (246,243)	$ 10,061,112	9.34%
December 31, 2017……	713,692	(892,645)	(178,953)	9,768,070	9.14%

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

(1) Excluding the Electric Light Department.

See notes to required supplementary information.

SCHEDULE OF INVESTMENT RETURNS
OTHER POSTEMPLOYMENT BENEFIT PLAN

Year	Annual money-weighted rate of return, net of investment expense
Town of Braintree (1):	
June 30, 2019……	5.59%
June 30, 2018……	9.25%
June 30, 2017……	12.53%
Electric Light Department:	
December 31, 2018……	-2.79%
December 31, 2018……	17.23%

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

(1) Excluding the Electric Light Department.

See notes to required supplementary information.

NOTE A – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

Municipal Law requires the adoption of a balanced budget that is approved by Town Council. The Mayor presents an annual budget to the Town Council, which includes estimates of revenues and other financing sources and recommendations of expenditures and other financing uses. The Town Council, which has authority to amend down and/or reject the budget or any line item, adopts the expenditure budget by majority vote.

Increases or transfers between and within departments subsequent to the approval of the annual budget, requires majority Town Council approval at a regular Council meeting.

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

Generally, expenditures may not exceed the legal level of spending (program and capital) authorized for an appropriation account. However, the payment of debt service is statutorily required, regardless of whether such amounts are appropriated. Additionally, expenditures for disasters, natural or otherwise, and final judgments may exceed the level of spending authorized by two-thirds majority vote of the Town Council and written approval from the Massachusetts Department of Revenue.

An annual budget is adopted for the general fund in conformity with the guidelines described above. The original 2019 approved budget authorized approximately $140.0 million in appropriations and other amounts to be raised, including $2.8 million in amounts carried over from previous years. During 2019, the Town Council also approved supplemental appropriations totaling approximately $5.4 million. These supplemental appropriations mainly consisted of $950,000 appropriated for stabilization fund, $2.5 million for public safety, $884,000 for education, and $1.1 million for public works. Town Council also approved changes to amounts transferred between the general fund and the stabilization funds.

The Town Accountant has the responsibility to ensure that budgetary control is maintained. Budgetary control is exercised through the accounting system.

B. Budgetary - GAAP Reconciliation

For budgetary financial reporting purposes, the Uniform Municipal Accounting System basis of accounting (established by the Commonwealth) is followed, which differs from the GAAP basis of accounting.

A reconciliation of budgetary-basis to GAAP-basis results for the general fund for the year ended June 30, 2019, is presented in the table below:

Net change in fund balance - budgetary basis	$	(3,040,927)
Perspective differences:		
Activity of the stabilization fund recorded in the general fund for GAAP		(118,849)
Activity of the municipal building insurance fund recorded in the general fund for GAAP		(6,099)
Basis of accounting differences:		
Net change in recording tax refunds payable		(44,500)
Net change in recording accrued revenues		(6,496)
Recognition of revenue for on-behalf payments		15,234,260
Recognition of expenditures for on-behalf payments		(15,234,260)
Net change in fund balance - GAAP basis	$	(3,216,871)

NOTE B – PENSION PLAN

Pension Plan Schedules – Retirement System

A. Changes in the Net Pension Liability and Related Ratios

The Schedule of Changes in the Net Pension Liability and Related Ratios includes the detailed changes in the systems total pension liability, changes in the systems net position, and the ending net pension liability. It also demonstrates the plan's net position as a percentage of the total pension liability and the net pension liability as a percentage of covered payroll.

B. Contributions

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

C. Schedule of Investment Returns

The money weighted rate of returns is calculated as the internal rate of return on pension plan investments, net of pension plan investment expense. A money weighted rate of return expresses investment performance, net of pension plan investment expense, adjusted for the changing amounts actually invested. Inputs to the money weighted rate of return calculation are determined monthly.

Pension Plan Schedules – Town and Electric Light Department (BELD)

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

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

B. Schedule of Town's Contributions

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

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

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

D. Changes in Assumptions

None.

E. Changes in Plan Provisions

None.

NOTE C – OTHER POSTEMPLOYMENT BENEFITS

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

The Other Postemployment Benefit Plan

A. Schedules of Changes in the Town's and the Electric Light Department's (BELD's) Net Other Postemployment Benefit Liability and Related Ratios

The Schedules of Changes in the Town's and BELD's Net Other Postemployment Benefit Liabilities and Related Ratios presents multi-year trend information on changes in the Plan's total OPEB liability, changes in the Plan's net position, and ending net OPEB liability. It also demonstrates the Plan's net position as a percentage of the

total liability and the Plan's net other postemployment benefit liability as a percentage of covered employee payroll.

B. Schedules of the Town's and the Electric Light Department's (BELD's) Contributions

The Schedules of the Town's and BELD's Contributions includes the Town and BELD's annual required contributions to the Plan, along with the contributions made in relation to the actuarially determined contribution and the covered employee payroll. The Town and BELD are not required to fully fund this contribution. It also demonstrates the contributions as a percentage of covered payroll. Actuarially contribution rates are calculated as of June 30 and December 31, two years prior to the end of the year in which contributions are reported.

Methods and assumptions used to determine contribution rates are contained in the following tables for the Town as of June 30, 2019 and for the BELD as of December 31, 2018, as follows:

Town

Valuation date……	July 1, 2017
Actuarial cost method……	Individual Entry Age Normal Cost Method.
Asset valuation method……	Market value of assets as of the reporting date, June 30, 2019.
Discount rate……	7.00% per annum (previously 3.50%).
Investment rate of return……	7.04%, net of OPEB plan investment expense, including inflation.
Participation rate……	It was assumed that 80% of employees eligible to receive retirement benefits would enroll in the retiree medical plans upon retirement. For life insurance plans, it was assumed that 80% of eligible employees would elect coverage upon retirement.
Percent married……	It was assumed that 80% of male employees and 70% of female employees who elect retiree healthcare coverage for themselves would also elect coverage for a spouse upon retirement. If provided, the actual census information was used. Otherwise it was assumed that a male spouse is three years older than a female spouse and same sex spouses are assumed to be the same age.
Salary increases……	3.00% per year.

Town (continued)

Pre-retirement mortality……	It is assumed that pre-retirement mortality is represented by the RP-2000 Employees Mortality Table projected generationally with scale BB and a base year 2009 for males and females.
Post-retirement mortality……	It is assumed that post-retirement mortality is represented by the RP-2000 Healthy Annuitant Mortality Table projected generationally with scale BB and a base year 2009 for males and females.
Disabled mortality……	It is assumed that disabled mortality is represented by the RP-2000 Healthy Annuitant Table projected generationally with Scale BB and a base year 2012 for males and females.
Mortality experience study……	The mortality assumptions reflect PERAC's recent experience analysis published in 2014 (based on the years 2006-2011), updated to reflect data through January 1, 2015 for post-retirement mortality, and professional judgement. As such, mortality assumptions reflect observed current mortality as well as expected mortality improvements.

BELD

Valuation date……	July 1, 2017
Actuarial cost method……	Individual Entry Age Normal Cost Method.
Asset valuation method……	Market value of assets as of the reporting date, December 31, 2018.
Inflation……	2.75% per year.
Discount rate……	7.00% per annum (same as previous).
Investment rate of return……	7.04%, net of OPEB plan investment expense, including inflation.
Municipal bond rate……	3.64% as of December 31, 2018 (source: S&P Municipal Bond 20-Year High Grade Index - SAPIHG).
Participation rate……	It was assumed that 80% of employees eligible to receive retirement benefits would enroll in the retiree medical plans upon retirement. For life insurance plans, it was assumed that 80% of eligible employees would elect coverage upon retirement.

BELD (continued)

Percent married……	It was assumed that 80% of male employees and 70% of female employees who elect retiree healthcare coverage for themselves would also elect coverage for a spouse upon retirement. If provided, the actual census information was used. Otherwise it was assumed that a male spouse is three years older than a female spouse and same sex spouses are assumed to be the same age.
Salary increases……	3.00% per year.
Pre-retirement mortality……	RP-2000 Employee Mortality Table projected generationally with scale BB and a base year 2009 for males and females.
Post-retirement mortality……	RP-2000 Healthy Annuitant Mortality Table projected generationally with scale BB and a base year 2009 for males and females.
Disabled mortality……	RP-2000 Healthy Annuitant Mortality Table projected generationally with scale BB and a base year 2012 for males and females.

C. Schedule of Investment Return

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

D. Changes in Assumptions

None.

E. Changes in Plan Provisions

None.

Other Supplementary Information

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Combining and Individual Fund Statements

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

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

Nonmajor Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources (other than permanent funds or capital project funds) that are restricted by law or administrative action to expenditures for specified purposes.

Town Special Revenue Funds – accounts for the non-school related funds designated for specific programs, this fund consists primarily of state and federal grants and gifts as well as the non-school related activity of revolving funds established in accordance with MGL Chapter 44, Section 53E ½.

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

School Special Revenue Funds – accounts for the school department's funds designated for specific programs, this fund consists primarily of state and federal grants and gifts as well as the non-school related activity of revolving funds established in accordance with MGL Chapter 44, Section 53E ½.

Community Preservation Fund – accounts for the accumulation of resources for the acquisition, creation, preservation and support of open space, historic resources, recreational uses and community housing.

Highway Improvements Fund – accounts for construction, reconstruction and improvements of roadways, streets and sidewalks.

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.

Nonexpendable Trust Funds – accounts for the endowment portion of donor restricted trusts that support governmental programs.

Expendable Trust Funds – accounts for the accumulated realized and unrealized investment earnings of donor restricted funds within the nonexpendable trust funds.

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET

JUNE 30, 2019

	Special Revenue Funds					
	Town Special Revenue Funds	School Lunch Fund	School Special Revenue Funds	Community Preservation Fund	Highway Improvement Fund	Subtotal
ASSETS						
Cash and cash equivalents	$ 6,720,051	$ 648,490	$ 2,308,141	$ 7,625,596	$ -	$ 17,302,278
Investments	-	-	-	-	-	-
Receivables, net of uncollectibles:						
Real estate and personal property taxes	-	-	-	674	-	674
Intergovernmental	-	-	-	-	2,549,103	2,549,103
Community preservation state share	-	-	-	89,150	-	89,150
TOTAL ASSETS	$ 6,720,051	$ 648,490	$ 2,308,141	$ 7,715,420	$ 2,549,103	$ 19,941,205
LIABILITIES						
Warrants payable	$ 224,962	$ 52,214	$ 94,240	$ -	$ 215,718	$ 587,134
Accrued payroll	6,717	-	-	19	-	6,736
Due to other funds	-	-	-	-	648,118	648,118
TOTAL LIABILITIES	231,679	52,214	94,240	19	863,836	1,241,988
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue	-	-	-	89,824	1,685,267	1,775,091
FUND BALANCES						
Nonspendable	-	-	-	-	-	-
Restricted	6,488,372	596,276	2,213,901	7,625,577	-	16,924,126
TOTAL FUND BALANCES	6,488,372	596,276	2,213,901	7,625,577	-	16,924,126
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	$ 6,720,051	$ 648,490	$ 2,308,141	$ 7,715,420	$ 2,549,103	$ 19,941,205

Permanent Funds			
Nonexpendable Trust Funds	Expendable Trust Funds	Subtotal	Total Nonmajor Governmental Funds
$ 2,564,529	$ 116,324	$ 2,680,853	$ 19,983,131
-	7,232,308	7,232,308	7,232,308
-	-	-	674
-	-	-	2,549,103
-	-	-	89,150
$ 2,564,529	$ 7,348,632	$ 9,913,161	$ 29,854,366
$ -	$ 2,710	$ 2,710	$ 589,844
-	-	-	6,736
-	-	-	648,118
-	2,710	2,710	1,244,698
-	-	-	1,775,091
2,564,529	-	2,564,529	2,564,529
-	7,345,922	7,345,922	24,270,048
2,564,529	7,345,922	9,910,451	26,834,577
$ 2,564,529	$ 7,348,632	$ 9,913,161	$ 29,854,366

NONMAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2019

	Special Revenue Funds					
	Town Special Revenue Funds	School Lunch Fund	School Special Revenue Funds	Community Preservation Fund	Highway Improvement Fund	Subtotal
REVENUES:						
Tax liens	$ -	$ -	$ -	$ 1,087	$ -	$ 1,087
Intergovernmental - other	935,740	900,420	5,494,234	-	916,604	8,246,998
Departmental and other	614,140	1,204,997	1,163,787	-	-	2,982,924
Community preservation taxes	-	-	-	764,993	-	764,993
Community preservation state match	-	-	-	139,255	-	139,255
Contributions and donations	347,044	-	434,639	-	-	781,683
Investment income	1,532	13,039	536	154,323	-	169,430
TOTAL REVENUES	1,898,456	2,118,456	7,093,196	1,059,658	916,604	13,086,370
EXPENDITURES:						
Current:						
General government	553,140	-	-	-	-	553,140
Public safety	491,218	-	-	-	-	491,218
Education	-	1,886,885	7,293,095	-	-	9,179,980
Public works	120,981	-	-	-	916,604	1,037,585
Human services	202,272	-	-	-	-	202,272
Culture and recreation	369,382	-	-	-	-	369,382
Community preservation	-	-	-	951,848	-	951,848
TOTAL EXPENDITURES	1,736,993	1,886,885	7,293,095	951,848	916,604	12,785,425
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	161,463	231,571	(199,899)	107,810	-	300,945
OTHER FINANCING SOURCES (USES):						
Premium from issuance of bonds	156,095	-	-	-	-	156,095
School insurance proceeds	2,753,639	-	-	-	-	2,753,639
Transfers in	647,923	-	-	-	-	647,923
Transfers out	(2,598,067)	-	-	-	-	(2,598,067)
TOTAL OTHER FINANCING SOURCES (USES)	959,590	-	-	-	-	959,590
NET CHANGE IN FUND BALANCES	1,121,053	231,571	(199,899)	107,810	-	1,260,535
FUND BALANCES AT BEGINNING OF YEAR	5,367,319	364,705	2,413,800	7,517,767	-	15,663,591
FUND BALANCES AT END OF YEAR	$ 6,488,372	$ 596,276	$ 2,213,901	$ 7,625,577	$ -	$ 16,924,126

Permanent Funds			
Nonexpendable Trust Funds	Expendable Trust Funds	Subtotal	Total Nonmajor Governmental Funds
$ -	$ -	$ -	$ 1,087
-	-	-	8,246,998
-	-	-	2,982,924
-	-	-	764,993
-	-	-	139,255
-	136,954	136,954	918,637
-	386,834	386,834	556,264
-	523,788	523,788	13,610,158
-	63,407	63,407	616,547
-	-	-	491,218
-	-	-	9,179,980
-	-	-	1,037,585
-	-	-	202,272
-	30,611	30,611	399,993
-	-	-	951,848
-	94,018	94,018	12,879,443
-	429,770	429,770	730,715
-	-	-	156,095
-	-	-	2,753,639
-	22,100	22,100	670,023
-	(100,000)	(100,000)	(2,698,067)
-	(77,900)	(77,900)	881,690
-	351,870	351,870	1,612,405
2,564,529	6,994,052	9,558,581	25,222,172
$ 2,564,529	$ 7,345,922	$ 9,910,451	$ 26,834,577

Agency Fund

Fund Description

Agency Funds are used to account for the collection and payment of charges for off-duty work details, performance bonds, and fees collected on behalf of other governments, and other funds.

AGENCY FUND

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

YEAR ENDED JUNE 30, 2019

	June 30, 2018	Additions	Deletions	June 30, 2019
ASSETS				
CURRENT:				
Cash and cash equivalents…….……	$ 530,343	$ 4,228,558	$ (3,996,202)	$ 762,699
LIABILITIES				
Liabilities due depositors……	$ 530,343	$ 4,228,558	$ (3,996,202)	$ 762,699

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Statistical Section

On September 15, 2018 Mayor Sullivan and Thayer Public Library staff cut the ceremonial ribbon to unveil a new state-of-the-art children's room.

Statistical Section

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

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

SOURCES: Unless otherwise noted, the information in these schedules is derived from the audited financial reports for the relevant year or our Official Statements.

Net Position By Component

Last Ten Years

	2010	2011	2012	2013	2014 (1)	2015	2016	2017 (2)	2018 (2)	2019
Governmental activities										
Net investment in capital assets	$ 44,776,089	$ 47,910,553	$ 52,564,200	$ 54,067,678	$ 56,111,895	$ 57,366,463	$ 58,265,300	$ 60,170,507	$ 62,716,807	$ 76,180,050
Restricted	17,909,375	18,984,718	19,081,454	19,486,773	21,298,935	22,222,634	24,396,588	25,344,615	25,308,498	26,924,401
Unrestricted	(8,277,629)	(14,151,761)	(20,004,880)	(23,061,668)	(86,823,313)	(96,707,790)	(103,802,229)	(120,805,147)	(130,072,223)	(137,597,565)
Total governmental activities net position	$ 54,407,835	$ 52,743,510	$ 51,640,774	$ 50,492,783	$ (9,412,483)	$ (17,118,693)	$ (21,140,341)	$ (35,290,025)	$ (42,046,918)	$ (34,493,114)
Business-type activities										
Net investment in capital assets	$ 72,287,202	$ 69,022,850	$ 71,591,338	$ 75,572,798	$ 76,307,554	$ 76,442,398	$ 73,728,340	$ 90,727,735	$ 90,227,690	$ 104,641,964
Restricted	-	-	-	-	3,732,114	5,353,621	5,038,499	5,038,499	5,038,499	5,038,499
Unrestricted	17,782,384	22,809,172	18,020,393	16,082,628	10,640,375	8,801,686	6,418,053	(4,539,287)	1,341,179	(6,170,685)
Total business-type activities net position	$ 90,069,586	$ 91,832,022	$ 89,611,731	$ 91,655,426	$ 90,680,043	$ 90,597,705	$ 85,184,892	$ 91,226,947	$ 96,607,368	$ 103,509,778
Primary government										
Net investment in capital assets	$ 117,063,291	$ 116,933,403	$ 124,155,538	$ 129,640,476	$ 132,419,449	$ 133,808,861	$ 131,993,640	$ 150,898,242	$ 152,944,497	$ 180,822,014
Restricted	17,909,375	18,984,718	19,081,454	19,486,773	25,031,049	27,576,255	29,435,087	30,383,114	30,346,997	31,962,900
Unrestricted	9,504,755	8,657,411	(1,984,487)	(6,979,040)	(76,182,938)	(87,906,104)	(97,384,176)	(125,344,434)	(128,731,044)	(143,768,250)
Total primary government net position	$ 144,477,421	$ 144,575,532	$ 141,252,505	$ 142,148,209	$ 81,267,560	$ 73,479,012	$ 64,044,551	$ 55,936,922	$ 54,560,450	$ 69,016,664

(1) The 2014 unrestricted net position for governmental and business-type activities has been revised due to the implementation of GASB #68 and #71.
(2) The 2017 and 2018 unrestricted net position for governmental and business-type activities has been revised due to the implementation of GASB #75.

Changes in Net Position

Last Ten Years

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Expenses										
Governmental activities:										
General government	$ 5,547,521	$ 6,219,480	$ 6,120,306	$ 6,793,916	$ 6,286,240	$ 7,100,754	$ 7,502,823	$ 8,247,179	$ 8,149,833	$ 6,388,587
Public safety	23,103,086	22,731,221	22,644,632	23,907,018	24,515,683	26,710,830	29,432,081	33,089,768	29,703,546	32,268,620
Education	82,719,562	85,120,589	87,632,097	91,537,391	96,438,899	92,481,566	96,802,496	105,764,895	108,661,022	118,055,819
Public works	6,004,346	7,075,816	6,258,439	6,903,790	8,158,789	9,686,905	8,524,059	9,086,973	9,467,149	10,746,722
Human services	980,215	1,064,014	1,108,036	1,269,546	1,228,698	1,439,972	1,475,863	1,540,809	1,489,530	1,617,032
Sanitation	1,531,123	1,421,972	1,734,699	1,614,505	1,504,893	1,504,795	1,601,041	1,564,617	1,661,204	2,475,231
Culture and recreation	3,504,511	3,733,359	3,685,605	3,856,790	3,638,147	3,857,160	4,348,816	4,623,888	3,956,871	3,292,243
Community preservation	41,392	76,049	168,276	133,513	187,852	642,312	112,414	238,972	459,507	195,951
Interest	543,891	620,316	668,246	594,798	471,412	486,438	772,942	778,257	711,160	1,555,926
Total governmental activities expenses	123,975,647	128,062,816	130,020,336	136,611,267	142,430,613	143,910,732	150,572,535	164,935,358	164,259,822	176,596,131
Business-type activities:										
Water and Sewer	12,357,150	12,992,288	12,960,228	13,759,942	13,732,799	14,834,145	14,555,945	15,659,572	15,960,271	17,432,168
Golf	1,105,535	1,400,980	1,510,491	1,547,221	1,576,338	1,491,676	1,677,140	1,666,098	1,931,876	1,603,029
Stormwater	-	-	-	-	-	-	-	-	-	792,701
Electric	71,421,238	72,454,533	70,895,924	66,409,996	68,036,931	73,461,461	65,629,959	64,040,283	64,704,494	67,166,267
Total business-type activity expenses	84,883,923	86,847,801	85,366,643	81,717,159	83,346,068	89,787,282	81,863,044	81,365,953	82,596,641	86,994,165
Total primary government expenses	$ 208,859,570	$ 214,910,617	$ 215,386,979	$ 218,328,426	$ 225,776,681	$ 233,698,014	$ 232,435,579	$ 246,301,311	$ 246,856,463	$ 263,590,296
Program Revenues										
Governmental activities:										
Charges for services:										
General government	$ 596,828	$ 517,136	$ 616,829	$ 757,713	$ 863,484	$ 924,180	$ 804,350	$ 1,062,799	$ 988,714	$ 961,168
Public safety	2,144,216	2,280,546	2,378,405	2,208,455	1,823,403	2,510,631	3,910,060	2,878,536	2,612,379	2,711,210
Education	2,443,837	2,368,875	2,017,758	2,287,988	2,226,802	2,094,328	2,049,131	1,942,356	1,582,628	2,200,923
Public works	334,823	471,878	553,002	627,466	1,160,134	897,304	865,166	898,200	891,097	897,409
Human services	24,205	25,792	31,332	33,119	32,811	47,689	44,036	34,809	31,597	24,626
Sanitation	1,613,247	1,568,749	1,548,721	1,401,085	1,387,356	1,394,047	1,430,004	1,422,536	1,448,823	1,436,760
Culture and recreation	379,560	396,823	361,811	377,596	384,999	382,905	387,517	364,075	364,359	457,847
Operating grants and contributions	30,924,968	33,221,854	33,518,827	34,800,674	35,660,762	30,278,006	34,917,830	40,670,272	41,185,089	43,665,849
Capital grants and contributions	1,127,450	3,793,516	4,773,929	3,146,209	662,210	831,972	906,508	1,983,085	4,880,757	20,303,255
Total government activities program revenues	39,589,134	44,645,169	45,800,614	45,640,305	44,201,961	39,361,062	45,314,602	51,256,668	53,985,443	72,659,047
Business-type activities:										
Charges for services:										
Water and Sewer	12,561,820	13,208,817	12,932,512	13,830,066	14,980,596	16,117,460	16,697,701	17,551,761	18,820,970	19,954,585
Golf	1,172,533	1,329,340	1,404,095	1,347,448	1,398,978	1,505,920	1,685,815	1,584,527	1,536,470	1,590,783
Stormwater	-	-	-	-	-	-	-	-	-	633,507
Electric	73,443,746	75,896,314	70,762,137	70,718,807	71,671,791	73,273,739	73,853,798	70,023,985	68,755,508	71,131,587
Capital grants and contributions	-	-	281,643	142,560	-	787,500	921,557	174,408	710,203	1,380,189
Total business-type activities program revenues	87,178,099	90,434,471	85,380,387	86,038,881	88,051,365	91,684,619	93,158,871	89,334,681	89,823,151	94,690,651
Total primary government program revenues	$ 126,767,233	$ 135,079,640	$ 131,181,001	$ 131,679,186	$ 132,253,326	$ 131,045,681	$ 138,473,473	$ 140,591,349	$ 143,808,594	$ 167,349,698
Net (Expense)/Revenue										
Governmental activities	$ (84,386,513)	$ (83,417,647)	$ (84,219,722)	$ (90,970,962)	$ (98,228,652)	$ (104,549,670)	$ (105,257,933)	$ (113,678,690)	$ (110,274,379)	$ (103,937,084)
Business-type activities	2,294,176	3,586,670	13,744	4,321,722	4,705,297	1,897,337	11,295,827	7,968,728	7,226,510	7,696,486
Total primary government net expense	$ (82,092,337)	$ (79,830,977)	$ (84,205,978)	$ (86,649,240)	$ (93,523,355)	$ (102,652,333)	$ (93,962,106)	$ (105,709,962)	$ (103,047,869)	$ (96,240,598)
General Revenues and other Changes in Net Position										
Governmental activities:										
Real estate, personal property taxes and tax liens, net of tax refunds payable	$ 65,822,590	$ 68,085,843	$ 69,679,306	$ 74,746,576	$ 76,783,315	$ 79,271,011	$ 82,610,777	$ 83,309,930	$ 87,933,671	$ 90,051,214
Tax liens	-	-	-	-	-	-	-	-	470,064	716,826
Motor vehicle and other excise taxes	4,067,074	4,284,625	4,039,432	5,175,048	5,087,519	5,678,581	6,229,679	6,275,782	6,602,941	6,667,855
Hotel/motel tax	745,319	718,452	784,781	1,141,705	1,324,541	1,491,419	1,614,166	1,561,777	1,558,537	1,728,984
Meals tax	-	-	-	-	807,740	1,017,863	1,142,349	1,166,320	1,208,369	1,249,555
Community preservation tax	530,249	558,590	559,244	590,915	607,219	661,315	660,480	696,795	733,774	764,993
Penalties and interest on taxes	345,208	417,749	371,394	381,757	475,877	522,767	439,913	301,991	318,098	298,708
Payments in lieu of taxes	2,193,890	116,425	118,112	211,386	24,854	693,850	449,490	401,155	668,783	602,234
School insurance proceeds	-	-	-	-	-	-	-	-	-	-
Grants and contributions not restricted to specific programs	5,072,674	4,949,885	4,989,211	4,885,456	5,434,532	5,224,867	5,315,517	5,880,155	6,128,412	6,399,260
Unrestricted investment income	486,914	267,612	215,677	243,114	216,968	195,103	169,918	342,024	660,991	1,682,743
Gain on sale of land	-	-	-	-	-	-	479,038	-	-	-
Affordable housing development fees	1,800,000	-	-	-	-	-	-	-	-	-
Miscellaneous	77,800	69,345	70,051	42,380	38,317	26,070	-	-	-	-
Transfers	291,230	2,284,796	2,289,778	2,404,634	1,820,664	2,060,614	2,124,958	2,079,534	2,317,859	1,328,516
Total governmental activities	81,432,948	81,753,322	83,116,986	89,822,971	92,621,546	96,843,460	101,236,285	102,015,463	108,601,499	111,490,888
Business-type activities:										
Unrestricted investment income	51,737	460,562	55,743	126,607	74,085	80,939	33,586	230,814	486,818	534,440
Transfers	(291,230)	(2,284,796)	(2,289,778)	(2,404,634)	(1,820,664)	(2,060,614)	(2,124,958)	(2,079,534)	(2,317,859)	(1,328,516)
Total business-type activities	(239,493)	(1,824,234)	(2,234,035)	(2,278,027)	(1,746,579)	(1,979,675)	(2,091,372)	(1,848,720)	(1,831,041)	(794,076)
Total primary government	$ 81,193,455	$ 79,929,088	$ 80,882,951	$ 87,544,944	$ 90,874,967	$ 94,863,785	$ 99,144,913	$ 100,166,743	$ 106,770,458	$ 110,696,812
Changes in Net Position										
Governmental activities	$ (2,953,565)	$ (1,664,325)	$ (1,102,736)	$ (1,147,991)	$ (5,607,106)	$ (7,706,210)	$ (4,021,648)	$ (11,663,227)	$ (1,672,880)	$ 7,553,804
Business-type activities	2,054,683	1,762,436	(2,220,291)	2,043,695	2,958,718	(82,338)	9,204,455	6,120,008	5,395,469	6,902,410
Total primary government	$ (898,882)	$ 98,111	$ (3,323,027)	$ 895,704	$ (2,648,388)	$ (7,788,548)	$ 5,182,807	$ (5,543,219)	$ 3,722,589	$ 14,456,214

Fund Balances, Governmental Funds

Last Ten Years

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Fund										
Reserved	$ 895,787	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Unreserved	9,178,146	-	-	-	-	-	-	-	-	-
Committed	-	-	-	988,955	2,049,917	2,103,635	1,344,269	2,355,268	1,678,124	2,271,429
Assigned	-	1,250,576	1,140,720	1,140,211	1,164,142	666,097	2,170,153	785,040	1,105,156	1,021,666
Unassigned	-	13,160,254	15,847,651	17,880,465	16,356,370	16,271,481	18,830,121	18,825,423	19,301,569	15,574,883
Total general fund	$ 10,073,933	$ 14,410,830	$ 16,988,371	$ 20,009,631	$ 19,570,429	$ 19,041,213	$ 22,344,543	$ 21,965,731	$ 22,084,849	$ 18,867,978
All Other Governmental Funds										
Reserved	$ 2,506,133	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Unreserved, reported in:										
Special revenue funds	9,599,385	-	-	-	-	-	-	-	-	-
Capital projects funds	2,825,324	-	-	-	-	-	-	-	-	-
Permanent funds	7,857,627	-	-	-	-	-	-	-	-	-
Nonspendable	-	2,507,881	2,564,886	2,564,886	2,564,529	2,564,529	2,564,529	2,564,529	2,564,529	2,564,529
Restricted	-	21,726,183	20,110,956	18,293,846	21,958,212	21,731,961	21,698,087	24,105,376	39,326,175	41,929,000
Unassigned	-	-	-	-	-	-	(316,019)	-	-	(1,169,494)
Total all other governmental funds	$ 22,788,469	$ 24,234,064	$ 22,675,842	$ 20,858,732	$ 24,522,741	$ 24,296,490	$ 23,946,597	$ 26,669,905	$ 41,890,704	$ 43,324,035

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

Changes in Fund Balances, Governmental Funds

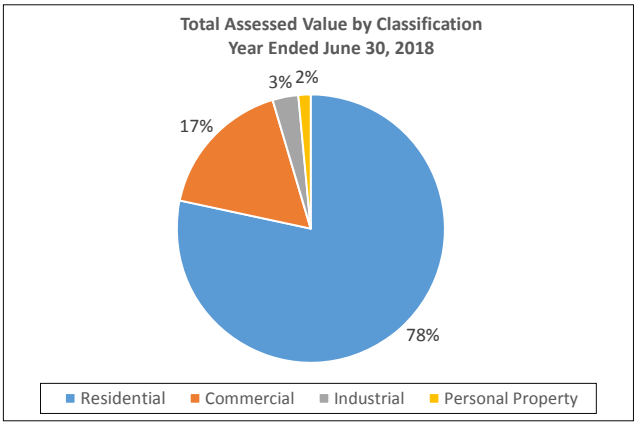
Last Ten Years

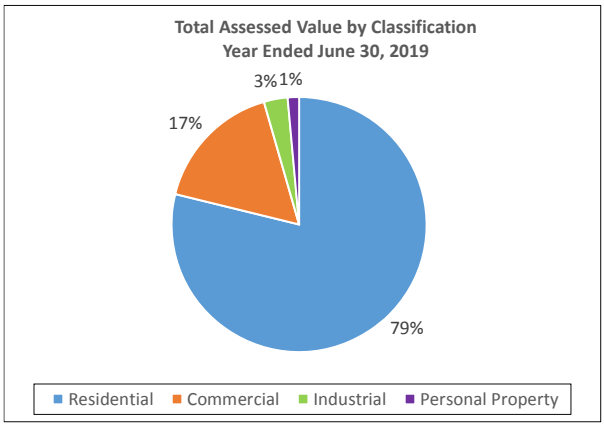
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenues:										
Real estate, personal property taxes and tax liens, net of tax refunds	$ 65,496,774	$ 67,862,201	$ 69,729,818	$ 73,976,466	$ 75,918,774	$ 79,073,666	$ 81,325,550	$ 82,951,838	$ 88,217,335	$ 90,085,816
Tax Liens	57,843	81,120	77,774	45,681	407,348	1,100,825	1,362,410	509,637	321,596	550,644
Motor vehicle and other excise taxes	3,985,784	4,306,011	4,081,969	4,962,622	5,259,928	5,609,682	6,173,244	6,321,563	6,614,593	6,675,091
Hotel/Motel tax	745,319	718,452	784,781	1,141,705	1,324,541	1,491,419	1,614,166	1,561,777	1,558,537	1,728,984
Meals tax	-	-	-	-	807,740	1,017,863	1,142,349	1,166,320	1,208,369	1,249,555
Penalties and interest on taxes	345,208	417,749	371,394	381,757	475,877	522,767	439,913	301,991	318,098	298,708
Payments in lieu of taxes	2,193,890	116,425	118,112	211,386	24,854	693,850	449,490	401,155	668,783	602,234
Intergovernmental	35,740,583	38,999,975	41,528,233	39,456,201	42,450,485	35,342,773	40,169,594	47,770,699	50,708,501	67,276,171
Departmental and other	7,761,742	7,788,136	8,085,761	8,208,065	8,268,293	8,497,554	10,103,486	9,156,768	8,535,047	9,518,868
Community preservation taxes	530,249	558,590	559,244	592,836	607,219	659,352	659,905	696,779	733,774	764,993
Affordable housing development fees	1,800,000	-	-	-	-	-	-	-	-	-
Contributions	640,918	364,569	453,433	932,928	530,070	643,529	615,646	639,541	481,615	918,637
Investment income	995,846	1,325,987	153,004	319,712	384,831	300,329	364,621	342,024	660,991	1,682,743
Claims and judgments	-	-	-	-	450,000	-	-	-	-	-
Miscellaneous	69,100	49,524	17,564	42,380	38,310	26,070	-	-	65,050	-
Total Revenue	120,363,256	122,588,739	125,961,087	130,271,739	136,948,270	134,979,679	144,420,374	151,820,092	160,092,289	181,352,444
Expenditures:										
General government	5,603,583	4,349,148	5,298,068	4,575,307	4,057,574	5,019,468	4,922,477	4,911,759	5,981,412	5,932,870
Public safety	14,560,325	15,180,496	17,182,357	17,446,204	17,556,255	19,223,137	19,347,565	20,345,144	22,410,446	22,612,258
Education	57,170,086	60,004,947	64,003,984	63,450,712	66,876,797	68,987,111	71,263,198	75,211,692	84,017,768	128,418,711
Public works	6,567,757	7,986,879	7,570,889	7,916,317	8,055,291	10,421,875	11,037,164	8,535,164	8,730,718	9,984,615
Human services	748,949	792,326	817,714	896,262	941,115	1,064,584	1,071,339	1,136,656	1,782,290	1,111,966
Sanitation services	1,522,144	1,412,691	1,726,367	1,607,190	1,498,193	1,487,659	1,571,359	1,527,540	1,628,673	2,433,081
Culture and recreation	2,544,523	2,626,796	2,883,715	3,219,004	2,952,668	3,165,322	3,082,111	3,187,119	2,952,323	2,230,314
Community development	41,392	76,049	643,366	325,972	247,083	894,362	70,099	303,227	568,296	951,848
Pension benefits-Town	4,759,946	4,808,035	5,046,381	5,255,971	5,705,325	5,793,428	6,214,492	6,522,861	6,973,028	7,647,629
Pension benefits-School	11,884,275	12,219,339	12,736,422	13,272,469	13,718,462	6,597,576	10,146,237	14,169,187	14,882,115	15,234,260
Property and liability insurance	402,567	368,027	428,125	439,651	433,381	438,383	426,679	475,142	519,829	532,312
Employee benefits	7,833,635	8,459,804	8,840,249	9,551,401	10,508,381	10,925,437	11,892,555	12,675,021	12,517,334	12,902,971
State and county charges	4,158,266	3,883,609	3,571,252	3,567,251	3,636,782	3,722,290	3,711,416	3,649,290	3,918,138	4,113,515
Debt service										
Principal	1,910,000	2,432,000	2,200,000	2,451,000	2,360,000	2,698,134	2,774,000	3,218,000	3,165,700	3,736,000
Interest	524,464	590,897	686,619	752,290	740,756	787,457	803,237	856,872	912,521	1,692,236
Total Expenditures	120,231,912	125,191,043	133,635,508	134,727,001	139,288,063	141,226,223	148,333,928	156,724,674	170,960,591	219,534,586
Excess of revenues over (under) expenditures	131,344	(2,602,304)	(7,674,421)	(4,455,262)	(2,339,793)	(6,246,544)	(3,913,554)	(4,904,582)	(10,868,302)	(38,182,142)
Other Financing Sources (Uses)										
Issuance of long-term debt	6,782,000	6,100,000	5,286,000	3,140,000	3,519,000	3,259,000	3,898,000	4,537,300	22,764,000	29,033,500
Premium from issuance of bonds and notes	-	-	369,204	114,778	224,936	171,463	319,033	632,244	1,126,360	3,282,947
Issuance of refunding bonds	-	-	-	-	-	1,680,000	-	-	-	-
Premium from issuance of refunding bonds	-	-	-	-	-	334,581	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	(2,014,581)	-	-	-	-
School insurace proceeds	-	-	-	-	-	-	-	-	-	2,753,639
Capital lease financing	-	-	246,395	-	-	-	-	-	-	-
Proceeds from the sale of land	-	-	-	-	-	-	525,000	-	-	-
Transfers in	981,424	2,935,526	2,695,872	3,471,562	3,084,925	2,629,917	2,937,182	3,280,289	2,997,088	4,971,440
Transfers out	(690,194)	(650,730)	(406,094)	(1,066,928)	(1,264,261)	(569,303)	(812,224)	(1,200,755)	(679,229)	(3,642,924)
Total other financing sources (uses)	7,073,230	8,384,796	8,191,377	5,659,412	5,564,600	5,491,077	6,866,991	7,249,078	26,208,219	36,398,602
Net change in fund balance	$ 7,204,574	$ 5,782,492	$ 516,956	$ 1,204,150	$ 3,224,807	$ (755,467)	$ 2,953,437	$ 2,344,496	$ 15,339,917	$ (1,783,540)
Debt service as a percentage of noncapital expenditures	2.14%	2.55%	2.37%	2.51%	2.30%	2.58%	2.56%	2.71%	2.58%	3.25%

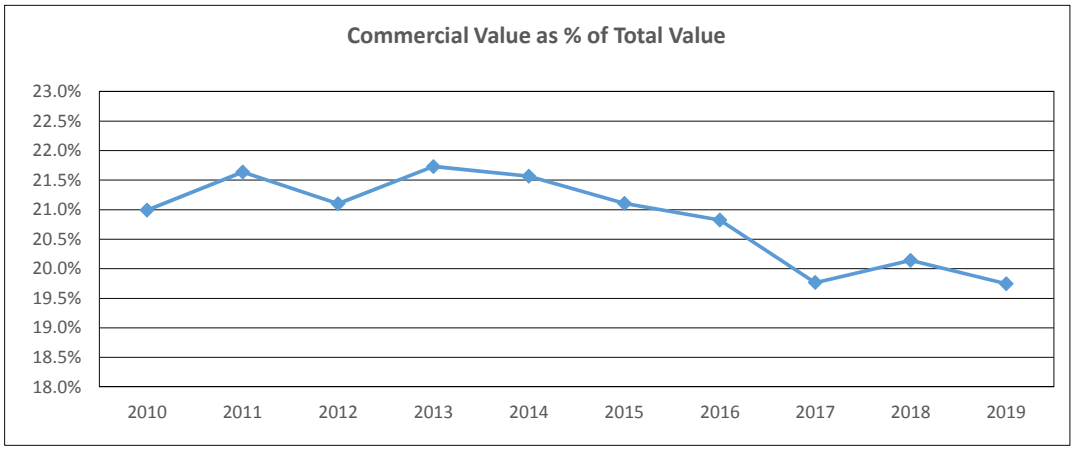
Assessed Value and Actual Value of Taxable Property by Classification and Tax Rates

Last Ten Years

Year	Assessed and Actual Values and Tax Rates									
	Residential Value	Residential Tax Rate	Commercial Value	Industrial Value	Total Commercial Value	Commercial Tax Rate	Personal Property	Personal Property Tax Rate	Total Direct Rate (1)	Total Town Value
2010	$4,151,406,685	$9.67	$932,243,691	$192,792,100	$1,125,035,791	$21.72	$83,075,790	$21.65	$12.39	$5,359,518,266
2011	$3,998,205,703	$10.20	$937,402,065	$192,184,900	$1,129,586,965	$23.29	$93,061,520	$23.17	$13.26	$5,220,854,188
2012	$4,069,650,840	$10.45	$932,748,073	$181,064,400	$1,113,812,473	$23.65	$95,068,610	$23.53	$13.47	$5,278,531,923
2013	$3,929,047,295	$11.11	$934,953,167	$182,850,700	$1,117,803,867	$25.44	$97,088,850	$25.31	$14.49	$5,143,940,012
2014	$3,983,279,285	$11.42	$942,124,005	$179,476,200	$1,121,600,205	$26.06	$96,048,240	$25.93	$14.85	$5,200,927,730
2015	$4,352,696,656	$11.07	$997,106,201	$190,799,500	$1,187,905,701	$24.95	$87,817,050	$24.83	$14.21	$5,628,419,407
2016	$4,586,821,359	$10.98	$1,031,327,521	$199,981,850	$1,231,309,371	$24.66	$94,335,830	$24.53	$14.05	$5,912,466,560
2017	$4,929,037,567	$10.74	$1,040,225,465	$198,891,500	$1,239,116,965	$23.72	$100,886,290	$23.61	$13.51	$6,269,040,822
2018	$5,209,622,684	$10.54	$1,132,068,827	$206,805,200	$1,338,874,027	$23.37	$99,184,210	$23.26	$13.31	$6,647,680,921
2019	$5,681,558,754	$10.09	$1,204,854,113	$218,344,700	$1,423,198,813	$22.20	$102,568,140	$22.11	$12.65	$7,207,325,707







(1) Weighted average direct tax rate, calculated as weighted average of residential, commercial and personal property tax rates.
Source: Assessor's Department, Town of Braintree and Official Statements.
All property in the Commonwealth of Massachusetts is assessed at 100% of fair cash value.

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

Principal Taxpayers

Current Year and Nine Years Ago

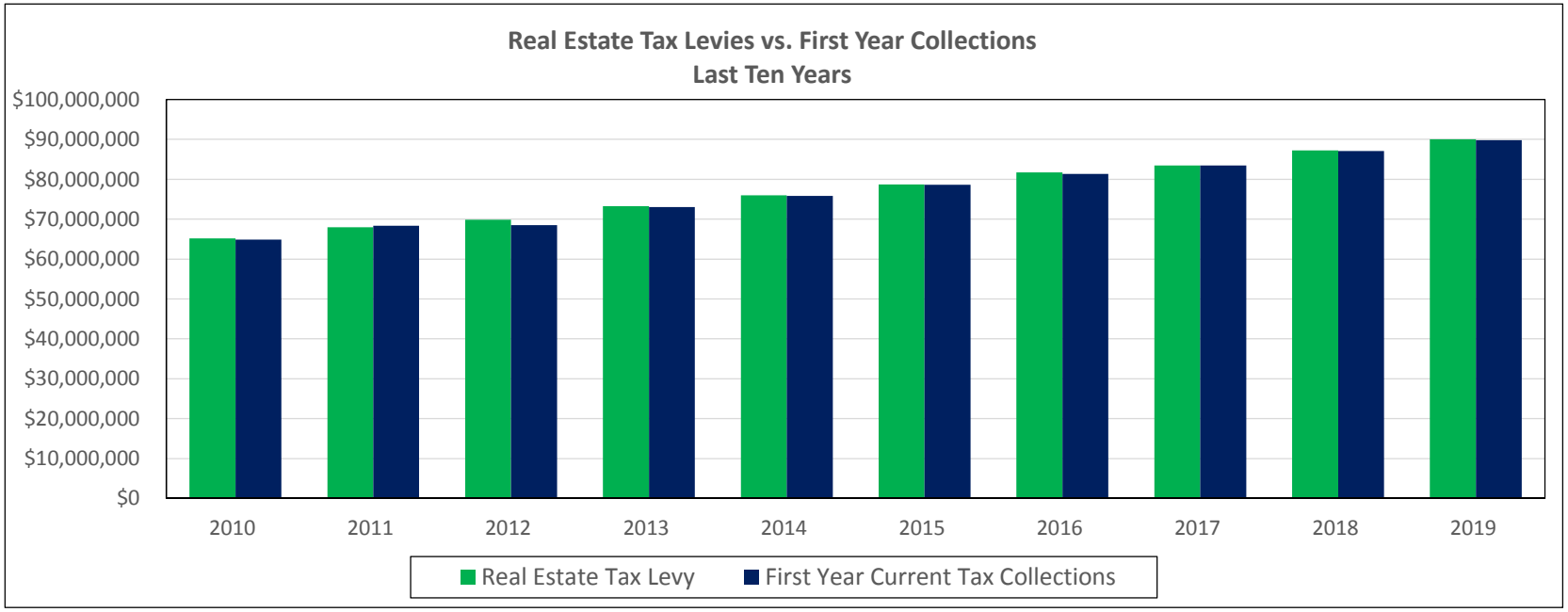
		2019			2010		
Name	**Nature of Business**	**Assessed Valuation**	**Rank**	**Percentage of Total Taxable Assessed Value**	**Assessed Valuation**	**Rank**	**Percentage of Total Taxable Assessed Value**
Braintree Property Associates	Malls	$ 306,616,800	1	4.25%	$ 211,479,800	1	3.95%
Messina, Francis X. (et al)	Developer/Real Estate	165,026,300	2	2.29%	116,456,200	2	2.17%
Braintree Hill Office Park, LLC	Office Park	95,777,100	3	1.33%	-	-	-
Lenox Farms Limited Partnership	Apartments	67,856,900	4	0.94%	53,935,800	4	1.01%
EQR - Lincoln Braintree LLC	Apartments	34,802,000	5	0.48%	28,968,200	6	0.54%
UDR Ridge at Blue Hills LLC	Apartments	29,997,100	6	0.42%	-	-	-
Braintree IRF Investment Group, Inc.	Rehabilitation Hospital	25,715,600	7	0.36%	-	-	-
TRT Braintree II LLC	Retail	23,408,000	8	0.32%	18,053,900	9	0.34%
2001 Washington Street LLC	Private School	22,454,000	9	0.31%	-	-	-
EIP Campanelli Parkway LLC	Office/ Warehouse	21,321,600	10	0.30%	-	-	-
Flatley, John (et al)	Real Estate	-	-	-	105,298,100	3	1.96%
AMB Property LP	Retail Clothing	-	-	-	41,864,300	5	0.78%
Ridge at Blue Hills LTD Partnership	Apartments	-	-	-	24,729,000	7	0.46%
WBF Braintree Equity Part LLC	Retail	-	-	-	24,669,500	8	0.46%
HRESI Properties Trust	Rehabilitation Hospital	-	-	-	17,876,800	10	0.33%
	Totals	$ 792,975,400		11.00%	$ 643,331,600		12.00%

Source: Official Statements, Town of Braintree

Property Tax Levies and Collections

Last Ten Years

Year	Total Tax Levy	Less Reserve for Abatements & Exemptions	Net Tax Levy	Net as % of Total	First Year Current Tax Collections	Percent of Net Levy Collected	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections to Net Tax Levy (1)
2010	$66,301,452	$1,089,175	$65,212,277	98.36%	$64,882,825	99.49%	$1,487,969	$66,370,794	101.78%
2011	$69,110,686	$1,100,000	$68,010,686	98.41%	$68,362,146	100.52%	$549,574	$68,911,720	101.32%
2012	$70,972,549	$1,123,064	$69,849,485	98.42%	$68,511,310	98.08%	$873,083	$69,384,393	99.33%
2013	$74,404,156	$1,152,260	$73,251,896	98.45%	$72,999,903	99.66%	$533,519	$73,533,422	100.38%
2014	$77,063,779	$1,094,569	$75,969,210	98.58%	$75,806,678	99.79%	$360,711	$76,167,389	100.26%
2015	$79,857,630	$1,124,209	$78,733,421	98.59%	$78,644,968	99.89%	$645,648	$79,290,616	100.71%
2016	$82,893,707	$1,135,942	$81,757,765	98.63%	$81,327,841	99.47%	$791,912	$82,119,753	100.44%
2017	$84,572,830	$1,110,896	$83,461,934	98.69%	$83,492,751	100.04%	$612,656	$84,105,407	100.77%
2018	$88,354,226	$1,132,086	$87,222,140	98.72%	$87,108,933	99.87%	$483,619	$87,592,552	100.42%
2019	$91,061,619	$1,040,464	$90,021,155	98.86%	$89,791,497	99.74%	$0	$89,791,497	99.74%



(1) If the actual abatements and exemptions are lower than the reserve, the actual collections can exceed the levy.
Source: Assessor's Department and Official Statements, Town of Braintree

Ratios of Outstanding Debt by Type

Last Ten Years

Year	Governmental Activities		Business-type Activities		Total Debt Outstanding	Percentage of Personal Income (2)	U. S. Census Population	Debt Per Capita
	General Obligation Bonds (1)	Capital Leases	General Obligation Bonds (1)	Capital Leases				
2010	15,412,000	167,410	140,062,687	103,418	155,745,515	11.87%	35,296	4,413
2011	19,080,000	85,878	143,224,964	273,680	162,664,522	11.77%	35,744	4,551
2012	22,512,979	212,592	131,668,293	549,628	154,943,492	10.71%	35,981	4,306
2013	23,155,799	149,204	127,395,741	542,670	151,243,414	10.05%	35,983	4,203
2014	24,272,037	89,968	122,093,961	485,394	146,941,360	9.33%	36,220	4,057
2015	24,697,593	-	118,337,221	296,958	143,331,772	8.75%	36,223	3,957
2016	26,105,152	-	121,901,473	184,097	148,190,722	8.64%	36,460	4,065
2017	27,968,953	-	115,635,683	146,863	143,751,499	7.88%	37,297	3,854
2018	48,436,083	-	111,967,067	289,882	160,693,032	8.50%	37,156	4,325
2019	76,799,873	-	106,037,320	268,727	183,105,920	9.29%	37,250	4,916

(1) Presented net of original issuance discounts and premiums.
(2) Personal income is disclosed on the Schedule of Demographic and Economic Statistics.

Source: Audited Financial Statements, U. S. Census

Ratios of General Bonded Debt Outstanding

Last Ten Years

Year	General Obligation Bonds (1)	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property (2)	Per Capita (3)
2010	$ 155,474,687	-	$ 155,474,687	2.90%	$ 4,405
2011	162,304,964	-	162,304,964	3.11%	4,541
2012	154,181,272	-	154,181,272	2.92%	4,285
2013	150,551,540	-	150,551,540	2.93%	4,184
2014	146,365,998	-	146,365,998	2.81%	4,041
2015	143,034,814	-	143,034,814	2.54%	3,949
2016	148,006,625	-	148,006,625	2.50%	4,059
2017	143,604,636	-	143,604,636	2.29%	3,850
2018	160,403,150	-	160,403,150	2.41%	4,317
2019	182,837,193	-	182,837,193	2.54%	4,908

(1) This is the general bonded debt of both governmental and business-type activities, net of original issuance discounts and premiums.
(2) Property value data is disclosed on the Schedule of Assessed Value of Taxable Property by Classification and Tax Rates.
(3) Population data is disclosed on the Schedule of Demographic and Economic Statistics.

Source: Audited Financial Statements, U. S. Census

Direct and Overlapping Governmental Activities Debt

As of June 30, 2019

Town of Braintree, Massachusetts	Debt Outstanding	Percentage Applicable (1)	Estimated Share of Overlapping Debt	Current Year Assessment for Operations and Debt Service
Norfolk County	$ 13,754,000	4.66%	$ 641,349	$ 293,866
Massachusetts Water Resources Authority	3,449,020,000	1.89%	65,048,517	9,758,859
Massachusetts Bay Transportation Authority	5,728,840,000	0.48%	27,727,586	826,330
Subtotal, overlapping debt			93,417,452	
Town debt			76,799,873	
Total direct and overlapping debt			$ 170,217,325	

Source: Treasurer's Office, Town of Braintree
Note: The Town obtains the debt outstanding and percentages directly from the entities.

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

(1) County expenses, including debt service, are assessed upon the towns within the county in proportion to their taxable valuation.

Computation of Legal Debt Margin

Last Ten Years

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Equalized Valuation	$ 6,103,206,100	$ 5,803,418,500	$ 5,803,418,500	$ 5,627,043,400	$ 5,627,043,400	$ 5,574,551,500	$ 5,574,551,500	$ 6,327,219,800	$ 6,327,219,800	$ 7,169,361,300
Debt Limit - 5% of Equalized Valuation	$ 305,160,305	$ 290,170,925	$ 290,170,925	$ 281,352,170	$ 281,352,170	$ 278,727,575	$ 278,727,575	$ 316,360,990	$ 316,360,990	$ 358,468,065
Less:										
Outstanding debt applicable to limit	19,434,000	22,604,500	26,032,230	26,927,624	27,669,930	28,527,736	28,527,736	29,891,716	29,509,826	37,997,159
Authorized and unissued debt	4,017,485	7,254,622	10,452,483	12,395,003	12,391,520	15,904,964	15,904,964	16,402,511	23,069,000	69,878,868
Legal debt margin	$ 281,708,820	$ 260,311,803	$ 253,686,212	$ 242,029,543	$ 241,290,720	$ 234,294,875	$ 234,294,875	$ 270,066,763	$ 263,782,164	$ 250,592,038
Total debt applicable to the limit as a percentage of the limit	7.68%	10.29%	12.57%	13.98%	14.24%	15.94%	15.94%	14.63%	16.62%	30.09%

Source: Treasurer's Department, Town of Braintree / Official Statements

Demographic and Economic Statistics

Last Ten Years

Year	Population Estimates	Personal Income	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2010	35,296	$ 1,312,199,392	$ 37,177	40	5,557	8.20%
2011	35,744	$ 1,382,008,876	$ 38,664	40	5,565	7.20%
2012	35,981	$ 1,446,817,954	$ 40,211	40	5,601	6.00%
2013	35,983	$ 1,504,756,371	$ 41,819	40	5,678	5.60%
2014	36,220	$ 1,575,253,345	$ 43,492	40	5,734	5.40%
2015	36,223	$ 1,638,405,602	$ 45,232	40	5,812	5.10%
2016	36,460	$ 1,715,090,554	$ 47,041	40	5,809	4.90%
2017	37,297	$ 1,824,658,595	$ 48,922	40	5,839	4.90%
2018	37,156	$ 1,890,470,958	$ 50,879	40	5,828	3.10%
2019	37,250	$ 1,971,063,756	$ 52,914	40	5,908	3.40%

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

Principal Employers

Current Year and Nine Years Ago

		2019			2010		
Employer	**Nature of Business**	**Employees**	**Rank**	**Percentage of Total Town Employment**	**Employees**	**Rank**	**Percentage of Total Town Employment**
Daniel Quirk	Auto Dealership	1000	1	3.37%	-	-	-
Haemonetics	Biomedical	500	2	1.69%	700	2	2.66%
Health South/Braintree Rehab	Rehabilitation Hospital	499	3	1.68%	750	1	2.85%
Verizon	Utility	400	4	1.35%	400	5	1.52%
Sears	Retail	363	5	1.22%	363	6	1.38%
Symmons Industries	Plumbing Manufacturer	290	6	0.98%	290	9	1.10%
ING	Financial Services	250	7	0.84%	-	-	-
Mass State Lottery	State Agency	250	8	0.84%	300	8	1.14%
Nordstrom	Retail	250	9	0.84%	250	10	0.95%
Macy's	Retail	200	10	0.67%	600	3	2.28%
South Shore VNA	Visiting Nurses Association	-	-	-	476	4	1.81%
Harvard/Pilgrim Health Care	Health Care	-	-	-	310	7	1.18%
		4,002		13.49%	4,439		16.87%

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

Full-time Equivalent Town Employees by Function

Last Ten Years

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Function:										
General government	38	41	42	43	43	43	43	46	43	43
Police	82	81	83	90	96	97	94	96	103	98
Fire	87	87	86	83	86	88	90	90	90	90
Education	648	675	689	714	736	770	778	784	779	795
Public works	43	39	39	38	40	40	43	41	44	51
Human services	10	11	11	12	12	12	12	11	11	12
Culture and recreation	19	19	19	20	19	17	20	20	19	21
Water & Sewer	21	23	23	24	23	23	25	24	24	23
Golf	9	9	9	9	8	8	8	8	8	8
Electric Light	111	110	110	110	101	100	101	101	99	98
Total	1,067	1,094	1,110	1,143	1,164	1,198	1,214	1,221	1,220	1,239

Source: Town personnel records and various Town departments.

Operating Indicators by Function/Program

Last Ten Years

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Government										
Population	35,296	35,744	35,981	35,983	36,220	36,223	36,460	37,297	37,156	37,250
Registered voters, annual town election	N/A	7,500	N/A	N/A	N/A	N/A	N/A	N/A	N/A	26,468
Town Clerk										
Births	365	380	411	407	410	382	410	357	372	396
Marriages	197	213	234	193	211	218	239	214	305	223
Deaths	465	465	469	500	478	505	500	499	491	476
Police										
Accidents covered by an officer	1,247	1,177	287	481	1,611	524	1,631	1,764	588	1,676
Citations issued	3,849	2,722	1,304	3,737	4,311	9,370	4,774	3,423	2,877	3,290
Arrests	766	754	262	835	985	952	1,005	906	743	574
Larcenies	662	615	245	511	1,167	619	1,070	1,012	439	989
Fire										
Fires	116	92	94	64	132	136	45	106	82	65
Emergency medical service	3,107	2,725	1,786	2,629	2,558	2,733	1,889	3,781	4,302	4,030
False alarm	676	759	493	773	857	633	228	853	858	872
Other responses	1,150	1,196	948	1,422	1,456	1,366	735	1,144	1,551	1,560
Hazmat responses	281	360	207	351	258	255	39	251	295	228
Building Department										
Residential building permits issued	950	979	976	850	926	1,352	1,313	1,215	1,176	1,260
Non-Residential building permits issued	324	295	361	403	399	382	324	349	400	342
Education										
Public school enrollment	5,557	5,565	5,601	5,678	5,734	5,828	5,860	5,839	5,828	5,908
Public Works										
Cemetery										
Lots sold	N/A	25	15	28	23	39	40	46	39	19
Water										
Service connections	N/A	11,497	11,500	11,492	11,454	11,561	11,540	11,549	11,549	11,617
Consumption in billions of gallons	1,374	1,371	N/A	1,285	1,166	927	918	914	914	1,168
Daily consumption in millions of gallons	3.8	3.7	N/A	4.7	3.5	3	3	3	3	3.2
Sewer										
Service connections	N/A	N/A	11,500	11,423	11,417	11,541	11,554	11,513	11,513	11,581
Daily average collection (MGD)	6.97	6.52	6.89	6.66	6.81	N/A	N/A	N/A	N/A	N/A
Highway										
Miles of public road	129.0	129.0	129.0	130.0	130.0	134	134	135	135	135
Human Services										
Board of Health										
Inspections	1,151	1,338	1,321	1,263	1,139	1,291	1,359	1,256	1,514	1,430
Elder Affairs										
Home delivered meals	616	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Transportation	3,917	3,763	4,121	5,280	5,295	5,368	5,450	5,018	5,598	5,285
Volunteer service hours	7,252	6,583	6,029	5,214	4,423	4,686	4,662	4,550	3,798	3,620
Fitness/exercise program participants	3,588	3,673	3,734	3,420	4,298	4,415	4,826	4,710	6,088	5,952
Recreation/social event participants	7,739	8,242	9,221	8,200	8,172	8,959	9,495	9,220	9,819	9,625
Libraries										
Volumes in collection	157,057	157,764	125,145	131,000	140,213	285,730	271,978	773,224	161,840	175,509
Circulation	350,966	384,947	379,752	293,733	384,109	365,580	352,638	324,720	302,310	327,979
Program attendance	7,605	10,279	11,011	9,421	9,695	8,660	10,272	9,191	10,524	11,916

Source: Various Town Departments
N/A: Information not available

Capital Asset Statistics by Function/Program

Last Ten Years

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Government										
Number of buildings	8	8	8	8	8	8	8	8	8	8
Police										
Number of stations	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 vehicles	17	17	17	17	17	17	17	17	17	17
Education										
Number of elementary schools	6	6	6	6	6	6	6	6	6	6
Number of middle schools	2	2	2	2	2	2	2	2	2	2
Number of high schools	1	1	1	1	1	1	1	1	1	1
Number of other buildings	5	5	5	5	5	5	5	5	5	5
Public Works										
Water mains (miles)	161	161	161	161	161	161	161	161	161	161
Fire hydrants	1,211	1,211	1,211	1,211	1,211	1,211	1,211	1,211	1,211	1,211
Sanitary sewers (miles)	138	138	138	138	138	138	138	138	138	138
Number of wells	1	1	1	1	1	1	1	1	1	1
Number of water storage tanks	4	4	4	4	4	4	4	4	4	4
Number of pump stations	15	15	15	15	15	15	15	15	14	12
Human Services										
Senior center	1	1	1	1	1	1	1	1	1	1
Culture and Recreation										
Recreation building	1	1	1	1	1	1	2	2	2	2
Library	1	1	1	1	1	1	1	1	1	1

Source: Various Town Departments

Braintree's State Champion 4th Grade Girls Basketball Travel Team march in the 2019 Braintree Day Parade.

Volunteers gather for a lunch during the Annual Braintree Beautification Day held in May 2019.

July 13, 2018 – Mayor Sullivan joined the Braintree Fire Department and Daiute Family as they christened our Town's new fire boat named for former Braintree and Boston firefighter Chester P. Daiute.