Rating: Standard & Poor's – AA

NOTICE OF SALE AND PRELIMINARY OFFICIAL STATEMENT DATED APRIL 19, 2016

NEW ISSUE

In the opinion of Locke Lord LLP, Bond Counsel, based upon an analysis of existing law and assuming, among other matters, compliance with certain covenants, interest on the Bonds is excluded from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "Code"). Interest on the Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although such interest is included in adjusted current earnings when calculating corporate alternative minimum taxable income. Under existing law, interest on the Bonds is exempt from Massachusetts personal income taxes, and the Bonds are exempt from Massachusetts personal property taxes. The Bonds will be designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Bonds. See "Tax Exemption" herein.

$5,025,000*
TOWN OF ABINGTON, MASSACHUSETTS
General Obligation Refunding Bonds
Unlimited Tax

Dated: Date of Delivery **Due: (As shown below)**

MATURITY SCHEDULE

Due: May 1	Principal Amount*	Rate	Yield	Due: May 1	Principal Amount*	Rate	Yield
2017	$25,000	%	%	2023	$500,000	%	%
2018	340,000			2024	490,000		
2019	525,000			2025	485,000		
2020	525,000			2026	480,000		
2021	520,000			2027	445,000		
2022	510,000			2028	180,000		

Principal of the Bonds will be payable on May 1 of the years in which the Bonds mature. Interest will be payable on November 1, 2016 and semi-annually thereafter on each May 1 and November 1.

The Bonds are not subject to redemption prior to their stated dates of maturity.

The Bonds will be issued by means of a book-entry system, evidencing ownership of the Bonds in principal amounts of $5,000 or integral multiples thereof with transfers of ownership effected on the records of The Depository Trust Company, New York, New York, ("DTC"), and its participants pursuant to rules and procedures adopted by DTC participants. No physical distribution of the Bonds will be made to the public. One certificate for each maturity of the Bonds will be issued to DTC, and immobilized in its custody.

The legality of the Bonds will be approved by Locke Lord LLP, Boston, Massachusetts, Bond Counsel to the Town. It is expected that the Bonds, in definitive form, will be delivered to DTC, or its custodial agent, on or about May 12, 2016 against payment in Federal Reserve Funds.

Electronic and Faxed Bids Received
Until 11:00 A.M. (Eastern Standard Time)
Thursday, April 28, 2016
at
EASTERN BANK
Boston, Massachusetts
Financial Advisor

* *Preliminary, subject to change.*

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The information and expressions of opinion in this Official Statement are subject to change without notice. Neither the delivery of this Official Statement nor any sale of the Bonds shall, under any circumstances, create any implication that there has been no material change in the affairs of the Town since the date of this Official Statement.

TOWN OF ABINGTON, MASSACHUSETTS

$5,025,000*

GENERAL OBLIGATION REFUNDING BONDS
Unlimited Tax

Book-Entry-Only

NOTICE OF SALE

The Town of Abington, Massachusetts, will receive proposals until 11:00 A.M. (local time) on Thursday, April 28, 2016 at Eastern Bank, Boston, Massachusetts, for the purchase of the following described Bonds:

$5,025,000* General Obligation Refunding Bonds, payable as follows:

Due May 1	Principal Amount*	Due May 1	Principal Amount*
2017	$25,000	2023	$500,000
2018	340,000	2024	490,000
2019	525,000	2025	485,000
2020	525,000	2026	480,000
2021	520,000	2027	445,000
2022	510,000	2028	180,000

The Bonds will be dated May 12, 2016. Principal of the Bonds will be payable on May 1 of the years in which the Bonds mature. Interest will be payable on November 1, 2016 and semi-annually thereafter on each May 1 and November 1.

The Bonds are not subject to redemption prior to their stated dates of maturity.

The Bonds will be issued by means of a book-entry system, evidencing ownership of the Bonds in principal amounts of $5,000 or integral multiples thereof, with transfers of ownership effected on the records of The Depository Trust Company, New York, New York, ("DTC"), and its participants pursuant to rules and procedures adopted by DTC participants. No physical distribution of the Bonds will be made to the public. One certificate for each maturity of the Bonds will be issued to DTC, and immobilized in its custody. The winning bidder, as a condition of delivery of the Bonds, shall be required to deposit the Bonds with DTC, registered in the name of Cede & Co.

The original Bonds to be immobilized at DTC will be prepared and their legality approved by Locke Lord LLP, Boston, Massachusetts, whose opinion will be furnished to the purchaser without charge.

Bidder(s) shall state the rate or rates of interest per annum which the Bonds are to bear in a multiple of $1/8^{th}$ or $1/20^{th}$ of 1%, but shall not state: (a) more than one interest rate for any Bonds having a like maturity; (b) any interest rate which exceeds the interest rate stated for any other Bonds by more than 3%. No bid of less than par, plus accrued interest to date of delivery, if any, will be considered.

Principal and semi-annual interest will be paid by U. S. Bank National Association, a national banking association, as Paying Agent (the "Paying Agent"). So long as The Depository Trust Company, New York, New York, ("DTC"), or its nominee, Cede & Co., is the Bondowner, such payments will be made directly to such Bondowner. Disbursement of such payments to the DTC participants is the responsibility of DTC and disbursement of such payments to the Beneficial Owners is the responsibility of the DTC Participants and Indirect Participants, as more fully described herein.

**Preliminary, subject to change.*

As between proposals that comply with this Notice of Sale, the award will be to the bidder who offers to purchase all the Bonds at the lowest net effective interest rate to the Town. Such interest rate shall be determined on a true interest cost (TIC) basis, which shall mean that rate which, as of May 12, 2016, discounts semi-annually all future payments on account of principal and interest on the Bonds to the price bid.

The Town reserves the right to change the aggregate principal amount of the Bonds and the maturity schedule after the determination of the winning bid by increasing or decreasing the aggregate principal amount and the principal amount of each maturity by such amounts as may be necessary to (a) produce sufficient funds to effect the refunding for which the Bonds are being issued after taking into account any premium to be received by the Town, and (b) to account for any changes in the Bonds to be refunded with the proceeds of the Bonds based on the actual debt service.

Any adjustment in either the aggregate principal amount or the individual maturities of the Bonds will be in an amount of $5,000 or an integral multiple thereof, and will be made only as necessary to effect the refunding in accordance with the Town's objectives. Those objectives include (1) meeting state law requirements with respect to present value savings, and (2) issuing a final par amount of Bonds that will be sufficient to fund the refunding plus costs of issuance, given the price bid by the successful underwriter, while avoiding an over issuance of Bonds. Prospective bidders should be advised that bidding with a large premium will likely result in a corresponding reduction in the par amount of the Bonds.

THE SUCCESSFUL BIDDER MAY NOT WITHDRAW ITS BID OR CHANGE THE INTEREST RATES BID OR THE INITIAL REOFFERING PRICES AS A RESULT OF ANY CHANGES MADE TO THE ANNUAL PRINCIPAL AMOUNTS. The dollar amount bid by the successful bidder will be adjusted, if applicable, to reflect changes in the dollar amount of the amortization schedule. Any price that is adjusted will reflect changes in the dollar amount of the underwriter's discount and original issue premium, if any, but will not change the per-bond underwriter's discount (net of insurance premium, if any) provided in such bid. Nor will it change the interest rate specified for each maturity. Any such adjustments will be communicated to the winning bidder by 4 p.m. on the day of the sale.

Electronic proposals will be submitted through ***PARITY/i-Deal™***. If any provisions in this Notice of Sale conflict with information provided by ***PARITY/i-Deal™*** this Notice of Sale shall control. Further information about **PARITY**, including any fees charged, may be obtained from ***i-Deal*** at (212) 404-8102. The Town assumes no responsibility or liability for bids submitted in this manner.

An electronic bid made in accordance with this Notice of Sale shall be deemed an offer to purchase the Bonds in accordance with the terms provided in this Notice of Sale and shall be binding upon the bidder as if made by a signed and sealed written bid delivered to the Town.

Other Bids, including bids delivered by telegram, should be sealed, marked "Proposal for Bonds" and addressed to Sonia Hodge, Treasurer, Town of Abington, Massachusetts, c/o Eastern Bank, Municipal Finance Department, Third Floor, 265 Franklin Street, Boston, Massachusetts 02110. Proposals delivered as specified will be accepted. Blank bid forms with signature may be faxed to Eastern Bank prior to submitting bids at (617) 235-8110, with actual bids telephoned to (617) 235-8102 or 235-8104, at least one half hour prior to the 11:00 AM (local time) sale and after receipt of the faxed bid form by Eastern Bank which will act as agent for the bidder(s) in submitting the final sealed bids. Neither the Town nor Eastern Bank shall be responsible for bids submitted in this manner. Any bidder who submits a winning bid by telephone in accordance with this Notice of Sale shall be required to provide written confirmation of the terms of the bid by faxing or e-mailing a completed, signed bid form to Eastern Bank by not later than 11:15 a.m. on the date of sale. A good faith deposit is not required.

The award of the Bonds to the winning bidder will not be effective until the bid has been approved by the Treasurer and the Board of Selectmen.

The Town has not contracted for the issuance of any policy of municipal bond insurance for the Bonds. If the Bonds qualify for issuance of any such policy or commitment therefor, any purchase of such insurance or commitment shall be at the sole option and expense of the bidder. Proposals shall not be conditioned upon the issuance of any such policy or commitment. Any failure of the Bonds to be so insured or of any such policy or commitment to be issued shall not in any way relieve the purchaser of their contractual obligations arising from the acceptance of their proposal for the purchase of the Bonds. Should the bidder purchase municipal bond insurance, all expenses associated with such policy or commitment will be borne by the bidder.

On or prior to the date of delivery of the Bonds, the successful bidder shall furnish to the Town a certificate acceptable to Bond Counsel generally to the effect that (i) as of April 28, 2016 (the "Sale Date"), the successful bidder had offered or reasonably expected to offer all of the Bonds to the general public (excluding bond houses, brokers, or similar persons acting in the capacity of underwriters or wholesalers) in a bona fide public offering at the prices set forth in such certificate, plus accrued interest, if any, (ii) such prices represent fair market prices of the Bonds as of the Sale Date, and (iii) as of the date of such certificate, all of the Bonds have been offered to the general public in a bona fide offering at the prices set forth in such certificate, and at least 10% of each maturity of the Bonds actually has been sold to the general public at such prices. To the extent the certifications described in the preceding sentence are not factually accurate with respect to the reoffering of the Bonds, Bond Counsel should be consulted by the bidder as to alternative certifications that will be suitable to establish the "issue price" of the Bonds for federal tax law purposes. If a municipal bond insurance policy or similar credit enhancement is obtained with respect to the Bonds by the successful bidder, such bidder will also be required to certify as to the net present value savings on the Bonds resulting from payment of insurance premiums or other credit enhancement fees.

It shall be a condition of the obligation of the successful bidder to accept delivery of and pay for the Bonds that it shall be furnished, without cost, with (a) the approving opinion of the firm of Locke Lord LLP, Boston, Massachusetts, substantially in the form presented in Appendix C to the Preliminary Official Statement, included herein, (b) a certificate in form satisfactory to said firm dated as of the date of delivery of the Bonds and receipt of payment therefor to the effect that there is no litigation pending or, to the knowledge of the signers thereof, threatened affecting the validity of the Bonds or the power of the Town to levy and collect taxes to pay them, (c) a certificate of the Town Treasurer to the effect that to the best of the signer's knowledge and belief, as of its date and the date of sale, the Preliminary Official Statement did not, the Official Statement as of its date and as of the date of delivery of the Bonds, does not, contain any untrue statement of a material fact and does not omit to state a material fact necessary to make the statements made herein, in the light of the circumstances under which they were made, not misleading and (d) a Continuing Disclosure Certificate in the form described in the Preliminary Official Statement.

In order to assist bidders in complying with Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission, the Town will undertake to provide annual reports and notices of certain significant events. A description of this undertaking is set forth in the Preliminary Official Statement and in the proposed form of Continuing Disclosure Certificate, which is provided in Appendix D of the Preliminary Official Statement.

It is anticipated that CUSIP identification numbers will be printed on the Bonds. All expenses in relation to the printing of CUSIP numbers on the Bonds shall be paid for by the Town; provided, however, that the Town assumes no responsibility for any CUSIP Service Bureau or other charge that may be imposed for the assignment of such numbers.

The Bonds will be designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code.

The Bonds, in definitive form, will be delivered to the purchaser at DTC, or its custodial agent, on or about May 12, 2016 against payment in federal reserve funds.

Additional information concerning the Town and the Bonds is contained in the Preliminary Official Statement dated April 19, 2016, to which prospective bidders are directed. The Preliminary Official Statement is provided for informational purposes only and is not deemed a part of this Notice of Sale. Copies of the Preliminary Official Statement and a suggested form of the proposal for the Bonds may be obtained from Eastern Bank, Municipal Finance Department, Third Floor, 265 Franklin Street, Boston, Massachusetts 02110, telephone: (617) 235-8102. The Preliminary Official Statement is deemed final by the Town as of its date for purposes of SEC Rule 15c2-12(b)1 except for the omission of the reoffering prices, interest rates and any other terms of the Bonds depending on such matters and the identity of the purchasers. Within seven (7) business days following the award of the Bonds in accordance herewith, no more than 25 copies of the Final Official Statement will be furnished to the successful bidder. Additional copies may be obtained at the purchaser's expense.

The right is reserved to reject all bids and to reject any bid not complying with this Notice of Sale and, so far as permitted by law, to waive any irregularity with respect to any proposal for the Bonds.

Town of Abington, Massachusetts

By: /s/ Sonia Hodge, Treasurer

Dated: April 19, 2016

DISTRIBUTION LIST

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OFFICIAL STATEMENT

TOWN OF ABINGTON, MASSACHUSETTS

$5,025,000* GENERAL OBLIGATION REFUNDING BONDS
UNLIMITED TAX

INTRODUCTION

This Official Statement is provided for the purpose of presenting certain information relating to the Town of Abington, Massachusetts (the "Town") in connection with the sale of $5,025,000* General Obligation Refunding Bonds of the Town (the "Bonds").

The Bonds will be general obligations of the Town for which its full faith and credit are pledged. They are not guaranteed by The Commonwealth of Massachusetts (the "Commonwealth") or any other entity. The principal and interest of the Bonds are payable from taxes which may be levied upon all taxable property in the Town without limit as to rate or amount, except as provided under Chapter 44, Section 20 of the Massachusetts General Laws. The security for the Bonds is more fully discussed under the caption "Security and Remedies" below. See also "*Proposed Form of Legal Opinion*" in Appendix C.

Questions regarding information contained in this Official Statement or other matters should be directed to the following: Sonia Hodge, Treasurer, (781) 982-2131; Patricia E. Redman, Vice President, Eastern Bank, (617) 235-8102. The information contained herein has been obtained from the sources indicated or from the Town.

THE BONDS

Description of the Bonds

The Bonds will be dated May 12, 2016, and will bear interest payable on November 1, 2016 and semi-annually thereafter on each May 1 and November 1. Interest will be calculated on the basis of a 30-day month and a 360-day year. Principal on the Bonds will be payable on May 1 of the years and in the amounts shown on the cover of this Official Statement.

Principal and semi-annual interest on the Bonds will be paid by U.S. Bank National Association, Boston, Massachusetts, as Paying Agent (the "Paying Agent"). So long as The Depository Trust Company, New York, New York, ("DTC"), or its nominee, Cede & Co., is the Bondowner, such payments will be made directly to such Bondowner. Disbursement of such payments to the DTC participants is the responsibility of DTC and disbursement of such payments to the Beneficial Owners is the responsibility of the DTC Participants and Indirect Participants, as more fully described herein.

The Bonds will be issued by means of a book-entry system, evidencing ownership of the Bonds in principal amounts of $5,000 or integral multiples thereof, with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures adopted by DTC participants. No physical distribution of the Bonds will be made to the public. One certificate for each maturity of the Bonds will be issued to DTC, and immobilized in its custody.

Record Date

The record date for each payment of interest on the Bonds is the fifteenth day of the month preceding the interest payment date provided that if such date is not a business day, the record date shall be the next succeeding business day; and provided further that, with respect to overdue interest, the Paying Agent may establish a special record date. The special record date may not be more than twenty (20) days before the date set for payment. The Paying Agent will mail notice of a special record date to the Bondholders at least ten (10) days before the special record date.

**Preliminary, subject to change.*

Book-Entry-Transfer System

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Bonds. The Bonds will be issued in fully-registered form registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One-fully registered certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at **www.dtcc.com**.

Purchases of securities deposited with DTC must be made by or through Direct Participants, which will receive a credit for such securities on DTC's records. The ownership interest of each actual purchaser of each security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in securities deposited with DTC are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in securities deposited with DTC except in the event that use of the book-entry system for such securities is discontinued.

To facilitate subsequent transfers, all securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the securities deposited with it; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to securities deposited with it unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the issuer of such securities as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on securities deposited with DTC will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC’s practice is to credit Direct Participants’ accounts upon DTC’s receipt of funds and corresponding detail information from the issuer of such securities or its

paying agent, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC (nor its nominee), the issuer of such securities or its paying agent, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the issuer of such securities or its paying agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to securities held by it at any time by giving reasonable notice to the issuer of such securities or its paying agent. Under such circumstances, in the event that a successor depository is not obtained, physical certificates are required to be printed and delivered.

The Town may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, physical certificates will be printed and delivered to Beneficial Owners.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Town believes to be reliable, but the Town takes no responsibility for the accuracy thereof.

DTC Practices

The Town can make no assurances that DTC, Direct Participants, Indirect Participants or other nominees of the Beneficial Owners of the Bonds will act in a manner described in this Official Statement. DTC is required to act according to rules and procedures established by DTC and its participants which are on file with the Securities and Exchange Commission.

Optional Redemption

The Bonds are not subject to redemption prior to their stated dates of maturity.

Authorization and Use of Proceeds

The $5,025,000* Refunding Bonds are authorized as follows:

$5,025,000* (the "Advanced Refunding Bonds") are authorized under Chapter 44, Section 21A of the Massachusetts General Laws for the purpose of making a deposit to a refunding escrow account to advance refund the following bonds of the Town and a vote of the Board of Selectmen (the "Advanced Refunded Bonds"): the $1,900,000 portion of the Town's $5,818,000 Municipal Purpose Loan of 2008 Bonds dated June 1, 2008 and maturing in the years 2022 and 2028 (the "2008 Refunded Bonds"), and the $3,090,000 portion of the Town's $8,856,000 Municipal Purpose Loan of 2007 Bonds dated June 15, 2007 and maturing in the years 2018, 2019, 2022 and 2027 (the "2007 Refunded Bonds"), including payment of the underwriter's discount and other costs of issuance. The advance Refunded Bonds have been *voted exempt from the tax limitations of Proposition 2 ½.*

**Preliminary, subject to change.*

The maturity dates, interest rates, principal amounts, CUSIP numbers and call prices of the Refunded bonds are as follows:

Bonds Dated June 1, 2008

Maturity Date	Interest Rate	Par Amount	Call Date	Call Price	CUSIP Number 003518
6/1/2022	3.950%	$760,000.00	6/1/2018	100.000	HY6
6/1/2028	4.125%	1,140,000.00	6/1/2018	100.000	JE8
		$1,900,000.00			

Bonds Dated June 15, 2007

Maturity Date	Interest Rate	Par Amount	Call Date	Call Price	CUSIP Number 003518
6/15/2018	4.200%	$315,000.00	6/15/2017	100.000	GZ4
6/15/2019	4.200%	315,000.00	6/15/2017	100.000	HA8
6/15/2022	4.300%	945,000.00	6/15/2017	100.000	HD2
6/15/2027	4.350%	1,535,000.00	6/15/2017	100.000	HJ9
		$3,090,000.00			

Plan of Refunding

Upon delivery of the Advanced Refunding Bonds, the Town will enter into a Refunding Escrow Agreement (the "Refunding Escrow Agreement") with U.S. Bank National Association, as Refunding Escrow Agent, to provide for the refunding of the Advanced Refunded Bonds. Upon receipt of the portion of the proceeds of the Bonds necessary to refund the Advanced Refunded Bonds, the Refunding Escrow Agent will deposit in the Refunding Escrow Fund established under the Refunding Escrow Agreement an amount that will be invested in direct obligations of the United States of America or obligations unconditionally guaranteed by the United States of America ("Government Obligations") maturing in amounts and bearing interest at rates sufficient without reinvestment, together with the cash on deposit in the Refunding Escrow Fund, to pay when due, interest on, and upon redemption, the outstanding principal of and redemption premium (if any) on, the Advanced Refunded Bonds. The Refunding Escrow Fund, including the interest earning on the Government Obligations, will be pledged for the benefit of the holders of the Advanced Refunded Bonds. *The Advance Refunded Bonds will be called for redemption on June 15, 2017 for the 2007 Refunded Bonds and June 1, 2018 for the 2008 Refunded Bonds.*

Verification of Mathematical Computations

The accuracy of the arithmetical and mathematical computations (a) of the adequacy of the maturing principal amounts of the Government Obligations together with the interest income thereon and uninvested cash, if any, to pay, when due, the principal of, redemption premium and interest on the Advanced Refunded Bonds, and (b) relating to the determination of compliance with the regulations and rulings promulgated under the Internal Revenue Code of 1986, as amended, will be verified by Causey, Demgen and Moore, Inc., independent Certified Public Accountants. The verification of arithmetical accuracy and mathematical computations will be based upon information and assumptions supplied by the Underwriter and upon the interpretation of the Code provided by Bond Counsel.

Sources and Uses of Funds

The proceeds of the sale of the Bonds are expected to be applied as follows:

Sources		Uses	
Par Amount of Bonds	$	Refunding Escrow Account	$
Original Issue Premium		Underwriter's Discount	
		Cost of Issuance	
		Additional Proceeds	
Total Sources of Funds	$	***Total Uses of Funds***	$

Tax Exemption

In the opinion of Locke Lord LLP, Bond Counsel to the Town ("Bond Counsel"), based upon an analysis of existing laws, regulations, rulings, and court decisions, and assuming, among other matters, compliance with certain covenants, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code"). Bond Counsel is of the further opinion that interest on the Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although Bond Counsel observes that such interest is included in adjusted current earnings when calculating corporate alternative minimum taxable income. In the opinion of Bond Counsel, the Bonds are designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code. Bond Counsel expresses no opinion regarding any other federal tax consequences arising with respect to the ownership or disposition of, or the accrual or receipt of interest on, the Bonds.

The Code imposes various requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Bonds. Failure to comply with these requirements may result in interest on the Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Bonds. The Town has covenanted to comply with such requirements to ensure that interest on the Bonds will not be included in federal gross income. The opinion of Bond Counsel assumes compliance with these requirements.

Bond Counsel is also of the opinion that, under existing law, interest on the Bonds is exempt from Massachusetts personal income taxes, and the Bonds are exempt from Massachusetts personal property taxes. Bond Counsel has not opined as to other Massachusetts tax consequences arising with respect to the Bonds. Prospective Bondholders should be aware, however, that the Bonds are included in the measure of Massachusetts estate and inheritance taxes, and the Bonds and the interest thereon are included in the measure of certain Massachusetts corporate excise and franchise taxes. Bond Counsel expresses no opinion as to the taxability of the Bonds or the income therefrom or any other tax consequences arising with respect to the Bonds under the laws of any state other than Massachusetts. A complete copy of the proposed form of opinion of Bond Counsel is set forth in Appendix C hereto.

To the extent the issue price of any maturity of the Bonds is less than the amount to be paid at maturity of such Bonds (excluding amounts stated to be interest and payable at least annually over the term of such Bonds), the difference constitutes "original issue discount," the accrual of which, to the extent properly allocable to each owner thereof, is treated as interest on the Bonds which is excluded from gross income for federal income tax purposes and is exempt from Massachusetts personal income taxes. For this purpose, the issue price of a particular maturity of the Bonds is the first price at which a substantial amount of such maturity of the Bonds is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the Bonds accrues daily over the term to maturity of such Bonds on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Bonds to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Bonds. Bondholders should consult their own tax advisors with respect to the tax consequences of ownership of Bonds with original issue discount, including the treatment of purchasers who do not purchase such Bonds in the original offering to the public at the first price at which a substantial amount of such Bonds is sold to the public.

Bonds purchased, whether at original issuance or otherwise, for an amount greater than the stated principal amount to be paid at maturity of such Bonds, or, in some cases, at the earlier redemption date of such Bonds ("Premium Bonds"),

will be treated as having amortizable bond premium for federal income tax purposes and Massachusetts personal income tax purposes. No deduction is allowable for the amortizable bond premium in the case of obligations, such as the Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, a Bondholder's basis in a Premium Bond will be reduced by the amount of amortizable bond premium properly allocable to such Bondholder. Holders of Premium Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Bonds may adversely affect the value of, or the tax status of interest on, the Bonds.

Prospective Bondholders should be aware that from time to time legislation is or may be proposed which, if enacted into law, could result in interest on the Bonds being subject directly or indirectly to federal income taxation, or otherwise prevent Bondholders from realizing the full benefit provided under current federal tax law of the exclusion of interest on the Bonds from gross income. To date, no such legislation has been enacted into law. However, it is not possible to predict whether any such legislation will be enacted into law. Further, no assurance can be given that any pending or future legislation, including amendments to the Code, if enacted into law, or any proposed legislation, including amendments to the Code, or any future judicial, regulatory or administrative interpretation or development with respect to existing law, will not adversely affect the market value and marketability of, or the tax status of interest on, the Bonds. Prospective Bondholders are urged to consult their own tax advisors with respect to any such legislation, interpretation or development.

Although Bond Counsel is of the opinion that interest on the Bonds is excluded from gross income for federal income tax purposes and is exempt from Massachusetts personal income taxes, the ownership or disposition of, or the accrual or receipt of interest on, the Bonds may otherwise affect the federal or state tax liability of a Bondholder. Among other possible consequences of ownership or disposition of, or the accrual or receipt of interest on, the Bonds, the Code requires recipients of certain social security and certain railroad retirement benefits to take into account receipts or accruals of interest on the Bonds in determining the portion of such benefits that are included in gross income. The nature and extent of all such other tax consequences will depend upon the particular tax status of the Bondholder or the Bondholder's other items of income, deduction or exclusion. Bond Counsel expresses no opinion regarding any such other tax consequences, and Bondholders should consult with their own tax advisors with respect to such consequences.

Security and Remedies

Full Faith and Credit. General obligation bonds and notes of a Massachusetts city or town constitute a pledge of its full faith and credit. Payment is not limited to a particular fund or revenue source. Except for "qualified bonds" as described above (see *"Serial Bonds and Notes"* under "INDEBTEDNESS - TYPES OF OBLIGATIONS" below) and setoffs of state distributions as described below (see *"State Distributions"* below), no provision is made by the Massachusetts statutes for priorities among bonds and notes and other general obligations, although the use of certain moneys may be restricted.

Tax Levy. The Massachusetts statutes direct the municipal assessors to include annually in the tax levy for the next fiscal year "all debt and interest charges matured and maturing during the next fiscal year and not otherwise provided for [and] all amounts necessary to satisfy final judgments". Specific provision is also made for including in the next tax levy payments of rebate amounts not otherwise provided for and payment of notes in anticipation of federal or state aid, if the aid is no longer forthcoming.

The total amount of a tax levy is limited by statute. However, the voters in each municipality may vote to exclude from the limitation any amounts required to pay debt service on indebtedness incurred before November 4, 1980. Local voters may also vote to exempt specific subsequent bond issues from the limitation. (See *"Tax Limitations"* under "PROPERTY TAXATION" below.) In addition, obligations incurred before November 4, 1980 may be constitutionally entitled to payment from taxes in excess of the statutory limit.

Except for taxes on the increased value of certain property in designated development districts which may be pledged for the payment of debt service on bonds issued to finance economic development projects within such districts, no provision is made for a lien on any portion of the tax levy to secure particular bonds or notes or bonds and notes generally (or judgments on bonds or notes) in priority to other claims. Provision is made, however, for borrowing to pay judgments, subject to the General Debt Limit. (See "INDEBTEDNESS - Debt Limit" below.) Subject to the approval of the State Director of Accounts for judgments above $10,000, judgments may also be paid from available funds without appropriation and included in the next tax levy unless other provision is made.

Court Proceedings. Massachusetts cities and towns are subject to suit on their general obligation bonds and notes and courts of competent jurisdiction have power in appropriate proceedings to order payment of a judgment on the bonds or notes from lawfully available funds or, if necessary, to order the city or town to take lawful action to obtain the required money, including the raising of it in the next annual tax levy, within the limits prescribed by law. (See *"Property Tax Limitations"* under "PROPERTY TAXATION" below.) In exercising their discretion as to whether to enter such an order, the courts could take into account all relevant factors including the current operating needs of the city or town and the availability and adequacy of other remedies. The Massachusetts Supreme Judicial Court has stated in the past that a judgment against a municipality can be enforced by the taking and sale of the property of any inhabitant. However, there has been no judicial determination as to whether this remedy is constitutional under current due process and equal protection standards.

Restricted Funds. Massachusetts statutes also provide that certain water, gas and electric, community antenna television system, telecommunications, sewer, parking meter and passenger ferry fee, community preservation and affordable housing receipts may be used only for water, gas and electric, community antenna television system, telecommunications, sewer, parking, mitigation of ferry service impacts, community preservation and affordable housing purposes, respectively; accordingly, moneys derived from these sources may be unavailable to pay general obligation bonds and notes issued for other purposes. A city or town that accepts certain other statutory provisions may establish an enterprise fund for a utility, health care, solid waste, recreational or transportation facility and for police or fire services; under those provisions any surplus in the fund is restricted to use for capital expenditures or reduction of user charges. In addition, subject to certain limits, a city or town may annually authorize the establishment of one or more revolving funds in connection with use of certain revenues for programs that produce those revenues; interest earned on a revolving fund is treated as general fund revenue. A city or town may also establish an energy revolving loan fund to provide loans to owners of privately-held property in the city or town for certain energy conservation and renewable energy projects, and may borrow to establish such a fund. The loan repayments and interest earned on the investment of amounts in the fund shall be credited to the fund. Also, the annual allowance for depreciation of a gas and electric plant or a community antenna television and telecommunications system is restricted to use for plant or system renewals and improvements, for nuclear decommissioning costs, and costs of contractual commitments, or, with the approval of the State Department of Telecommunications and Energy, to pay debt incurred for plant or system reconstruction or renewals. Revenue bonds and notes issued in anticipation of them may be secured by a prior lien on specific revenues. Receipts from industrial users in connection with industrial revenue financings are also not available for general municipal purposes.

State Distributions. State grants and distributions may in some circumstances be unavailable to pay general obligation bonds and notes of a city or town in that the State Treasurer is empowered to deduct from such grants and distributions the amount of any debt service paid on "qualified bonds" (See *"Serial Bonds and Notes"* under "INDEBTEDNESS-TYPES OF OBLIGATIONS" below) and any other sums due and payable by the city or town to the Commonwealth or certain other public entities, including any unpaid assessments for costs of any public transportation authority (such as the Massachusetts Bay Transportation Authority or a regional transit authority) of which it is a member, for costs of the Massachusetts Water Resources Authority if the city or town is within the territory served by the Authority, for any debt service due on obligations issued to the Massachusetts School Building Authority, or for charges necessary to meet obligations under the Commonwealth's Water Pollution Abatement or Drinking Water Revolving Loan Programs, including such charges imposed by another local governmental unit that provides wastewater collection or treatment services or drinking water services to the city or town.

If a city or town is (or is likely to be) unable to pay principal or interest on its bonds or notes when due, it is required to notify the State Commissioner of Revenue. The Commissioner shall in turn, after verifying the inability, certify the inability to the State Treasurer. The State Treasurer shall pay the due or overdue amount to the paying agent for the bonds or notes, in trust, within three days after the certification or one business day prior to the due date (whichever is later). This payment is limited, however, to the estimated amount otherwise distributable by the Commonwealth to the city or town during the remainder of the fiscal year (after the deductions mentioned in the foregoing paragraph). If for any reason any portion of the certified sum has not been paid at the end of the fiscal year, the State Treasurer shall pay it as soon as practicable in the next fiscal year to the extent of the estimated distributions for that fiscal year. The sums so paid shall be charged (with interest and administrative costs) against the distributions to the city or town.

The foregoing does not constitute a pledge of the faith and credit of the Commonwealth. The Commonwealth has not agreed to maintain existing levels of state distributions, and the direction to use estimated distributions to pay debt service may be subject to repeal by future legislation. Moreover, adoption of the annual appropriation act has sometimes been delayed beyond the beginning of the fiscal year and estimated distributions which are subject to appropriation may be unavailable to pay local debt service until they are appropriated.

Bankruptcy. Enforcement of a claim for payment of principal or interest on general obligation bonds or notes would be subject to the applicable provisions of Federal bankruptcy laws and to the provisions of other statutes, if any, hereafter enacted by the Congress or the State legislature extending the time for payment or imposing other constraints upon enforcement insofar as the same may be constitutionally applied. Massachusetts municipalities are not generally authorized by the Massachusetts General Laws to file a petition for bankruptcy under Federal Bankruptcy laws. In cases involving significant financial difficulties faced by a single city, town or regional school district, the Commonwealth has enacted special legislation to permit the appointment of a fiscal overseer, finance control board or, in the most extreme cases, a state receiver. In a limited number of these situations, such special legislation has also authorized the filing of federal bankruptcy proceedings, with the prior approval of the Commonwealth. In each case where such authority was granted, it expired at the termination of the Commonwealth's oversight of the financially distressed city, town or regional school district. To date, no such filings have been approved or made.

Bank Eligibility

The Bonds will be designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code.

Continuing Disclosure

In order to assist the Underwriters in complying with Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission (the "Rule"), the Town will covenant for the benefit of owners of the Bonds to provide certain financial information and operating data relating to the Town by not later than 270 days after the end of each fiscal year (the "Annual Report"), and to provide notices of the occurrence of certain significant events. The covenants will be contained in a Continuing Disclosure Certificate, the proposed form of which is provided in Appendix D. The Certificate will be executed by the signers of the Bonds, and incorporated by reference in the Bonds. The Town believes it has complied, in all material respects with any previous undertakings to provide annual reports or notices of significant events in accordance with the Rule.

The Town Treasurer, or such official's designee from time to time, shall be the contact person on behalf of the Town from whom the foregoing information, data and notices may be obtained. The name, address and telephone number of the initial contact person is: Sonia Hodge, Treasurer, Town of Abington, 500 Gliniewicz Way, Abington, MA 02351; (781) 932-2131.

Rating

Standard & Poor's has assigned a AA credit rating on these Bonds. A full copy of the credit report can be made available, upon request, at the offices of Eastern Bank.

Financial Advisor

Eastern Bank served as Financial Advisor to the Town with respect to this issue of Bonds.

Opinion of Bond Counsel

The unqualified approving opinion as to the validity of the Bonds will be rendered by Locke Lord LLP, Boston, Massachusetts. The opinion will be dated as of the date of original delivery of the Bonds and will speak only as of such date. The proposed form of legal opinion is set forth in Appendix C hereto.

The scope of engagement of Bond Counsel does not extend to passing upon or assuming responsibility for the accuracy or adequacy of any statements made in this Official Statement other than matters expressly set forth as their opinion and they make no representation that they have independently verified the same.

THE TOWN

Abington was incorporated as a Town in 1712. It is governed by an open town meeting form of government and is located in southeastern Massachusetts in Plymouth County approximately 19 miles from Boston and approximately 34 miles from Providence, Rhode Island. Abington is bordered by the City of Brockton and the Towns of Holbrook, Rockland, Whitman and Weymouth. It is approximately 9.97 square miles in land area and, according to the 2010 federal census figures, has a population of 15,985.

Services

The Town provides general governmental services for the territory within its boundaries, including police and fire protection, disposal of garbage and rubbish, public education in the early childhood center, two elementary schools, one junior high school, and one senior high school. Certain technical education at the high school level is provided by the South Shore Regional Vocational Technical High School, of which the Town is a member. Other services include sewer, streets, parks and recreation, curbside trash pickup, library, land conservation programs, MBTA commuter train services, low income housing, housing for the elderly and a housing authority. The Town's water supply is jointly managed with the Town of Rockland as the Abington-Rockland Water works and operates on its own revenue.

Principal Municipal Facilities

The following is a list of the Town's principal municipal facilities, date built or remodeled, and the fiscal 2016 assessed valuation.

Facility	Date Built (Remodeled)	Assessed Valuation
High School	1962/2008	$ 15,958,200
Town Hall / Library	1997	7,300,600
Early Childhood Center	1951/2008	8,307,600
Woodsdale School	1958	5,306,600
Housing for Elderly – Shaw	1978	6,086,500
Junior High School	1936	5,306,600
Golf Course	1900	2,285,700
Golf Course Property	1920/2005	226,600
Housing for Elderly – Lincoln	1970	3,095,300
Center School	1940	2,403,400
North School	1939	2,256,700
Highway Department Building	1942	1,021,500
Police Department	2009	4,500,600
Dyer Library	1931	1,088,600
Fire Station – 1040 Bedford St.	1962	1,067,800
Fire Station – Rockland St.	1973	752,700
Sewer Department Headquarters	1990/2009	608,900
American Legion	1880	2,107,700
West Abington Hall	1880	328,400
Water Department Building	1880	155,400

Governing Bodies and Officers

Local legislative decisions are made by an open town meeting consisting of all the registered voters in the Town. Subject to the legislative decisions made by the open town meeting, the affairs of the Town are generally administered by the town manager with approval of the board of five selectmen.

Local school affairs are administered by a school committee of five persons while local taxes are assessed by a board of three assessors all elected for staggered three-year terms on an at-large basis.

Principal Executive Officers

The following is a list of the principal executive officers within the Town. The 2016 terms are up for renewal at the Town's April election to be held on April 30.

Title	Name	Manner of Selection	Length of Term	Expiration of Term
Chrm Board of Selectmen	Michael W. Franey	Elected	3 years	2016
Selectman	Maureen Jansen	Elected	3 years	2017
Selectman	R. Andrew Burbine	Elected	3 years	2018
Selectman	Kenneth M. Coyle	Elected	3 years	2017
Selectman	Alex A. Bezanson	Elected	3 years	2016
Town Manager	Richard J. Laford	Appointed	3 years	2016
Assistant Town Manager	Dori R. Jamieson	Appointed	Indefinite	N/A
Town Accountant	Suzanne Moquin	Appointed	Indefinite	N/A
Treasurer	Sonia Hodge	Appointed	Indefinite	N/A
Tax Collector	Sonia Hodge	Appointed	Indefinite	N/A
Town Clerk	Leanne Adams	Elected	3 years	2017
Superintendent of Schools	Peter Schafer	Appointed	Indefinite	N/A
Assessors	Ann Welch	Elected	3 years	2016
Assessors	Lawrence Keough	Elected	3 years	2017
Assessors	Kate Marini	Elected	3 years	2018
Deputy Assessor	Jack Pistorino	Appointed	Indefinite	N/A
Town Counsel	Kopelman & Paige	Appointed	Indefinite	N/A

Collective Bargaining

City and town employees (other than managerial or confidential employees) are entitled to join unions and to bargain collectively on questions of wages, hours and other terms and conditions of employment.

The Town has approximately 392 employees of whom approximately 84 percent belong to unions or other collective bargaining groups. The following table sets forth the collective bargaining groups.

Union	Department	Members	Contract Expires	
International Association of Firefighters	Fire	24	6/30/2015	(1)
International Brotherhood of Police Officers	Police	22	6/30/2014	(1)
Abington Clerical Employees Association	Clerks	11	6/30/2014	(1)
Abington Library Staff Assoc, MLSA, MFT, AFT, AFLCIO	Library	6	6/30/2014	(1)
Abington Highway, Park and Sewer Department Employees Assoc.	Public Works	8	6/30/2014	(1)
Abington Managers Association	Managers	10	N/A	(1)
Abington Education Association	School	150	8/31/2018	
Abington Paraprofessional/Secretary/Tutors	School	73	8/31/2018	
Abington Custodians Association	School	8	6/30/2018	
Abington Maintenance Association	School	2	6/30/2018	
Abington School Cafeteria Association	School	15	6/30/2018	
Total:		329		

(1) These contracts are currently in negotiations.

Other Data

The following tables set forth age characteristics, income levels, housing characteristics, population trends, and employment figures for the Town of Abington, Plymouth County, and the Commonwealth of Massachusetts.

Median Age

	Abington		Plymouth County		Massachusetts	
Age	Number	Percent	Number	Percent	Number	Percent
Under 5 Years	1,083	6.8%	27,779	5.6%	366,296	5.5%
5 Years to 19 Years	3,163	19.8	102,642	20.6	1,250,186	18.9
20 Years to 64 Years	9,810	61.3	294,558	59.2	4,054,796	61.4
65 Years and Over	1,953	12.2	72,407	14.6	933,780	14.1
Total	16,009	100.0%	497,386	100.0%	6,605,058	100.0%
Median Age	39		42		39	
Median Age (2000)	36.7		36.8		36.5	

Source: U.S. Department of Commerce

Per Capita Income

	Abington		Plymouth County		Massachusetts	
Year	Amount	% Change	Amount	% Change	Amount	% Change
2013 5-year estimates	$34,567	47.8%	$35,220	42.1%	$35,763	37.8%
1999	23,380	42.7	24,789	50.0	25,952	50.7
1989	16,379	139.4	16,523	136.8	17,224	131.0
1979	6,843	0.0	6,978	0.0	7,457	0.0
% Below Poverty Level (2013 5-year estimates)	3.5%		7.6%		11.4%	

Source: U.S. Department of Commerce

Family Income

	Abington		Plymouth County		Massachusetts	
Income for Families	Families	Percent	Families	Percent	Families	Percent
Less than $10,000	58	1.4%	3,133	2.4%	58,546	3.6%
10,000 - 24,999	131	3.2	7,431	5.8	133,530	8.3
25,000 - 49,999	684	16.6	19,071	14.9	262,275	16.3
50,000 - 74,999	718	17.5	21,222	16.6	254,762	15.9
75,000 - 99,999	654	15.9	20,439	16.0	230,134	14.3
100,000 - 149,999	1,130	27.5	29,873	23.3	329,489	20.5
150,000 or more	735	17.9	26,792	20.9	338,346	21.1
Total	4,110	100.0%	127,961	100.0%	1,607,082	100.0%
Median Income	$92,452		$90,431		$84,900	

Source: U.S. Department of Commerce

Median Value Owner-Occupied Housing Units

	Abington			Plymouth County			Massachusetts		
Units	Number	Percent		Number	Percent		Number	Percent	
Less than $100,000	143	3.4	%	6,191	4.5	%	63,391	4.0	%
100,000 - 199,999	260	6.2		13,530	9.8		216,024	13.6	
200,000 - 299,999	1,520	36.5		38,025	27.5		400,460	25.3	
300,000 - 499,999	1,854	44.6		55,607	40.2		581,528	36.7	
500,000 - 999,999	355	8.5		21,766	15.7		269,517	17.0	
1,000,000 or more	28	0.7		3,343	2.4		54,339	3.4	
Total	4,160	100.0	%	138,462	100.0	%	1,585,259	100.0	%
Median Value	$312,400			$332,100			$330,100		

Source: U.S. Department of Commerce

Population

	Abington			Plymouth County			Massachusetts		
Year	Number	% Change		Number	% Change		Number	% Change	
2014 estimate	16,197	1.3	%	507,022	2.4	%	6,745,408	3.0	%
2010	15,985	9.4		494,919	4.7		6,547,629	3.1	
2000	14,605	5.7		472,822	8.6		6,349,097	5.5	
1990	13,817	2.2		435,276	7.4		6,016,425	4.9	
1980	13,517	0.0		405,437	0.0		5,737,037	0.0	

Source: U.S. Department of Commerce for actuals and estimates,
Massachusetts Institute for Social & Economic Research for projections.

Unemployment

			Unemployment Rate			
Calendar Year(1)	Labor Force	Employment	Town	County	State	US
2015 (December)	9,860	8,432	4.8 %	4.8 %	4.6 %	4.8 %
2014	8,840	8,293	6.2	6.0	5.8	6.2
2013	8,704	8,080	7.2	7.0	6.7	7.4
2012	8,669	8,030	7.4	7.1	6.7	8.1
2011	8,710	8,022	7.9	7.8	7.2	8.9

Source: Massachusetts Department of Employment & Training
(1) Full year averages except for 2015 which is for the month indicated.

Employment and Payrolls

	Calendar Year Average				
Employment by Industry	2014	2013	2012	2011	2010
Construction & Natural Resources	408	335	351	340	310
Manufacturing	174	-0-	-0-	-0-	-0-
Trade, Transportation & Utilities	1,455	1,404	1,416	1,358	1,388
Financial Activities	113	108	107	103	106
Professional & Business Services	259	260	260	267	271
Education & Health Services	344	352	281	268	256
Leisure & Hospitality	648	632	637	638	575
Information & Other Services	153	146	193	192	187
Public Administration	-0-	-0-	-0-	-0-	-0-
Total Employment	3,996	3,844	3,903	3,823	3,732
Number of Establishments	364	356	353	374	367
Total Annual Wage (000)	$163,400	$147,284	$146,282	$144,559	$135,281
Average Weekly Wage	786	737	721	727	697

Source: Massachusetts Department of Employment & Training

Principal Employers

The Town is the largest employer with approximately 392 regular employees. Other principal employers are set forth below:

Company	Nature of Business	Current Employees
Stop N' Shop	Supermarket	311
Wal-Mart	Retail	179
Target	Retail	150
R.F. Owens Co.	Groceries	126
Colony Healthcare	Nursing Home	114
New England Art	Greeting Card Company Retail	88
Sovereign Bank	Bank & Lending	88
Anderson Installation Co.	Insulation Installers	85
Yellow Freight	Trucking	77
Cape Cod Lumber	Lumber & Building Supplies	70

Building Permits

	For Calendar Year				
	2016(1)	2015	2014	2013	2012
Residential:					
Number……	67	443	421	321	303
Value……	$2,030,340	$6,846,132	$8,967,836	$7,491,303	$6,844,720
Non-Residential:					
Number……	5	84	74	109	85
Value……	$168,579	$3,977,116	$7,020,598	$2,454,527	$11,400,153

(1) Through February 15, 2016.

Public School Facilities

Town residents overwhelmingly approved the construction of a new school facility that will house students in grades 5-12 and Pre-Kindergarten. The facility will have separate wings for the Middle School, High School, and Pre-K students. The new school is expected to open in January 2018, at which point the previous high school building will be demolished to make way for sports fields and parking. The project has been approved by the Massachusetts School Building Authority for partial reimbursement during the course of construction. Additionally, the new facility will allow the Town to reallocate the remaining school facilities in a more educationally-appropriate manner.

The Town presently operates one early childhood center, two elementary schools, one junior high school and one high school. The following tables list the public school facilities, current and projected enrollment figures, and student-teacher ratios for the Town.

Name	Grade	Date Built	Added to (Remodeled)	Capacity	Current Enrollment	
Beaver Brook Elementary School	1-4	1952	1960	780	636	
North Elementary School	-	1939	N/A	420	-	(1)
Center Elementary School	PreK-K	1938	N/A	420	183	
Woodsdale Elementary School	3-6	1958	N/A	630	336	
Junior High School - Charles M. Frolio	7-8	1936	N/A	807	336	
High School	9-12	1962	2008	1,100	454	
Totals:				4,157	1,945	

(1) Currently closed. The North School is being used for administrative purposes.

Public School Enrollments

	Actual(1)			**Projected**		
	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Elementary ……..	1,167	1,176	1,155	1,200	1,200	1,210
Middle …….	329	305	336	340	340	360
High …….	462	475	454	460	460	470
Totals: …….	1,958	1,956	1,945	2,000	2,000	2,040

(1) Source: Massachusetts Department of Education - As of October 1, each school year. 2015-16 figures as of 9/1/15.

Public School Student-Teacher Ratios

Elementary - 18.1:1 Middle - 14.6:1 High - 13.8:1

Total Number of Teachers	150
Total Number of Administrative People ...	14
Total:	164

INDEBTEDNESS

Serial bonds and notes are authorized by a two-thirds vote of the town meeting. Refunding bonds and notes are authorized by the selectmen. Borrowings for some purposes require State administrative approval.

When serial bonds or notes have been authorized, bond anticipation notes may be issued by the officers authorized to issue the serial bonds or notes. Temporary debt in anticipation of the revenue of the fiscal year in which the debt is incurred or in anticipation of authorized federal and state aid generally may be incurred by the treasurer with the approval of the selectmen.

Debt Limit

The General Debt Limit of a city or town consists of a Normal Debt Limit and a Double Debt Limit. The Normal Debt Limit is 5 percent of the valuation of taxable property as last equalized by the State Department of Revenue. A city or town can authorize debt up to this amount without state approval. It can authorize debt up to twice this amount (the Double Debt Limit) with the approval of the state Municipal Finance Oversight Board composed of the State Treasurer, the State Auditor, the Attorney General and the Director of Accounts.

There are many categories of general obligation debt which are exempt from and do not count against the General Debt Limit. Among others, these exempt categories include revenue anticipation notes and grant anticipation notes; emergency loans; loans exempted by special laws; certain school bonds, sewer bonds, solid waste disposal facility bonds and economic development bonds supported by tax increment financing; and subject to special debt limits, bonds for water (limited to 10 percent of equalized valuation), housing, urban renewal and economic development (subject to various debt limits), and electric, gas, community antenna television systems, and telecommunications systems (subject to separate limits). Revenue bonds are not subject to these debt limits. The General Debt Limit and the special debt limit for water bonds apply at the time the debt is authorized. The other special debt limits generally apply at the time the debt is incurred.

The Town can authorize up to $87,950,280 without state approval and up to twice this amount ($175,900,560 – double debt limit) with the approval of the state Municipal Finance Oversight Board.

Types of Obligations

General Obligations. Massachusetts cities and towns are authorized to issue general obligation indebtedness of these types:

Serial Bonds and Notes. These are generally required to be payable in annual principal amounts beginning no later than the end of the next fiscal year commencing after the date of issue and ending within the terms permitted by law. A level debt service schedule, or a schedule that provides for a more rapid amortization of principal than level debt service, is permitted. The principal amounts of certain economic development bonds supported by tax increment financing may be payable in equal, diminishing or increasing amounts beginning within 5 years after the date of issue. The maximum terms of serial bonds and notes vary from one year to 40 years, depending on the purpose of the issue. The maximum terms permitted are set forth in the statutes. In addition, for many projects, the maximum term may be determined in accordance with useful life guidelines promulgated by the State Department of Revenue ("DOR"). Serial bonds and notes may be issued for the purposes set forth in the statutes. In addition, serial bonds and notes may be issued for any other public work improvement or asset not specifically listed in the statutes that has a useful life of at least 5 years. Bonds or notes may be made callable and redeemed prior to their maturity, and a redemption premium may be paid. Refunding bonds or notes may be issued subject to the maximum applicable term measured from the date of the original bonds or notes and must

produce present value savings over the debt service of the refunded bonds. Generally, the first required annual payment of principal of the refunding bonds cannot be later than the first principal payment of any of the bonds or notes being refunded thereby, however, principal payments made before the first principal payment of any of the bonds or notes being refunded thereby may be in any amount.

Serial bonds may be issued as "qualified bonds" with the approval of the state Municipal Finance Oversight Board composed of the State Treasurer, the State Auditor, the Attorney General and the Director of Accounts, subject to such conditions and limitations (including restrictions on future indebtedness) as may be required by the Board. Qualified bonds may mature not less than 10 nor more than 30 years from their dates and are not subject to the amortization requirements described above. The State Treasurer is required to pay the debt service on qualified bonds and thereafter to withhold the amount of the debt service paid by the State from state aid or other state payments; administrative costs and any loss of interest income to the State are to be assessed upon the city or town.

Tax Credit Bonds and Notes. Subject to certain provisions and conditions, the officers authorized to issue bonds or notes may designate any duly authorized issue of bonds or notes as "tax credit bonds" to the extent such bonds and notes are otherwise permitted to be issued with federal tax credits or other similar subsidies for all or a portion of the borrowing costs. Tax credit bonds may be made payable without regard to the annual installments required by any other law, and a sinking fund may be established for the payment of such bonds. Any investment that is part of such a sinking fund may mature not later than the date fixed for payment or redemption of the applicable bonds.

Bond Anticipation Notes. These generally must mature within two years of their original dates of issuance but may be refunded from time to time for a period not to exceed five years from their original dates of issuance, provided that for each year that the notes are refunded beyond the second year they must be paid in part from revenue funds in an amount at least equal to the minimum annual payment that would have been required if the bonds had been issued at the end of the second year. The maximum term of bonds issued to refund bond anticipation notes is measured from the date of the original issue of the notes.

Revenue Anticipation Notes. These are issued to meet current expenses in anticipation of taxes and other revenues. They must mature within one year but, if payable in less than one year, may be refunded from time to time up to one year from the original date of issue.

Grant Anticipation Notes. These are issued for temporary financing in anticipation of federal grants and state and county reimbursements. Generally, they must mature within two years but may be refunded from time to time as long as the municipality remains entitled to the grant or reimbursement.

Revenue Bonds. Cities and towns may issue revenue bonds for solid waste disposal facilities, for projects financed under the Commonwealth's Water Pollution Abatement or Drinking Water Revolving Loan Programs and for certain economic development projects supported by tax increment financing. In addition, cities and towns having electric departments may issue electric revenue bonds, and notes in anticipation of such bonds, subject to the approval of the State Department of Telecommunications and Energy.

Outstanding Debt

As of March 15, 2016, the Town of Abington had total outstanding and authorized unissued general obligation debt of $110,156,918, of which $102,213,048 was outside, and $7,943,870 was subject to its general debt limit. The additional debt which could be authorized within the normal 5.0 percent debt limit was $80,006,410. The additional debt which could be authorized within the double debt limit was $167,956,690. Following is the debt summary as of March 15, 2016.

Debt Summary

	Outstanding 4/15/2016	Authorized Unissued Bonds 4/15/2016	Outstanding Bonds After This Issue	Authorized Unissued Bonds After This Issue	
Long-Term Indebtedness (1)(2)(3)(4)(5)					
Within the General Debt Limit:					
Sewers & Drains (6)……	$ 50,000	$ -0-	$ 50,000	$ -0-	
Schools ……	1,765,000	106,300	1,765,000	106,300	
Other Building ……	5,620,000	243,570	5,620,000	243,570	
Athletic & Recreational Facilities ……..	-0-	159,000		159,000	
Total Within the General Debt Limit ……	$ 7,435,000	$ 508,870	$ 7,435,000	$ 508,870	
Outside the General Debt Limit:					
Schools ……..	$ 36,000,000	$ 60,565,000	$ 36,000,000	$ 60,565,000	(8)
Water (7)…….	5,648,048	-0-	5,648,048	-0-	
Total Outside the General Debt Limit …..	$ 41,648,048	$ 60,565,000	$ 41,648,048	$ 60,565,000	
Total Long-Term Indebtedness …….	$ 49,083,048	$ 61,073,870	$ 49,083,048	$ 61,073,870	

	Outstanding 4/15/2016	Outstanding After This Issue	Maturity
Short-Term Indebtedness			
Revenue Anticipation Notes ……..	$ -0-	$ -0-	
Grant Anticipation Notes ……..	-0-	-0-	
Bond Anticipation Notes ……	187,570	187,570	11/21/2016
Total Short-Term Indebtedness …….	$ 187,570	$ 187,570	

(1) Principal amount only. Excludes lease and installment purchase obligations, overlapping debt and unfunded pension liability, and other post-employment benefits liability.

(2) At the present time the normal General Debt Limit is $ 87,950,280 and the Double General Debt Limit is $175,900,560.

(3) $42,960,000 has been exempted from the provisions of Proposition 2 1/2.

(4) $4,032,742 is self-supporting.

(5) Excludes Refunding Bonds.

(6) 25% of sewer is self-supporting.

(7) 100% of water is self-supporting.

(8) The Town anticipates receiving grant reimbursements from the Massachusetts School Building Authority in connection with this project for the lesser of $48,528,486 or 58.97% of total eligible project costs and had received $3,013,660 through the date of their School Bond issue dated November 24, 2015.

Five Years Outstanding Debt

	As of June 30				
	2015	2014	2013	2012	2011
Long-Term Indebtedness(1)					
Within the General Debt Limit:					
Sewers & Drains ……	$ 50,000	$ 75,000	$ 100,000	$ 840,000	$ 1,585,000
Land Acquisition ……	-0-	-0-	-0-	65,000	130,000
Schools ……..	1,765,000	2,100,000	2,435,000	2,770,000	3,105,000
Other Building ……	5,715,000	6,455,000	7,200,000	7,945,000	8,700,000
Total Within the General Debt Limit ……	$ 7,530,000	$ 8,630,000	$ 9,735,000	$ 11,620,000	$ 13,520,000
Outside the General Debt Limit:					
Water …….	3,879,783	4,223,238	4,450,747	4,232,759	4,553,708
Total Outside the General Debt Limit …..	$ 3,879,783	$ 4,223,238	$ 4,450,747	$ 4,232,759	$ 4,553,708
Total Long-Term Indebtedness ……..	$ 11,409,783	$ 12,853,238	$ 14,185,747	$ 15,852,759	$ 18,073,708
Short-Term Indebtedness					
Revenue Anticipation Notes ……..	$ -0-	$ -0-	$ -0-	$ -0-	$ -0-
Grant Anticipation Notes ……..	-0-	-0-	-0-	-0-	-0-
Bond Anticipation Notes ……	5,564,870	764,212	897,716	-0-	-0-
Total Short-Term Indebtedness ……..	$ 5,564,870	$ 764,212	$ 897,716	$ -0-	$ -0-
Total Outstanding Indebtedness ……..…	$ 16,974,653(2)	$ 13,617,450	$ 15,083,463	$ 15,852,759	$ 18,073,708

(1) Principal amount only. Excludes lease and installment purchase obligations, overlapping debt, unfunded pension liability, and other post-employment benefits liability.

(2) Subsequent to June 30, 2015, the Town issued $36,000,000 School Bonds dated November 24, 2015, for the School Project described under "Public School Facilities".

Bonded Debt vs. Population, Valuations and Income

	As of June 30				
	2015	2014	2013	2012	2011
Amount (1) ……	$ 11,409,783	$ 12,853,238	$ 14,185,747	$ 15,852,759	$ 18,073,708
Per Capita (2) …….	704.44	793.56	879.79	987.10	1,124.55
Percent of Assessed Valuation (3) …….	0.66 %	0.78 %	0.84 %	0.90 %	1.02 %
Percent of Equalized Valuation (4) ……	0.65	0.68	0.75	0.79	0.90
Per Capita as a percent of Personal Income (2) per capita ……	2.04	2.30	2.55	2.86	3.25

(1) Principal amount only. Excludes lease and installment purchase obligations, overlapping debt, unfunded pension liability and other post-employment benefits liability.

(2) Source: U.S. Department of Commerce, Bureau of the Census - Latest applicable actuals or estimates.

(3) Source: Board of Assessors - Assessed valuation as of the prior January 1.

(4) Source: Massachusetts Department of Revenue - Equalized valuation in effect for that fiscal year (equalized valuations are established for January 1 of each even-numbered year).

Revenue Anticipation Borrowing

The amount borrowed in each fiscal year by the issue of revenue anticipation notes is limited to the tax levy of the prior fiscal year, together with the net receipts in the prior fiscal year from the motor vehicle excise and certain payments made by the Commonwealth in lieu of taxes. The fiscal year ends on June 30. Notes may mature in the following fiscal year, and notes may be refunded into the following fiscal year to the extent of the uncollected, unabated current tax levy and certain other items, including revenue deficits, overlay deficits, final judgments and lawful unappropriated expenditures, which are to be added to the next tax levy, but excluding deficits arising from a failure to collect taxes of earlier years. (See *"Taxation to Meet Deficits"* under "PROPERTY TAXATION" below.) In any event, the period from an original borrowing to its final maturity cannot exceed one year. *The Town has not issued revenue anticipation notes in the last five fiscal years.*

Principal Repayment Schedule

Fiscal Year	Outstanding 04/15/16(1)(2)(3)(4) Principal	Interest	Total Debt Service	Cumulative % Principal Retired
2016	$ 995,000	$ 150,331	$ 1,145,331	2.0 %
2017	2,631,443	2,443,852	5,075,295	7.4
2018	2,386,241	1,651,779	4,038,020	12.3
2019	2,386,137	1,547,554	3,933,691	17.1
2020	2,391,135	1,443,050	3,834,185	22.0
2021	2,396,234	1,338,130	3,734,364	26.9
2022	2,306,436	1,235,007	3,541,443	31.6
2023	2,311,744	1,133,680	3,445,424	36.3
2024	2,312,159	1,031,755	3,343,914	41.0
2025	2,317,685	938,138	3,255,823	45.7
2026	2,323,321	844,410	3,167,731	50.4
2027	2,285,599	762,503	3,048,102	55.1
2028	2,000,994	695,989	2,696,983	59.2
2029	1,701,342	638,383	2,339,724	62.6
2030	1,693,767	589,786	2,283,553	66.1
2031	1,696,903	541,234	2,238,137	69.5
2032	1,563,202	486,538	2,049,741	72.7
2033	1,563,706	425,974	1,989,681	75.9
2034	1,540,000	371,700	1,911,700	79.1
2035	1,540,000	323,700	1,863,700	82.2
2036	1,540,000	274,800	1,814,800	85.3
2037	1,440,000	224,100	1,664,100	88.3
2038	1,440,000	175,500	1,615,500	91.2
2039	1,440,000	126,000	1,566,000	94.1
2040	1,440,000	75,600	1,515,600	97.1
2041	1,440,000	25,200	1,465,200	100.0
Total	$ 49,083,048	$ 19,494,693	$ 68,577,740	

(1) Excludes revenue anticipation notes, grant anticipation notes, bond anticipation notes, lease and installment purchase obligations, overlapping debt and unfunded pension liability.

(2) Principal totaling $42,960,000 has been exempted from the provisions of Proposition 2 1/2.

(3) Principal totaling $ 4,032,742 and interest totaling $561,030 is self-supporting.

(4) Includes refunded bonds. Excludes refunding bonds.

Overlapping Debt

In addition to direct debt, the Town is indirectly liable for a portion of the debt and other expenses incurred by various overlapping governmental authorities and agencies(1). The following table sets forth the outstanding and authorized but unissued bonded debt of each authority or agency, Abington's percentage of this outstanding debt, and the Town's fiscal year dollar assessment.

	Outstanding 6/30/15	Authorized Unissued 6/30/15	Estimated Share % Abington	Assessment for Operations & Debt Service FY 2016
Plymouth County(2)……..	$2,475,000	-0-	2.59%	$37,934
South Shore Regional Vocational-Technical School District(3)...	$805,000	-0-	21.93%	$2,240,209

(1) Excludes temporary loans in anticipation of revenue. Omits debt of the Commonwealth.

(2) Source: Plymouth County.

(3) Source: South Shore Regional Vocational-Technical School District. The operating expenses and debt service of the regional school district are apportioned among the member municipalities. The shares of the member municipalities vary from year to year according to pupil enrollment.

PROPERTY TAXATION

Tax Levy. The principal revenue source of the Town is the tax on real and personal property. The amount to be levied in each year is the amount appropriated or required by law to be raised for municipal expenditures less estimated receipts from other sources and less appropriations voted from funds on hand. The total amount levied is subject to certain limits prescribed by law; for a description of those limits see *"Tax Limitations"* below. As to the inclusion of debt service and final judgments, see "SECURITY AND REMEDIES" above.

The estimated receipts for a fiscal year from sources other than the property tax may not exceed the actual receipts during the preceding fiscal year from the same sources unless approved by the State Commissioner of Revenue. Excepting special funds the use of which is otherwise provided for by law, the deduction for appropriations voted from funds on hand for a fiscal year cannot exceed the "free cash" as of the beginning of the prior fiscal year as certified by the State Director of Accounts plus up to nine months' collections and receipts on account of earlier years' taxes after that date. Subject to certain adjustments, free cash is surplus revenue less uncollected overdue property taxes from earlier years.

Although an allowance is made in the tax levy for abatements (see *"Abatements and Overlay"* below) no reserve is generally provided for uncollectible real property taxes. Since some of the levy is inevitably not collected, this creates a cash deficiency which may or may not be offset by other items (see *"Taxation to Meet Deficits"* below).

Tax Levy Computation

The following table reflects the calculation of tax levies for the following fiscal years.

	For Fiscal Year				
	2016	2015	2014	2013	2012
Gross Amount to be Raised:					
Appropriations ……..	$49,454,185	$46,517,504	$49,454,185	$46,195,342	$45,539,249
Other Local Expenditures ……..	581,143	444,059	581,143	244,546	618,340
State & County Charges ……	914,062	704,560	914,062	505,591	472,967
Overlay Reserve …….	385,837	373,996	385,837	396,674	303,630
Total Gross Amount to be Raised	51,335,227	48,040,119	51,335,227	47,342,154	46,934,186
Less Estimated Receipts & Other Revenue:					
Estimated Receipts from State…	9,710,438	9,644,249	9,710,438	9,295,199	9,108,329
Estimated Receipts - Local ……	8,732,708	8,564,930	8,732,708	7,831,190	7,505,801
Available Funds Appropriated:					
Free Cash …….	785,632	-0-	785,632	734,213	1,001,306
Revenue Sharing ……..	-0-	-0-	-0-	-0-	-0-
Other Available Funds …….	510,542	491,211	510,542	1,441,008	2,189,438
Free Cash & Other Revenue Used to Reduce the Tax Rate ……	-0-	-0-	-0-	-0-	-0-
Total Estimated Receipts & Revenue	19,739,320	18,700,390	19,739,320	19,301,609	19,804,874
Net Amount to be Raised (Tax Levy)	$31,595,907	$29,339,729	$31,595,907	$28,040,544	$27,129,312
Property Valuation ……..	$1,762,181,100	$1,725,866,400	$1,762,181,100	$1,694,292,700	$1,766,231,234

Source: Massachusetts Department of Revenue.

Taxation to Meet Deficits. As noted elsewhere (see *"Abatements and Overlay"* below) overlay deficits, i.e. tax abatements in excess of the overlay included in the tax levy to cover abatements, are required to be added to the next tax levy. It is generally understood that revenue deficits, i.e. those resulting from non-property tax revenues being less than anticipated, are also required to be added to the tax levy (at least to the extent not covered by surplus revenue).

Amounts lawfully expended since the prior tax levy and not included therein are also required to be included in the annual tax levy. The circumstances under which this can arise are limited since municipal departments are generally prohibited from incurring liabilities in excess of appropriations except for major disasters, mandated items, contracts in aid of housing and renewal projects and other long-term contracts. In addition, utilities must be paid at established rates and certain established salaries, e.g. civil service, must legally be paid for work actually performed, whether or not covered by appropriations.

Cities and towns are authorized to appropriate sums, and thus to levy taxes, to cover deficits arising from other causes, such as "free cash" deficits arising from a failure to collect taxes. This is not generally understood, however, and it has not been the practice to levy taxes to cover free cash deficits. Except to the extent that such deficits have been reduced or eliminated by subsequent collections of uncollected taxes (including sales of tax titles and tax possessions), lapsed appropriations, non-property tax revenues in excess of estimates, other miscellaneous items or funding loans authorized by special act, they remain in existence.

Tax Limitations. Chapter 59, Section 21C of the General Laws, also known as Proposition 2½, imposes two separate limits on the annual tax levy of a city or town.

The primary limitation is that the tax levy cannot exceed 2½ percent of the full and fair cash value. If a city or town exceeds the primary limitation, it must reduce its tax levy by at least 15 percent annually until it is in compliance, provided that the reduction can be reduced in any year to not less than 7½ percent by majority vote of the voters, or to less than 7½ percent by two-thirds vote of the voters.

For cities and towns at or below the primary limit, a secondary limitation is that the tax levy cannot exceed the maximum levy limit for the preceding fiscal year as determined by the State Commissioner of Revenue by more than 2½ percent, subject to exceptions for property added to the tax rolls or property which has had an increase, other than as part of a general revaluation, in its assessed valuation over the prior year's valuation.

This "growth" limit on the tax levy may be exceeded in any year by a majority vote of the voters, but an increase in the secondary or growth limit under this procedure does not permit a tax levy in excess of the primary limitation, since the two limitations apply independently. In addition, if the voters vote to approve taxes in excess of the "growth" limit for the purpose of funding a stabilization fund, such increased amount may only be taken into account for purposes of calculating the maximum levy limit in each subsequent year if the board of selectmen of a town or the city council of a city votes by a two-thirds vote to appropriate such increased amount in such subsequent year to the stabilization fund.

The applicable tax limits may also be reduced in any year by a majority vote of the voters.

The State Commissioner of Revenue may adjust any tax limit "to counterbalance the effects of extraordinary, non-recurring events which occurred during the base year".

The statute further provides that the voters may exclude from the taxes subject to the tax limits and from the calculation of the maximum tax levy (a) the amount required to pay debt service on bonds and notes issued before November 4, 1980, if the exclusion is approved by a majority vote of the voters, and (b) the amount required to pay debt service on any specific subsequent issue for which similar approval is obtained. Even with voter approval, the holders of the obligations for which unlimited taxes may be assessed do not have a statutory priority or security interest in the portion of the tax levy attributable to such obligations. It should be noted that Massachusetts General Laws Chapter 44, Section 20 requires that the taxes excluded from the levy limit to pay debt service on any such bonds and notes be calculated based on the true interest cost of the issue. Accordingly, the Department of Revenue limits the amount of taxes which may be levied in each year to pay debt service on any such bonds and notes to the amount of such debt service, less a pro rata portion of any original issue premium received by the city or town that was not applied to pay costs of issuance.

Voters may also exclude from the Proposition 2½ limits the amount required to pay specified capital outlay expenditures or for the city or town's apportioned share for certain capital outlay expenditures by a regional governmental unit. In addition, the city council of a city, with the approval of the mayor if required, or the board of selectmen or the town council of a town may vote to exclude from the Proposition 2½ limits taxes raised in lieu of sewer or water charges to pay debt service on bonds or notes issued by the municipality (or by an independent authority, commission or district) for water or sewer purposes, provided that the municipality's sewer or water charges are reduced accordingly.

In addition, Proposition 2½ limits the annual increase in the total assessments on cities and towns by any county, district, authority, the Commonwealth or any other governmental entity (except regional school districts, the MWRA and certain districts for which special legislation provides otherwise) to the sum of (a) 2½ percent of the prior year's assessments and (b) "any increases in costs, charges or fees for services customarily provided locally or for services subscribed to at local option". Regional water districts, regional sewerage districts and regional veterans districts may exceed these limitations under statutory procedures requiring a two-thirds vote of the district's governing body and either approval of the local appropriating authorities (by two-thirds vote in districts with more than two members or by majority vote in two-member districts) or approval of the registered voters in a local election (in the case of two-member districts). Under Proposition 2½ any State law to take effect on or after January 1, 1981 imposing a direct service or cost obligation on a city or town will become effective only if accepted or voluntarily funded by the city or town or if State funding is provided. Similarly, State rules or regulations imposing additional costs on a city or town or laws granting or increasing local tax exemptions are to take effect only if adequate State appropriations are provided. These statutory provisions do not apply to costs resulting from judicial decisions.

Analysis of Property Tax Levies and Levy Limits

The following table reflects the calculation of levy limits for the following fiscal years.

	For Fiscal Year				
	2016	2015	2014	2013	2012
Primary Levy Limit (1) ……	$44,054,528	$43,146,660	$44,054,528	$42,357,318	$44,155,781
Prior Fiscal Year Levy Limit ……	$27,820,086	$26,885,225	$27,820,086	$25,016,360	$24,112,520
2.5% Levy Growth ……..	695,502	672,131	695,502	625,409	602,813
New Growth (2) ……...	310,365	262,730	310,365	245,020	301,027
Overrides …….	-0-	-0-	-0-	-0-	-0-
Growth Levy Limit ……..	28,825,953	27,820,086	28,825,953	25,886,789	25,016,360
Debt Exclusions ……	1,574,564	1,529,024	1,574,564	2,160,138	2,117,930
Capital Expenditure Exclusions …	1,200,000	-0-	1,200,000	-0-	-0-
Other Adjustments ……..	-0-	-0-	-0-	-0-	-0-
Tax Levy Limit ……	$31,600,517	$29,349,110	$31,600,517	$28,046,927	$27,134,290
Tax Levy ……..	31,595,907	29,339,729	31,595,907	28,040,544	27,129,312
Unused Levy Capacity (3) ……..	$4,610	$9,381	$4,610	$6,383	$4,978
Unused Primary Levy Capacity (4)	$15,228,574	$15,326,574	$15,228,574	$16,470,528	$19,139,421

Source: Massachusetts Department of Revenue.

(1) 2.5% of assessed valuation.

(2) Allowed increase for new valuations (or required reduction) - certified by the Department of Revenue.

(3) Tax Levy Limit less Tax Levy.

(4) Primary Levy Limit less Growth Levy Limit.

Pledged Taxes. Taxes on certain property in designated development districts may be pledged for the payment of costs of economic development projects within such districts and may therefore be unavailable for other municipal purposes (see "TAX INCREMENT FINANCING FOR DEVELOPMENT DISTRICTS" below).

Initiative Petitions. Various proposals have been made in recent years for legislative amendments to the Massachusetts Constitution to impose limits on state and local taxes. To be adopted such amendments must be approved by two successive legislatures and then by the voters at a state election.

Tax Rate and Valuation. Property is classified for the purpose of taxation according to its use. The legislature has in substance created three classes of taxable property: (1) residential real property, (2) open space land, and (3) all other (commercial, industrial and personal property). Within limits, cities and towns are given the option of determining the share of the annual levy to be borne by each of the three categories. The share required to be borne by residential real property is at least 50 per cent of its share of the total taxable valuation; the effective rate for open space must be at least 75 per cent of the effective rate for residential real property; and the share of commercial, industrial and personal property must not exceed 175 percent of their share of the total valuation. A city or town may also exempt up to 20 percent of the valuation of residential real property (where used as the taxpayer's principal residence) and up to 10 percent of the valuation of commercial real property (where occupied by certain small businesses). Property may not be classified in a city or town until the State Commissioner of Revenue certifies that all property in the city or town has been assessed at its fair cash value. Such certification must take place every three years, or pursuant to a revised schedule as may be issued by the Commissioner.

Related statutes provide that certain forest land, agricultural or horticultural land (assessed at the value it has for these purposes) and recreational land (assessed on the basis of its use at a maximum of 25 percent of its fair cash value) are all to be taxed at the rate applicable to commercial property. Land classified as forest land is valued for this purpose at five percent of fair cash value but not less than ten dollars per acre.

In order to determine appropriate relative values for the purposes of certain distributions to and assessments upon cities and towns, the Commissioner of Revenue biennially makes a redetermination of the fair cash value of the taxable property in each municipality. This is known as the "equalized value". See "DEBT LIMITS" above.

Assessed Valuations

The following table reflects the trend in assessed valuations, equalized valuations and percentage of total assessed valuation to equalized for the following fiscal years.

	For Fiscal Year				
	2016	2015	2014	2013	2012
Real Property(1) …….	$ 1,725,492,500	$ 1,690,402,500	$ 1,725,492,500	$ 1,658,708,900	$ 1,728,941,534
Personal Property(1) ……	36,688,600	35,463,900	36,688,600	35,583,800	37,289,700
Total ……..	$ 1,762,181,100	$ 1,725,866,400	$ 1,762,181,100	$ 1,694,292,700	$ 1,766,231,234
Equalized Value(2) ……..	$ 1,759,005,600	$ 1,759,005,600	$ 1,883,200,100	$ 1,883,200,100	$ 2,013,972,500
Percent of Total Assessed to Equalized Valuation ……..	100.2%	98.1%	93.6%	90.0%	87.7%

Source: Massachusetts Department of Revenue.

(1) As of the prior January 1st.

(2) Based on the equalized valuation in effect for each year.

Classification

The following table reflects the breakdown of assessed valuation by classification for the following fiscal years.

Type of Property	Fiscal 2016 Assessed Valuation	% of Total Assessed Valuation	Fiscal 2015 Assessed Valuation	% of Total Assessed Valuation	Fiscal 2014 Assessed Valuation	% of Total Assessed Valuation
Residential …….	$ 1,519,664,814	86.2 %	$ 1,479,900,513	85.7 %	$ 1,519,664,814	86.2 %
Open Space ……	-0-	0.0	-0-	0.0	-0-	0.0
Commercial ……	188,311,486	10.7	190,050,987	11.0	188,311,486	10.7
Industrial ……	17,516,200	1.0	20,451,000	1.2	17,516,200	1.0
Personal ……..	36,688,600	2.1	35,463,900	2.1	36,688,600	2.1
Total	$ 1,762,181,100	100.0 %	$ 1,725,866,400	100.0 %	$ 1,762,181,100	100.0 %

Source: Massachusetts Department of Revenue.

Tax Rates

The following shows the actual rates per $1,000 of assessed valuation, and the full value rate as follows:

	For Fiscal Year				
Type of Property	2016	2015	2014	2013	2012
Residential ……	$17.93	$17.00	$17.93	$16.55	$15.36
Open Space ……	17.93	17.00	17.19	16.55	15.36
Commercial ……	17.93	17.00	17.93	16.55	15.36
Industrial ……	17.93	17.00	17.93	16.55	15.36
Personal ……..	17.93	17.00	17.93	16.55	15.36
Average Tax Rate ……..	$17.93	$17.00	$17.93	$16.55	$15.36
Full Value Tax Rate(1) …….	$17.96	$16.68	$16.78	$14.89	$13.47

Source: Massachusetts Department of Revenue.

(1) Based on the equalized valuation in effect for each year.

Tax Levies and Collections

The taxes for each fiscal year generally are due in two installments on November 1 (subject to deferral if tax bills are sent out late) and May 1. The Town has accepted a statute providing for quarterly tax payments; under that statute, preliminary tax payments are to be due on August 1, and November 1, with payment of the actual tax bill (after credit is given for the preliminary payments) in installments on February 1 and May 1 if actual tax bills are mailed by December 31. Interest accrues on delinquent taxes currently at the rate of 14 percent per annum from the due date. Real property (land and buildings) is subject to a lien for the taxes assessed upon it (subject to any paramount federal lien and subject to bankruptcy and insolvency laws). (In addition, real property is subject to a lien for certain unpaid municipal charges or fees.) If the property has been transferred an unenforced lien expires on the fourth December 31, after the end of the fiscal year to which the tax relates. If the property has not been transferred by the fourth December 31, an unenforced lien expires upon a later transfer of the property. Provision is made, however, for continuation of the lien where it could not be enforced because of legal impediment. The persons against whom real or personal property taxes are assessed are personally liable for the tax (subject to bankruptcy and insolvency laws). In the case of real property, this personal liability is effectively extinguished by sale or taking of the property as described below.

The following table reflects the total tax levy, the reserve for abatements, the net tax levy, and the amount of levy collected during the fiscal year payable and the total collected against each fiscal year as of March 1, 2016:

	For Fiscal Year				
	2016	2015	2014	2013	2012
Total Tax Levy ……	$ 31,595,907	$ 29,339,729	$ 31,595,907	$ 28,040,544	$ 27,129,312
Overlay Reserve for Abatements	385,837	373,996	385,837	396,674	303,630
Net Tax Levy(1) ……	$ 31,210,070	$ 28,965,733	$ 31,210,070	$ 27,643,870	$ 26,825,682
Amount Collected					
During Fiscal Year Payable(2) …	$ 22,717,295	$ 28,589,754	$ 27,685,868	$ 27,315,444	$ 26,432,554
Percent of Net Tax Levy ……..	72.8 %	98.7 %	98.7 %	98.8 %	98.5 %
Amount Collected Thru 3/1/16…	$ 22,717,925	$ 28,743,031	$ 27,957,705	$ 27,552,172	$ 26,736,006
Percent of Net Tax Levy …….	72.8 %	99.2 %	99.6 %	99.7 %	99.7 %

(1) Net after deductions of overlay reserve for abatements.
(2) Actual collections of levy less refunds and amounts refundable, and not including proceeds of tax titles and tax possessions attributed to such levy

Taking and Sale. Massachusetts law permits a municipality either to sell by public sale (at which the municipality may become the purchaser) or to take real property for nonpayment of taxes. In either case the property owner can redeem the property by paying the unpaid taxes, with interest and other charges, but if the right of redemption is not exercised within six months (which may be extended an additional year in the case of certain installment payments), it can be foreclosed by petition to the Land Court. Upon foreclosure, a tax title purchased or taken by the municipality becomes a "tax possession" and may be held and disposed of in the same manner as other land held for municipal purposes. Cities and Towns are authorized to sell delinquent tax receivables by public sale or auction, either individually or in bulk.

Tax Outstanding

The following table sets forth the amount of overdue property taxes, tax titles and possessions outstanding at the end of the last five fiscal years.

	For Fiscal Year				
	2015	2014	2013	2012	2011
Aggregate(1) ……..	$441,795	$533,567	$478,753	$535,755	$526,345
For Current Year(1) …….	269,652	373,261	328,426	393,128	387,052
Tax Titles ……	742,770	889,597	926,838	1,009,081	988,650
Tax Possessions ……..	477,291	477,291	477,291	477,291	477,291

(1) Excludes tax titles, tax possesions and abated taxes. Includes taxes in litigation, if any.

Abatements and Overlay

A city or town is authorized to increase each tax levy by an amount approved by the State Commissioner of Revenue as an "overlay" to provide for tax abatements. If abatements are granted in excess of the applicable overlay, the excess is required to be added to the next tax levy.

Abatements are granted where exempt real or personal property has been assessed or where taxable real or personal property has been overvalued or disproportionately valued. The assessors may also abate uncollectible personal property taxes. They may abate real and personal property taxes on broad grounds (including inability to pay) with the approval of the State Commissioner of Revenue. But uncollected real property taxes are ordinarily not written off until they become municipal "tax titles" by purchase at the public sale or by taking, at which time the tax is written off in full by reserving the amount of the tax and charging surplus.

The following table reflects the total tax levy, the reserve for abatements, and the amount of abatements granted during the fiscal year of the levy.

	For Fiscal Year				
	2016	2015	2014	2013	2012
Tax Levy(1) ……..	$ 31,595,907	$ 29,339,729	$ 31,595,907	$ 28,040,544	$ 27,129,312
Overlay Reserve for Abatements..	385,837	373,996	385,837	396,674	303,630
Percent of Tax Levy ……	1.2 %	1.3 %	1.2 %	1.4 %	1.1 %
Abatements Granted:					
During Fiscal Year of Levy ……	$ 1,454	$ 9,996	$ 17,821	$ 55,025	$ 32,969
Through 03/01/16	1,454	33,500	41,306	77,636	66,687

Source: Massachusetts Department of Revenue.

Largest Taxpayers

The following is a list of the ten largest taxpayers for the following fiscal year.

Name	Nature of Business	2016 Assessed Valuation	% of Assessed Valuation
Abington Woods LLC	Apartments	$ 26,419,100	1.50 %
Abington Commons	Apartments	19,414,400	1.10
Mass Electric	Utility	13,523,900	0.77
PRI Chestnut Glen LLC	Apartments	12,214,200	0.69
New Creek LLC (Lowes)	Home Improvement Store	11,590,500	0.66
TRT Abington LLC (Stop N' Shop)	Retail	11,558,100	0.66
Wal-Mart	Retail Department Store	10,872,800	0.62
Target Corp	Retail Department Store	10,561,600	0.60
GPT-Abington Glenn, LLC	Apartments & Land	9,108,300	0.52
Verizon	Utility	6,022,300	1.34
Total:		$ 131,285,200	7.45 %

Community Preservation Act

The Massachusetts Community Preservation Act (the "CPA") permits cities and towns that accept its provisions to levy a surcharge on its real property tax levy, dedicate revenue (other than state or federal funds), and to receive state matching funds for (i) the acquisition, creation, preservation, rehabilitation and restoration of land for recreational use, open space, and affordable housing and (ii) the acquisition, preservation, rehabilitation and restoration of historic resources. The provisions of the CPA must be accepted by the voters of the city or town at an election after such provisions have first been accepted by either a vote of the legislative body of the city or town or an initiative petition signed by 5% of its registered voters.

A city or town may approve a surcharge of up to 3% (but not less than 1% under certain circumstances) and may make an additional commitment of funds by dedicating revenue other than state or federal funds, provided that the total funds collected do no exceed 3% of the real property tax levy, less any exemptions adopted (such as an exemption for low-income individuals and families and for low and moderate-income senior citizens, an exemption for $100,000 of the value of each taxable parcel of residential real property or $100,000 of the value of each taxable parcel of class three, commercial property, and class four, industrial property as defined in Chapter 59, Section 2A of the General Laws, and an exemption for commercial and industrial properties in cities and towns with classified tax rates). In the event that the municipality shall no longer dedicate all or part of the additional funds to community preservation, the surcharge on the real property tax levy of not less than 1% shall remain in effect, provided that any such change must be approved pursuant to the same process as acceptance of the CPA. The surcharge is not counted in the total taxes assessed for the purpose of determining the permitted levy amount under Proposition 2½ (see *"Tax Limitations"* under "PROPERTY TAXATION" above). A city or town may revoke its acceptance of the provisions of the CPA at any time after 5 years from the date of such acceptance and may change the amount of the surcharge or the exemptions to the surcharge at any time, including reducing the surcharge to 1% and committing additional municipal funds as outlined above, provided that any such revocation or change must be approved pursuant to the same process as acceptance of the CPA.

Any city or town that accepts the provisions of the CPA will receive annual state matching grants to supplement amounts raised by its surcharge and dedication of revenue. The state matching funds are raised from certain recording and filing fees of the registers of deeds. Those amounts are deposited into a state trust fund and are distributed to cities and towns that have accepted the provisions of the CPA, which distributions are not subject to annual appropriation by the state legislature. The amount distributed to each city and town is based on a statutory formula and the total state distribution made to any city or town may not exceed 100% of the amount raised locally by the surcharge on the real property tax levy.

The amounts raised by the surcharge on taxes, the dedication of revenue and received in state matching funds are required to be deposited in a dedicated community preservation fund. Each city or town that accepts the provisions of the CPA is required to establish a community preservation committee to study the community preservation needs of the community and to make recommendations to the legislative body of the city or town regarding the community preservation projects that should be funded from the community preservation fund. Upon the recommendations of the committee, the legislative body of the city or town may appropriate amounts from the fund for permitted community preservation purposes or may reserve amounts for spending in future fiscal years, provided that at least 10% of the total annual revenues to the fund must be spent or set aside for open space purposes, 10% for historic resource purposes and 10% for affordable housing purposes.

The CPA authorizes cities and towns that accept its provisions to issue bonds and notes in anticipation of the receipt of surcharge and dedicated revenues to finance community preservation projects approved under the provisions of the CPA. Bonds and notes issued under the CPA are general obligations of the city or town and are payable from amounts on deposit in the community preservation fund. In the event that a city or town revokes its acceptance of the provisions of the CPA, the surcharge shall remain in effect until all contractual obligations incurred by the city or town prior to such revocation, including the payment of bonds or notes issued under the CPA, have been fully discharged.

The voters approved a vote under Article 7 at the Annual Town Meeting held on June 8, 2015 and will go before the voters at the April 2016 annual town election with a question of whether to adopt the CPA with a 1.5% surcharge on all real estate tax bills. If this passes, it would be in effect for fiscal 2017.

ADDITIONAL INFORMATION

Budget and Appropriation Process

The annual appropriations of a town are ordinarily made at the annual town meeting which takes place in February, March, April, May or June. Appropriations may also be voted at special meetings. Every town must have an appropriation, advisory, or finance committee. The committee (or the board of selectmen if authorized by by-law) is required to submit a budget of proposed expenditures at the annual town meeting.

The school budget is limited to the total amount appropriated by the town meeting, but the school committee retains full power to allocate the funds appropriated.

State and county assessments, the overlay for abatements in excess of overlays, principal and interest not otherwise provided for and final judgments are included in the tax levy whether or not included in the budget. Revenues are not required to be set forth in the budget but estimated non-tax revenues are taken into account by the assessors in fixing the tax levy. (See "*Property Taxation*" above).

Operating Budget Trends

The following table sets forth the operating budgets for the following fiscal years as voted by the Town. As such, said budgets reflect neither revenues nor state and county assessments and other mandatory items nor supplemental budget appropriations. See "*Budget and Appropriation Process*" above. Similarly, the budgets summarized below exclude expenditures for "non-operating" or extraordinary items authorized under "special" warrant articles at special town meetings. Water and Sewer operations are being accounted for in separate enterprise accounts and are excluded from the table below**.**

	Appropriated Fiscal Year 2016	Appropriated Fiscal Year 2015	Appropriated Fiscal Year 2014
General Government……	$ 1,521,538	$ 1,499,884	$ 1,513,722
Public Safety……	4,997,785	4,941,656	4,990,899
Inspections……..	124,986	122,848	149,889
Health & Sanitation…….	989,553	961,313	958,025
Education……..	23,041,232	22,467,877	21,907,034
Public Works……	1,019,720	1,011,716	1,115,181
Library……..	464,285	453,005	452,641
Parks & Recreation……	130,483	127,483	130,665
Human Services……	170,838	257,542	290,563
Retirement, Benefits and Insurance……..	7,753,016	7,466,330	7,275,784
Debt Service……..	2,114,580	2,066,938	2,117,282
Other…….	8,000	8,297	9,386
Totals:	$ 42,336,016	$ 41,384,889	$ 40,911,071

Capital Improvements Program

The Town has a capital improvements program providing for annual financing of capital requests. The following is a list of capital outlay projects anticipated over the following fiscal years.

Department/Project	2017	2018	2019	2020
Fire……..	$ 80,000	$ 640,000	$ 260,000	$ 7,000,000
Police……..	129,000	40,000	236,000	155,000
DPW……...	200,000	225,000	830,000	148,000
School……	200,000	150,000	25,000	-0-
Park & Rec ……..	75,000	45,000	1,000,000	-0-
Town Hall……	125,000	180,000	415,000	-0-
Library……...……...	20,000	-0-	490,000	990,000
COA……	-0-	-0-	-0-	-0-
Sewer……...	302,500	302,500	215,000	315,000
Water ……..	35,000	50,000	50,000	50,000
Totals:…….	$ 1,166,500	$ 1,632,500	$ 3,521,000	$ 8,658,000

Retirement Plan

The Massachusetts General Laws provide for the establishment of contributory retirement systems for state employees, for teachers and for county, city and town employees other than teachers. Teachers are assigned to a separate statewide teachers' system and not to the city and town systems. For all employees other than teachers, this law is subject to acceptance in each city and town. Substantially all employees of an accepting city or town are covered. If a town has a population of less than 10,000 when it accepts the statute, its non-teacher employees participate through the county system and its share of the county cost is proportionate to the aggregate annual rate of regular compensation of its covered employees. In addition to the contributory systems, cities and towns provide non-contributory pensions to a limited number of employees, primarily persons who entered service prior to July 1, 1937 and their dependents. The Public Employee Retirement Administration Commission ("PERAC") provides oversight and guidance for and regulates all state and local retirement systems.

The obligations of a city or town, whether direct or through a county system, are contractual legal obligations and are required to be included in the annual tax levy. If a city or town, or the county system of which it is a member, has not established a retirement system funding schedule as described below, the city or town is required to provide for the payment of the portion of its current pension obligations which is not otherwise covered by employee contributions and investment income. "Excess earnings," or earnings on individual employees' retirement accounts in excess of a predetermined rate, are required to be set aside in a pension reserve fund for future, not current, pension liabilities. Cities and towns may voluntarily appropriate to their system's pension reserve fund in any given year up to five percent of the preceding year's tax levy. The aggregate amount in the fund may not exceed ten percent of the equalized valuation of the city or town.

If a city or town, or each member city and town of a county retirement system, has accepted the applicable law, it is required to annually appropriate an amount sufficient to pay not only its current pension obligations, but also a portion of its future pension liability. The portion of each such annual payment allocable to future pension obligations is required to be deposited in the pension reserve fund. The amount of the annual city or town appropriation for each such system is prescribed by a retirement system funding schedule which is periodically reviewed and approved by PERAC. Each system's retirement funding schedule is designed to reduce the unfunded actuarial pension liability of the system to zero by not later than June 30, 2030, with annual increases in the scheduled payment amounts of not more than 4.5 percent. The funding schedule must provide that payment in any year of the schedule is not less than 95 percent of the amount appropriated in the previous fiscal year. City, town and county systems which have an approved retirement funding schedule receive annual pension funding grants from the Commonwealth for the first 16 years of such funding schedule. Pursuant to recent legislation, a system (other than the state employees' retirement system and the teachers' retirement system) which conducts an actuarial valuation as of January 1, 2009, or later, may establish a revised schedule which reduces the unfunded actuarial liability to zero by not later than June 30, 2040, subject to certain conditions. If the schedule is so extended under such provisions and a later updated valuation allows for the development of a revised

schedule with reduced payments, the revised schedule shall be adjusted to provide that the appropriation for each year shall not be less than that for such year under the prior schedule, thus providing for a shorter schedule rather than reduced payments.

City, town and county systems may choose to participate in the Pension Reserves Investment Trust Fund (the "PRIT Fund"), which receives additional state funds to offset future pension costs of participating state and local systems. If a local system participates in the PRIT Fund, it must transfer ownership and control of all assets of its system to the Pension Reserves Investment Management Board, which manages the investment and reinvestment of the PRIT Fund. Cities and towns with systems participating in the PRIT Fund continue to be obligated to fund their pension obligations in the manner described above. The additional state appropriations to offset future pension liabilities of state and local systems participating in the PRIT Fund are required to total at least 1.3 percent of state payroll. Such additional state appropriations are deposited in the PRIT Fund and shared by all participating systems in proportion to their interests in the assets of the PRIT Fund as of July 1 for each fiscal year.

Cost-of-living increases for each local retirement system may be granted and funded only by the local system, and only if it has established a funding schedule. Those statutory provisions are subject to acceptance by the local retirement board and approval by the local legislative body, which acceptance may not be revoked.

The annual contributions of the Town to the Contributory retirement system of Plymouth County's retirement system for the following fiscal years are set forth below.

	For Fiscal Year				
	2016	2015	2014	2013	2012
Contributory…….……	$2,340,302	$2,166,042	$1,978,699	$1,901,105	$1,695,786

The foregoing data does not include the retirement system costs or liabilities attributable to employees of the County or the retirement system costs or liabilities of any other entity of which the Town is a constituent part.

As of January 1, 2015, Abington's total estimated past service liability in the Plymouth County System in the contributory retirement system was $51,933,574 and its assets were $30,296,583 leaving an estimated unfunded past service liability of $21,636,991.

As of January 1, 2015, the actuarial accrued liability of Plymouth County Contributory Retirement System was $1,417,490,110; its assets were $826,923,777, leaving an unfunded actuarial accrued liability of $590,566,333.

Chapter 697 of the Acts of 1987, which was enacted on January 12, 1988, provides for the funding of the Commonwealth's current unfunded pension liability over a period not greater than 40 years. In addition, Chapter 697 contains significant financial incentives for each local government unit to establish its own state-approved funding schedule to eliminate its unfunded actuarial liability by June 30, 2028. Annual state pensions funding grants are provided for the first fifteen years of an approved funding schedule, beginning with the fiscal year which ended June 30, 1990; the grants are funded from designated percentages of increases in state revenues. The funding provisions for local systems are subject to local acceptance. The Town has adopted the applicable legislative provisions.

The following is the appropriation forecast (1) for the Plymouth County Retirement System as of January 1, 2015 of which Abington's share represents 3.96%. The fiscal 2017 share is 4.16%.

Appropriation Forecast

Fiscal Year Ending	Employee Contribution	Employer Normal Cost with Interest	Amortization Payments with Interest	Employer Total Cost with Interest	Employer Total Cost % of Payroll	Unfunded Liability	Funded Ratio %**
2016	$21,335,589	$13,243,028	$50,869,520	$64,112,548	26.0	$590,566,333	58.3
2017	$22,325,258	$13,538,829	$53,834,388	$67,373,217	26.3	$585,995,837	59.8
2018	$23,359,149	$13,838,193	$55,951,286	$69,789,479	26.3	$577,980,373	61.7
2019	$24,439,187	$14,140,969	$58,152,861	$72,293,830	26.2	$567,165,058	63.6
2020	$25,567,379	$14,446,994	$59,860,420	$74,307,414	26.0	$553,239,562	65.7
2021	$26,745,817	$14,756,086	$61,950,357	$76,706,443	25.9	$536,458,765	67.8
2022	$27,976,685	$15,068,043	$64,426,829	$79,494,872	25.8	$516,204,359	69.9
2023	$29,262,256	$15,382,646	$67,002,360	$82,385,006	25.8	$491,804,329	72.2
2024	$30,604,903	$15,699,654	$69,680,912	$85,380,566	25.8	$462,826,013	74.6
2025	$32,007,098	$16,018,807	$72,466,606	$88,485,413	25.8	$428,798,099	77.2
2026	$33,471,420	$16,339,818	$75,363,728	$91,703,546	25.7	$389,207,363	79.9
2027	$35,000,556	$16,662,379	$78,376,735	$95,039,114	25.7	$343,495,159	82.8
2028	$36,597,308	$16,986,154	$81,510,262	$98,496,416	25.7	$291,053,598	85.8
2029	$38,264,597	$17,310,781	$84,730,574	$102,041,355	25.6	$231,221,439	89.0
2030	$40,005,468	$17,635,868	$88,119,797	$105,755,665	25.6	$163,318,934	92.5
2031	$41,823,094	$17,960,993	$91,644,589	$109,605,582	25.6	$86,528,220	96.1
2032	$43,720,785	$18,285,702	$0	$18,285,702	4.1	$0	100.0
2033	$45,701,988	$18,609,507	$0	$18,609,507	4.0	$0	100.0
2034	$47,770,300	$18,931,882	$0	$18,931,882	4.0	$0	100.0
2035	$49,929,466	$19,252,267	$0	$19,252,267	3.9	$0	100.0
2036	$52,183,393	$19,570,057	$0	$19,570,057	3.8	$0	100.0
2037	$54,536,152	$19,884,608	$0	$19,884,608	3.7	$0	100.0
2038	$56,991,984	$20,195,229	$0	$20,195,229	3.6	$0	100.0
2039	$59,555,312	$20,501,185	$0	$20,501,185	3.6	$0	100.0
2040	$62,230,745	$20,801,688	$0	$20,801,688	3.5	$0	100.0
2041	$65,023,085	$21,095,899	$0	$21,095,899	3.4	$0	100.0
2042	$67,461,451	$21,886,995	$0	$21,886,995	3.4	$0	100.0
2043	$69,991,255	$22,707,757	$0	$22,707,757	3.4	$0	100.0
2044	$72,615,927	$23,559,298	$0	$23,559,298	3.4	$0	100.0
2045	$75,339,025	$24,442,772	$0	$24,442,772	3.4	$0	100.0

(1) Source: Plymouth County Contributory Retirement System actuarial report as of 1/1/15 prepared by Sherman Actuarial Services

Other Post-Employment Benefits

In addition to pension benefits, cities and towns may provide retired employees with health care and life insurance benefits. The portion of the cost of such benefits paid by cities or towns is generally provided on a pay-as-you-go basis. The pay-as-you-go cost to the Town for such benefits in recent years has been as follows.

	For Fiscal Year				
	2015	2014	2013	2012	2011
Total……	$1,452,858	$1,484,557	$1,635,846	$1,774,707	$1,679,021

The Governmental Accounting Standards Board ("GASB") recently promulgated its Statement Nos. 43 and 45, which will for the first time require public sector entities to report the future costs of these non-pension, post-

employment benefits in their financial statements. These new accounting standards do not require pre-funding such benefits, but the basis applied by the standards for measurement of costs and liabilities for these benefits is conservative if they continue to be funded on a pay-as-you-go basis and will result in larger yearly cost and liability accruals than if such benefits were pre-funded in a trust fund in the same manner as traditional pension benefits. Cities and towns that choose to self-insure all or a portion of the cost of the health care benefits they provide to employees and retirees may establish a trust fund for the purpose of paying claims. In addition, cities and towns may establish a trust fund for the purpose of pre-funding other post-employment benefits liability in the same manner as traditional pension benefits.

The Town implemented the new GASB reporting requirements for other post-employment benefits beginning in fiscal year 2009. The Town has used Odyssey Advisors, Inc. to perform actuarial valuations of its post-employment benefit liability. The results of the most recent study for fiscal year ending June 30, 2015 & June 30, 2016 are as follows:

	2015	**2016(Est.)**
Annual OPEB Cost……..	$3,602,154	$3,783,456
Actuarial Accrued Liability……..	40,931,164	42,300,177
Unfunded Actuarial Accrued Liability.	40,805,252	42,173,950

At the Special Town Meeting on October 18, 2010 the Town voted to accept the provisions of MGL c.32B subsection 20 to provide for the establishment of an "Other Post Employment Benefits Liability Trust Fund" for the Town's actuarial liability of health care and other post employee benefits for its retirees. At the Special Town Meeting held on November 14, 2012, the Town voted to make an initial funding to the OPEB Liability Trust Fund in the amount of $16,681.00 and voted an additional $109,000.00 at the Special Town Meeting held on November 4, 2013. As of March 1, 2016 there is $126,412.88 in the fund.

Contractual Obligations

Municipal contracts are generally limited to currently available appropriations. A city or town generally has the authority to enter into contracts for the exercise of any of its corporate powers for any period deemed to serve its best interest, but generally only when funds are available for the first fiscal year; obligations for succeeding fiscal years generally are expressly subject to availability and appropriation of funds. Municipalities have specific authority in relatively few cases to enter into long-term contractual obligations that are not subject to annual appropriation, including contracts for refuse disposal and sewage treatment and disposal. Municipalities may also enter into long-term contracts in aid of housing and renewal projects. There may be implied authority to make other long-term contracts required to carry out authorized municipal functions, such as contracts to purchase water from private water companies.

The Town of Abington does not have any significant long term contractual obligations at this time.

Motor Vehicle Excise

The Town collects the motor vehicle excise tax from bills prepared by the Massachusetts Registry of Motor Vehicles. The following table reflects motor vehicle excise receipts for each of the following fiscal years.

	For Fiscal Year Ending June 30				
	2016 (1)	2015	2014	2013	2012
Motor Vehicle Excise Taxes …..……	$ 805,185	$ 1,989,788	$ 1,950,640	$ 1,769,722	$ 1,698,383

Source: Massachusetts Department of Revenue - Net after refunds. Includes receipts for prior years.
(1) Includes FY 2016 receipts through 3/1/16.

State Aid

In addition to grants for specified capital purposes (some of which are payable over the life of the bonds issued for the projects), the Commonwealth provides financial assistance to cities and towns for current purposes. Payments to cities and towns are derived primarily from a percentage of the State's personal income, sales and use, and corporate excise tax receipts, together with the net receipts from the State Lottery. A municipality's state aid entitlement is based on a number of different formulas, of which the "schools" and "lottery" formulas are the most important. Both of the major formulas tend to provide more state aid to poorer communities. The formulas for determining a municipality's state aid entitlement are subject to amendment by the state legislature and, while a formula might indicate that a particular amount of state aid is owed, the amount of state aid actually paid is limited to the amount appropriated by the state legislature. The state annually estimates state aid, but the actual state aid payments may vary from the estimate.

In the fall of 1986, both the State Legislature (by statute, repealed as of July 1, 1999) and the voters (by initiative petition) placed limits on the growth of state tax revenues. Although somewhat different in detail, each measure essentially limited the annual growth in state tax revenues to an average rate of growth in wages and salaries in the Commonwealth over the three previous calendar years. If not amended, the remaining law could restrict the amount of state revenues available for state aid to local communities.

The following reflects state aid receipts in each of the following fiscal years.

	Fiscal Year				
	2016(1)	2015	2014	2013	2012
School Operating Aid……	$ 7,472,269	$ 7,423,394	$ 7,374,594	$ 7,324,394	$ 7,244,034
Other State Aid……	2,238,214	2,066,882	1,962,912	1,714,797	1,606,409
Less Estimated Charges……	914,062	811,613	575,232	474,292	450,962
Total:…….	$ 9,710,483	$ 8,678,663	$ 8,762,274	$ 8,564,899	$ 8,399,481

(1) Estimated.

Federal Aid

The Town did not receive any Federal Aid of a substantial nature in the last five fiscal years.

Education Reform Act

State legislation known as the Education Reform Act of 1993, as amended, imposes certain minimum expenditure requirements on municipalities with respect to funding for education and related programs, and may affect the level of state aid to be received for education. The requirements are determined on the basis of formulas affected by various measures of wealth and income, enrollments, prior levels of local spending and state aid, and other factors. In fiscal 2016, the Town appropriated $588,634 more than in fiscal 2015 for educational purposes, and the Town expects to receive $48,875 more in state aid for education. The Town continues to exceed the minimum amount for schools as directed by the state.

State School Building Assistance Program

Under its school building assistance program, the Commonwealth of Massachusetts provides grants to cities, towns and regional school districts for school construction projects. Until July 26, 2004, the State Board of Education was responsible for approving grants for school projects and otherwise administering the program. Grant amounts ranged from 50% to 90% of approved project costs. Municipalities generally issued bonds to finance the entire project cost, and the Commonwealth disbursed the grants in equal annual installments over the term of the related bonds.

Pursuant to legislation which became effective on July 26, 2004, the state legislature created the Massachusetts School Building Authority (the "Authority") to finance and administer the school building assistance program. The Authority has assumed all powers and obligations of the Board of Education with respect to the program. In addition to

certain other amounts, the legislation dedicates a portion of Commonwealth sales tax receipts to the Authority to finance the program.

Projects previously approved for grants by the State Board of Education are entitled to receive grant payments from the Authority based on the approved project cost and reimbursement rate applicable under the prior law. The Authority has paid and is expected to continue to pay the remaining amounts of the grants for such projects either in annual installments to reimburse debt service on bonds issued by the municipalities to finance such projects, or as lump sum payments to contribute to the defeasance of such bonds. Projects on the priority waiting list as of July 1, 2004 are also entitled to receive grant payments from the Authority based on the eligible project costs and reimbursement rates applicable under the prior law. With limited exceptions, the Authority is required to fund the grants for such projects in the order in which they appear on the waiting list. Grants for any such projects that have been completed or substantially completed have been paid and are expected to continue to be paid by the Authority in lump sum payments, thereby eliminating the need for the Authority to reimburse interest expenses that would otherwise be incurred by the municipalities to permanently finance the Authority's share of such project costs. Interest on debt issued by municipalities prior to July 1, 2004 to finance such project costs, and interest on temporary debt until receipt of the grant, is included in the approved costs of such projects. Grants for any such projects that have not yet commenced or that are underway have been and are expected to continue to be paid by the Authority as project costs are incurred by the municipality pursuant to a project funding agreement between the Authority and the municipality, eliminating the need for the municipality to borrow even on a temporary basis to finance the Authority's share of the project costs in most cases.

The range of reimbursement rates for new project grant applications submitted to the Authority on or after July 1, 2007 has been reduced to between 40% and 80% of approved project costs. The Authority promulgated new regulations with respect to the application and approval process for projects submitted after July 1, 2007. The Authority expects to pay grants for such projects as project costs are incurred pursuant to project funding agreements between the Authority and the municipalities. None of the interest expense incurred on debt issued by municipalities to finance their portion of the costs of new projects will be included in the approved project costs eligible for reimbursement.

Tax Increment Financing for Development Districts

Cities and towns are authorized to establish development districts to encourage increased residential, industrial and commercial activity. All or a portion of the taxes on growth in assessed value in such districts may be pledged and used solely to finance economic development projects pursuant to the city or town's development program for the district. This includes pledging such "tax increments" for the payment of bonds issued to finance such projects. As a result of any such pledge, tax increments raised from new growth properties in development districts are not available for other municipal purposes. Tax increments are taken into account in determining the total taxes assessed for the purpose of calculating the maximum permitted tax levy under Proposition 2½ (see "*Property Tax Limitations*" under "PROPERTY TAXATION" above). The Town has not established any such districts at this time.

Investments

Investments of funds of cities and towns, except for trust funds, are generally restricted by Massachusetts General Laws Chapter 44, §55. That statute permits investments of available revenue funds and bond and note proceeds in term deposits and certificates of deposits of banks and trust companies, in obligations issued or unconditionally guaranteed by the federal government or an agency thereof with a maturity of not more than one year, in repurchase agreements with a maturity of not more than 90 days secured by federal or federal agency securities, in participation units in the Massachusetts Municipal Depository Trust ("MMDT"), or in shares in SEC-registered money market funds with the highest possible rating from at least one nationally recognized rating organization.

MMDT is an investment pool created by the Commonwealth. The State Treasurer is the sole trustee, and the funds are managed under contract by an investment firm under the supervision of the State Treasurer's office. According to the State Treasurer the Trust's investment policy is designed to maintain an average weighted maturity of 90 days or less and is limited to high-quality, readily marketable fixed income instruments, including U.S. Government obligations and highly-rated corporate securities with maturities of one year or less.

Trust funds, unless otherwise provided by the donor, may be invested in accordance with §54 of Chapter 44, which permits a broader range of investments than §55, including any bonds or notes that are legal investments for savings banks in the Commonwealth. The restrictions imposed by §§54 and 55 do not apply to city and town retirement systems.

Undesignated General Fund Balance and Stabilization Fund Balance

Under Section 5B of Chapter 40 of the Massachusetts General Laws, the Town may for the purpose of creating a stabilization fund, appropriate in any year an amount not exceeding ten percent of the amount raised in the preceding year by taxation of real estate and tangible personal property or such larger amount as may be approved by the State Director of Accounts. The aggregate amount in the fund at any time shall not exceed ten percent of the equalized valuation of the Town and any interest shall be added to and become a part of the fund. The stabilization fund may be appropriated in a town at a town meeting and also at a special town meeting by a two-thirds vote for any lawful purpose.

The following table reflects the Undesignated General Fund Balance, and the Stabilization Fund Balance for the following fiscal years.

	For Fiscal Year Ending June 30				
	2015	2014	2013	2012	2011
Undesignated General Fund Balance …..	$1,829,886	$1,303,633	$1,259,875	$1,240,437	$1,589,502
Stabilization Fund Balance ..…….……..	1,148,196	1,132,919	1,035,878	631,806	255,595

Source: Town Accountant

Free Cash

Under Massachusetts law, an amount known as "free cash" is certified as of the beginning of each fiscal year by the State Bureau of Accounts and this, together with certain subsequent tax receipts, is used as the basis for subsequent appropriations from available funds, which are not required to be included in the annual tax levy. Subject to certain adjustments, free cash is surplus revenue less uncollected and overdue property taxes from prior years. Free cash as of the beginning of the fiscal year, together with collections of prior years' taxes through March 31, is available under current law for appropriation to reduce the following fiscal years' tax levy.

The following table reflects the certified free cash for the following fiscal years.

	For Fiscal Year Beginning July 1				
	2015	2014	2013	2012	2011
Free Cash ……..	$821,864	$785,632	$1,047,082	$734,213	$1,001,306

Source: Massachusetts Department of Revenue - Subject to certain adjustments, free cash is surplus revenue less uncollected and overdue property taxes from prior years.

Financial Statement

The audited financial statements of the Town for the fiscal year ended June 30, 2015 prepared by Powers & Sullivan, LLC Certified Public Accountants, have been reproduced and are attached hereto as Appendix B and the comparative financial statements are set forth as Appendix A.

Litigation

In the opinion of the Town, there is no litigation pending which, either individually or in the aggregate, is likely to result in final judgments against the Town which would materially affect the Town's financial position or its ability to pay its obligations.

TOWN OF ABINGTON,
MASSACHUSETTS

By: /s/ Sonia Hodge
Treasurer

Dated: April 19, 2016

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TOWN OF ABINGTON, MASSACHUSETTS
COMPARATIVE BALANCE SHEETS

APPENDIX A

	General Accounts as of June 30		
	2015	2014	2013
Assets			
Cash and investments	$ 3,807,815	$ 3,668,590	$ 3,259,078
Receivables, net of uncollectibles:			
Real estate and personal property taxes	278,028	374,406	299,808
Real estate tax deferrals	37,964	33,614	25,976
Tax liens	742,770	889,597	926,838
Motor vehicle excise	330,630	313,543	410,160
Intergovernmental	134,346	132,081	53,557
Tax foreclosures	663,449	477,291	477,291
Due from other funds	16,819	-	.
Total Assets	$ 6,011,821	$ 5,889,122	$ 5,452,708
Liabilities			
Warrants payable	$ 737,133	$ 884,362	$ 750,716
Accrued payroll	114,707	0	0
Tax refunds payable	114,000	65,000	73,000
Other liabilities	349,447	280,150	212,612
Deferred revenues	-	-	2,129,150
Total Liabilities	$ 1,315,287	$ 1,229,512	$ 3,165,478
Deferred Inflows of Resources			
Unavailbable revenues	2,125,174	2,116,408	-
Fund Balances			
Committed	141,523	304,822	-
Assigned	89,487	77,082	487,113
Unassigned	2,340,350	2,161,298	1,800,117
Total Fund Balances	2,571,360	2,543,202	2,287,230
Total Libabilities, Deferred Inflows of Resources, and Fund Balances	$ 6,011,821	$ 5,889,122	$ 5,452,708

TOWN OF ABINGTON, MASSACHUSETTS
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

	General Accounts as of June 30		
	2015	2014	2013
Revenues:			
Real estate and property taxes	$ 28,800,623	$ 27,877,559	$ 27,484,154
Tax liens	247,882	293,781	333,667
Motor vehicle and other excise taxes	1,989,790	1,950,640	1,769,724
Meals tax	280,930	264,195	202,560
Intergovernmental	11,805,826	14,098,921	13,940,318
Departmental and other	856,371	832,402	1,067,680
Investment income	72,849	70,229	67,080
Total Revenues	$ 44,054,271	$ 45,387,727	$ 44,865,183
Expenditures:			
General government	1,555,765	1,514,650	1,520,238
Public safety	5,069,816	5,090,530	5,007,981
Education	22,558,302	21,690,952	20,520,895
Public works	2,472,056	2,216,787	2,813,179
Human services	405,606	436,990	328,526
Culture and recreation	573,796	577,414	628,240
Pension benefits	4,214,193	6,560,844	6,436,810
Employee benefits	5,135,972	5,111,961	5,073,593
State and county charges	849,948	612,632	511,111
Debt service:			
Principal	980,000	985,000	1,050,000
Interest	348,249	390,179	426,615
Total Expenditures	$ 44,163,703	$ 45,187,939	$ 44,317,188
Excess of Revenues Over (Under) Expenditures	$ (109,432)	$ 199,788	$ 547,995
Other Financing Sources (Uses):			
Sale of capital assets	11,495	-	-
Transfers in	426,718	356,836	781,709
Transfers out	(300,623)	(300,652)	(1,076,551)
Total Other Financing Sources	$ 137,590	$ 56,184	$ (294,842)
Net Change in Fund Balances	28,158	255,972	253,153
Beginning Fund Balance	2,543,202	2,287,230	2,034,077
Ending Fund Balance	$ 2,571,360	$ 2,543,202	$ 2,287,230

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APPENDIX B

TOWN OF ABINGTON, MASSACHUSETTS

REPORT ON EXAMINATION OF
BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2015

TOWN OF ABINGTON, MASSACHUSETTS

REPORT ON EXAMINATION OF BASIC FINANCIAL STATEMENTS

JUNE 30, 2015

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Independent Auditor's Report

To the Honorable Board of Selectmen
Town of Abington, 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 Abington, Massachusetts, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

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

Other Matters

Required Supplementary Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 19, 2016, on our consideration of the Town of Abington, Massachusetts' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance**.** That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Abington's internal control over financial reporting and compliance.

Powers + Sullivan, LLC

January 19, 2016

Management's Discussion and Analysis

Management's Discussion and Analysis

As management of the Town of Abington, we offer readers of these financial statements this narrative overview and analysis of the financial activities for the year ended June 30, 2015.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Town of Abington's basic financial statements. These basic financial statements comprise of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. 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, liabilities, and deferred inflows/outflows of resources, with the difference between the two reported as *net position.* Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position is improving or deteriorating.

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

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

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

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the 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 Abington 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.

Proprietary funds. The Town maintains its enterprise activities as a proprietary fund.

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

The Town established an Other Postemployment Benefits Trust Fund (OPEB) to account for funds set aside to help offset future postemployment benefits for retirees. In 2015, the fund earned $315 of interest income. The Town is working to develop a plan to continue growing the trust fund balance in future fiscal years. These activities are excluded from the Town's government-wide financial statements because the Town cannot use these assets to finance its operations.

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.

The Town has implemented GASB Statement #67, Financial Reporting for Pension Plans, GASB Statement #68, Accounting and Financial Reporting for Pensions, and GASB Statement #71, Pension Transition for Contributions made subsequent to the measurement date. As a result additional footnote disclosures and required supplementary information was added to the report, as well as the recognition of deferred outflows and the net pension liability related to the Town's pension obligations. See Notes 12 and 17 for more information. To reflect this change, the Town has recorded a net pension liability, which has resulted in the revision of the June 30, 2014 balance of the governmental activities and business type activities by $19,835,739 and $490,542, respectively.

Government-wide Financial Analysis

Governmental Activities

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. Governmental net position was in a deficit position of $2.4 million at the close of 2015.

Governmental net position of $30.8 million reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is 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.

Net position of $686 thousand represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position of a deficit $33.9 million represents the impact of the recognition of a $14.9 million governmental liability associated with the other postemployment benefit plan and a $20.8 million liability associated with the recognition of the net pension liability.

The governmental activities net position increased by $988 thousand during the current year. This was primarily due to the recognition of capital grants of $2.7 million which mostly relate to Massachusetts School Business Administration reimbursements of approved construction costs related to the Middle/High School project, the recognition of $434 thousand of revenue related to tax liens and the recognition of $964 thousand of deferred outflows related to pensions. These increases were offset by a $2.0 million increase in the liability associated the Town's other postemployment liability and increase of $1.0 million related to the recognition of the net pension liability.

The Town of Abington's net position was in a deficit balance of $2.4 million at the close of 2015. The deficit is mainly the result of the liabilities recorded associated with the Town's net pension liability and other postemployment benefits. Education expenses and operating grants decreased due to a $2.5 million decrease in on-behalf payments made by the Commonwealth for teacher retirement benefits as a result of being measured on a different basis than in 2014 due to the implementation of GASB 68.

The 2014 noncurrent liabilities and beginning net position have been revised by $19,835,739 to reflect the implementation of GASB Statement #68. See note 17 for more information.

	2015 Governmental Activities	(As Revised) 2014 Governmental Activities
Assets:		
Current assets	$ 12,414,173	$ 8,195,608
Noncurrent assets (excluding capital)	37,964	33,614
Capital assets	39,982,698	36,376,251
Total assets	**52,434,835**	**44,605,473**
Deferred outflows of resources:		
Deferred outflows related to pensions	963,736	-
Liabilities:		
Current liabilities (excluding debt)	2,836,035	1,879,479
Noncurrent liabilities (excluding debt)	40,461,704	37,433,643
Current debt	1,534,870	1,744,212
Noncurrent debt	10,940,000	6,910,000
Total liabilities	**55,772,609**	**47,967,334**
Net Position:		
Net investment in capital assets	30,840,028	27,919,663
Restricted	686,454	684,904
Unrestricted	(33,900,520)	(31,966,428)
Total net position	$ **(2,374,038)**	$ **(3,361,861)**

	2015 Governmental Activities	2014 Governmental Activities
Program revenues:		
Charges for services	$ 2,324,800	$ 2,138,298
Operating grants and contributions	12,085,844	14,161,652
Capital grants and contributions	2,664,187	794,208
Total program revenues	**17,074,831**	**17,094,158**
General Revenues:		
Real estate and personal property taxes	28,603,880	27,882,909
Tax liens	434,040	293,781
Motor vehicle and other excise taxes	2,006,876	1,854,024
Meals tax	280,930	264,195
Nonrestricted grants and contributions	2,032,029	2,075,271
Unrestricted investment income	73,310	70,591
Gain on sale of capital assets	11,495	-
Other revenues	205,244	246,058
Total general revenues	**33,647,804**	**32,686,829**
Total revenues	**50,722,635**	**49,780,987**
Expenses:		
General Government	2,892,001	2,759,895
Public Safety	8,810,230	8,405,439
Education	32,324,365	33,929,548
Public Works	3,781,554	3,146,625
Human Services	719,409	718,834
Culture and Recreation	1,266,744	1,215,735
Interest	345,843	387,888
Total expenses	**50,140,146**	**50,563,964**
Change in net position before transfers	**582,489**	**(782,977)**
Transfers	**405,334**	**234,911**
Change in net position	**987,823**	**(548,066)**
Net position - beginning (As Revised)	**(3,361,861)**	**(2,813,795)**
Net position - ending	$ **(2,374,038)**	$ **(3,361,861)**

Business Type Activities

Business-type Activities assets exceeded liabilities by $34.4 million at the close of 2015. Net position of $30.0 million reflects its investment in capital assets less any debt used to acquire those assets that are still outstanding. The remaining balance of unrestricted net position of $4.4 million may be used to meet the ongoing obligations.

The net position of the Golf Enterprise Fund increased $15 thousand during the current year to a balance of $1.9 million. The increase is expected as the Town receives a rental fee for the management of the golf course and use of the buildings on the course, while incurring minimal general operating expenses and depreciation expense.

The net position of the Sewer Enterprise Fund decreased $417 thousand during the current year to a balance of $24.3 million. The change is mostly attributable to an increase of $48 thousand in the other postemployment benefit accrual, and the fact that depreciation exceeded principal payments on long-term bonds by $854 thousand. These decreases were offset by the fact that general operating expenses decreased by $510 thousand, mostly the result of the actual bills for inter-municipal charges coming in less than the anticipated accrued amounts.

The net position of the Water Enterprise Fund increased $349 thousand during the current year to a balance of $7.3 million. The change is attributable to the fact that water user fee revenues increased slightly coupled with the fact that the fund was able to maintain a relatively flat increase in operating.

The net position of the Ambulance Enterprise Fund decreased $194 thousand during the current year. The change is primarily attributable to the write-down of old outstanding ambulance receivables that had been previously recognized as revenue as well as a transfer to the General Fund of $134 thousand to cover indirect charges, offset by the funds ability to control operating expenses.

The 2014 noncurrent liabilities and beginning net position have been revised by $490,542 to reflect the implementation of GASB Statement #68. See note 17 for more information.

	2015 Business-type Activities	(As Revised) 2014 Business-type Activities
Assets:		
Current assets	$ 10,137,399	$ 9,004,338
Noncurrent assets (excluding capital)	11,029	12,043
Capital assets	34,413,904	35,443,093
Total assets	**44,562,332**	**44,459,474**
Deferred outflows of resources:		
Deferred outflows related to pensions	23,833	-
Liabilities:		
Current liabilities (excluding debt)	4,684,737	4,128,238
Noncurrent liabilities (excluding debt)	787,555	713,282
Current debt	401,313	352,134
Noncurrent debt	4,305,240	4,611,104
Total liabilities	**10,178,845**	**9,804,758**
Net Position:		
Net investment in capital assets	30,045,256	30,722,311
Unrestricted	4,362,064	3,932,405
Total net position	$ **34,407,320**	$ **34,654,716**

	2015 Business-type Activities	2014 Business-type Activities
Program revenues:		
Charges for services:		
Golf	$ 64,250	$ 61,550
Sewer	2,385,222	2,328,319
Water	2,769,188	2,649,797
Ambulance	515,294	755,741
Total charges for services	5,733,954	5,795,407
Capital grants and contributions:		
Sewer	173	259
Total revenues	**5,734,127**	**5,795,666**
Expenses:		
Operating expenses:		
Golf	46,391	39,096
Sewer	2,581,832	3,131,803
Water	2,372,505	2,344,011
Ambulance	575,461	627,538
Total operating expenses	**5,576,189**	**6,142,448**
Change in net position before transfers	**157,938**	**(346,782)**
Transfers	**(405,334)**	**(234,911)**
Change in net position	**(247,396)**	**(581,693)**
Net position - beginning (As Revised)	**34,654,716**	**35,236,409**
Net position - ending	$ **34,407,320**	**$ 34,654,716**

Financial Analysis of the Government's Funds

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

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

As of the end of the current year, governmental funds reported combined ending fund balances of $6.9 million, a increase of $3.5 from the prior year. This is mainly due to an operating surplus of $3.5 million related to the middle/high school project as a result of a $5 million bond issue.

The general fund is the chief operating fund. At the end of the current year, unassigned fund balance of the general fund was $2.3 million, while total fund balance increased by $28 thousand to an ending balance of $2.6

million. The results of operations were primarily due to a budgetary surplus of $104 thousand, offset by an increase in appellate tax board cases of $49 thousand and a decrease in the accrual for 60 day real estate and personal property collections of $42 thousand.

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 5.3% of general fund expenditures, while total fund balance represents 5.8% of that same amount.

The middle/high school project fund is being used to account for the construction activities related to the building of a new school behind the current high school. During 2015, $4 million was spent on this project and the Town received $2.5 million in Massachusetts School Building Administration reimbursements and issued $5 million in long-term bonds. The anticipated date for students to move into the new school is January of 2018. The fund has a surplus of $3.3 million as of the end of 2015 due to the timing of expenditures related to the long-term bond issuance. The project is expected to cost approximately $96.4 million to complete.

The Island Grove Memorial Arch project related to the restoration of the Arch. The fund has a deficit of $234 thousand at the end of 2015 and will be permanently funded through the issuance of bonds and completed during 2016.

General Fund Budgetary Highlights

The original general fund operating budget approved approximately $42.1 million in appropriations and other financing uses. Town meeting increased the original budget by approximately $259 thousand during the current year. The majority of the increase between the original budget and the final amended budget was due to the use of free cash to fund a transfer to the stabilization fund. $231 thousand has been carried over to 2016 as encumbrances and continuing appropriations.

Capital Asset and Debt Administration

In conjunction with the operating budget, the Town annually prepares a capital budget for the upcoming year and a five-year Capital Improvement Plan (CIP) that is used as a guide for future capital expenditures.

Governmental capital assets at year-end were $39.9 million which represented an increase of $3.6 million from the prior year. Major current additions include $4.3 million of construction in progress related to the new school project and the Memorial Arch restoration project, $414 thousand for the purchase of machinery and equipment, and $399 thousand of various infrastructure additions. Depreciation of $1.6 million was recorded in 2015.

Enterprise capital assets at year-end were valued at $34.4 million which represented a decrease of $1.0 million from the prior year. The most significant activity during 2015 amounted to $255 thousand for the purchase of a new ambulance, and $52 thousand for the replacement of water meters and mains. Depreciation of $1.5 million was recorded in 2015.

The Town's debt burden is relatively low when compared to the net balance of capital assets acquired with the debt. Outstanding Governmental long-term debt, as of June 30, 2015, was $11.9 million, of which $142 thousand is for Town Hall, $93 thousand is for the library, $3.7 million is for the police station, $6.8 million is for various school projects, and $1.2 million is for the senior center.

On November 25, 2015, the Town issued $36,000,000 of general obligation debt. $5,000,000 of the issuance was recognized in 2015 due to the fact it related to and was used to paydown BAN's outstanding at June 30, 2015. The remaining $31,000,000 of bonds issued will be recognized in 2016.

The sewer enterprise fund has $50 thousand in long-term debt that is supported by future betterment assessments and debt exclusion receipts.

The water enterprise fund has $4.5 million in long-term debt that is fully supported by the rates. The Town has $2.0 million in authorized and unissued long-term debt relating to future water projects.

Please refer to footnotes 4, 6, 7, and 8 for further discussion of the major capital and debt activity.

Requests for Information

This financial report is designed to provide a general overview of the Town of Abington'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 Town Manager, Town Hall, 500 Gliniewicz Way, Abington, Massachusetts 02351.

Basic Financial Statements

STATEMENT OF NET POSITION

JUNE 30, 2015

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
CURRENT:			
Cash and cash equivalents	$ 9,272,536	$ 8,052,967	$ 17,325,503
Receivables, net of allowance for uncollectibles:			
Real estate and personal property taxes	278,028	-	278,028
Tax liens	742,770	19,189	761,959
Motor vehicle excise taxes	330,630	-	330,630
User fees	-	1,917,073	1,917,073
Departmental and other	-	115,083	115,083
Special assessments	-	33,087	33,087
Intergovernmental	1,126,760	-	1,126,760
Tax foreclosures	663,449	-	663,449
Total current assets	12,414,173	10,137,399	22,551,572
NONCURRENT:			
Restricted assets:			
Receivables, net of allowance for uncollectibles:			
Real estate tax deferrals	37,964	-	37,964
Special assessments	-	11,029	11,029
Capital assets, net of accumulated depreciation:			
Nondepreciable	13,594,734	1,422,001	15,016,735
Depreciable	26,387,964	32,991,903	59,379,867
Total noncurrent assets	40,020,662	34,424,933	74,445,595
TOTAL ASSETS	52,434,835	44,562,332	96,997,167
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	963,736	23,833	987,569
LIABILITIES			
CURRENT:			
Warrants payable	1,721,994	1,472,471	3,194,465
Accrued liabilities	-	3,128,916	3,128,916
Accrued payroll	176,657	-	176,657
Tax refunds payable	114,000	-	114,000
Accrued interest	17,204	44,253	61,457
Other liabilities	351,458	-	351,458
Capital lease obligations	-	49,578	49,578
Landfill closure	140,000	-	140,000
Compensated absences	314,722	39,097	353,819
Notes payable	564,870	-	564,870
Bonds payable	970,000	351,735	1,321,735
Total current liabilities	4,370,905	5,086,050	9,456,955
NONCURRENT:			
Capital lease obligations	-	157,190	157,190
Landfill closure	4,068,000	-	4,068,000
Compensated absences	679,395	22,369	701,764
Other postemployment benefits	14,873,300	249,783	15,123,083
Net pension liability	20,841,009	515,403	21,356,412
Bonds payable	10,940,000	4,148,050	15,088,050
Total noncurrent liabilities	51,401,704	5,092,795	56,494,499
TOTAL LIABILITIES	55,772,609	10,178,845	65,951,454
NET POSITION			
Net investment in capital assets	30,840,028	30,045,256	60,885,284
Restricted for:			
Permanent funds:			
Expendable	101,705	-	101,705
Nonexpendable	69,778	-	69,778
Grants and gifts	514,971	-	514,971
Unrestricted	(33,900,520)	4,362,064	(29,538,456)
TOTAL NET POSITION	$ (2,374,038)	$ 34,407,320	$ 32,033,282

See notes to basic financial statements.

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2015

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	$ 2,892,001	$ 373,370	$ 305,240	$ -	$ (2,213,391)
Public safety	8,810,230	298,061	246,412	1,700	(8,264,057)
Education	32,324,365	1,347,595	10,996,832	2,468,023	(17,511,915)
Public works	3,781,554	39,731	303,311	194,464	(3,244,048)
Human services	719,409	75,618	130,863	-	(512,928)
Culture and recreation	1,266,744	190,425	103,186	-	(973,133)
Interest	345,843	-	-	-	(345,843)
Total Governmental Activities	50,140,146	2,324,800	12,085,844	2,664,187	**(33,065,315)**
Business-Type Activities:					
Golf	46,391	64,250	-	-	17,859
Sewer	2,581,832	2,385,222	-	173	(196,437)
Water	2,372,505	2,769,188	-	-	396,683
Ambulance	575,461	515,294	-	-	(60,167)
Total Business-Type Activities	5,576,189	5,733,954	-	173	**157,938**
Total Primary Government	$ 55,716,335	$ 8,058,754	$ 12,085,844	$ 2,664,360	$ **(32,907,377)**

See notes to basic financial statements.

(Continued)

STATEMENT OF ACTIVITIES (Continued)

YEAR ENDED JUNE 30, 2015

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Changes in net position:			
Net (expense) revenue from previous page.....	$ **(33,065,315)**	$ **157,938**	$ **(32,907,377)**
General revenues:			
Real estate and personal property taxes, net of tax refunds payable.....	28,603,880	-	28,603,880
Tax liens.....	434,040	-	434,040
Motor vehicle and other excise taxes.....	2,006,876	-	2,006,876
Meals tax.....	280,930	-	280,930
Grants and contributions not restricted to specific programs.....	2,032,029	-	2,032,029
Unrestricted investment income.....	73,310	-	73,310
Gain (loss) on disposal of assets.....	11,495	-	11,495
Miscellaneous.....	205,244	-	205,244
Transfers, net	405,334	(405,334)	-
Total general revenues and transfers.....	34,053,138	(405,334)	33,647,804
Change in net position.....	987,823	(247,396)	740,427
Net Position:			
Beginning of year (As Revised).....	(3,361,861)	34,654,716	31,292,855
End of year.....	$ (2,374,038)	$ 34,407,320	$ 32,033,282

(Concluded)

GOVERNMENTAL FUNDS
BALANCE SHEET

JUNE 30, 2015

ASSETS	General	Middle/High School Project	Island Grove Memorial Arch	Nonmajor Governmental Funds	Total Governmental Funds
Cash and cash equivalents	$ 3,807,815	$ 3,730,015	$ -	$ 1,734,706	$ 9,272,536
Receivables, net of uncollectibles:					
Real estate and personal property taxes	278,028	-	-	-	278,028
Real estate tax deferrals	37,964	-	-	-	37,964
Tax liens	742,770	-	-	-	742,770
Motor vehicle excise taxes	330,630	-	-	-	330,630
Intergovernmental	134,346	463,213	-	529,201	1,126,760
Tax foreclosures	663,449	-	-	-	663,449
Due from other funds	16,819	-	-	-	16,819
TOTAL ASSETS	$ 6,011,821	$ 4,193,228	$ -	$ 2,263,907	$ 12,468,956
LIABILITIES					
Warrants payable	$ 737,133	$ 770,338	$ 3,207	$ 211,316	$ 1,721,994
Accrued payroll	114,707	-	-	61,950	176,657
Tax refunds payable	114,000	-	-	-	114,000
Other liabilities	349,447	-	-	2,011	351,458
Due to other funds	-	-	16,819	-	16,819
Notes payable	-	165,000	213,570	186,300	564,870
TOTAL LIABILITIES	1,315,287	935,338	233,596	461,577	2,945,798
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues	2,125,174	-	-	529,201	2,654,375
FUND BALANCES					
Nonspendable	-	-	-	69,778	69,778
Restricted	-	3,257,890	-	1,460,879	4,718,769
Committed	141,523	-	-	-	141,523
Assigned	89,487	-	-	-	89,487
Unassigned	2,340,350	-	(233,596)	(257,528)	1,849,226
TOTAL FUND BALANCES	2,571,360	3,257,890	(233,596)	1,273,129	6,868,783
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	$ 6,011,821	$ 4,193,228	$ -	$ 2,263,907	$ 12,468,956

See notes to basic financial statements.

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

JUNE 30, 2015

Total governmental fund balances		$ 6,868,783
Capital assets (net) used in governmental activities are not financial resources and, therefore, are not reported in the funds		39,982,698
Accounts receivable are not available to pay for current-period expenditures and, therefore, are unavailable revenues		2,654,375
Certain changes in the net pension liability are required to be included in pension expense over future periods. These changes are reported as deferred outflows of resources or (deferred inflows of resources) related to pensions		963,736
In the statement of activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due		(17,204)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds		
Bonds and notes payable	(11,910,000)	
Landfill closure liability	(4,208,000)	
Other postemployment benefits	(14,873,300)	
Net pension liability	(20,841,009)	
Compensated absences	(994,117)	
Net effect of reporting long-term liabilities		(52,826,426)
Net position of governmental activities		$ (2,374,038)

See notes to basic financial statements.

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2015

	General	Middle/High School Project	Island Grove Memorial Arch	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES:					
Real estate and personal property taxes, net of tax refunds	$ 28,800,623	$ -	$ -	$ -	$ 28,800,623
Tax liens	247,882	-	-	-	247,882
Motor vehicle and other excise taxes	1,989,790	-	-	-	1,989,790
Meals tax	280,930	-	-	-	280,930
Intergovernmental	11,805,826	2,468,023	-	2,847,309	17,121,158
Departmental and other	856,371	-	-	1,247,483	2,103,854
Contributions	-	-	-	124,660	124,660
Investment income	72,849	-	-	461	73,310
TOTAL REVENUES	44,054,271	2,468,023	-	4,219,913	50,742,207
EXPENDITURES:					
Current:					
General government	1,555,765	-	252,270	359,322	2,167,357
Public safety	5,069,816	-	-	316,740	5,386,556
Education	22,558,302	4,007,823	-	2,371,653	28,937,778
Public works	2,472,056	-	-	858,333	3,330,389
Human services	405,606	-	-	38,145	443,751
Culture and recreation	573,796	-	-	311,061	884,857
Pension benefits	4,214,193	-	-	-	4,214,193
Employee benefits	5,135,972	-	-	-	5,135,972
State and county charges	849,948	-	-	-	849,948
Debt service:					
Principal	980,000	-	-	-	980,000
Interest	348,249	-	-	-	348,249
TOTAL EXPENDITURES	44,163,703	4,007,823	252,270	4,255,254	52,679,050
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(109,432)	(1,539,800)	(252,270)	(35,341)	(1,936,843)
OTHER FINANCING SOURCES (USES):					
Proceeds from bonds and notes	-	5,000,000	-	-	5,000,000
Sale of assets	11,495	-	-	-	11,495
Transfers in	426,718	80,000	20,855	178,487	706,060
Transfers out	(300,623)	-	-	(103)	(300,726)
TOTAL OTHER FINANCING SOURCES (USES)	137,590	5,080,000	20,855	178,384	5,416,829
NET CHANGE IN FUND BALANCES	28,158	3,540,200	(231,415)	143,043	3,479,986
FUND BALANCES AT BEGINNING OF YEAR	2,543,202	(282,310)	(2,181)	1,130,086	3,388,797
FUND BALANCES AT END OF YEAR	$ 2,571,360	$ 3,257,890	$ (233,596)	$ 1,273,129	$ 6,868,783

See notes to basic financial statements.

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

YEAR ENDED JUNE 30, 2015

Net change in fund balances - total governmental funds		$ 3,479,986
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	5,209,541	
Depreciation expense	(1,603,094)	
Net effect of reporting capital assets		3,606,447
Revenues in the Statement of Activities that do not provide current financial resources are fully deferred in the Statement of Revenues, Expenditures and Changes in Fund Balances. Therefore, the recognition of revenue for various types of accounts receivable (i.e., real estate and personal property, motor vehicle excise, etc.) differ between the two statements. This amount represents the net change in unavailable revenues		(31,067)
The issuance of long-term debt (e.g., bonds and leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.		
Proceeds from bonds and notes	(5,000,000)	
Debt service principal payments	980,000	
Net effect of reporting long-term debt		(4,020,000)
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	(17,549)	
Net change in accrued interest on long-term debt	2,407	
Net change in other postemployment benefits accrual	(2,025,867)	
Net change in landfill closure accrual	35,000	
Net change in net pension liability	(1,005,270)	
Net change in deferred outflow/(inflow) of resources related to pensions	963,736	
Net effect of recording long-term liabilities		(2,047,543)
Change in net position of governmental activities		$ 987,823

See notes to basic financial statements.

PROPRIETARY FUNDS
STATEMENT OF NET POSITION

JUNE 30, 2015

	Business-type Activities - Enterprise Funds				
	Golf Enterprise	Sewer Enterprise	Water Enterprise	Ambulance Enterprise	Total
ASSETS					
CURRENT:					
Cash and cash equivalents	$ 392,840	$ 5,383,602	$ 1,523,517	$ 753,008	$ 8,052,967
Receivables, net of allowance for uncollectibles:					
User fees	-	980,859	936,214	-	1,917,073
Sewer liens	-	19,189	-	-	19,189
Departmental and other	-	-	-	115,083	115,083
Special assessments	-	33,087	-	-	33,087
Total current assets	392,840	6,416,737	2,459,731	868,091	10,137,399
NONCURRENT:					
Receivables, net of allowance for uncollectibles:					
Special assessments	-	11,029	-	-	11,029
Capital assets, net of accumulated depreciation:					
Nondepreciable	1,177,000	64,635	180,366	-	1,422,001
Depreciable	341,835	22,701,742	9,706,076	242,250	32,991,903
Total noncurrent assets	1,518,835	22,777,406	9,886,442	242,250	34,424,933
TOTAL ASSETS	1,911,675	29,194,143	12,346,173	1,110,341	44,562,332
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows of resources related to pensions	-	23,833	-	-	23,833
LIABILITIES					
CURRENT:					
Warrants payable	-	1,127,853	341,227	3,391	1,472,471
Accrued liabilities	-	2,957,725	171,191	-	3,128,916
Accrued interest	-	96	44,157	-	44,253
Capital lease obligations	-	-	-	49,578	49,578
Compensated absences	-	39,097	-	-	39,097
Bonds payable	-	25,000	326,735	-	351,735
Total current liabilities	-	4,149,771	883,310	52,969	5,086,050
NONCURRENT:					
Capital lease obligations	-	-	-	157,190	157,190
Compensated absences	-	22,369	-	-	22,369
Other postemployment benefits	-	249,783	-	-	249,783
Net pension liability	-	515,403	-	-	515,403
Bonds payable	-	25,000	4,123,050	-	4,148,050
Total noncurrent liabilities	-	812,555	4,123,050	157,190	5,092,795
TOTAL LIABILITIES	-	4,962,326	5,006,360	210,159	10,178,845
NET POSITION					
Net investment in capital assets	1,518,835	22,716,377	5,567,794	242,250	30,045,256
Unrestricted	392,840	1,539,273	1,772,019	657,932	4,362,064
TOTAL NET POSITION	$ 1,911,675	$ 24,255,650	$ 7,339,813	$ 900,182	$ 34,407,320

See notes to basic financial statements.

PROPRIETARY FUNDS

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEAR ENDED JUNE 30, 2015

	Business-type Activities - Enterprise Funds				
	Golf Enterprise	Sewer Enterprise	Water Enterprise	Ambulance Enterprise	Total
OPERATING REVENUES:					
Charges for services	$ 64,250	$ 2,385,222	$ 2,769,188	$ 515,294	$ 5,733,954
OPERATING EXPENSES:					
Cost of services and administration	24,783	1,699,694	1,733,791	562,711	4,020,979
Depreciation	21,608	878,808	538,237	12,750	1,451,403
TOTAL OPERATING EXPENSES	46,391	2,578,502	2,272,028	575,461	5,472,382
OPERATING INCOME (LOSS)	17,859	(193,280)	497,160	(60,167)	261,572
NONOPERATING REVENUES (EXPENSES):					
Interest expense	-	(3,330)	(100,477)	-	(103,807)
INCOME (LOSS) BEFORE OPERATING TRANSFERS	17,859	(196,610)	396,683	(60,167)	157,765
CAPITAL CONTRIBUTIONS	-	173	-	-	173
TRANSFERS:					
Transfers in	-	21,281	-	-	21,281
Transfers out	(2,447)	(242,192)	(47,799)	(134,177)	(426,615)
TOTAL TRANSFERS	(2,447)	(220,911)	(47,799)	(134,177)	(405,334)
CHANGE IN NET POSITION	15,412	(417,348)	348,884	(194,344)	(247,396)
NET POSITION AT BEGINNING OF YEAR (As Revised)	1,896,263	24,672,998	6,990,929	1,094,526	34,654,716
NET POSITION AT END OF YEAR	$ 1,911,675	$ 24,255,650	$ 7,339,813	$ 900,182	$ 34,407,320

See notes to basic financial statements.

PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS

YEAR ENDED JUNE 30, 2015

	Business-type Activities - Enterprise Funds				
	Golf Enterprise	Sewer Enterprise	Water Enterprise	Ambulance Enterprise	Total
CASH FLOWS FROM OPERATING ACTIVITIES:					
Receipts from customers and users	$ 64,250	$ 2,361,421	$ 2,664,043	$ 847,062	$ 5,936,776
Payments to vendors	(33,793)	(328,280)	(1,881,644)	(155,195)	(2,398,912)
Payments to employees	(2,333)	(521,470)	(2,189)	(485,432)	(1,011,424)
NET CASH FROM OPERATING ACTIVITIES	28,124	1,511,671	780,210	206,435	2,526,440
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Transfers in	-	21,281	-	-	21,281
Transfers out	(2,447)	(242,192)	(47,799)	(134,177)	(426,615)
NET CASH FROM NONCAPITAL FINANCING ACTIVITIES	(2,447)	(220,911)	(47,799)	(134,177)	(405,334)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Intergovernmental	-	-	111,319	-	111,319
Acquisition and construction of capital assets	-	-	(167,214)	(48,232)	(215,446)
Principal payments on bonds and notes	-	(25,000)	(438,453)	-	(463,453)
Capital contributions	-	4,227	-	-	4,227
Interest expense	-	(3,375)	(104,136)	-	(107,511)
NET CASH FROM CAPITAL AND RELATED FINANCING ACTIVITIES	-	(24,148)	(598,484)	(48,232)	(670,864)
NET CHANGE IN CASH AND CASH EQUIVALENTS	25,677	1,266,612	133,927	24,026	1,450,242
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	367,163	4,116,990	1,389,590	728,982	6,602,725
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 392,840	$ 5,383,602	$ 1,523,517	$ 753,008	$ 8,052,967
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES:					
Operating income (loss)	$ 17,859	$ (193,280)	$ 497,160	$ (60,167)	$ 261,572
Adjustments to reconcile operating income (loss) to net cash from operating activities:					
Depreciation	21,608	878,808	538,237	12,750	1,451,403
Deferred outflows (inflows) related to pensions	-	(23,833)	-	-	(23,833)
Changes in assets and liabilities:					
Sewer liens	-	(76)	-	-	(76)
User fees	-	(23,725)	(105,145)	-	(128,870)
Departmental and other	-	-	-	331,768	331,768
Warrants payable	(11,343)	1,090,953	(59,520)	(77,916)	942,174
Accrued liabilities	-	(304,401)	(90,522)	-	(394,923)
Other postemployment benefits	-	48,384	-	-	48,384
Net pension liability	-	24,861	-	-	24,861
Accrued compensated absences	-	13,980	-	-	13,980
Total adjustments	10,265	1,704,951	283,050	266,602	2,264,868
NET CASH FROM OPERATING ACTIVITIES	$ 28,124	$ 1,511,671	$ 780,210	$ 206,435	$ 2,526,440

See notes to basic financial statements.

FIDUCIARY FUNDS

STATEMENT OF FIDUCIARY NET POSITION

JUNE 30, 2015

	Private Purpose Trust Funds	Other Postemployment Benefits Trust Fund	Agency Funds
ASSETS			
Cash and short-term investments	$ 136,882	$ 126,227	$ 281,848
Receivables, net of allowance for uncollectibles:			
Departmental and other	-	-	9,376
TOTAL ASSETS	136,882	126,227	291,224
LIABILITIES			
Warrants payable	30	-	5,075
Liabilities due depositors	-	-	286,149
TOTAL LIABILITIES	30	-	291,224
NET POSITION			
Held in trust for other purposes and OPEB	$ 136,852	$ 126,227	$ -

See notes to basic financial statements.

FIDUCIARY FUNDS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

YEAR ENDED JUNE 30, 2015

	Private Purpose Trust Funds	Other Postemployment Benefits Trust Fund
ADDITIONS:		
Contributions:		
Private donations	$ 11,350	$ -
Net investment income (loss):		
Interest	246	315
TOTAL ADDITIONS	11,596	315
DEDUCTIONS:		
Educational scholarships	16,850	-
CHANGE IN NET POSITION	(5,254)	315
NET POSITION AT BEGINNING OF YEAR	142,106	125,912
NET POSITION AT END OF YEAR	$ 136,852	$ 126,227

See notes to basic financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying basic financial statements of the Town of Abington, 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 accounting policies are described herein.

A. Reporting Entity

The Town is a municipal corporation that is governed by an elected Board of Selectmen (Board) and an appointed Town Manager.

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

Joint Ventures

The Town of Abington and the Town of Rockland are participants in a joint venture to develop and use any source of water supply within the limits of either said Town not already appropriated for purposes of public water supply. The water works project is governed by the water commissioners of each Town. Each Town contributes 50% of the annual costs of the projects. The Town of Abington's share of operating costs for the year ended June 30, 2015, totaled $1,493,190. The Town has recorded 50% of the fixed assets related to the joint venture. Complete financial statements of the Abington/Rockland Joint Waterworks can be obtained directly from their administrative office located at 96 East Water Street, Rockland MA 02370.

The Town has entered into a joint venture with the Towns of Cohasset, Hanover, Hanson, Norwell, Rockland, Scituate and Whitman to pool resources and share in the costs, risks and rewards associated with providing vocational education through the South Shore Vocational Technical High School District. The Town's assessment for 2015 was $2,209,136. Complete financial statements can be obtained directly from their administrative office located at 476 Webster Street, Hanover, MA 02339.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

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

Fund Financial Statements

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though fiduciary funds are excluded from the government-wide financial statements. Major individual

governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Non-major funds are aggregated and displayed in a single column.

Major Fund Criteria

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

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

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

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

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

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

Government-Wide Financial Statements

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

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

- Charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment.

- Grants and contributions that are restricted to meeting the operational requirements of a particular function or segment.

- Grants and contributions that are restricted to meeting the capital requirements of a particular function or segment.

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

For the most part, the effect of interfund activity has been removed from the government-wide financial statements. Exceptions are charges between the general fund and sewer, water, ambulance, and golf enterprise funds. 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, and claims and judgments which are recognized when the obligations are expected to be liquidated with current expendable available resources.

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

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

The following major governmental funds are reported:

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

The middle/high school project fund is being used to account for the construction of a new school behind the current high school. The anticipated occupancy date is currently January of 2018.

The Island Grove Memorial Arch fund is being used to account for the renovation of the Memorial Arch. The project is expected to be completed in 2016.

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

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

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

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the

proprietary funds principal ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The following major proprietary funds are reported:

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

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

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

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

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

The following fiduciary fund types are reported:

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

The *other postemployment benefits trust fund* was established under special legislation to accumulate resources to provide funding for future OPEB (other postemployment benefits) liabilities.

The *agency fund* is used to account for assets held in a purely custodial capacity. The Town's agency funds consist of off-duty work details, performance bonds, and fees collected on behalf of other governments.

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.

E. Accounts Receivable

Government-Wide and Fund Financial Statements

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

Real Estate, Personal Property Taxes and Tax Liens

Real estate and personal property taxes are levied and based on values assessed on January 1st of every year. Assessed values are established by the Board of Assessor's for 100% of the estimated fair market value. Taxes are due 30 days after the official postmark on the bill and are subject to penalties and interest if they are not paid by the respective due date. Real estate and personal property taxes levied are recorded as receivables in the year of the levy. Real estate tax liens are processed 60 days after the tax bills are sent and are recorded as receivables in the year they are processed.

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

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

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

Motor Vehicle Excise

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

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

Water and Sewer

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

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

Departmental and Other

Departmental and other receivables consist primarily of ambulance charges and are recorded as receivables in the year accrued. The allowance of uncollectible accounts 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 recorded as soon as all eligibility requirements imposed by the provider have been met. For expenditure driven grants, receivables are recorded when the qualifying expenditures are incurred and all other grant requirements are met.

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

F. Inventories

Government-Wide and Fund Financial Statements

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

The Water Enterprise Fund may at times purchase meters in advance of their placement into service. The value of such meters is recorded as inventory until they are actually placed into service; they are then transferred to fixed assets and depreciated.

G. Capital Assets

Government-Wide and Proprietary Fund Financial Statements

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

All purchases and construction costs in excess of $10,000 are capitalized at the date of acquisition or construction, respectively, with expected useful lives of greater than one year.

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

Capital Asset Type	Estimated Useful Life (in years)
Buildings	40
Machinery and equipment	5-20
Vehicles	5
Infrastructure	20-50
Software	5
Library & textbooks	10

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

Governmental Fund Financial Statements

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

H. Deferred Outflows/Inflows of Resources

Government-Wide Financial Statements (Net Position)

In addition to assets, the statement of 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 deferred outflows of resources related to pensions 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 does not have any items that qualify for reporting in this category.

Governmental Fund Financial Statements

In addition to liabilities, the governmental funds balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents assets 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. Unavailable revenue is recognized as revenue in the conversion to the government-wide (full accrual) financial statements.

I. Interfund Receivables and Payables

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

Government-Wide Financial Statements

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

Fund Financial Statements

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

J. Interfund Transfers

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

Government-Wide Financial Statements

Transfers between and within governmental funds and internal service funds are eliminated from the governmental activities in the statement of 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.

K. Net Position and Fund Equity

Government-Wide Financial Statements (Net position)

Net position reported as "net investment in capital assets" includes capital assets, net of accumulated depreciation, less the principal balance of outstanding debt used to acquire capital assets. Unspent proceeds of capital related debt are not considered to be capital assets. Outstanding debt related to future drawdowns from the Massachusetts Water Pollution Abatement Trust Loan Program are not considered to be capital related debt.

Net position are 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:

"Permanent funds – expendable" represents the amount of realized and unrealized investment earnings of donor restricted trusts. The restrictions and trustee policies only allows the trustees to approve spending of the realized investment earnings.

"Permanent funds – nonexpendable" represents the endowment portion of donor restricted trusts.

"Grants and gifts" represents restrictions placed on assets from outside parties.

Fund Financial Statements (Fund Balances)

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

The governmental fund balance classifications are as follows:

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

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

"Committed" fund balance includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority. Town meeting is the highest level of decision making authority for the government that can, by adoption of an ordinance prior to the end of the year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

"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 Board of Selectmen has by resolution authorized the Town Accountant to assign fund balance. The Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment.

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

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

L. 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.

M. 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 Enterprise Funds is retained in the General Fund.

N. Compensated Absences

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

Government-Wide and Proprietary Fund Financial Statements

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

Governmental Fund Financial Statements

Vested or accumulated vacation and sick leave, which will be liquidated with expendable available financial resources, are reported as expenditures and fund liabilities upon maturity of the liability.

O. 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.

P. Fund Deficits

There are several individual fund deficits within the Special Revenue and the Capital Project Funds. These deficits will be funded by available funds, grants and bond proceeds.

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

R. 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 combined balance sheet as "Cash and Cash Equivalents". The deposits and investments of the trust funds are held separately from those of other funds.

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

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

Custodial Credit Risk – Deposits

In the case of deposits, this is the risk that in the event of a bank failure, the Town of Abington's deposits may not be returned to it. The Town does not have a deposit policy for custodial credit risk. At year-end, the carrying amount of deposits totaled $17,849,288 and the bank balance totaled $18,693,723. Of the bank balance, $1,601,661 was covered by Federal Depository Insurance, $451,635 was covered by the Depositor's Insurance Fund (DIF), $5,778,191 was covered by the Share Insurance Fund (SIF), and $10,862,236 was exposed to custodial credit risk because it was uninsured and uncollateralized.

Investments

As of June 30, 2015, the Town's investments consisted solely of its investment with MMDT in the amount of $21,172. This investment is not rated.

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

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 does not have an investment policy for custodial credit risk.

Interest Rate Risk

Investments are limited to the MMDT Cash Fund whose assets are managed to maintain a dollar-weighted average portfolio maturity of 90 days or less. The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

The Town has not adopted a formal policy related to Credit Risk.

Concentration of Credit Risk

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

NOTE 3 – RECEIVABLES

At June 30, 2015, receivables for the individual major, non-major governmental funds 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	$ 441,797	$ (163,769)	$ 278,028
Real estate tax deferrals	37,964	-	37,964
Tax liens	742,770	-	742,770
Motor vehicle and other excise taxes	415,780	(85,150)	330,630
Intergovernmental	1,126,760	-	1,126,760
Total	$ 2,765,071	$ (248,919)	$ 2,516,152

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

	Gross Amount	Allowance for Uncollectibles	Net Amount
Receivables:			
Sewer user charges	$ 980,859	$ -	$ 980,859
Sewer special assessments	44,116	-	44,116
Sewer liens	19,189	-	19,189
Water user charges	936,214	-	936,214
Departmental and other	150,522	(35,439)	115,083
Total	$ 2,130,900	$ (35,439)	$ 2,095,461

Governmental funds report *deferred inflows of resources* 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 *deferred inflows of resources* reported in the governmental funds were as follows:

	General Fund	Other Governmental Funds	Total
Receivable and other asset type:			
Real estate and personal property taxes	$ 216,015	$ -	$ 216,015
Real estate tax deferrals	37,964	-	37,964
Tax liens	742,770	-	742,770
Motor vehicle excise	330,630	-	330,630
Intergovernmental	134,346	529,201	663,547
Tax foreclosures	663,449	-	663,449
Total	$ 2,125,174	$ 529,201	$ 2,654,375

NOTE 4 – CAPITAL ASSETS

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

Governmental Activities

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets not being depreciated:				
Land	$ 8,581,844	$ -	$ -	$ 8,581,844
Historical treasures	763	-	-	763
Construction in progress	752,034	4,260,093	-	5,012,127
Total capital assets not being depreciated	9,334,641	4,260,093	-	13,594,734
Capital assets being depreciated:				
Buildings	23,486,019	5,100	-	23,491,119
Infrastructure	22,231,312	398,535	-	22,629,847
Machinery and equipment	11,097,004	413,716	(599,505)	10,911,215
Vehicles	1,179,220	28,193	(51,318)	1,156,095
Library & textbooks	2,744,339	75,000	-	2,819,339
Software	351,410	28,904	-	380,314
Total capital assets being depreciated	61,089,304	949,448	(650,823)	61,387,929
Less accumulated depreciation for:				
Buildings	(8,489,348)	(491,209)	-	(8,980,557)
Infrastructure	(12,629,517)	(514,308)	-	(13,143,825)
Machinery and equipment	(9,022,775)	(498,374)	599,505	(8,921,644)
Vehicles	(936,481)	(56,521)	51,318	(941,684)
Library & textbooks	(2,744,339)	(3,750)	-	(2,748,089)
Software	(225,234)	(38,932)	-	(264,166)
Total accumulated depreciation	(34,047,694)	(1,603,094)	650,823	(34,999,965)
Total capital assets being depreciated, net	27,041,610	(653,646)	-	26,387,964
Total governmental activities capital assets, net	$ 36,376,251	$ 3,606,447	$ -	$ 39,982,698

Business-Type Activities

	Beginning Balance	Increases	Decreases	Ending Balance
Golf Enterprise Fund:				
Capital assets not being depreciated:				
Land	$ 1,177,000	$ -	$ -	$ 1,177,000
Capital assets being depreciated:				
Buildings	198,967	-	-	198,967
Machinery and equipment	427,790	-	-	427,790
Total capital assets being depreciated	626,757	-	-	626,757
Less accumulated depreciation for:				
Buildings	(90,645)	(4,974)	-	(95,619)
Machinery and equipment	(172,669)	(16,634)	-	(189,303)
Total accumulated depreciation	(263,314)	(21,608)	-	(284,922)
Total capital assets being depreciated, net	363,443	(21,608)	-	341,835
Total golf enterprise fund capital assets, net	$ 1,540,443	$ (21,608)	$ -	$ 1,518,835

	Beginning Balance	Increases	Decreases	Ending Balance
Sewer Enterprise Fund:				
Capital assets not being depreciated:				
Land	$ 64,635	$ -	$ -	$ 64,635
Capital assets being depreciated:				
Buildings	928,650	-	-	928,650
Infrastructure	41,311,157	-	-	41,311,157
Machinery and equipment	485,487	-	-	485,487
Vehicles	140,239	-	-	140,239
Total capital assets being depreciated	42,865,533	-	-	42,865,533
Less accumulated depreciation for:				
Buildings	(336,345)	(11,322)	-	(347,667)
Infrastructure	(18,404,551)	(860,823)	-	(19,265,374)
Machinery and equipment	(483,611)	(1,250)	-	(484,861)
Vehicles	(60,476)	(5,413)	-	(65,889)
Total accumulated depreciation	(19,284,983)	(878,808)	-	(20,163,791)
Total capital assets being depreciated, net	23,580,550	(878,808)	-	22,701,742
Total sewer enterprise fund capital assets, net	$ 23,645,185	$ (878,808)	$ -	$ 22,766,377

	Beginning Balance	Increases	Decreases	Ending Balance
Water Enterprise Fund:				
Capital assets not being depreciated:				
Land	$ 180,366	$ -	$ -	$ 180,366
Capital assets being depreciated:				
Buildings and improvements	21,717	-	-	21,717
Infrastructure	9,820,150	51,986	(56,344)	9,815,792
Machinery and equipment	1,425,727	45,807	(3,344)	1,468,190
Vehicles	149,604	-	-	149,604
50% Joint waterworks	7,962,376	69,421	(8,588)	8,023,209
Total capital assets being depreciated	19,379,574	167,214	(68,276)	19,478,512
Less accumulated depreciation for:				
Buildings	(4,952)	(391)	-	(5,343)
Infrastructure	(5,874,577)	(216,894)	56,344	(6,035,127)
Machinery and equipment	(830,909)	(143,072)	3,344	(970,637)
Vehicles	(148,804)	(800)	-	(149,604)
50% Joint waterworks	(2,443,233)	(177,080)	8,588	(2,611,725)
Total accumulated depreciation	(9,302,475)	(538,237)	68,276	(9,772,436)
Total capital assets being depreciated, net	10,077,099	(371,023)	-	9,706,076
Total water enterprise fund capital assets, net	$ 10,257,465	$ (371,023)	$ -	$ 9,886,442

	Beginning Balance	Increases	Decreases	Ending Balance
Ambulance Enterprise Fund:				
Capital assets being depreciated:				
Vehicles	$ -	$ 255,000	$ -	$ 255,000
Less accumulated depreciation for:				
Vehicles	-	(12,750)	-	(12,750)
Total ambulance enterprise fund capital assets, net	$ -	$ 242,250	$ -	$ 242,250

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

Governmental Activities:	
General government	$ 129,568
Public safety	365,351
Education	336,773
Public works	638,958
Human services	48,951
Culture and recreation	83,493
Total depreciation expense - governmental activities	$ 1,603,094
Business-Type Activities:	
Golf	$ 21,608
Sewer	878,808
Water	538,237
Ambulance	12,750
Total depreciation expense - business-type activities	$ 1,451,403

NOTE 5 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

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

	Transfers In:						
Transfers Out:	General Fund	Nonmajor Governmental Funds	Middle/High School Project	Island Grove Memorial	Sewer Enterprise Fund	Total	
General Fund	$ -	$ 178,487	$ 80,000	$ 20,855	$ 21,281	300,623	(1)
Nonmajor Governmental Funds	103	-	-	-	-	103	(2)
Golf Enterprise Fund	2,447	-	-	-	-	2,447	(3)
Sewer Enterprise Fund	242,192	-	-	-	-	242,192	(4)
Water Enterprise Fund	47,799	-	-	-	-	47,799	(5)
Ambulance Enterprise Fund	134,177	-	-	-	-	134,177	(6)
Total	$ 426,718	$ 178,487	$ 80,000	$ 20,855	$ 21,281	727,341	

1) The General Fund transfers out represent a debt subsidy to the Sewer Enterprise and transfers to various capital projects used to pay down BAN principal.
2) The Nonmajor Governmental Funds transfer is to close out the residual balance in a public safety grant fund.
3) The Golf Enterprise transfer Fund out is to pay for their share of indirect charges budgeted within the General Fund.
4) The Sewer Enterprise Fund transfer out is to pay for their share of indirect charges budgeted within the General Fund.
5) The Water Enterprise Fund transfer out is to pay for their share of indirect charges budgeted within the General Fund.
6) The Ambulance Enterprise Fund transfer out is to pay for their share of indirect charges budgeted within the General Fund.

NOTE 6 – CAPITAL LEASES

The Town has entered into a lease agreement to finance the acquisition of a new Ambulance. The lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the future minimum lease payments as of the inception date.

The following identifies the assets acquired under the capital lease agreement:

		Business-Type Activities
Asset:		
Machinery and equipment	$	255,000
Less: accumulated depreciation		(12,750)
Total	$	242,250

The future minimum lease obligations and the net present value of these minimum lease payments at June 30, 2015, are as follows:

Years Ending June 30		Business-Type Activities
2016	$	55,347
2017		55,347
2018		55,348
2019		55,347
Total minimum lease payments		221,389
Less: amounts representing interest		(14,621)
Present value of minimum lease payments	$	206,768

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 debt is general obligations and carries maturity dates that are limited by statute. Interest expenditures and expenses for short-term borrowings are accounted for in the general and enterprise funds.

Details related to the Town's outstanding short-term indebtedness at June 30, 2015, and the debt service requirements follow.

Type	Purpose	Interest Rate (%)	Due Date	Balance at June 30, 2014	Renewed/ Issued	Retired/ Redeemed	Balance at June 30, 2015
BAN	Municipal purpose……..	0.55%	04/16/15	$ 764,212	$ -	$ 764,212	$ -
BAN	Municipal purpose……..	0.45%	11/24/15	-	5,564,870	-	5,564,870
	Total Short-Term Debt……			$ 764,212	$ 5,564,870	$ 764,212	5,564,870
	General obligation bonds issued 11/25/15 (See note 8)……						(5,000,000)
	Total……						$ 564,870

Subsequent to year end, $5,000,000 of BAN's were redeemed by the issuance of general obligation bonds, $377,300 of BANS's were paid down, and $187,570 was rolled into a new BAN, due on November 21, 2016 with an interest rate of .7 percent.

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".

On November 25, 2015, the Town issued $36,000,000 of general obligation debt. $5,000,000 of the issuance was recognized in 2015 due to the fact it related to and was used to paydown BAN's outstanding at June 30, 2015. The remaining $31,000,000 of general obligation debt issued will be recognized in 2016.

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

Bonds Payable Schedule – Governmental Funds

Project	Maturities Through	Original Loan Amount	Interest Rate (%)	Outstanding at June 30, 2014	Issued	Redeemed	Outstanding at June 30, 2015
Police Station……	2027	6,300,000	4.75	$ 4,060,000	$ -	$ 320,000	$ 3,740,000
School Remodeling……	2017	1,101,000	4.75	330,000	-	110,000	220,000
School Remodeling……	2017	1,191,000	4.75	350,000	-	120,000	230,000
Senior Center……	2028	1,800,000	4.42	1,260,000	-	90,000	1,170,000
School Remodeling……	2028	2,053,000	4.42	1,420,000	-	105,000	1,315,000
Library - Refunding……	2016	776,765	4.42	185,792	-	92,895	92,897
Town Hall - Refunding……	2016	1,188,235	4.42	284,208	-	142,105	142,103
School Construction……	2041	36,000,000	3.58	-	36,000,000	-	36,000,000
Total bonds payable……				$ 7,890,000	$ 36,000,000	$ 980,000	$ 42,910,000
General obligation bonds issued 11/25/15……							(31,000,000)
Total……							$ 11,910,000

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

Year	Principal	Interest	Total
2016	$ 970,000	$ 298,350	$ 1,268,350
2017	2,175,000	2,303,151	4,478,151
2018	1,950,000	1,523,713	3,473,713
2019	1,945,000	1,430,683	3,375,683
2020	1,945,000	1,337,948	3,282,948
2021	1,945,000	1,244,898	3,189,898
2022	1,945,000	1,151,848	3,096,848
2023	1,945,000	1,058,798	3,003,798
2024	1,940,000	965,257	2,905,257
2025	1,940,000	879,135	2,819,135
2026	1,940,000	793,013	2,733,013
2027	1,920,000	718,591	2,638,591
2028	1,630,000	659,437	2,289,437
2029	1,440,000	608,400	2,048,400
2030	1,440,000	565,200	2,005,200
2031	1,440,000	522,000	1,962,000
2032	1,440,000	471,600	1,911,600
2033	1,440,000	414,000	1,854,000
2034	1,440,000	362,700	1,802,700
2035	1,440,000	317,700	1,757,700
2036	1,440,000	271,800	1,711,800
2037	1,440,000	224,100	1,664,100
2038	1,440,000	175,500	1,615,500
2039	1,440,000	126,000	1,566,000
2040	1,440,000	75,600	1,515,600
2041	1,440,000	25,200	1,465,200
Total	$ 42,910,000	$ 18,524,618	$ 61,434,618

The commonwealth has approved school construction assistance. The assistance program, which is administered by the MSBA, is paid to the community to support construction costs and reduce the total debt service of the Town. The Town has been approved for funding by the MSBA for the construction of a new middle/high school totaling $96.4 million. Through the end of 2015, the Town has recorded capital grant proceeds totaling $2.5 million from the MSBA which is equal to 58.97% of approved construction costs submitted for reimbursement. As of June 30, 2015, a receivable of $463,213 has been reflected in the financial statements.

Bonds Payable Schedule – Sewer Enterprise Fund

Project	Maturities Through	Original Loan Amount	Interest Rate (%)	Outstanding at June 30, 2014	Issued	Redeemed	Outstanding at June 30, 2015
Sewer	2017	$ 264,000	4.75	$ 75,000	$ -	$ 25,000	$ 50,000

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

Year	Principal	Interest	Total
2016	$ 25,000	$ 2,313	$ 27,313
2017	25,000	1,250	26,250
Total	$ 50,000	$ 3,563	$ 53,563

Bonds Payable Schedule – Water Enterprise Fund

Project	Maturities Through	Original Loan Amount	Interest Rate (%)	Outstanding at June 30, 2014	Issued	Redeemed	Outstanding at June 30, 2015
Water (MCWT) DW -04-17	2026	380,167	2.00	$ 227,732	$ -	$ 16,960	$ 210,772
Water (MCWT) DW 06-09	2028	1,970,881	2.00	1,392,147	-	87,033	1,305,114
Water (MCWT) DW-04-17-A	2029	177,933	2.00	139,400	-	8,049	131,351
Water (MCWT) DW-04-17-B	2026	27,391	2.00	20,207	-	1,505	18,702
Water (MCWT) DWS-06-09-A	2031	1,258,592	2.00	1,072,137	-	53,502	1,018,635
Water (MCWT) DWS-08-25	2031	1,008,302	2.00	881,530	-	43,976	837,554
Water Building Construction	2021	950,000	2.50 - 4.00	665,000	-	95,000	570,000
Water (MCWT) DW-08-25	2033	510,745	2.00	490,085	-	132,428	357,657
Total bonds payable				$ 4,888,238	$ -	$ 438,453	$ 4,449,785

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

Year	Principal	Interest	Total
2016	$ 326,735	$ 95,261	$ 421,996
2017	331,443	87,380	418,823
2018	336,242	79,902	416,144
2019	341,136	71,623	412,759
2020	346,136	62,749	408,885
2021	351,234	53,781	405,015
2022	261,437	46,608	308,045
2023	266,743	41,229	307,972
2024	272,160	35,741	307,901
2025	277,685	30,140	307,825
2026	283,322	24,426	307,748
2027	265,599	18,830	284,429
2028	270,994	13,359	284,353
2029	161,342	8,983	170,325
2030	153,766	5,835	159,601
2031	156,903	2,734	159,637
2032	23,202	938	24,140
2033	23,706	476	24,182
Total	$ 4,449,785	$ 679,995	$ 5,129,780

The Town is subject to various debt limits by statute and may issue additional general obligation debt under the normal debt limit. At June 30, 2015, the Town had the following authorized and unissued debt:

Purpose	Amount
Middle/High School Construction	$ 91,400,000
Landfill Capping	95,000
Memorial Arch Repair	30,000
Water	2,000,000
Total	$ 93,525,000

Changes in Long-term Liabilities

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

Governmental Funds:	Balance June 30, 2014	Bonds and Notes Issued	Bonds and Notes Redeemed	Other Increase	Other Decrease	Balance June 30, 2015	Current Portion
Long-Term Bonds	$ 7,890,000	$ 36,000,000	$ (980,000)	$ -	$ -	$ 42,910,000	$ 970,000
Other Postemployment Benefits	12,847,433	-	-	3,553,182	(1,527,315)	14,873,300	-
Net Pension Liability	19,835,739	-	-	1,005,270	-	20,841,009	-
Compensated Absences	976,567	-	-	311,647	(294,097)	994,117	314,722
Landfill Closure	4,243,000	-	-	140,000	(175,000)	4,208,000	140,000
Total	$ 45,792,739	$ 36,000,000	$ (980,000)	$ 5,010,099	$ (1,996,412)	$ 83,826,426	$ 1,424,722
Business-Type Activities:							
Long-Term Bonds	$ 4,963,238	$ -	$ (463,453)	$ -	$ -	$ 4,499,785	$ 351,735
Other Postemployment Benefits	201,399	-	-	48,972	(588)	249,783	-
Net Pension Liability	490,542	-	-	24,861	-	515,403	-
Compensated Absences	47,486	-	-	40,125	(26,145)	61,466	39,097
Total	$ 5,702,665	$ -	$ (463,453)	$ 113,958	$ (26,733)	$ 5,326,437	$ 390,832

The General Fund and Enterprise Funds have been used to liquidate any long-term liabilities.

NOTE 9 – GOVERNMENTAL FUND BALANCE CLASSIFICATIONS

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.

At year end, the balance of the General Stabilization Fund is $1,148,196 and is reported as unassigned fund balance within the General Fund.

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.
- 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 of applicable categories.

As of June 30, 2015, the governmental fund balances consisted of the fund balances on the following page.

	GOVERNMENTAL FUNDS				
	General	Middle/ High School Construction	Island Grove Memorial Arch	Nonmajor Governmental Funds	Total Governmental Funds
FUND BALANCES					
Nonspendable:					
Permanent fund principal	$ -	$ -	$ -	$ 69,778	$ 69,778
Restricted for:					
Middle/High School Construction	-	3,257,890	-	-	3,257,890
Revolving and receipts reserved activities	-	-	-	693,587	693,587
School lunch	-	-	-	68,073	68,073
School gifts and grants	-	-	-	596,414	596,414
School capital projects	-	-	-	1,100	1,100
Other permanent funds activities	-	-	-	101,705	101,705
Committed to:					
General government	75,907	-	-	-	75,907
Public safety	1,499	-	-	-	1,499
Education	40,846	-	-	-	40,846
Public works	23,271	-	-	-	23,271
Assigned to:					
General government	40,518	-	-	-	40,518
Public safety	14,365	-	-	-	14,365
Education	27,204	-	-	-	27,204
Workers compensation	7,400	-	-	-	7,400
Unassigned	2,340,350	-	(233,596)	(257,528)	1,849,226
TOTAL FUND BALANCES (DEFICIT)	$ 2,571,360	$ 3,257,890	$ (233,596)	$ 1,273,129	$ 6,868,783

NOTE 10 – LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS

State and federal laws require the Town to construct a final capping system on its inactive landfill and to perform certain maintenance and monitoring functions at the site after closure. The Town stopped accepting waste and closed the site in accordance with regulations in place at that time. Recently the Town was compelled to provide for the capping and monitoring of its landfill by an administrative consent order issued by the Department of Environmental Protection. The Town completed a study in order to estimate the cost of landfill closure and postclosure care costs, which began in 2011. As a result, the estimate of $4,208,000 has been recorded as a liability in the entity-wide financial statements. Actual costs may be higher due to inflation, changes in technology, or changes in applicable laws or regulations.

NOTE 11 – 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 participates in a health insurance risk pool trust administered by the County of Plymouth, Massachusetts (the County), a municipal corporation that obtains health insurance for member governments at costs eligible to larger groups. The County offers a variety of premium based plans to its members with each participating governmental unit being charged a premium for coverage based on rates established by the County. The Town is obligated to pay the County its required premiums and, in the event the County is terminated, its pro-rata share of a deficit, should one exist.

NOTE 12 - PENSION PLAN

*Plan Description*s

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

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

Special Funding Situation

The Commonwealth is a nonemployer contributor and is required by statute to make 100% of all actuarially determined employer contributions on behalf of the Town to the MTRS. Therefore, the Town is considered to be in a special funding situation as defined by GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and the Commonwealth is a nonemployer contributor in MTRS. Since the Town does not contribute directly to MTRS, there is no net pension liability to recognize. The total of the Commonwealth provided

contributions have been allocated based on each employer's covered payroll to the total covered payroll of employers in MTRS as of the measurement date of June 30, 2014. The Town's portion of the collective pension expense, contributed by the Commonwealth, of $2,048,151 is reported in the general fund as intergovernmental revenue and employee benefits and other fixed charges in the current fiscal year. The portion of the Commonwealth's collective net pension liability associated with the Town is $29,480,494 as of the measurement date.

Benefits Provided

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

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

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

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

Contributions

Chapter 32 of the MGL governs the contributions of plan members and member units. Active plan members are required to contribute to the System at rates ranging from 5% to 9% of gross regular compensation with an additional 2% contribution required for compensation exceeding $30,000. The percentage rate is keyed to the date upon which an employee's membership commences. The member units are required to pay into the PCRA a legislatively mandated actuarial determined contribution that is apportioned among the employers based on active current payroll. The Town's proportionate share of the required contribution equaled its actual contribution for the year ended December 31, 2014, was $2,208,964, 24.65% of covered payroll, actuarially determined as an amount that, when combined with plan member contributions, is expected to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability.

Pension Liabilities

At June 30, 2015, the Town reported a liability of $21,356,412 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2015. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At December 31, 2014, the Town's proportion was 3.664%, which did not change from its proportion measured at December 31, 2013.

Pension Expense

For the year ended June 30, 2015, the Town recognized pension expense of $2,208,604. At June 30, 2015, the Town reported deferred outflows of resources related to pensions of $987,569, from the net difference between projected and actual investment earnings on pension plan investments. Since the system performs an actuarial valuation bi-annually, there are no reported differences between expected and actual experience or a change of assumptions as of December 31, 2014.

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

Year ended June 30:	
2016	$ 246,892
2017	246,892
2018	246,892
2019	246,893
Total	$ 987,569

Actuarial Assumptions

The total pension liability in the January 1, 2015, actuarial valuation was determined using the following actuarial assumptions:

Valuation date	January 1, 2015
Actuarial cost method	Individual Entry Age Normal Cost Method
Amortization method	Level percent, open group
Remaining amortization period	17 years
Asset valuation method	Actuarially valued using a five-year smoothing method of gains and losses.
Rate of investment return	8.00%
Inflation rate	3.75%
Value of investments	Assets held by the fund are valued at market value as reported by the Public Employees' Retirement Administration Commission (PERAC).
Projected salary increases	3.75% per year
Cost of living adjustments	3.0% of the lessor of the pension amount and $13,000 per year
Rates of retirement	Varies based upon age for general employees, police and fire employees.
Rates of disability	For general employees, it was assumed that 45% of all disabilities are ordinary (55% are service connected). For police and fire employees, 10% of all disabilities are assumed to be ordinary (90% are service connected).

Mortality rates……	Pre-retirement and post retirement mortality are represented by the RP-2000 Mortality Table for males and females adjusted to 2015 with Scale AA. Disabled members is represented by the RP-2000 Mortality Table set forward two years for all disabled members.
Family composition……	Assumption that 80% of members will be survived by a spouse, females are three years younger than males and males are three years older than females.

Investment policy

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

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

Asset Class	Long-Term Expected Real Rate of Return	Long-Term Expected Asset Allocation
Domestic equity……	10.20%	33.00%
Foreign equity……	11.00%	16.00%
Total fixed income……	7.90%	25.50%
Real estate/real assets……	9.30%	13.00%
Private Equity……	14.60%	7.50%
Hedge Funds……	8.70%	4.00%
Cash/ Portfolio Completion……	4.00%	1.00%
Total……		100.00%

Rate of return

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

Discount rate

The discount rate used to measure the total pension liability was 8.00%. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and that contributions will be made at rates equal to the actuarially determined contribution rated. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future

benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the net pension liability to changes in the discount rate

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

	1% Decrease (7.00%)	Current Discount (8.00%)	1% Increase (9.00%)
The Town's proportionate share of the net pension liability……	$ 26,678,105	$ 21,356,412	$ 16,777,555

NOTE 13 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

Plan Description – The Town of Abington 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 and life insurance plans, which covers both active and retired members. Chapter 32B of the MGL assigns authority to establish and amend benefit provisions of the plan. Benefit provisions are negotiated between the Town and the unions representing Town employees and are renegotiated each bargaining period. The Retiree Health Plan does not issue a publicly available financial report.

Funding Policy – Contribution requirements are also negotiated between the Town and union representatives. The required contribution is based on a pay-as-you-go financing requirement. The Town contributes 55-75 percent of the cost of current-year medical premiums for eligible retired plan members and their spouses and 50 percent of medical premiums for surviving spouses. The Town also contributes 50 percent of premiums for life insurance to all eligible retired plan members, their spouses and surviving spouses. Plan members receiving benefits contribute the remaining premium costs. For 2015, the Town contributed $1,527,903 to the plan.

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

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

Annual Required Contribution	$ 3,525,901
Interest on net OPEB obligation	521,953
Adjustment to annual required contribution	(445,700)
Annual OPEB cost (expense)	3,602,154
Contributions made	(1,527,903)
Increase in net OPEB obligation	2,074,251
Net OPEB obligation-beginning of year	13,048,832
Net OPEB obligation-end of year	$ 15,123,083

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

Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/2013	3,549,151	46%	11,132,592
6/30/2014	3,689,328	48%	13,048,832
6/30/2015	3,602,154	42%	15,123,083

Funded Status and Funding Progress – As of July 1, 2014, the most recent actuarial valuation date, the actuarial accrued liability for benefits was $40,931,164, of which the Town has funded $126 thousand. The covered payroll (annual payroll of active employees covered by the plan) was $23,530,165, and the ratio of the UAAL to the covered payroll was 173.4 percent.

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

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

In the July 1, 2014, actuarial valuation, actuarial liabilities were determined using the individual entry age actuarial cost method. The actuarial assumptions included a 4% investment return assumption, which is based on the expected yield on the assets of the Town, calculated based on the funded level of the plan at the valuation date, a compensation increase rate of 3% per year, and an annual medical/drug cost trend rate of 5% per year. The UAAL is being amortized over a 30 year open period. The remaining amortization period at June 30, 2015, is 30 years.

NOTE 14 - COMMITMENTS

The Town has entered into, or is planning to enter into, contracts totaling approximately $93.5 million for various governmental and water projects. These projects will be funded in future years through the issuance of long-term debt.

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 Single Audit Act Amendments of 1996 through June 30, 2015, these programs are still subject to financial and compliance audits. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although it is expected such amounts, if any, to be immaterial.

Various legal actions and claims are pending. Litigation is subject to many uncertainties, and the outcome of individual litigated matters is not always predictable. Although the amount of liability, if any, at June 30, 2015, cannot be ascertained, management believes any resulting liability should not materially affect the financial position at June 30, 2015.

NOTE 16 – SOUTHFIELD REDEVELOPMENT AUTHORITY

On August 14, 1998, Chapter 301 of the Acts of 1998 was enacted that established the South Shore Tri-Town Development Corporation (SSTTDC), a joint venture between the Towns of Abington, Weymouth, and Rockland. The purpose of the SSTTDC is to develop the land previously known as the South Weymouth Naval Air Base and occupied by the United States Navy. In the future, the Town may pledge its full faith and credit to back certain long-term financing of the SSTTDC. The Corporation was reestablished in August 2014 as the Southfield Redevelopment Authority to reinforce municipal control over land-use and development decisions affecting each of the three member communities.

NOTE 17 - CHANGES IN NET POSITION

Beginning net position of governmental activities, business-type activities and each applicable enterprise fund has been revised to reflect the implementation of GASB Statement #68.

The revised balances are summarized in the following table:

Description	6/30/2014 Previously Reported Balances	Implementation of GASB 68	6/30/2014 Revised Balances
Government-Wide Financial Statements			
Governmental activities	$ 16,473,878	$ (19,835,739)	$ (3,361,861)
Business-type activities	35,145,258	(490,542)	34,654,716
Total	$ 51,619,136	$ (20,326,281)	$ 31,292,855
Proprietary Fund Financial Statements			
Golf enterprise	$ 1,896,263	$ -	$ 1,896,263
Sewer enterprise	25,163,540	(490,542)	24,672,998
Water enterprise	6,990,929	-	6,990,929
Ambulance enterprise	1,094,526	-	1,094,526
Total	$ 35,145,258	$ (490,542)	$ 34,654,716

NOTE 18 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through January 19, 2016, which is the date the financial statements were available to be issued.

NOTE 19 – FUTURE IMPLEMENTATION OF GASB PRONOUNCEMENTS

During 2015, the following GASB pronouncements were implemented:

- GASB Statement #67, *Financial Reporting for Pension Plans; GASB* Statement #68, *Accounting and Financial Reporting for Pensions;* and GASB Statement #71 *Pension Transition for Contributions Made Subsequent to the Measurement Date. Financial statement changes include the recognition of* a net pension liability, pension expense and deferred outflows/inflows of resources depending on the nature of the change each year. The financial statements also recognized a restatement of the beginning net position to reflect the net pension liability at the beginning of the year. The notes to the basic financial statements and the required supplementary information were expanded to include additional required schedules and disclosures.

- GASB Statement #69, *Governmental Combinations and Disposals of Government Operations. This pronouncement did not impact the basic financial statements.*

The following GASB pronouncements will be implemented in the future:

- The GASB issued Statement #72, *Fair Value Measurement and Application, which is required to be implemented in 2016.*

- The GASB issued Statement #73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68.*

The provisions of this Statement are effective for 2016—except those provisions that address employers and governmental non-employer contributing entities for pensions that are not within the scope of Statement 68, which is required to be implemented in 2017.

- The GASB issued Statement #74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans,* which is required to be implemented in 2017.

- The GASB issued Statement #75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, which is required to be implemented in 2018.*

- The GASB issued Statement #76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments, which is required to be implemented in 2016.*

- The GASB issued Statement #77, *Tax Abatement Disclosures, which is required to be implemented in 2017.*

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

Required Supplementary Information

GENERAL FUND

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

YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Budgetary Amounts	Amounts Carried Forward To Next Year	Variance To Final Budget
	Original Budget	Final Budget			
REVENUES:					
Real estate and personal property taxes, net of tax refunds	$ 28,965,733	$ 28,965,733	$ 28,891,736	$ -	$ (73,997)
Tax liens	-	-	247,882	-	247,882
Motor vehicle and other excise taxes	1,850,000	1,850,000	1,989,790	-	139,790
Meals tax	262,000	262,000	280,930	-	18,930
Intergovernmental	9,605,428	9,605,428	9,757,675	-	152,247
Departmental and other	716,194	716,194	856,371	-	140,177
Investment income	65,000	65,000	67,572	-	2,572
TOTAL REVENUES	41,464,355	41,464,355	42,091,956	-	627,601
EXPENDITURES:					
GENERAL GOVERNMENT					
TOWN MEETING					
Salaries	3,000	10,999	9,028	-	1,971
SELECTMEN					
Salaries	271,333	271,333	271,330	-	3
Expenses	173,854	181,854	151,016	29,907	931
TOTAL	445,187	453,187	422,346	29,907	934
FINANCE COMMITTEE					
Salaries	2,500	2,500	1,273	-	1,227
Expenses	400	400	276	-	124
TOTAL	2,900	2,900	1,549	-	1,351
RESERVE FUND					
Reserve Fund	20,000	839	-	-	839
ACCOUNTING					
Salaries	152,515	153,489	152,683	-	806
Expenses	7,365	7,365	6,104	268	993
TOTAL	159,880	160,854	158,787	268	1,799
ASSESSORS					
Salaries	133,663	135,242	132,887	-	2,355
Expenses	82,924	82,924	46,163	30,250	6,511
TOTAL	216,587	218,166	179,050	30,250	8,866
TREASURER-COLLECTOR					
Salaries	196,142	245,455	199,256	46,000	199
Expenses	49,663	49,663	46,955	-	2,708
TOTAL	245,805	295,118	246,211	46,000	2,907
TOWN COUNSEL					
Expenses	79,000	79,000	62,414	10,000	6,586
DATA PROCESSING					
Salaries	65,243	72,258	72,256	-	2
Expenses	112,481	112,466	112,065	-	401
TOTAL	177,724	184,724	184,321	-	403
TAX TITLE					
Expenses	25,000	22,334	15,899	-	6,435
TOWN CLERK					
Salaries	87,630	90,296	90,295	-	1
Expenses	9,310	9,310	5,429	-	3,881
TOTAL	96,940	99,606	95,724	-	3,882
ELECTIONS AND REGISTRATIONS					
Salaries	18,907	25,687	24,832	-	855
Expenditures	14,870	24,368	24,368	-	-
TOTAL	33,777	50,055	49,200	-	855
PLANNING BOARD					
Salaries	18,676	18,676	18,663	-	13
Expenses	1,100	1,500	1,344	-	156
TOTAL	19,776	20,176	20,007	-	169

See notes to required supplementary information.

(Continued)

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

YEAR ENDED JUNE 30, 2015

	Budgeted Amounts				
	Original Budget	Final Budget	Actual Budgetary Amounts	Amounts Carried Forward To Next Year	Variance To Final Budget
ZONING BOARD OF APPEALS					
Salaries	22,586	22,586	22,386	-	200
Expenses	200	200	147	-	53
TOTAL	22,786	22,786	22,533	-	253
BUILDING DEPARTMENT					
Expenses	83,523	82,187	78,113	-	4,074
TOWN REPORTS					
Expenses	4,250	5,005	5,002	-	3
NORTH RIVER COLLABORATIVE					
North River Collaborative	5,000	5,581	5,581	-	-
ADA COMMITTEE					
Expenses	150	150	-	-	150
Total General Government	1,641,285	1,713,667	1,555,765	116,425	41,477
PUBLIC SAFETY					
POLICE DEPARTMENT					
Salaries	2,427,345	2,428,460	2,406,284	10,000	12,176
Expenses	353,784	353,784	347,121	4,365	2,298
TOTAL	2,781,129	2,782,244	2,753,405	14,365	14,474
FIRE DEPARTMENT					
Salaries	1,882,704	1,882,704	1,868,668	-	14,036
Expenses	300,459	300,459	298,411	1,499	549
TOTAL	2,183,163	2,183,163	2,167,079	1,499	14,585
BUILDING INSPECTOR					
Salaries	109,698	112,405	112,405	-	-
Expenses	13,150	13,150	10,484	-	2,666
TOTAL	122,848	125,555	122,889	-	2,666
SEALER OF WEIGHTS & MEASURES					
Salaries	5,000	5,000	5,000	-	-
Expenses	2,500	2,500	2,441	-	59
TOTAL	7,500	7,500	7,441	-	59
CIVIL DEFENSE					
Expenses	3,000	3,000	2,367	-	633
ANIMAL CONTROL					
Salaries	15,702	15,702	15,562	-	140
Expenses	841	1,076	1,073	-	3
TOTAL	16,543	16,778	16,635	-	143
Total Public Safety	5,114,183	5,118,240	5,069,816	15,864	32,560
EDUCATION					
SCHOOL DEPARTMENT					
Salaries/Expenses/Capital	20,437,443	20,437,443	20,349,166	68,050	20,227
South Shore Regional Assessment	2,223,452	2,209,136	2,209,136	-	-
Total Education	22,660,895	22,646,579	22,558,302	68,050	20,227

See notes to required supplementary information.

(Continued)

GENERAL FUND

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

YEAR ENDED JUNE 30, 2015

	Budgeted Amounts				
	Original Budget	Final Budget	Actual Budgetary Amounts	Amounts Carried Forward To Next Year	Variance To Final Budget
PUBLIC WORKS					
HIGHWAY DEPARTMENT					
Salaries	603,214	598,369	551,266	-	47,103
Expenses	242,176	242,176	214,129	23,271	4,776
TOTAL	845,390	840,545	765,395	23,271	51,879
HIGHWAY-SNOW					
Salaries	40,000	40,000	190,358	-	(150,358)
Expenses	60,000	60,000	608,281	-	(548,281)
TOTAL	100,000	100,000	798,639	-	(698,639)
HIGHWAY-STREET LIGHTS					
Expenses	100,231	100,231	100,231	-	-
CARE OF VETERAN'S LOTS					
Expenditures	600	600	394	-	206
HIGHWAY-OFFICE					
Expenses	3,915	3,915	1,730	-	2,185
BOARD OF HEALTH-WASTE COLLECTION					
Salaries	6,250	6,250	6,250	-	-
Expenses	829,040	829,040	799,417	-	29,623
TOTAL	835,290	835,290	805,667	-	29,623
Total Public Works	1,885,426	1,880,581	2,472,056	23,271	(614,746)
HUMAN SERVICES					
BOARD OF HEALTH-OPERATING					
Salaries	104,863	107,016	107,016	-	-
Expenses	7,660	7,660	3,981	-	3,679
TOTAL	112,523	114,676	110,997	-	3,679
BOARD OF HEALTH-PUBLIC HEALTH NURSE					
Expenses	15,000	15,000	14,750	-	250
COUNCIL ON AGING					
Salaries	74,803	74,803	74,803	-	-
Expenses	32,739	32,739	29,535	-	3,204
TOTAL	107,542	107,542	104,338	-	3,204
VETERANS SERVICES					
Salaries	50,000	53,526	53,453	-	73
Expenses	100,000	122,069	122,068	-	1
TOTAL	150,000	175,595	175,521	-	74
Total Human Services	385,065	412,813	405,606	-	7,207
CULTURE AND RECREATION					
LIBRARY					
Salaries	290,205	290,205	290,205	-	-
Expenses	162,800	162,800	162,799	-	1
TOTAL	453,005	453,005	453,004	-	1
PARK & RECREATION					
Salaries	108,483	108,483	108,479	-	4
Expenses	19,000	19,000	10,061	-	8,939
TOTAL	127,483	127,483	118,540	-	8,943
HISTORICAL COMMISSION					
Other Charges & Expenses	300	300	300	-	-
PUBLIC CELEBRATIONS					
Memorial/Veteran's Day	8,000	7,700	1,952	-	5,748
Total Culture and Recreation	588,788	588,488	573,796	-	14,692

See notes to required supplementary information.

(Continued)

GENERAL FUND

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

YEAR ENDED JUNE 30, 2015

	Budgeted Amounts				
	Original Budget	Final Budget	Actual Budgetary Amounts	Amounts Carried Forward To Next Year	Variance To Final Budget
DEBT AND INTEREST					
Debt principal	980,001	980,001	980,000	-	1
Debt interest	347,950	348,250	348,249	-	1
TOTAL	1,327,951	1,328,251	1,328,249	-	2
RETIREMENT					
Retirement	2,166,042	2,166,042	2,166,042	-	-
UNEMPLOYMENT					
Unemployment	100,000	100,000	62,216	-	37,784
HEALTH INSURANCE					
Health Insurance	4,402,260	4,311,784	4,285,046	-	26,738
LIFE INSURANCE					
Life Insurance	14,000	14,000	11,369	-	2,631
MEDICARE					
Medicare	280,000	289,600	289,036	-	564
WORKERS COMPENSATION					
Workers compensation	504,028	509,028	488,305	7,400	13,323
STATE & COUNTY CHARGES					
State & County	704,560	704,560	849,948	-	(145,388)
Total Other	9,498,841	9,423,265	9,480,211	7,400	(64,346)
TOTAL EXPENDITURES	41,774,483	41,783,633	42,115,552	231,010	(562,929)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(310,128)	(319,278)	(23,596)	(231,010)	64,672
OTHER FINANCING SOURCES (USES):					
Sale of assets	-	-	11,495	-	11,495
Transfers in	666,615	666,615	666,718	-	103
Transfers out	(300,623)	(550,623)	(550,623)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	365,992	115,992	127,590	-	11,598
NET CHANGE IN FUND BALANCE	55,864	(203,286)	103,994	(231,010)	76,270
BUDGETARY FUND BALANCE, Beginning of year	1,371,159	1,371,159	1,371,159	-	-
BUDGETARY FUND BALANCE, End of year	$ 1,427,023	$ 1,167,873	$ 1,475,153	$ (231,010)	$ 76,270

See notes to required supplementary information.

(Concluded)

Pension Plan Schedules

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

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

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

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

SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

PLYMOUTH COUNTY CONTRIBUTORY RETIREMENT SYSTEM

	December 31, 2014
Town's proportion of the net pension liability (asset)……	3.66%
Town's proportionate share of the net pension liability (asset)…… $	21,356,412
Town's covered employee payroll…… $	8,961,806
Net pension liability as a percentage of covered-employee payroll……	238.30%
Plan fiduciary net position as a percentage of the total pension liability……	58.90%

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

See notes to required supplementary information.

SCHEDULE OF TOWN'S CONTRIBUTIONS

PLYMOUTH COUNTY CONTRIBUTORY RETIREMENT SYSTEM

	December 31, 2014
Actuarially determined contribution	$ 2,208,964
Contributions in relation to the actuarially determined contribution	2,208,964
Contribution deficiency (excess)	$ -
Covered-employee payroll	$ 8,961,806
Contributions as a percentage of covered-employee payroll	24.65%

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

See notes to required supplementary information.

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

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

Year	Commonwealth's 100% Share of the Net Pension Liability Associated with the Town	Town's Expense and Revenue Recognized for the Commonwealth's Support	Plan Fiduciary Net Position as a Percentage of the Total Liability
2015	$ 29,480,494	$ 2,048,151	61.64%

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

See notes to required supplementary information.

Other Postemployment Benefit Plan Schedules

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

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

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

OTHER POSTEMPLOYMENT BENEFIT PLAN

SCHEDULE OF FUNDING PROGRESS AND EMPLOYER CONTRIBUTIONS

JUNE 30, 2015

Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Accrued Liability (AAL) Projected Unit Credit (B)	Unfunded AAL (UAAL) (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	UAAL as a Percentage of Covered Payroll ((B-A)/C)
7/1/2007	$ -	$ 40,569,782	$ 40,569,782	0.0%	$ 20,862,933	194.5%
7/1/2008	-	42,161,421	42,161,421	0.0%	20,862,933	202.1%
7/1/2010	-	47,986,839	47,986,839	0.0%	19,819,288	242.1%
7/1/2012	-	41,507,380	41,507,380	0.0%	22,136,739	187.5%
7/1/2014	125,912	40,931,164	40,805,252	0.3%	23,530,165	173.4%

Schedule of Employer Contributions

Year Ended	Annual Required Contribution	Actual Contributions Made	Percentage Contributed
2009	$ 3,584,487	$ 1,244,593	35%
2010	3,494,250	1,366,066	39%
2011	4,400,029	1,862,589	42%
2012	4,703,713	1,970,408	42%
2013	3,692,960	1,631,720	44%
2014	3,863,061	1,773,088	46%
2015	3,525,901	1,527,903	43%

See notes to required supplementary information.

OTHER POSTEMPLOYMENT BENEFIT PLAN
ACTUARIAL METHODS AND ASSUMPTIONS

JUNE 30, 2015

Actuarial Methods:

Valuation date	7/1/2014
Actuarial cost method	Individual Entry Age Actuarial Cost Method
Amortization method	30 year amortization payments, open
Remaining amortization period	30 years as of July 1, 2014

Actuarial Assumptions:

Investment rate of return	4.00%, pay-as-you-go scenario
Medical/drug cost trend rate	5.00%
Compensation increases	3.00%

Plan Membership:

Current retirees, beneficiaries, and dependents	329
Current active members	281
Total	610

See notes to required supplementary information.

NOTE A - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

Municipal Law requires the adoption of a balanced budget that is approved by the Finance Committee (Committee). The Committee presents an annual budget to the Open Town Meeting, which includes estimates of revenues and other financing sources and recommendations of expenditures and other financing uses. The Town, which has full authority to amend 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 vote at a Special Town 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 (salaries, expenses and capital) authorized for an appropriation account. However, the payment of debt service is statutorily required, regardless of whether such amounts are appropriated. Additionally, expenditures for disasters, natural or otherwise, and final claims and judgments may exceed the level of spending authorized by majority vote at a Special Town Meeting.

An annual budget is adopted for the general fund in conformity with the guidelines described above. The original 2015 approved budget authorized approximately $42.1 million in appropriations and other amounts to be raised. During 2015, the Town approved supplemental appropriations totaling approximately $259 thousand.

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

Budgetary - GAAP Reconciliation

For budgetary financial reporting purposes, the Uniform Municipal Accounting System basis of accounting (established by the Commonwealth) is followed, which differs from the GAAP basis of accounting. A reconciliation of budgetary-basis to GAAP-basis results for the general fund for the year ended June 30, 2015, is presented below:

Excess (deficiency) of revenues and other financing sources (uses) over expenditures - budgetary basis	$	103,994
Perspective difference:		
Activity in the stabilization fund recorded in the General Fund for GAAP		15,277
Basis of accounting differences:		
Net change in tax refunds payable		(49,000)
Net change in recording revenues		(42,113)
Increase in revenue due to on-behalf payments		2,048,151
Increase in expenditures due to on-behalf payments		(2,048,151)
Excess (deficiency) of revenues and other financing sources (uses) over expenditures - GAAP basis	$	28,158

Appropriation Deficits

At June 30, 2015, expenditures exceeded budgeted appropriations for Snow and Ice. This deficit will be funded through the tax levy and available funds in 2016.

NOTE B – PENSION PLAN

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

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

B. Schedule of Town's Contributions

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

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

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

D. Changes in Assumptions

None

E. Changes in Plan Provisions

None

NOTE C – OTHER POSTEMPLOYMENT BENEFITS

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

The Town currently finances its other postemployment benefits (OPEB) on a pay-as-you-go basis. As a result, the funded ratio (actual value of assets expressed as a percentage of the actuarial accrued liability) is 0%. In accordance with Governmental Accounting Standards, the Town has recorded its OPEB cost equal to the actuarial determined annual required contribution (ARC) which includes normal cost of providing benefits for the year and a component for the amortization of the total unfunded actuarial accrued liability of the plan.

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

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

The Schedule of Employer Contributions compares, overtime, the annual required contributions to the actual contributions made. The Schedule of Actuarial Methods and Assumptions presents factors that significantly affect the identification of trends in the amounts reported.

Locke Lord LLP

111 Huntington Avenue
Boston, MA 02199
Telephone: 617-239-0100
Fax: 617-227-4420
www.lockelord.com

(Date of Delivery)

Sonia Hodge, Treasurer
Town of Abington
Abington, Massachusetts

$5,025,000*
Town of Abington, Massachusetts
General Obligation Refunding Bonds
Dated May 12, 2016

We have acted as bond counsel to the Town of Abington, Massachusetts (the "Town") in connection with the issuance by the Town of the above-referenced bonds (the "Bonds"). In such capacity, we have examined the law and such certified proceedings and other papers as we have deemed necessary to render this opinion.

As to questions of fact material to our opinion we have relied upon representations and covenants of the Town contained in the certified proceedings and other certifications of public officials furnished to us, without undertaking to verify the same by independent investigation.

Based on our examination, we are of the opinion, under existing law, as follows:

1. The Bonds are valid and binding general obligations of the Town and, except to the extent they are paid from other sources, the principal of and interest on the Bonds are payable from taxes which may be levied upon all taxable property in the Town, without limitation as to rate or amount, except as provided under Chapter 44, Section 20 of the General Laws.

2. Interest on the Bonds is excluded from the gross income of the owners of the Bonds for federal income tax purposes. In addition, interest on the Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes. However, such interest is included in adjusted current earnings when calculating corporate alternative minimum taxable income. In rendering the opinions set forth in this paragraph, we have assumed compliance by the Town with all requirements of the Internal Revenue Code of 1986 that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, and continue to be, excluded from gross income for federal income tax purposes. The Town has covenanted to comply with all such requirements. Failure by the Town to comply with certain of such requirements may cause interest on the Bonds to become included in gross

* Preliminary, subject to change.

Atlanta | Austin | Boston | Chicago | Dallas | Hartford | Hong Kong | Houston | Istanbul | London | Los Angeles | Miami | Morristown
New Orleans | New York | Providence | Sacramento | San Francisco | Stamford | Tokyo | Washington DC | West Palm Beach

income for federal income tax purposes retroactive to the date of issuance of the Bonds. Except as expressed in paragraph 4 below, we express no opinion regarding any other federal tax consequences arising with respect to the Bonds.

3. Interest on the Bonds is exempt from Massachusetts personal income taxes and the Bonds are exempt from Massachusetts personal property taxes. We express no opinion regarding any other Massachusetts tax consequences arising with respect to the Bonds or any tax consequences arising with respect to the Bonds under the laws of any state other than Massachusetts.

4. The Bonds are qualified tax-exempt obligations within the meaning of Section 265(b)(3) of the Code.

This opinion is expressed as of the date hereof, and we neither assume nor undertake any obligation to update, revise, supplement or restate this opinion to reflect any action taken or omitted, or any facts or circumstances or changes in law or in the interpretation thereof, that may hereafter arise or occur, or for any other reason.

The rights of the holders of the Bonds and the enforceability of the Bonds may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable, and their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

/S/ LOCKE LORD LLP

APPENDIX D

PROPOSED FORM OF CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the Town of Abington, Massachusetts (the "Issuer") in connection with the issuance of its $5,025,000* General Obligation Refunding Bonds dated May 12, 2016 (the "Bonds"). The Issuer covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the Owners of the Bonds and in order to assist the Participating Underwriters in complying with the Rule.

SECTION 2. Definitions. For purposes of this Disclosure Certificate the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

"MSRB" shall mean the Municipal Securities Rulemaking Board as established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, or any successor thereto or to the functions of the MSRB contemplated by this Disclosure Certificate. Filing information relating to the MSRB is set forth in Exhibit A attached hereto.

"Obligated Person" shall mean the Issuer.

"Owners of the Bonds" shall mean the registered owners, including beneficial owners, of the Bonds.

"Participating Underwriter" shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"Rule" shall mean Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

SECTION 3. Provision of Annual Reports.

(a) The Issuer shall, not later than 270 days after the end of each fiscal year, provide to the MSRB an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate

* Preliminary, subject to change.

documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the Issuer may be submitted when available separately from the balance of the Annual Report.

(b) If the Issuer is unable to provide to the MSRB an Annual Report by the date required in subsection (a), the Issuer shall send a notice to the MSRB, in substantially the form attached as Exhibit B.

SECTION 4. Content of Annual Reports. The Issuer's Annual Report shall contain or incorporate by reference the following:

(a) quantitative information for the preceding fiscal year of the type presented in the Issuer's Official Statement dated April 27, 2016 relating to the Bonds regarding (i) the revenues and expenditures of the Issuer relating to its operating budget, (ii) capital expenditures, (iii) fund balances, (iv) property tax information, (v) outstanding indebtedness and overlapping debt of the Issuer, (vi) pension obligations of the Issuer, and (vii) other post-employment benefits liability of the Issuer, and

(b) the most recently available audited financial statements of the Issuer, prepared in accordance with generally accepted accounting principles, with certain exceptions permitted by the Massachusetts Uniform Municipal Accounting System promulgated by the Department of Revenue of the Commonwealth. If audited financial statements for the preceding fiscal year are not available when the Annual Report is submitted, the Annual Report will include unaudited financial statements for the preceding fiscal year and audited financial statements for such fiscal year shall be submitted when available.

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the Issuer or related public entities, which (i) are available to the public on the MSRB internet website or (ii) have been filed with the Securities and Exchange Commission. The Issuer shall clearly identify each such other document so incorporated by reference.

SECTION 5. Reporting of Significant Events.

(a) The Issuer shall give notice, in accordance with the provisions of this Section 5, of the occurrence of any of the following events with respect to the Bonds:

1. Principal and interest payment delinquencies.

2. Non-payment related defaults, if material.

3. Unscheduled draws on debt service reserves reflecting financial difficulties.

4. Unscheduled draws on credit enhancements reflecting financial difficulties.

5. Substitution of credit or liquidity providers, or their failure to perform.

6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds.

7. Modifications to rights of the Owners of the Bonds, if material.

8. Bond calls, if material, and tender offers.

9. Defeasances.

10. Release, substitution or sale of property securing repayment of the Bonds, if material.

11. Rating changes.

12. Bankruptcy, insolvency, receivership or similar event of the Obligated Person.*

13. The consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.

14. Appointment of a successor or additional trustee or the change of name of a trustee, if material.

(b) Upon the occurrence of a Listed Event, the Issuer shall, in a timely manner not in excess of ten (10) business days after the occurrence of the event, file a notice of such occurrence with the MSRB.

SECTION 6. Transmission of Information and Notices. Unless otherwise required by law, all notices, documents and information provided to the MSRB shall be provided in electronic format as prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

SECTION 7. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Certificate shall terminate upon the payment in full of all of the Bonds. If such

* As noted in the Rule, this event is considered to occur when any of the following occur: (i) the appointment of a receiver, fiscal agent or similar officer for the Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or (ii) the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person.

termination occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination in the same manner as for a Listed Event under Section 5(b).

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate and any provision of this Disclosure Certificate may be waived if such amendment or waiver is permitted by the Rule, as evidenced by an opinion of counsel expert in federal securities law (which may include bond counsel to the Issuer), to the effect that such amendment or waiver would not cause the Disclosure Certificate to violate the Rule. The first Annual Report filed after enactment of any amendment to or waiver of this Disclosure Certificate shall explain, in narrative form, the reasons for the amendment or waiver and the impact of the change in the type of information being provided in the Annual Report.

If the amendment provides for a change in the accounting principles to be followed in preparing financial statements, the Annual Report for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information in order to provide information to investors to enable them to evaluate the ability of the Issuer to meet its obligations. To the extent reasonably feasible, the comparison shall also be quantitative. A notice of the change in the accounting principles shall be sent to the MSRB.

SECTION 9. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate any Owner of the Bonds may seek a court order for specific performance by the Issuer of its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not constitute a default with respect to the Bonds, and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action for specific performance of the Issuer's obligations hereunder and not for money damages in any amount.

SECTION 10. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Owners of the Bonds from time to time, and shall create no rights in any other person or entity.

Date: May 12, 2016

TOWN OF ABINGTON,
MASSACHUSETTS

By_____
Treasurer

_____

_____

_____

_____

_____
Selectmen

[EXHIBIT A: Filing Information for the MSRB]
[EXHIBIT B: Form of Notice of Failure to File Annual Report]

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APPENDIX E

PROPOSAL FOR
$5,025,000*
General Obligation Refunding Bonds
Unlimited Tax
Abington, Massachusetts

Sale Date: April 28, 2016

Sonia Hodge, Treasurer
Abington, Massachusetts
c/o Eastern Bank, Municipal Finance Department
265 Franklin Street
Boston, Massachusetts 02110

Dear Ms Hodge:

For all of $5,025,000* Town of Abington, Massachusetts, General Obligation Refunding Bonds as further described in the Notice of Sale dated April 19, 2016 (the "Notice of Sale"), we bid _____ and accrued interest, if any, for each $100 face value of bonds, bearing interest at the rate or rates per annum as follows:

Year	Rate	Year	Rate
2017…….	%	2023……	%
2018…….		2024……	
2019…….		2025…….	
2020…….		2026…….	
2021…….		2027…….	
2022……		2028……	

The undersigned hereby acknowledges the receipt of and the opportunity to examine the Preliminary Official Statement accompanying the said Notice of Sale.

By: _____ Telephone: _____
Address: _____ Fax: _____
_____

The following is our computation of the net interest cost and percent true interest cost, made as provided in the above-mentioned Notice of Sale, for the purchase of $5,025,000* Bonds under the foregoing proposal:

Gross Interest Cost……. $_____
Underwriters Premium…… $_____
Net Interest Cost……. $_____
Percent True Interest Cost…….. _____%
(four decimals)

The Municipal Finance Department of Eastern Bank will assist in submitting bids on this issue, if desired. Please sign a blank bid form and mail to the above address or fax in advance of the sale to: (617) 235-8110; or telephone final figures to us at (617) 235-8106 or 235-8104 approximately one-half hour prior to the sale. Bidders are responsible for any error in bids submitted in this manner.

_____
**Preliminary, subject to change.*

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