

# Westwood, Massachusetts

## Comprehensive Annual Financial Report

For the Fiscal Year

July 1, 2009 – June 30, 2010



*Westwood Town Hall*

**The Town of  
Westwood, Massachusetts**



**Comprehensive  
Annual Financial Report**

**For the Fiscal Year  
July 1, 2009 through June 30, 2010**

**Board of Selectmen**

**Philip N. Shapiro, Chairman  
Patrick J. Ahearn  
Nancy C. Hyde**

**Prepared by:  
Pamela Dukeman, Finance Director**

**Town of Westwood, Massachusetts**  
**Comprehensive Annual Financial Report**  
*For the Year Ended June 30, 2010*

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# *Introductory Section*

*Transmittal Letter*

*A Few Words About Westwood*

*Directory of Officials*

*Organization Chart*

*Certificate of Achievement*



*Finance Director Pamela Dukeman and Finance Team Receiving  
FY08 CAFR Award from Board of Selectmen.*

Pictured from left to right, Finance Commission Administrator Sheila Nee,  
Town Accountant Marie O'Leary, Selectman Nancy Hyde, Finance Director Pam Dukeman,  
Selectmen Chairman Phil Shapiro, Assistant Treasurer Pat Conley,  
Selectman Patrick Ahearn, Town Treasurer Jim Gavin.



## Town of Westwood Commonwealth of Massachusetts

### **Office of the Finance Director**

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Letter of Transmittal

December 8, 2010

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

State law requires the Town of Westwood to publish at the close of each fiscal year a complete set of financial statements in conformity with accounting principals generally accepted in the United States of America (GAAP) that are audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report (CAFR) of the Town of Westwood, Massachusetts, for the fiscal year ending June 30, 2010 for your review.

The report is designed to be used by the elected and appointed officials of the Town and others who are concerned with its management and progress such as bond analysts, banking institutions and credit raters as well as residents and taxpayers of Westwood.

This report consists of management's representations concerning the finances of the Town of Westwood. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Town of Westwood's financial statements have been audited by Powers & Sullivan, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town of Westwood for the fiscal year ended June 30, 2010, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principals used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the Town of Westwood's financial statements for the fiscal year ended June 30, 2010, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the Town of Westwood was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the Town of Westwood's separately issued Single Audit Report.

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

## ***Profile of the Town***

Westwood was incorporated as a Town in 1897. With a population of approximately 15,000, Westwood is located in eastern Massachusetts, 13 miles south of Boston, with a land area of 11 square miles. Situated at the junction of Routes 95/128 and 93, Westwood provides an excellent location for its residents and its businesses. The Town offers the further convenience of two commuter rail lines, full MBTA bus service on some major routes, and Amtrak high speed rail access to Boston and New York.

Westwood is known throughout the state for its high quality school system and beautiful open space. Westwood students consistently score in the top percentiles on national tests, and the overwhelming majority of students graduating from the High School go on to higher education. The recent completion of a brand new state of the art High School will continue to ensure a top quality education for our students.

Westwood is recognized throughout the state for its attractive open space and rambling New England stone walls.

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

The Town operates under a Board of Selectmen/Open Town Meeting/Town Administrator form of government. The elected, three-member Board of Selectmen makes policy decisions. The Town Administrator is responsible for carrying out the policies and direction of the Board of Selectmen and for managing the day-to-day operations of the Town.

An elected, five-member School Committee appoints a School Superintendent who administers the public school system of the Town. School Committee members, like the Board of Selectmen, are elected at-large to three-year staggered terms.

## ***Factors Affecting Financial Condition***

The Town of Westwood continues to reflect a strong local economic condition through the recent fiscal crisis. The per capita income continues to rise and outpace the state averages. The Town also has an extremely low comparable unemployment rate.

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

The Town is currently poised for a major, positive change in commercial property value. In order to improve commercial development, the Town has taken steps over the last several years to enhance the desirability of its major commercial areas. The commercial area is situated in a far corner of the Town's geographical area, bordering major highways and a commuter rail system with connections to Boston as well as Amtrak and Acela service to Providence, Rhode Island, New York City and Washington DC.

Since the passage of these steps, including zoning and permitting changes, a major developer has assembled 17 parcels, totaling 137 acres. They developed a master plan for the area which contemplates an extensive mixed use development including residential, commercial, and retail components known as *Westwood Station*.



The Mixed Use Project includes proposed residential units strategically located within walking distance of the train station. The Route 128/University Park train station, which includes a 2,700 vehicle parking center, provides MBTA commuter service to the Back Bay and South Station in Downtown Boston. The station also serves as the suburban stop for the Acela high speed rail train between Boston, New York and Washington, D.C. The residential units will be constructed in stand alone buildings adjacent to the retail core. With current and forecasted trends in the price of gasoline, these units with access to commuter service, employment opportunities and shopping and leisure activities, are expected to be extremely desirable.

The Westwood Planning Board approved a Special Permit for a Master Planned Mixed Use Development in the University Avenue Park which, when fully built out, is estimated to add significantly to the annual property tax revenue. In addition, as part of the mitigation, the developer is expected to provide funds for capital infrastructure improvements and operating costs.

Following Planning Board approval, the developer demolished most of the existing structures and began the installation of all utilities and layouts of the new road systems. Although revisions to the local and state approvals will be required for the project of this magnitude to adjust to current economic conditions, the Town expects that that the resulting economic benefits in creating employment opportunities for the Commonwealth and the region and the fact that the significant new revenue will outweigh the additional service costs, will expedited the process. For example the developer has since obtained a \$55M commitment from the Commonwealth to complete these infrastructure improvements. The overall goal is to achieve a redevelopment project that mitigates any transportation and environmental concerns, provides for an enhanced and stable commercial tax base, and maintains the quality of the community.

On the Town's operating side, the FY10 budgets and service level were maintained though a level funded operating budget, which included concessions from all of the town's bargaining units. This allowed the Town to continue to provide high quality services while minimizing the impact on the property tax burden.

The recent major change to the state school construction program has also had a major, positive financial impact on the Town. In FY06, the Town received significant state funds for the new High School project. In FY08, the state committed to stabilized annual payments of approximately \$3M which are directly applied to the school relevant debt, thereby limiting the burden on the taxpayers. The change in the state program eliminates the uncertainty that existed in prior years.

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



In FY10, the Town continued to demonstrate its commitment to the Financial Policy of maintaining and building an appropriate reserve account. Despite a tight budget process, the Town did not use any funding from the Stabilization Fund and in its continued commitment to build the account to the policy goal level, which is 4% of general fund net operating revenues.

The Town has remained dedicated to an aggressive retirement of debt policy. Debt is issued for shorter time periods than allowed, typically ten years. The Town has aggressively pursued and received state funding for all school construction projects. The Town monitors and schedules retirement and issuance of debt to ensure that debt service does not exceed 10% of the operating budget to ensure availability of resources for ongoing operations.

The Town has also enhanced its revenue flexibility by establishing an enterprise fund for sewer operations. This has allowed the Town to shift one hundred percent of the operating cost and capital improvements to the users of sewer services so that no tax support goes towards providing these services. All sewer related debt is related to the sewer infrastructure and is funded through sewer user fees. By doing so the Town is able to provide the maximum tax dollars available to all other services.

In FY07, the Town completed the new High School and recreational sports field complex. This new facility, opened to students in April, 2005, offers enhanced education facilities as well as new recreational facilities and programs for the entire community. In FY08, an additional turf field was added to the complex, significantly enhancing the recreational facilities. In FY09, the Town undertook a major addition to update the Middle School. The project added additional classroom space as well as enhanced cafeteria space. The Town's Middle School, High School and field complexes are contiguous and provide excellent opportunities for school and community events and recreational facilities.



In FY10, the Town approved the funding, through a debt service override of Proposition 2 1/2, for the Town share of the cost of a new 30,000 square foot library. The Town's share of the cost is 70% with the Commonwealth funding the remaining 30% through a matching grant. Construction will be completed in 2013 and will be a significant public investment not only in library services, but in the community's central business district, as the new library will be centrally located.

Major initiatives for FY11 will include centering efforts on the revisions to the Westwood Station project, ensuring that this exciting new development proceeds appropriately and impacts the community in a positive manner. Particular focus will be given to ensuring that new revenue from this project strengthens the reserve and capital accounts according to the Town's Financial Policies as well as enhancing delivery of current services.

## **Financial and Management Systems**

### **Internal Controls**

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

Because the cost of internal controls should not outweigh their benefits, the Town of Westwood's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement.

## **Budgetary Controls**

The Finance Director is responsible for preparing and presenting the budget to the Board of Selectmen. The Selectmen review all requests and Town wide issues and present a budget to Town Meeting for approval. A fifteen member Finance Commission reviews the budget and makes recommendations to Town Meeting.

The level of budgetary control is established by Town Meeting and this approval defines the level at which expenditures may not exceed appropriations. This level is typically at the individual department salary and expense level. The Town Accountant is responsible for ensuring all payroll and invoices are within the budgetary control level before authorizing payment. Additional appropriations may be approved at subsequent Town Meetings. The Finance Commission, upon request by the Board of Selectmen, may approve during the year a transfer from a reserve fund established at Town Meeting. These controls ensure compliance with the budget approved by Town Meeting.

## **Cash Management**

Cash management is handled by the Town Treasurer. The Town Treasurer monitors the Town's cash flow and provides for the investment of Town funds. The Treasurer seeks to maximize the return on Town funds while maintaining adequate protection and liquidity of funds.

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

## **Risk Management**

The Town is exposed to various risks of loss related to general liability, property and casualty, workers' compensation and unemployment compensation claims.

Buildings and property are fully insured against fire, theft and natural disaster to the extent that losses exceed \$1,000 per incident.

The Town is a member of the Massachusetts Interlocal Insurance Association ("MIIA"), a public entity risk pool currently operating as a common risk management and insurance program for workers' compensation benefits for employees other than uniformed police and fire personnel. MIIA is self-sustaining through member premiums and reinsures through commercial companies for stop loss insurance. The total premiums assessed by MIIA to the Town in 2010 were approximately \$276,538 and were recorded in the General Fund.

The Town takes specific measures to reduce all risk exposure. The Town has an Employee Safety Committee which meets monthly to review claims and accidents, and develops and implements safety programs.

## **Debt Administration**

The Town Treasurer has oversight of all Town debt. The Town's credit rating was reaffirmed at AAA by Standard & Poors and reaffirmed as an Aa1 by Moody's in 2009, a strong reflection on the financial condition and management of the Town.

The Town seeks to maintain a ten year repayment policy whenever possible. This policy has worked very well in structuring a smooth debt schedule. In addition, this policy permits the Town to continually address capital needs through debt replacement programs.

It is the Town's policy for sewer debt to be paid through sewer receipts. In addition, the Town has issued sewer debt through a state program with resulting interest rates of 1.26%.

As of June 30, 2010, the Town has outstanding debt of \$38,145,287 of which \$1,865,287 is sewer construction debt. Bonds issued for road and school improvements were approved as debt exclusions to Proposition 2 ½. The additional tax payments for the bonds will end when the bonds are repaid. The school related debt qualifies for state programs that will pay for 59% of the total principal and interest costs.

The Town has authorized and unissued debt of \$150,000 for construction of a Barn/Garage and \$9,300,000 for construction of a new library. Total authorized and unissued debt as of June 30, 2010 is \$9,450,000.

### **Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Westwood for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2009. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of a state and local government financial report. Westwood has received this award annually since FY97.

In order to be awarded the Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. The report must satisfy both generally accepted accounting principles and applicable legal requirements.



A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

In FY2006, FY00, FY99 and FY98 the Town received the GFOA Distinguished Budget Award. This award is the highest form of recognition in governmental budgeting and is a significant achievement for the Town and the financial staff. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document was judged to be proficient in several categories including policy documentation, finance, financial planning and organization.

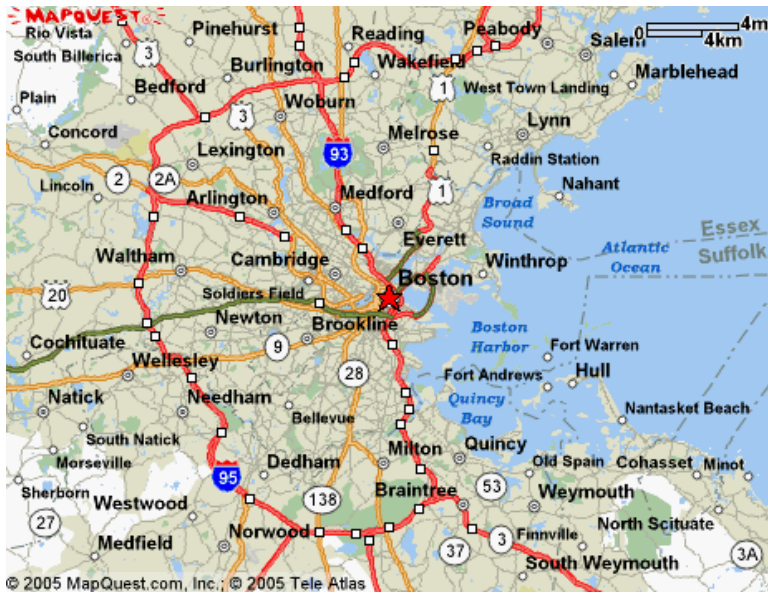
This report represents significant effort by the entire financial team of the Town, whose dedicated efforts have significantly improved the financial operations of the Town. I particularly would like to acknowledge the efforts of Sheila Nee, whose assistance was invaluable in the preparation of this Comprehensive Annual Financial Report. I would also like to thank the Town's management team for their recognition of the importance of the CAFR and the encouragement given to the financial departments.

Respectfully submitted,



Pamela Dukeman  
Finance Director

# A Few Words About Westwood....



Westwood was incorporated as a town in 1897 and has a current population of approximately 14,626. The Town is located in eastern Massachusetts, 13 miles south of its capital city of Boston. One major attraction of Westwood is its location in relation to Boston and major roadways. The commuter rail has four convenient stops within five minutes of town, one of which doubles as an Amtrak station. The Amtrak station provides connections originating in Boston and continuing to Providence, Rhode Island and New York City.

Westwood is recognized for the quality of its schools. Students consistently score in the top percentile on national tests, and the overwhelming majority of students graduating from the High School go on to higher education.

Westwood operates under a Board of Selectmen/Open Town Meeting/Town Administrator form of government. The elected, three-member Board of Selectmen makes policy decisions. The Town Administrator is responsible for carrying out the policies and direction of the Board of Selectmen and for managing the day-to-day operations of the Town. An elected, five-member School Committee appoints a School Superintendent who administers the Town's public school system. School Committee members, like the Board of Selectmen, are elected at-large to three-year staggered terms.

The Town maintains many recreational areas and facilities, including numerous conservation areas, playgrounds, ball fields and an indoor pool facility. The Town has two libraries, a senior center and numerous community-sponsored events for residents.

From a natural perspective, the Town works very hard to conserve land. It is the hope of preservation workers that Westwood can create its own emerald necklace with its conservation land and walking paths. Hale Reservation is one of the Town's hidden gems. With 1,200 acres of wooded area and a large pond, Hale is an active part of the community. During the summer, Hale's membership beach attracts over 500 families. Hale Reservation is the largest summer day camp in the nation with 2,025 students.

The formation of Westwood has been influenced by a number of factors. Character, community, and location are just three of its most admirable traits.

**Town of Westwood,  
Massachusetts**

**Principal Officials**

***Board of Selectmen***

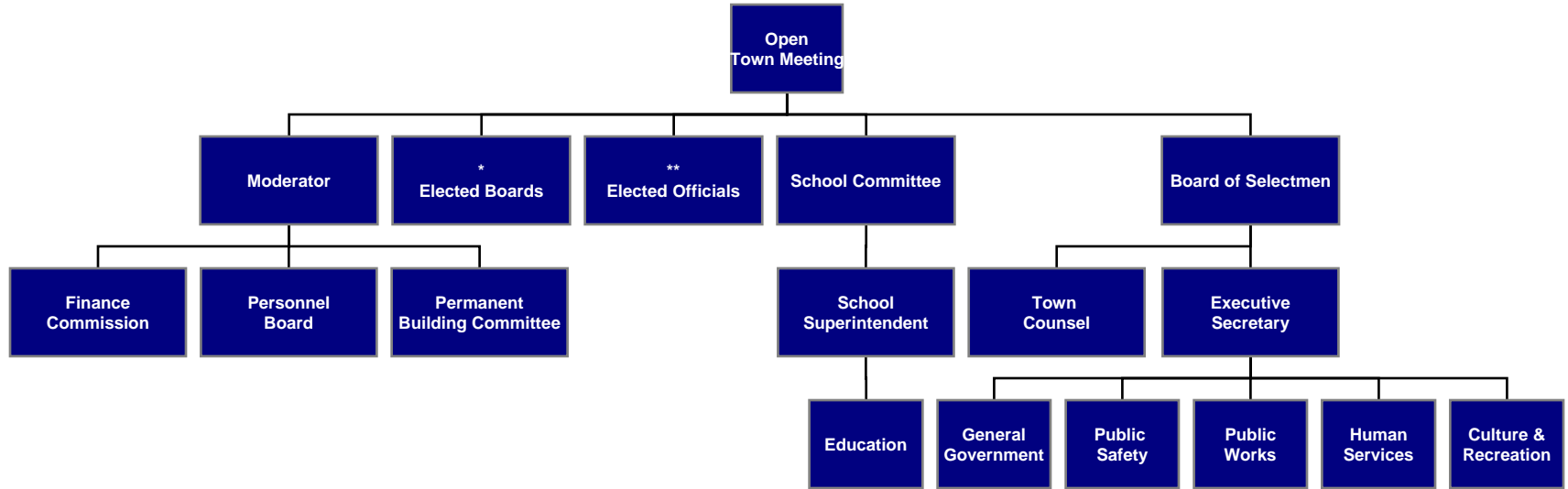
Philip N. Shapiro, Chairman  
Patrick J. Ahearn  
Nancy C. Hyde

Town Administrator – Michael Jaillet  
Finance Director – Pamela Dukeman  
School Superintendent – John Antonucci  
Town Treasurer – James Gavin  
Police Chief – William Chase  
Fire Chief – William Scoble  
DPW Director – Vicki Vickrey Quiram

**Town of Westwood, Massachusetts**  
**Total Budget Salaries of Principal Officials**  
**June 30, 2010**

<b>Position</b>	<b>Salary</b>
School Superintendent	\$162,089
School Director of Business and Finance	\$113,000
Town Administrator	\$138,230
Fire Chief	\$123,806
Police Chief	\$121,132
Department of Public Works Director	\$116,714
Finance Director	\$100,347
Library Director	\$ 89,450
Town Counsel	\$ 86,645
Information Systems Director	\$ 83,232
Town Accountant	\$ 78,591
Recreation Director	\$ 75,392
Health Director	\$ 73,649
Building Commissioner	\$ 72,114
Council on Aging Director	\$ 70,271
Youth Director	\$ 66,579
Assistant Treasurer	\$ 63,438
Town Clerk (Elected)	\$ 61,200
Tax Collector (Elected)	\$ 4,000
Treasurer (Elected)	\$ 4,000
Board of Selectmen (Elected)	\$ 2,000
Board of Assessors (Elected)	\$ 1,800

# The Town of Westwood



### \*Elected Boards

- Regional Vocational School Rep.
- Housing Authority
- Library Trustees
- Planning Board
- Assessors

### \*\*Elected Officials

- Town Clerk
- Town Collector
- Town Treasurer



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

## Town of Westwood Massachusetts

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2009

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director



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# *Financial Section*

*Independent Auditors' Report*

*Management's Discussion and Analysis*

*Basic Financial Statements*

*General Fund Budgetary Comparison Schedule, Retirement System Schedules, and Other Postemployment Benefit Schedules*

*Combining and Individual Fund Financial Statements and Schedules*

*Artist's Rendition of Proposed New Library*



In the spring of 2010, residents approved borrowing \$9.3M for a new library project. In addition, the Town has been granted approximately \$4M in Massachusetts Library and Green Incentive grants. Groundbreaking is expected to occur by early 2011.

The Library Trustees, as well as many others, worked diligently over the past decade developing the new library plans. It is anticipated the new library will provide high quality services to all ages of Westwood residents for the next forty years.



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## Independent Auditors' Report

To the Honorable Board of Selectmen  
Town of Westwood, Massachusetts

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 Westwood, Massachusetts, as of and for the fiscal year ended June 30, 2010, which collectively comprise the Town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town of Westwood, Massachusetts' management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our 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 Westwood, Massachusetts, as of June 30, 2010, and the respective changes in financial position and cash flows where applicable, thereof for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

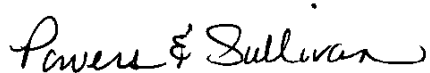
In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2010, on our consideration of the Town of Westwood, Massachusetts' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreement and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The combining and individual fund statements and schedules, as listed in the table of contents, are presented for the purpose of supplementary analysis and are not a required part of the financial statements of the Town of Westwood, Massachusetts. Such supplementary information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

Management's discussion and analysis, located on the following pages, and the schedule of revenues, expenditures and changes in fund balance – general fund – budgetary basis, retirement system schedule of employer contributions, retirement system schedule of funding progress, other postemployment benefit plan schedule of funding progress and schedule of employer contributions, and other postemployment benefit plan actuarial methods and assumptions, located after the notes to the basic financial statements, are not a required part of the basic financial statements but are supplementary information required by accounting principles

generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

The introductory section and statistical sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

A handwritten signature in cursive script that reads "Powers & Sullivan".

December 8, 2010

## Management's Discussion and Analysis

As management of the Town of Westwood, we offer readers of these financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2010. We encourage readers to consider the information presented in this report in conjunction with additional information that we have furnished in our letter of transmittal.

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

Governments must adhere to GASB pronouncements in order to issue their financial statements in conformity with GAAP. The users of financial statements also rely on the independent auditors' opinion. If the Town of Westwood's financial statements have significant departures from GAAP the independent auditors may issue a qualified opinion or a disclaimer (where no opinion is given). These types of opinions may have an adverse effect on the Town's bond rating and our ability to borrow money at favorable interest rates. The Town of Westwood has enjoyed an unqualified opinion on its financial statements since the fiscal year ended June 30, 1984.

### Financial Highlights

- The governmental assets of the Town of Westwood exceeded its liabilities at the close of the most recent fiscal year by \$102 million (net assets).
- Of this amount, 2.3% or \$2.4 million (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- At the close of the current fiscal year, the Town of Westwood's general fund reported an ending fund balance of \$4.2 million, a decrease of \$187,000 in comparison with the prior year. Total fund balance represents 6.1% of total general fund expenditures. Approximately \$1.5 million of this total amount is available for appropriation at the government's discretion and \$2.7 million is reserved for the subsequent fiscal year as articles and encumbrances carried forward and appropriations to balance the subsequent year's budget.
- The Town of Westwood's total governmental debt decreased by \$4.3 million during the current fiscal year. This was all the result of principal payments on long-term debt.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Town of Westwood's basic financial statements. The Town of Westwood's basic financial statements comprises three components: 1) government-wide financial statements 2) fund financial statements, and 3) notes to the financial statements. The government-wide financial statements provide both long-term and short-term information about the Town as a whole. The fund financial statements focus on the individual components of the Town government, reporting the Towns' operations in more detail than the government-wide statements. Both presentations (government-wide and fund) allow the user to address relevant questions, broaden the basis of comparison and enhance the Town's accountability. An additional part of the basic financial statements are the 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 the Town of Westwood's finances, in a manner similar to private-sector business.

The statement of net assets presents information on all of the Town of Westwood's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Town of Westwood is improving or deteriorating.

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

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

**Fund financial statements.** A fund is a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The Town of Westwood, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town of Westwood 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 and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of 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 Westwood adopts an annual appropriated budget for its general fund. A budgetary comparison schedule is included as required supplementary information for the general fund to demonstrate compliance with this budget.

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

*Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Town uses an enterprise fund to account for its sewer operations.

**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 of Westwood's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

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

**Government-wide Financial Analysis**

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the Town of Westwood, government-wide assets exceeded liabilities by \$119.1 million at the close of fiscal year 2010.

Net assets of \$110.7 million (93%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that are still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the investment in its capital assets is reported net of its related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Town of Westwood's net assets \$2.2 million (2%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets \$6.3 million (5%) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the Town of Westwood is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities.

**Comparative Financial Data – Governmental Activities**

<b>Governmental Activities:</b>	Balance at June 30, 2010	Balance at June 30, 2009
	<u>                    </u>	<u>                    </u>
<b>Assets:</b>		
Current assets.....	\$ 21,007,458	\$ 23,835,028
Noncurrent assets (excluding capital).....	15,690,000	17,676,000
Capital assets, not being depreciated.....	5,858,382	5,858,382
Capital assets, net of accumulated depreciation.....	109,242,707	108,773,794
<b>Total assets.....</b>	<b><u>151,798,547</u></b>	<b><u>156,143,204</u></b>
<b>Liabilities:</b>		
Current liabilities (excluding debt).....	5,230,210	5,088,634
Noncurrent liabilities (excluding debt).....	8,358,320	5,212,199
Current debt.....	4,290,000	4,295,000
Noncurrent debt.....	31,990,000	36,280,000
<b>Total liabilities.....</b>	<b><u>49,868,530</u></b>	<b><u>50,875,833</u></b>
<b>Net Assets:</b>		
Capital assets net of related debt.....	97,375,492	97,986,113
Restricted.....	2,172,033	2,591,376
Unrestricted.....	2,382,492	4,689,882
<b>Total net assets.....</b>	<b><u>\$ 101,930,017</u></b>	<b><u>\$ 105,267,371</u></b>

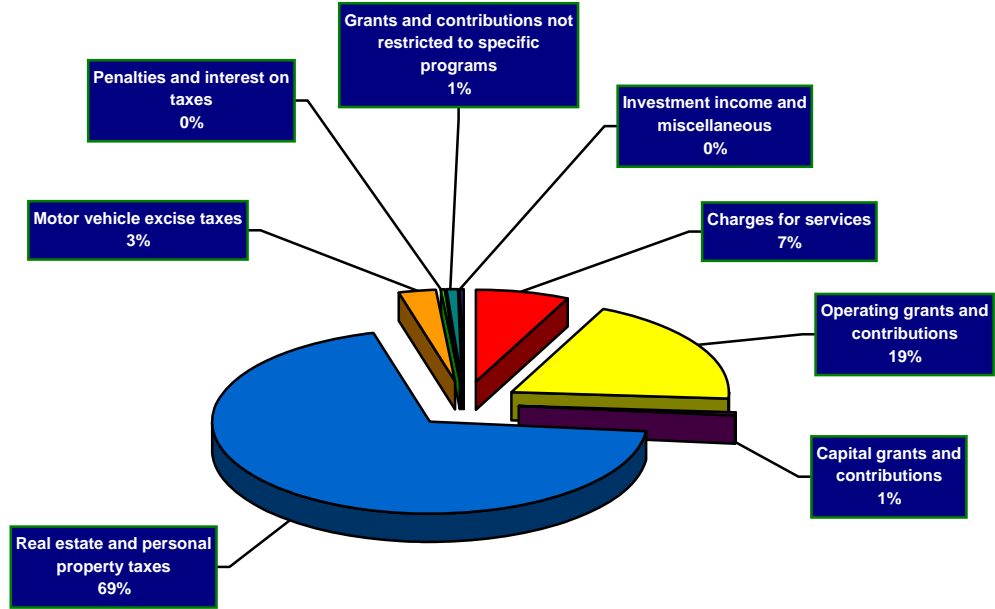
**Governmental activities.** The governmental activities net assets decreased by approximately \$3.3 million during the current fiscal year. The primary reason for this decrease was the current year increase in the other postemployment benefit obligation of approximately \$3.2 million which was recorded to comply with the requirements of GASB Statement #45.

<b>Governmental Activities:</b>	Fiscal Year Ended June 30, 2010	Fiscal Year Ended June 30, 2009
	<u>2010</u>	<u>2009</u>
<b>Program revenues:</b>		
Charges for services.....	\$ 5,235,896	\$ 8,336,319
Operating grants and contributions.....	14,179,816	15,435,834
Capital grants and contributions.....	416,952	404,240
<b>General revenues:</b>		
Real estate and personal property taxes.....	51,462,011	49,761,536
Motor vehicle excise taxes.....	2,152,241	2,164,294
Penalties and interest on taxes.....	105,602	96,949
Nonrestricted grants and contributions.....	723,159	882,855
Unrestricted investment income.....	111,156	280,678
<b>Total revenues.....</b>	<b><u>74,386,833</u></b>	<b><u>77,362,705</u></b>
<b>Expenses:</b>		
General government.....	4,744,131	7,984,596
Public safety.....	8,485,387	8,778,769
Education.....	51,887,823	52,088,397
Public works.....	7,717,646	7,037,271
Human services.....	1,052,506	942,357
Culture and recreation.....	2,377,179	2,468,819
Interest.....	1,750,493	1,692,305
<b>Total expenses.....</b>	<b><u>78,015,165</u></b>	<b><u>80,992,514</u></b>
<b>Transfers.....</b>	<b><u>290,978</u></b>	<b><u>-</u></b>
<b>Change in net assets.....</b>	<b><u>\$ (3,337,354)</u></b>	<b><u>\$ (3,629,809)</u></b>

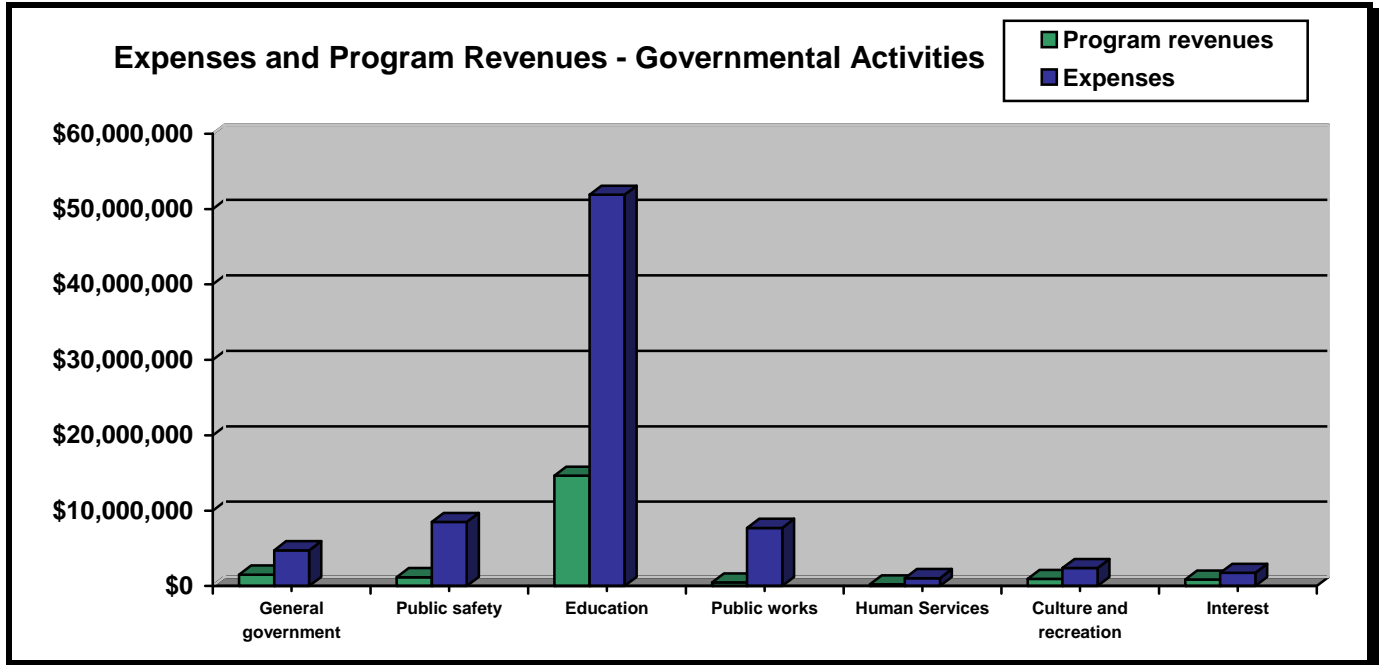
- Charges for services represent about 7% of governmental activities resources. The Town can exercise more control over this category of revenue than any other. Fees charged for services rendered that are set by the Board of Selectmen are included in this category. General government charges for services for fiscal year 2010 includes approximately \$425,000 in non-recurring fees collected for the Westwood Station Project compared to \$2.5 million collected in fiscal year 2009. A similar decrease in general government expenditures occurred in FY10. These large decreases are mainly attributable to Westwood Station Project being stalled due to the economic downturn.
- Operating and capital grants and contributions account for 19% of the governmental activities resources. Most of these resources apply to education operations. These resources offset costs within the school department in addition to the General Fund operating budget. Also during the fiscal year, the Town received a Westwood Station guaranteed tax payment in the amount of \$615,000, which is recorded as an operating grant under the general government function.
- Property taxes are by far the most significant revenue source for the Town's governmental activities. They comprise 69% of all resources.
- Motor vehicle excise taxes comprise 3% of the governmental activities resources.



## FY10 Governmental Revenues



- Education is by far the largest governmental activity of the Town at 67%. Program revenues of \$14.6 million provided direct support to education and \$37.3 million in taxes and other general revenue were needed to cover the remaining fiscal year 2010 operating expenses.
- Public safety and public works are significant activities of the Town. Program revenues for public safety of \$1.2 million and \$483,000 in public works directly supported \$8.5 million and \$7.7 million of operating expenses, respectively. Taxes and other general revenue of \$14.5 million were needed to cover the remaining fiscal year 2010 operating expenses. Combined, they represent 21% of governmental activity expenses.



**Business-type activities.** For sewer business-type activities, assets exceeded liabilities by \$17.2 million at the close of fiscal year 2010. Capital assets net of related debt totaled \$13.3 million (77%) while unrestricted net assets totaled \$3.9 million (23%). There was a decrease of \$109,000 in net assets reported in connection with the sewer enterprise. Charges for services increased from prior year by \$133,000 which was primarily due to an increase in sewer usage revenue. Capital grants experienced a slight decline from the prior year. The sewer fund also reported a liability for other postemployment benefits totaling \$82,000, which is a result of the GASB Statement #45.

#### Comparative Assets, Liabilities and Net Assets – Business-type

	Balance at June 30, 2010	Balance at June 30, 2009
<b>Assets:</b>		
Current assets.....	\$ 3,662,911	\$ 3,460,433
Noncurrent assets (excluding capital).....	348,074	394,197
Capital assets, not being depreciated.....	350,850	350,850
Capital assets, net of accumulated depreciation.....	14,833,081	15,502,835
<b>Total assets.....</b>	<b>19,194,916</b>	<b>19,708,315</b>
<b>Liabilities:</b>		
Current liabilities (excluding debt).....	57,468	186,683
Noncurrent liabilities (excluding debt).....	81,900	47,332
Current debt.....	314,687	309,838
Noncurrent debt.....	1,550,600	1,865,287
<b>Total liabilities.....</b>	<b>2,004,655</b>	<b>2,409,140</b>
<b>Net Assets:</b>		
Capital assets net of related debt.....	13,318,644	13,678,560
Unrestricted.....	3,871,617	3,620,615
<b>Total net assets.....</b>	<b>\$ 17,190,261</b>	<b>\$ 17,299,175</b>

**Comparative Revenues & Expenses – Business-type**

	Fiscal Year Ended June 30, 2010	Fiscal Year Ended June 30, 2009
	<u>                    </u>	<u>                    </u>
<b>Program revenues:</b>		
Charges for services.....	\$ 3,756,083	\$ 3,623,588
Capital grants and contributions.....	96,182	102,222
<b>Total revenues.....</b>	<b>3,852,265</b>	<b>3,725,810</b>
<b>Expenses:</b>		
Sewer.....	<u>3,670,201</u>	<u>3,761,813</u>
<b>Transfers.....</b>	<u>(290,978)</u>	<u>-</u>
<b>Change in net assets.....</b>	<b><u><u>\$ (108,914)</u></u></b>	<b><u><u>\$ (36,003)</u></u></b>

**Financial Analysis of the Government’s Funds**

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

**Governmental funds.** The focus of the Town of Westwood’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 Westwood’s financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, governmental funds reported combined ending fund balances of \$13 million, a decrease of \$3.4 million from the prior year. The majority of this decrease (\$3.2 million) is reported in the non-major governmental funds where most of the decrease is the result the timing of expenditures on school construction projects.

The general fund is the Town’s chief operating fund. The ending fund balance decreased by \$187,000 in comparison with prior year. At the end of the current fiscal year, undesignated fund balance of the general fund totaled \$1.5 million, while total fund balance totaled \$4.2 million. As a measure of the general fund’s liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 2.2% of total general fund expenditures, while total fund balance represents 6.1% of that same amount.

The Town also maintains a stabilization fund, which management has classified as a major governmental fund. The stabilization fund has a year end balance of \$1.2 million which represents 1.8% of general fund expenditures. These funds can be used for general or capital purposes upon Town Meeting approval. Please refer to Note 10 for additional information on the Town’s stabilization fund.

The state fiscal stabilization fund is used to account for the Town’s use of the federal state fiscal stabilization program which was awarded to Governors to help stabilize State and local budgets in order to minimize and avoid reductions in education and other essential services. During fiscal year 2010, the Town received \$74,000 from the state fiscal stabilization fund, which was used to help fund school employee benefits.

The Westwood Station fund is used to account for funds for the Westwood Station Project. At June 30, 2010, the Westwood Station fund had a year end balance of \$138,000. The Westwood Station fund balance decreased \$34,000 from prior year. Departmental receipts decreased by \$2.1 million during the fiscal year which was the result to a delay in the project caused by the economic downturn. Subsequent to year end, an agreement has been reached for the project to be purchased in an effort to re-energize the project and move forward.

### **General Fund Budgetary Highlights**

Actual revenues were lower than budgeted for real estate and personal property taxes by \$831,000 because Westwood Station did not pay their fourth quarter real estate tax bill.

Actual general fund expenditures and encumbrances are lower than final budget by 2%, with the majority of the variance occurring in the reserve fund, which turned back \$360,000, as reserve funds were not fully required to fund unanticipated events, also the general fund employee benefits expenditures were lower than the final budget by approximately \$328,000. This is partially due to conservative budgeting.

The \$649,000 increase between the original budget and the final amended budget was primarily due to the supplementary appropriations to fund the police department budget (\$120,000), the department of public works snow and ice budget (\$100,000) and the capital outlay budget (\$480,000.)

### **Capital Assets and Debt Management**

In conjunction with the operating budget, the Town annually prepares a capital budget which includes detailed information concerning those capital requests for the upcoming fiscal year as well as summary information for the following four fiscal years to identify current projections of what level of capital outlay will be required in future years.

As part of the capital plan the Town has historically financed the acquisition of some capital assets from current revenue. This policy will continue to improve the financial position as net assets will increase by the amount of acquisitions less the current depreciation.

Major capital assets are funded by the issuance of long and short-term debt and capital grants. The effect on net assets during the construction phase of the project is neutral for assets acquired with debt since the Town increases its assets and associated liability by the same amount. In subsequent years the net assets will be reduced through depreciation and will be increased by the revenues raised to support the debt principal payments. Net assets are increased for assets acquired with grant funds since there is no corresponding liability incurred.

Outstanding long-term debt of the general government, as of June 30, 2010, totaled \$36.3 million of which, \$33.8 million is related to school projects, leaving a balance of only \$2.5 million for other non-school related projects.

The enterprise fund has \$1.9 million in sewer enterprise debt outstanding that is fully supported by the rates and do not rely on a general fund subsidy.

The most significant capital asset additions during the year included various school improvements, roadway improvements, and ball-field lights and fields.

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

**CAPITAL ASSETS**

	Cost of Capital Assets	Accumulated Depreciation at end of year	Capital Assets, net
<b>Governmental activities:</b>			
Land.....	\$ 5,858,382	\$ -	\$ 5,858,382
Buildings and improvements.....	90,429,950	(23,708,187)	66,721,763
Vehicles.....	5,922,343	(4,227,968)	1,694,375
Machinery and equipment.....	8,878,007	(6,198,665)	2,679,342
Furniture and fixtures.....	261,123	(226,797)	34,326
Infrastructure.....	<u>84,391,777</u>	<u>(46,278,876)</u>	<u>38,112,901</u>
Total governmental activities.....	<u>195,741,582</u>	<u>(80,640,493)</u>	<u>115,101,089</u>
<b>Business-type activities:</b>			
Land.....	350,850	-	350,850
Plant and infrastructure.....	25,690,432	(14,838,713)	10,851,719
Other buildings and improvements...	6,339,070	(2,901,420)	3,437,650
Vehicles.....	503,246	(257,653)	245,593
Machinery and equipment.....	483,709	(185,590)	298,119
Furniture and fixtures.....	<u>35,323</u>	<u>(35,323)</u>	<u>-</u>
Total business-type activities.....	<u>33,402,630</u>	<u>(18,218,699)</u>	<u>15,183,931</u>
Total capital assets.....	<u>\$ 229,144,212</u>	<u>\$ (98,859,192)</u>	<u>\$ 130,285,020</u>

### GOVERNMENTAL BONDS PAYABLE

Project	Interest Rate (%)	Outstanding at June 30, 2009	Issued	Redeemed	Outstanding at June 30, 2010
Martha Jones School Construction.....	3.90-5.00	\$ 2,160,000	\$ -	\$ 720,000	\$ 1,440,000
Downey School Construction.....	3.90-5.00	1,890,000	-	630,000	1,260,000
Striar Land Purchase.....	3.90-5.00	390,000	-	130,000	260,000
Cemetery Land Purchase.....	3.90-5.00	90,000	-	30,000	60,000
School Planning.....	2.50-5.38	27,650,000	-	1,975,000	25,675,000
Public Building.....	3.00-5.00	1,415,000	-	285,000	1,130,000
Land Acquisition.....	3.50-4.00	180,000	-	30,000	150,000
High Street Reconstruction.....	3.50-4.00	885,000	-	115,000	770,000
High Street Lights.....	3.50-4.00	170,000	-	25,000	145,000
High School Supplement.....	3.50-4.00	1,820,000	-	130,000	1,690,000
High School Fields.....	3.50-4.00	425,000	-	50,000	375,000
Middle School Modular Classrooms.....	2.13-5.00	3,500,000	-	175,000	3,325,000
<b>Total Governmental Bonds Payable.....</b>		<b>\$ 40,575,000</b>	<b>\$ -</b>	<b>\$ 4,295,000</b>	<b>\$ 36,280,000</b>

### ENTERPRISE BONDS PAYABLE

Project	Interest Rate (%)	Outstanding at June 30, 2009	Issued	Redeemed	Outstanding at June 30, 2010
Sewer (MWPAT).....	3.88	\$ 1,725,125	\$ -	\$ 159,838	\$ 1,565,287
Sewer.....	3.90-5.00	450,000	-	150,000	300,000
<b>Total Enterprise Bonds Payable.....</b>		<b>\$ 2,175,125</b>	<b>\$ -</b>	<b>\$ 309,838</b>	<b>\$ 1,865,287</b>

The Town of Westwood maintained an “AAA” rating from Standard & Poor’s and an “Aa1” from Moody’s for general obligation debt.

## **Economic Factors and Next Year's Budget and Rates**

For the fiscal year 2011 budget, the Town has projected decreases in major revenue categories, including state aid, economic driven local receipts; such as motor vehicle excise payments and the Westwood Station guaranteed payment. The fiscal year 2011 budget has been prepared in a manner that will provide some flexibility to absorb continued reductions to revenue throughout the fiscal year. The Town has prepared for continued state aid reductions in light of a continually deteriorating national economy and unsettled financial markets.

In response to anticipated revenue constraints, the Town has made the following conservative budget decisions:

- The Town level funded the fiscal year 2011 school and municipal operating budgets at fiscal year 2010 levels.
- Favorable settlement of labor contracts allowed the Town to remain at fiscal year 11 budget levels and retain services.
- The fiscal year 2011 budget has level funded capital budgets and no appropriation to the reserve accounts.

The budget decision will allow the Town to retain staffing levels and quality services for the community during this difficult financial year.

## **Requests for Information**

This financial report is designed to provide a general overview of the Town of Westwood's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance, Town Hall, 580 High Street, Westwood, Massachusetts 02090.

# ***Basic Financial Statements***



**STATEMENT OF NET ASSETS**

JUNE 30, 2010

	<i>Primary Government</i>		
	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
<b>CURRENT:</b>			
Cash and cash equivalents.....	\$ 16,538,773	\$ 1,798,581	\$ 18,337,354
Investments.....	9,402	-	9,402
Receivables, net of allowance for uncollectibles:			
Real estate and personal property taxes.....	1,191,936	-	1,191,936
Tax liens.....	387,612	-	387,612
Motor vehicle excise taxes.....	107,637	-	107,637
User charges.....	-	1,818,207	1,818,207
Departmental and other.....	123,493	-	123,493
Intergovernmental.....	2,648,605	46,123	2,694,728
Total Current Assets.....	<u>21,007,458</u>	<u>3,662,911</u>	<u>24,670,369</u>
<b>NONCURRENT:</b>			
Receivables, net of allowance for uncollectibles:			
Intergovernmental.....	15,690,000	348,074	16,038,074
Capital assets, not being depreciated.....	5,858,382	350,850	6,209,232
Capital assets, net of accumulated depreciation.....	109,242,707	14,833,081	124,075,788
Total Noncurrent Assets.....	<u>130,791,089</u>	<u>15,532,005</u>	<u>146,323,094</u>
<b>TOTAL ASSETS.....</b>	<u><b>151,798,547</b></u>	<u><b>19,194,916</b></u>	<u><b>170,993,463</b></u>
<b>LIABILITIES</b>			
<b>CURRENT:</b>			
Warrants payable.....	1,179,006	17,056	1,196,062
Accrued payroll.....	1,303,516	8,101	1,311,617
Accrued interest.....	182,567	13,311	195,878
Other liabilities.....	1,229,121	-	1,229,121
Compensated absences.....	1,336,000	19,000	1,355,000
Bonds and notes payable.....	4,290,000	314,687	4,604,687
Total Current Liabilities.....	<u>9,520,210</u>	<u>372,155</u>	<u>9,892,365</u>
<b>NONCURRENT:</b>			
Compensated absences.....	586,000	-	586,000
Other postemployment benefits.....	7,800,543	82,197	7,882,740
Bonds and notes payable.....	31,990,000	1,550,600	33,540,600
Total Noncurrent Liabilities.....	<u>40,376,543</u>	<u>1,632,797</u>	<u>42,009,340</u>
<b>TOTAL LIABILITIES.....</b>	<u><b>49,896,753</b></u>	<u><b>2,004,952</b></u>	<u><b>51,901,705</b></u>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt.....	97,375,492	13,318,644	110,694,136
Restricted for:			
Permanent funds:			
Expendable.....	200,920	-	200,920
Nonexpendable.....	325,949	-	325,949
Gifts.....	266,157	-	266,157
Grants.....	1,379,007	-	1,379,007
Unrestricted.....	2,354,269	3,871,320	6,225,589
<b>TOTAL NET ASSETS.....</b>	<u><b>\$ 101,901,794</b></u>	<u><b>\$ 17,189,964</b></u>	<u><b>\$ 119,091,758</b></u>

See notes to basic financial statements.

**STATEMENT OF ACTIVITIES**

FISCAL YEAR ENDED JUNE 30, 2010

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Primary Government:</b>					
<i>Governmental Activities:</i>					
General government.....	\$ 4,745,598	\$ 802,302	\$ 715,214	\$ -	\$ (3,228,082)
Public safety.....	8,490,129	1,064,513	123,093	-	(7,302,523)
Education.....	52,200,467	2,360,978	12,275,504	-	(37,563,985)
Public works.....	7,425,668	30,321	36,007	416,865	(6,942,475)
Human services.....	1,052,991	67,114	150,340	-	(835,537)
Culture and recreation.....	2,378,042	910,755	26,763	-	(1,440,524)
Interest.....	1,750,493	-	852,895	-	(897,598)
<b>Total Governmental Activities.....</b>	<b>78,043,388</b>	<b>5,235,983</b>	<b>14,179,816</b>	<b>416,865</b>	<b>(58,210,724)</b>
<i>Business-Type Activities:</i>					
Sewer.....	3,670,498	3,756,083	-	96,182	<b>181,767</b>
<b>Total Primary Government.....</b>	<b>\$ 81,713,886</b>	<b>\$ 8,992,066</b>	<b>\$ 14,179,816</b>	<b>\$ 513,047</b>	<b>\$ (58,028,957)</b>

See notes to basic financial statements.

(Continued)

**STATEMENT OF ACTIVITIES**

FISCAL YEAR ENDED JUNE 30, 2010

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>Changes in net assets:</b>			
Net (expense) revenue from previous page.....	\$ <b>(58,210,724)</b>	\$ <b>181,767</b>	\$ <b>(58,028,957)</b>
<i>General revenues:</i>			
Real estate and personal property taxes, net of tax refunds payable.....	51,462,011	-	51,462,011
Motor vehicle excise taxes.....	2,152,241	-	2,152,241
Penalties and interest on taxes.....	105,602	-	105,602
Grants and contributions not restricted to specific programs.....	723,159	-	723,159
Unrestricted investment income.....	111,156	-	111,156
<i>Transfers, net</i> .....	290,978	(290,978)	-
Total general revenues and transfers.....	54,845,147	(290,978)	54,554,169
Change in net assets.....	(3,365,577)	(109,211)	(3,474,788)
<i>Net Assets:</i>			
Beginning of year.....	105,267,371	17,299,175	122,566,546
End of year.....	\$ <u>101,901,794</u>	\$ <u>17,189,964</u>	\$ <u>119,091,758</u>

See notes to basic financial statements.

(Concluded)

**GOVERNMENTAL FUNDS  
BALANCE SHEET**

JUNE 30, 2010

<b>ASSETS</b>	General	Stabilization	Westwood Station	Nonmajor Governmental Funds	Total Governmental Funds
Cash and cash equivalents.....	\$ 7,670,976	\$ 1,216,020	\$ 138,417	\$ 7,513,360	\$ 16,538,773
Investments.....	-	-	-	9,402	9,402
Receivables, net of uncollectibles:					
Real estate and personal property taxes.....	1,191,936	-	-	-	1,191,936
Tax liens.....	387,612	-	-	-	387,612
Motor vehicle excise taxes.....	107,637	-	-	-	107,637
Departmental and other.....	7,184	-	-	116,309	123,493
Intergovernmental.....	17,676,000	-	-	662,605	18,338,605
<b>TOTAL ASSETS.....</b>	<b>\$ 27,041,345</b>	<b>\$ 1,216,020</b>	<b>\$ 138,417</b>	<b>\$ 8,301,676</b>	<b>\$ 36,697,458</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES:</b>					
Warrants payable.....	\$ 1,082,425	\$ -	\$ -	\$ 96,581	\$ 1,179,006
Accrued payroll.....	1,273,056	-	-	30,460	1,303,516
Other liabilities.....	1,229,121	-	-	-	1,229,121
Deferred revenues.....	19,253,292	-	-	778,914	20,032,206
<b>TOTAL LIABILITIES.....</b>	<b>22,837,894</b>	<b>-</b>	<b>-</b>	<b>905,955</b>	<b>23,743,849</b>
<b>FUND BALANCES:</b>					
Reserved for:					
Encumbrances and continuing appropriations.....	1,855,781	-	-	-	1,855,781
Perpetual permanent funds.....	-	-	-	325,949	325,949
Unreserved:					
Designated for subsequent year's expenditures.....	810,000	-	-	-	810,000
Undesignated, reported in:					
General fund.....	1,537,670	-	-	-	1,537,670
Special revenue funds.....	-	1,216,020	138,417	5,512,635	6,867,072
Capital projects funds.....	-	-	-	1,356,217	1,356,217
Permanent funds.....	-	-	-	200,920	200,920
<b>TOTAL FUND BALANCES.....</b>	<b>4,203,451</b>	<b>1,216,020</b>	<b>138,417</b>	<b>7,395,721</b>	<b>12,953,609</b>
<b>TOTAL LIABILITIES AND FUND BALANCES.....</b>	<b>\$ 27,041,345</b>	<b>\$ 1,216,020</b>	<b>\$ 138,417</b>	<b>\$ 8,301,676</b>	<b>\$ 36,697,458</b>

See notes to basic financial statements.

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

JUNE 30, 2010

Total governmental fund balances.....		\$ 12,953,609
Capital assets (net) used in governmental activities are not financial resources and, therefore, are not reported in the funds.....		115,101,089
Accounts receivable are not available to pay for current-period expenditures and, therefore, are deferred in the funds.....		20,032,206
In the statement of activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due.....		(182,567)
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.....	(36,280,000)	
Other postemployment benefits.....	(7,800,543)	
Compensated absences.....	<u>(1,922,000)</u>	
Net effect of reporting long-term liabilities.....		<u>(46,002,543)</u>
Net assets of governmental activities.....		<u>\$ 101,901,794</u>

See notes to basic financial statements.

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

FISCAL YEAR ENDED JUNE 30, 2010

	General	Stabilization	State Fiscal Stabilization Fund	Westwood Station	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>						
Real estate and personal property taxes, net of tax refunds.....	\$ 50,545,249	\$ -	\$ -	\$ -	\$ -	\$ 50,545,249
Motor vehicle excise taxes.....	2,131,252	-	-	-	-	2,131,252
Charges for services.....	-	-	-	-	4,671,063	4,671,063
Westwood Station guaranteed tax payment.....	615,000	-	-	-	-	615,000
Penalties and interest on taxes.....	105,602	-	-	-	-	105,602
Fees and rentals.....	233,430	-	-	-	-	233,430
Licenses and permits.....	403,405	-	-	-	-	403,405
Fines and forfeitures.....	17,521	-	-	-	-	17,521
Intergovernmental.....	12,445,401	-	74,000	-	3,357,612	15,877,013
Departmental and other.....	255,382	-	-	424,882	266,719	946,983
Contributions.....	-	-	-	-	293,161	293,161
Investment income.....	111,156	5,312	-	-	5,326	121,794
<b>TOTAL REVENUES.....</b>	<b>66,863,398</b>	<b>5,312</b>	<b>74,000</b>	<b>424,882</b>	<b>8,593,881</b>	<b>75,961,473</b>
<b>EXPENDITURES:</b>						
Current:						
General government.....	2,478,371	-	-	458,553	268,341	3,205,265
Public safety.....	5,943,746	-	-	-	154,721	6,098,467
Education.....	32,676,099	-	-	-	8,700,206	41,376,305
Public works.....	4,208,842	-	-	-	829,857	5,038,699
Human services.....	700,964	-	-	-	87,948	788,912
Culture and recreation.....	1,241,405	-	-	-	728,296	1,969,701
Pension benefits.....	7,557,081	-	-	-	-	7,557,081
Property and liability insurance.....	278,318	-	-	-	-	278,318
Employee benefits.....	5,379,428	-	74,000	-	-	5,453,428
State and county charges.....	536,238	-	-	-	-	536,238
Capital outlay.....	1,302,387	-	-	-	-	1,302,387
Capital outlay - Westwood Station.....	18,400	-	-	-	-	18,400
Debt service:						
Principal.....	4,295,000	-	-	-	-	4,295,000
Interest.....	1,778,034	-	-	-	-	1,778,034
<b>TOTAL EXPENDITURES.....</b>	<b>68,394,313</b>	<b>-</b>	<b>74,000</b>	<b>458,553</b>	<b>10,769,369</b>	<b>79,696,235</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>(1,530,915)</b>	<b>5,312</b>	<b>-</b>	<b>(33,671)</b>	<b>(2,175,488)</b>	<b>(3,734,762)</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in.....	1,471,109	-	-	-	127,500	1,598,609
Transfers out.....	(127,500)	-	-	-	(1,180,131)	(1,307,631)
<b>TOTAL OTHER FINANCING SOURCES (USES).</b>	<b>1,343,609</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,052,631)</b>	<b>290,978</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>(187,306)</b>	<b>5,312</b>	<b>-</b>	<b>(33,671)</b>	<b>(3,228,119)</b>	<b>(3,443,784)</b>
<b>FUND BALANCES AT BEGINNING OF YEAR.....</b>	<b>4,390,757</b>	<b>1,210,708</b>	<b>-</b>	<b>172,088</b>	<b>10,623,840</b>	<b>16,397,393</b>
<b>FUND BALANCES AT END OF YEAR.....</b>	<b>\$ 4,203,451</b>	<b>\$ 1,216,020</b>	<b>\$ -</b>	<b>\$ 138,417</b>	<b>\$ 7,395,721</b>	<b>\$ 12,953,609</b>

See notes to basic financial statements.

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

FISCAL YEAR ENDED JUNE 30, 2010

Net change in fund balances - total governmental funds..... \$ (3,443,784)

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.....	6,075,252
Depreciation expense.....	<u>(5,606,339)</u>

Net effect of reporting capital assets..... 468,913

Revenues in the Statement of Activities that do not provide current financial resources are fully deferred in the Statement of Revenues, Expenditures and Changes in Fund Balances. Therefore, the recognition of revenue for various types of accounts receivable (i.e., real estate and personal property, motor vehicle excise, etc.) differ between the two statements. This amount represents the net change in deferred revenue..... (1,574,640)

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 assets. 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.

Capital lease payments.....	74,737
Debt service principal payments.....	<u>4,295,000</u>

Net effect of reporting long-term debt..... 4,369,737

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.....	(37,000)
Net change in accrued interest on long-term debt.....	27,541
Net change in other postemployment benefits.....	<u>(3,176,344)</u>

Net effect of recording long-term liabilities..... (3,185,803)

Change in net assets of governmental activities..... \$ (3,365,577)

See notes to basic financial statements.

**PROPRIETARY FUNDS**  
**STATEMENT OF NET ASSETS**

JUNE 30, 2010

	<u>Business-type Sewer Enterprise</u>
<b>ASSETS</b>	
CURRENT:	
Cash and cash equivalents.....	\$ 1,798,581
Receivables, net of allowance for uncollectibles:	
User fees.....	1,818,207
Intergovernmental.....	<u>46,123</u>
Total current assets.....	<u>3,662,911</u>
NONCURRENT:	
Receivables, net of allowance for uncollectibles:	
Intergovernmental.....	348,074
Capital assets, not being depreciated.....	350,850
Capital assets, net of accumulated depreciation.....	<u>14,833,081</u>
Total noncurrent assets.....	<u>15,532,005</u>
TOTAL ASSETS.....	<u>19,194,916</u>
<b>LIABILITIES</b>	
CURRENT:	
Warrants payable.....	17,056
Accrued payroll.....	8,101
Accrued interest.....	13,311
Compensated absences.....	19,000
Bonds and notes payable.....	<u>314,687</u>
Total current liabilities.....	<u>372,155</u>
NONCURRENT:	
Other postemployment benefits.....	82,197
Bonds and notes payable.....	<u>1,550,600</u>
Total noncurrent liabilities.....	<u>1,632,797</u>
TOTAL LIABILITIES.....	<u>2,004,952</u>
<b>NET ASSETS</b>	
Invested in capital assets, net of related debt.....	13,318,644
Unrestricted.....	<u>3,871,320</u>
TOTAL NET ASSETS.....	<u>\$ 17,189,964</u>

See notes to basic financial statements.



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

FISCAL YEAR ENDED JUNE 30, 2010

	<u>Business-type Sewer Enterprise</u>
<b>OPERATING REVENUES:</b>	
Charges for services .....	\$ <u>3,756,083</u>
<b>OPERATING EXPENSES:</b>	
Cost of services and administration .....	692,464
MWRA Assessment.....	2,072,034
Depreciation.....	<u>814,664</u>
<b>TOTAL OPERATING EXPENSES .....</b>	<b><u>3,579,162</u></b>
<b>OPERATING INCOME (LOSS).....</b>	<b><u>176,921</u></b>
<b>NONOPERATING REVENUES (EXPENSES):</b>	
Interest expense.....	(91,336)
Intergovernmental.....	44,968
Sewer betterments.....	<u>51,214</u>
<b>TOTAL NONOPERATING REVENUES (EXPENSES), NET.....</b>	<b><u>4,846</u></b>
<b>INCOME/(LOSS) BEFORE TRANSFERS.....</b>	<b><u>181,767</u></b>
<b>TRANSFERS:</b>	
Transfers out.....	<u>(290,978)</u>
<b>CHANGE IN NET ASSETS.....</b>	<b>(109,211)</b>
<b>NET ASSETS AT BEGINNING OF YEAR.....</b>	<b><u>17,299,175</u></b>
<b>NET ASSETS AT END OF YEAR.....</b>	<b>\$ <u><u>17,189,964</u></u></b>

See notes to basic financial statements.

**PROPRIETARY FUNDS**  
STATEMENT OF CASH FLOWS

FISCAL YEAR ENDED JUNE 30, 2010

		Business-type Sewer Enterprise
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>		
Receipts from customers and users.....	\$	3,784,811
Payments to vendors.....		(2,527,401)
Payments to employees.....		(331,449)
		925,961
<u>NET CASH FROM OPERATING ACTIVITIES.....</u>		
<u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</u>		
Transfers out.....		(290,978)
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</u>		
Acquisition and construction of capital assets.....		(144,910)
Sewer betterments.....		51,214
Principal payments on bonds and notes.....		(262,019)
Interest expense.....		(46,366)
		(402,081)
<u>NET CASH FROM CAPITAL AND RELATED FINANCING ACTIVITIES.....</u>		
NET CHANGE IN CASH EQUIVALENTS.....		232,902
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR.....		1,565,679
CASH AND CASH EQUIVALENTS AT END OF YEAR.....	\$	1,798,581
<u>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES:</u>		
Operating income (loss).....	\$	176,921
Adjustments to reconcile operating income (loss) to net cash from operating activities:		
Depreciation.....		814,664
Changes in assets and liabilities:		
User fees.....		28,728
Warrants payable.....		(133,951)
Accrued payroll.....		1,734
Accrued compensated absences.....		3,000
Other postemployment benefits.....		34,865
Total adjustments.....		749,040
NET CASH FROM OPERATING ACTIVITIES.....	\$	925,961
<u>NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:</u>		
Intergovernmental debt service subsidy.....	\$	92,787

See notes to basic financial statements.

**FIDUCIARY FUNDS**  
STATEMENT OF FIDUCIARY NET ASSETS

JUNE 30, 2010

	Private Purpose Trust Funds	Agency Fund
<b>ASSETS</b>		
Cash and cash equivalents.....	\$ 363,554	\$ 326,466
Receivables, net of allowance for uncollectibles:		
Departmental and other.....	-	76,662
<b>TOTAL ASSETS</b> .....	<u>363,554</u>	<u>403,128</u>
<b>LIABILITIES</b>		
Warrants payable.....	-	1,984
Liabilities due depositors.....	-	401,144
<b>TOTAL LIABILITIES</b> .....	<u>-</u>	<u>403,128</u>
<b>NET ASSETS</b> .....	<u>\$ 363,554</u>	<u>\$ -</u>

See notes to basic financial statements.

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

FISCAL YEAR ENDED JUNE 30, 2010

	<u>Private Purpose Trust Funds</u>
<u>ADDITIONS:</u>	
Contributions:	
Private donations.....	\$ 68,795
Net investment income:	
Interest.....	<u>8,659</u>
TOTAL ADDITIONS.....	<u>77,454</u>
<u>DEDUCTIONS:</u>	
Educational scholarships.....	<u>88,525</u>
CHANGE IN NET ASSETS.....	(11,071)
NET ASSETS AT BEGINNING OF YEAR.....	<u>374,625</u>
NET ASSETS AT END OF YEAR.....	<u>\$ 363,554</u>

See notes to basic financial statements.

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

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

A. Reporting Entity

An elected three-member Board of Selectmen governs the Town.

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 Town’s 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. The Town did not identify any component units requiring inclusion in the basic financial statements.

Joint Ventures

The Town has entered into a joint venture with the Towns of Avon, Canton, Dedham, Braintree, Holbrook, Milton, Norwood, and Randolph to pool resources and share the costs, risks and rewards of providing vocational education through the Blue Hills Regional Technical School District (District). As of June 30, 2010, the District has no significant unreserved fund balance and has approximately \$340,000 in outstanding long-term bonds related to capital improvements. The following is the address where the District’s financial statements are available, its purpose, and the assessment paid by the Town during fiscal year 2010.

<u>Joint venture and address</u>	<u>Purpose</u>	<u>2010 Assessment</u>
Blue Hills Regional Technical School District 800 Randolph Street, Canton, MA 02021	To provide vocational education	<u>\$ 185,683</u>

The Town has no equity interest in the District.

Jointly Governed Organizations

The Board of Selectmen is responsible for appointing three of the six-member Board of Water Commissioners of the Dedham-Westwood Water District. The Town’s accountability for this organization does not extend beyond making these appointments.

B. Government-Wide and Fund Financial Statements

*Government-Wide Financial Statements*

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

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

#### *Fund Financial Statements*

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

#### *Major Fund Criteria*

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

- If the total assets, liabilities, revenues, or expenditures/expenses of an individual governmental or enterprise fund are at least 10 percent of the corresponding element (assets, liabilities, etc.) for all fund of that category or type (total governmental or total enterprise funds), *and*
- If the total assets, liabilities, revenues or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding element for all governmental and enterprise funds combined.

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

Fiduciary funds are reported by fund type.

#### C. Measurement Focus, Basis of Accounting and Basis of 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 fiscal year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

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

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

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

#### *Fund Financial Statements*

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

The *state fiscal stabilization fund* is used to account for the Town's use of the federal state fiscal stabilization program which was awarded to Governors to help stabilize State and local budgets in order to minimize and avoid reductions in education and other essential services.

The *Westwood Station fund* is used to account for the funds used in the development and renovation of the new train station as well as residential, commercial, and retail units.

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

The *special revenue fund* is used to account for the proceeds of specific revenue sources (other than permanent funds or capital projects funds) that are restricted by law or administrative action to expenditures for specified purposes.

The *capital projects fund* is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Enterprise Funds).

The *permanent fund* is used to account for 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 fund is reported:

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

**Fiduciary** fund financial statements are reported using the flow of economic resources measurement focus and use the accrual basis of accounting except for the agency fund, which has no measurement focus. 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 donor restrictions and trustee policies only allows the trustees to authorize spending of the realized investment earnings. The Town's educational scholarship trusts are accounted for in this fund.

The *agency fund* is used to account for assets held in a purely custodial capacity. The Town's agency fund consists primarily of student activities and planning deposits.

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

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

#### D. Cash and Investments

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

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

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



## E. 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 1<sup>st</sup> of every year. Assessed values are established by the Board of Assessor's for 100% of the estimated fair market value. Taxes are due on August 1<sup>st</sup>, November 1<sup>st</sup>, February 1<sup>st</sup> and May 1<sup>st</sup> and are subject to penalties and interest if they are not paid by the respective due date. Real estate tax liens are processed annually on delinquent properties. Real estate and personal property taxes levied are recorded as receivables in the fiscal year of the levy and are recorded under the modified accrual basis of accounting.

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 fiscal year they are processed.

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

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

### ***Motor Vehicle Excise Taxes***

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

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

### ***User Charges***

Sewer charges are levied quarterly based on individual meter readings and are subject to penalties and interest if they are not paid by the respective due date. Sewer liens are processed in October of every year and included as a lien on the property owner's tax bill. Sewer charges are recorded as receivables in the fiscal year of the levy and are recorded under the full accrual basis of accounting.

### ***Departmental and Other***

Departmental and other receivables consist primarily of police details, ambulance fees and school rentals and are recorded as receivables in the fiscal year accrued. The allowance of uncollectibles is estimated based on historical trends and specific account analysis.

**Intergovernmental**

Various federal and state grants for operating and capital purposes are applied for and received annually. For non-expenditure driven grants, receivables are 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 uncollectibles.

F. Inventories

Inventories are recorded as expenditures at the time of purchase. Such inventories are not material in total to the basic financial statements and therefore are not reported.

G. Capital Assets

Capital assets, which include land, buildings and improvements, vehicles, machinery and equipment, furniture and fixtures, and infrastructure (e.g., roads, street lights, sewer mains, and similar items), are reported in the applicable governmental or business-type activity column of the government-wide 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.

The Town has included all general infrastructure assets regardless of their acquisition date or amount. The Town was able to estimate the historical cost for the initial reporting of these assets through backtracking.

Capital assets (excluding land and construction in progress) are depreciated on a straight-line basis. The estimated useful lives of fixed assets are as follows:

<u>Capital Asset Type</u>	<u>Estimated Useful Life (in years)</u>
Buildings and improvements.....	7-40
Plant and infrastructure.....	7-40
Other buildings and improvements.....	7-40
Vehicles.....	5-10
Machinery and equipment.....	5-50
Furniture and fixtures.....	5-20
Infrastructure.....	5-50

## H. Interfund Transfers

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*

Transfers between and within governmental funds and are eliminated from the governmental activities in the statement of net assets. 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.

## I. Net Assets and Fund Equity

### *Government-Wide Financial Statements (Net Assets)*

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

Net assets 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 assets have been "restricted for" the following:

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

"Permanent funds – nonexpendable" represents the endowment portion of donor restricted trusts that support governmental programs.

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

### *Fund Financial Statements (Fund Balances)*

Fund balances are reserved for amounts that are not available for appropriation or are legally restricted by outside parties for a specific future use. Designations of fund balance represent tentative management plans that are subject to change.

Fund balances have been "reserved for" the following:

"Encumbrances and continuing appropriations" represents amounts obligated under purchase orders, contracts and other commitments for expenditures that are being carried over to the ensuing fiscal year.

“Perpetual permanent funds” represents the permanently restricted portion of amounts held in trust which stipulate that only earnings may be used for purposes that support governmental programs.

Fund balances have been “designated for” the following:

“Subsequent year’s expenditures” represents amounts appropriated for the fiscal year 2011 operating budget.

#### J. 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 assets. 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.

#### K. Investment Income

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

Investment income from proprietary funds is voluntarily assigned and transferred to the general fund.

#### L. 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.

Compensated absences are reported in the governmental funds only if they have matured.

#### M. 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 fiscal year. Actual results could vary from estimates that were used.

#### N. Total Column

##### *Government-Wide Financial Statements*

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

##### *Fund Financial Statements*

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

## **NOTE 2 – CASH AND INVESTMENTS**

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

The Town follows internal investment policies as well as investment policies established under Massachusetts General Laws. The Commonwealth's 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). Additionally, they allow the Town to invest trust funds in trust companies incorporated under the laws of the Commonwealth, banking companies incorporated under the laws of the Commonwealth which are members of the Federal Deposit Insurance Corporation (FDIC), national banks, in participation units in combined investment funds, in paid-up shares and accounts of and in cooperative banks, in shares of savings and loan associations, in shares or savings deposits of federal savings and loan associations doing business in the Commonwealth to an amount not exceeding one hundred thousand dollars, and in bonds or notes which are legal investments for savings banks. Municipalities having trust funds in the custody of the Treasurer in an aggregate amount in excess of two hundred and fifty thousand dollars may also invest trust funds in securities, other than mortgages and collateral loans, which are legal for the investment of funds of savings banks under the laws of the Commonwealth provided that not more than fifteen percent of any such trust funds shall be invested in bank stocks and insurance company stocks, nor shall more than one and one-half percent of such funds be invested in the stock of any one bank or insurance company.

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 of Massachusetts who serves as Trustee. The fair value of the position in the Pool is the same as the value of the Pool shares.

MMDT maintains a cash portfolio and a short-term bond portfolio with combined average maturities of approximately 3 months. Credit ratings associated with the Town's investment in MMDT ranged from A1/P1 to unrated; with approximately 98% rated A1/P1 and approximately 2% rated A2/P2.

#### Custodial Credit Risk - Deposits

In the case of deposits, this is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. The Town's deposit and investment policy allows for unlimited investments in MMDT, U.S. Treasuries and

Agencies that will be held to maturity with maturities up to one year from the date of purchase, and bank accounts and Certificates of Deposit with maturities up to one year which are fully collateralized or fully insured.

Additionally, the Town’s policy allows for investments in unsecured bank deposits such as checking, savings, money market or Certificates of Deposit with maturities up to three months. Unsecured deposits are limited to no more than 5% of an institution’s assets and no more than 20% of the Town’s total cash. At fiscal year-end, the carrying amount of deposits totaled \$13,834,344 and the bank balance totaled \$13,546,437. Of the bank balance, \$2,114,955 was covered by Federal Depository Insurance, \$356,726 was covered by the Depositors Insurance Fund, \$113,554 was covered by the Share Insurance Fund, \$5,762,821 was collateralized and \$5,198,381 was subject to custodial credit risk because it was uninsured and uncollateralized.

Investments

As of June 30, 2010, the Town had the following investments:

Equity Mutual Funds.....	\$	9,402
MMDT.....		<u>5,193,030</u>
Total Investments.....	\$	<u><u>5,202,432</u></u>

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 the outside party. At June 30, 2010, the Town does not have any custodial credit risk exposure for its investments since open-end mutual funds and MMDT deposits are not subject to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form. In addition to the deposit and investment restrictions listed above, the Town’s investment policies allow for trust funds to be invested in any instruments allowed by the Legal List issued by the Banking Commissioner each July. Stabilization funds may be invested in National Banks, Savings Banks, Cooperative banks or trust companies organized under Massachusetts laws, Securities legal for savings banks (i.e. those included in the Legal List issued annually by the Banking Commissioner), Federal Savings and Loan Associations situated in the Commonwealth and the MMDT.

Interest Rate Risk

Interest rate risk exists when there is a possibility that changes in interest rates could adversely affect the fair value of the Town’s investments. The Town manages its exposure to fair value losses arising from increasing interest rates by limiting the allowable maturities of investments. The Town’s investment policy limits the maturities of investments in U.S. Treasuries, U.S. Agencies and secured Certificates of Deposit to a maximum of one year from the date of purchase. Negotiable Certificates of Deposit are limited to a maximum of three months. The Town had no debt securities as of June 30, 2010.

Credit Risk

The Town’s policy for Credit Risk requires all brokerage houses and broker/dealers wishing to do business with the Town to supply the Treasurer with audited financial statements, proof of National Association of Security Dealers certification, a statement that the dealer has read the Town’s investment policy and will comply with it and

proof of credit worthiness with minimum standards of at least five years in operation and a minimum capital of \$10 million. All of the Town’s investments are unrated.

Concentration of Credit Risk

The Town limits the amount that may be invested in any one issuer, except for MMDT as mentioned earlier, to no more than 5% of an institution’s assets and no more than 30% of the Town’s total investments. At June 30, 2010, the Town did not have more than 5% of the Town’s investments in with any one issuer.

**NOTE 3 – RECEIVABLES**

At June 30, 2010, receivables for the individual major governmental funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>Gross Amount</u>	<u>Allowance for Uncollectibles</u>	<u>Net Amount</u>
<u>Receivables:</u>			
Real estate and personal property taxes.....	\$ 1,191,936	\$ -	\$ 1,191,936
Tax liens.....	387,612	-	387,612
Motor vehicle excise taxes.....	164,637	(57,000)	107,637
Departmental and other.....	159,493	(36,000)	123,493
Intergovernmental.....	<u>18,338,605</u>	<u>-</u>	<u>18,338,605</u>
Total.....	<u>\$ 20,242,283</u>	<u>\$ (93,000)</u>	<u>\$ 20,149,283</u>

At June 30, 2010, receivables for the fiduciary funds consist of the following:

	<u>Gross Amount</u>	<u>Allowance for Uncollectibles</u>	<u>Net Amount</u>
<u>Receivables:</u>			
Details.....	<u>\$ 76,662</u>	<u>\$ -</u>	<u>\$ 76,662</u>

At June 30, 2009, receivables for the enterprise fund consist of the following:

	<u>Gross Amount</u>	<u>Allowance for Uncollectibles</u>	<u>Net Amount</u>
<u>Receivables:</u>			
Sewer fees.....	\$ 1,818,207	\$ -	\$ 1,818,207
Intergovernmental.....	<u>394,197</u>	<u>-</u>	<u>394,197</u>
Total.....	<u>\$ 2,212,404</u>	<u>\$ -</u>	<u>\$ 2,212,404</u>

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

<u>Receivable type:</u>	<u>General Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Real estate and personal property taxes.....	\$ 1,074,859	\$ -	\$ 1,074,859
Tax liens.....	387,612	-	387,612
Motor vehicle excise taxes.....	107,637	-	107,637
Departmental and other.....	7,184	116,309	123,493
Intergovernmental.....	<u>17,676,000</u>	<u>662,605</u>	<u>18,338,605</u>
 Total.....	 <u>\$ 19,253,292</u>	 <u>\$ 778,914</u>	 <u>\$ 20,032,206</u>

**NOTE 4 – INTERFUND TRANSFERS**

At June 30, 2010, the Town did not have any interfund receivables or payables.

Interfund transfers for the fiscal year ended June 30, 2010, are summarized as follows:

<u>Transfers Out:</u>	<u>Transfers In:</u>		
	<u>General Fund</u>	<u>Capital Projects</u>	<u>Total</u>
General fund.....	\$ -	\$ 127,500	\$ 127,500 (A)
Nonmajor Governmental Fund.....	10,000	-	10,000 (B)
Nonmajor Governmental Fund.....	971,500	-	971,500 (C)
Nonmajor Governmental Fund.....	17,000	-	17,000 (D)
Nonmajor Governmental Fund.....	31,631	-	31,631 (E)
Nonmajor Governmental Fund.....	150,000	-	150,000 (F)
Sewer Enterprise Fund.....	<u>290,978</u>	<u>-</u>	<u>290,978 (G)</u>
 Total.....	 <u>\$ 1,471,109</u>	 <u>\$ 127,500</u>	 <u>\$ 1,598,609</u>

- (A) - Transfer from General Fund to Capital Projects Funds for the purchase of DPW equipment.
- (B) - Transfer from Cemetery Permanent Fund to support cemetery expenditures.
- (C) - Transfer from Special Revenue Ambulance Receipts for capital purchases.
- (D) - Transfer from Special Revenue Conservation Fund to support conservation expenditures.
- (E) - Transfer from Special Revenue Bond Premiums Fund to support debt service expenditures.
- (F) - Transfer from Special Revenue Sale of Lots Fund to support cemetery expenditures.
- (G) - Transfer from Sewer Fund to the General Fund for indirect cost reimbursements.



**NOTE 5 – PENSION PLAN**

*Plan Description* - The Town contributes to the Norfolk County Contributory Retirement System (the System), a cost-sharing multiple-employer defined benefit pension plan administered by the Norfolk County Retirement Board. Substantially all employees of the Town are members of the System, except for public school teachers and certain administrators who are members of the Commonwealth of Massachusetts' Teachers Retirement System, to which the Town does not contribute. Pension benefits and administrative expenses paid by the Teachers Retirement Board are the legal responsibility of the Commonwealth. The amount of these on-behalf payments totaled approximately \$5,173,000 for the fiscal year ended June 30, 2010, and, accordingly, are reported in the General Fund as Intergovernmental Revenues and Pension Expenditures.

The System provides retirement, disability and death benefits to plan members and beneficiaries. Chapter 32 of the MGL assigns authority to establish and amend benefit provisions of the plan. 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 Norfolk County Contributory Retirement Board and are borne by the System. The System issues a publicly available financial report in accordance with guidelines established by the Commonwealth's Public Employee Retirement Administration Commission. That report may be obtained by contacting the System located at 480 Neponset Street, Building 15, Canton, MA, 02021.

*Funding Policy* - Plan members are required to contribute to the System at rates ranging from 5% to 11% of annual covered compensation. The Town is required to pay into the System its share of the system-wide actuarial determined contribution that is apportioned among the employers based on active current payroll. The contributions of plan members and the Town are governed by Chapter 32 of the MGL.

*Annual Pension Cost* - The Town's contributions to the System for the fiscal years ended June 30, 2010, 2009, and 2008 were \$2,329,423, \$2,135,190, and \$1,852,100 respectively, which equaled its required contribution for each fiscal year.

*Noncontributory Retirement Allowance* - The Town pays the entire retirement allowance for certain retirees who are eligible for noncontributory benefits and are not members of the System. The general fund expenditure for fiscal year 2010 totaled approximately \$56,000.

The schedule of funding progress, presented as required supplementary information, following the notes to the basic 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 liability for benefits. Additionally, the schedule of employer contributions, presented as required supplementary information, following the notes to the basic financial statements, presents multiyear trend information for required and actual contributions relating to the cost-sharing plan as a whole, of which the Town is one participating employer, as well as the Town's proportionate share of the plan's annual contributions. This information is designed to be helpful for understanding the scale of the information presented relative to the Town.

**NOTE 6 – CAPITAL ASSETS**

Capital asset activity for the fiscal year ended June 30, 2010, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities:</b>				
<u>Capital assets not being depreciated:</u>				
Land.....	\$ 5,858,382	\$ -	\$ -	\$ 5,858,382
<u>Capital assets being depreciated:</u>				
Buildings and improvements.....	86,376,405	4,053,545	-	90,429,950
Vehicles.....	5,872,748	153,695	(104,100)	5,922,343
Machinery and equipment.....	7,729,308	1,148,699	-	8,878,007
Furniture and fixtures.....	261,123	-	-	261,123
Infrastructure.....	83,672,464	719,313	-	84,391,777
Total capital assets being depreciated.....	<u>183,912,048</u>	<u>6,075,252</u>	<u>(104,100)</u>	<u>189,883,200</u>
<u>Less accumulated depreciation for:</u>				
Buildings and improvements.....	(21,491,584)	(2,216,603)	-	(23,708,187)
Vehicles.....	(3,930,035)	(402,033)	104,100	(4,227,968)
Machinery and equipment.....	(5,496,548)	(702,117)	-	(6,198,665)
Furniture and fixtures.....	(212,072)	(14,725)	-	(226,797)
Infrastructure.....	(44,008,015)	(2,270,861)	-	(46,278,876)
Total accumulated depreciation.....	<u>(75,138,254)</u>	<u>(5,606,339)</u>	<u>104,100</u>	<u>(80,640,493)</u>
Total capital assets being depreciated, net.....	<u>108,773,794</u>	<u>468,913</u>	<u>-</u>	<u>109,242,707</u>
Total governmental activities capital assets, net.....	<u>\$ 114,632,176</u>	<u>\$ 468,913</u>	<u>\$ -</u>	<u>\$ 115,101,089</u>

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Business-type Activities:</b>				
<u>Capital assets not being depreciated:</u>				
Land.....	\$ 350,850	\$ -	\$ -	\$ 350,850
<u>Capital assets being depreciated:</u>				
Plant and infrastructure.....	25,653,132	37,300	-	25,690,432
Other buildings and improvements.....	6,293,795	45,275	-	6,339,070
Vehicles.....	503,246	-	-	503,246
Machinery and equipment.....	421,374	62,335	-	483,709
Furniture and fixtures.....	35,323	-	-	35,323
Total capital assets being depreciated.....	<u>32,906,870</u>	<u>144,910</u>	<u>-</u>	<u>33,051,780</u>
<u>Less accumulated depreciation for:</u>				
Plant and infrastructure.....	(14,325,277)	(513,436)	-	(14,838,713)
Other buildings and improvements.....	(2,706,591)	(194,829)	-	(2,901,420)
Vehicles.....	(174,278)	(83,375)	-	(257,653)
Machinery and equipment.....	(162,566)	(23,024)	-	(185,590)
Furniture and fixtures.....	(35,323)	-	-	(35,323)
Total accumulated depreciation.....	<u>(17,404,035)</u>	<u>(814,664)</u>	<u>-</u>	<u>(18,218,699)</u>
Total capital assets being depreciated, net.....	<u>15,502,835</u>	<u>(669,754)</u>	<u>-</u>	<u>14,833,081</u>
Total business-type activities capital assets, net.....	<u>\$ 15,853,685</u>	<u>\$ (669,754)</u>	<u>\$ -</u>	<u>\$ 15,183,931</u>

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

**Governmental Activities:**

General government.....	\$ 169,808
Public safety.....	285,755
Education.....	2,534,938
Public works.....	2,583,796
Human services.....	25,682
Culture and recreation.....	<u>6,360</u>

Total depreciation expense - governmental activities..... \$ 5,606,339

**Business-Type Activities:**

Sewer.....	<u>\$ 814,664</u>
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**NOTE 7 – SHORT-TERM FINANCING**

The Town is authorized to borrow on a temporary basis 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).
- Federal and state aided capital projects and other program expenditures prior to receiving reimbursement through issuance of federal and state aid anticipation notes (FANS and SANS).

Short-term loans are general obligations of the Town and carry maturity dates that are limited by statute. Interest expenditures for short-term borrowings are accounted for in the General Fund and Sewer Enterprise Fund.

The Town did not have any short-term debt activity during fiscal 2010.

**NOTE 8 – LONG-TERM DEBT**

State law permits the Town, under the provisions of Chapter 44, Section 10, to authorize indebtedness up to a limit of 5% of its equalized valuation. Debt issued in accordance with this section of the law is designated as being "inside the debt limit." In addition, however, a Town may authorize debt in excess of that limit for specific purposes. Such debt, when issued, is designated as being "outside the debt limit."

Details related to the Town's outstanding general obligation indebtedness at June 30, 2010, and the debt service requirements follow.

Project	Interest Rate (%)	Outstanding at June 30, 2009	Issued	Redeemed	Outstanding at June 30, 2010
Martha Jones School Construction.....	3.90-5.00	\$ 2,160,000	\$ -	\$ 720,000	\$ 1,440,000
Downey School Construction.....	3.90-5.00	1,890,000	-	630,000	1,260,000
Striar Land Purchase.....	3.90-5.00	390,000	-	130,000	260,000
Cemetery Land Purchase.....	3.90-5.00	90,000	-	30,000	60,000
School Planning.....	2.50-5.38	27,650,000	-	1,975,000	25,675,000
Public Building.....	3.00-5.00	1,415,000	-	285,000	1,130,000
Land Acquisition.....	3.50-4.00	180,000	-	30,000	150,000
High Street Reconstruction.....	3.50-4.00	885,000	-	115,000	770,000
High Street Lights.....	3.50-4.00	170,000	-	25,000	145,000
High School Supplement.....	3.50-4.00	1,820,000	-	130,000	1,690,000
High School Fields.....	3.50-4.00	425,000	-	50,000	375,000
Middle School Modular Classrooms.....	2.13-5.00	<u>3,500,000</u>	<u>-</u>	<u>175,000</u>	<u>3,325,000</u>
Total Governmental Bonds Payable.....		<u>40,575,000</u>	<u>-</u>	<u>4,295,000</u>	<u>36,280,000</u>
Sewer (MWPAT).....	3.88	1,725,125	-	159,838	1,565,287
Sewer.....	3.90-5.00	<u>450,000</u>	<u>-</u>	<u>150,000</u>	<u>300,000</u>
Total Enterprise Bonds Payable.....		<u>2,175,125</u>	<u>-</u>	<u>309,838</u>	<u>1,865,287</u>
Total General Obligation Bonds and Notes Payable.....		<u>\$ 42,750,125</u>	<u>\$ -</u>	<u>\$ 4,604,838</u>	<u>\$ 38,145,287</u>

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

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011.....	\$ 4,290,000	\$ 1,609,596	\$ 5,899,596
2012.....	4,285,000	1,439,227	5,724,227
2013.....	2,770,000	1,244,327	4,014,327
2014.....	2,765,000	1,115,303	3,880,303
2015.....	2,485,000	986,016	3,471,016
2016.....	2,455,000	869,671	3,324,671
2017.....	2,455,000	770,999	3,225,999
2018.....	2,325,000	647,027	2,972,027
2019.....	2,280,000	547,003	2,827,003
2020.....	2,280,000	442,378	2,722,378
2021.....	2,280,000	339,553	2,619,553
2022.....	2,280,000	236,373	2,516,373
2023.....	2,280,000	140,106	2,420,106
2024.....	175,000	43,838	218,838
2025.....	175,000	36,838	211,838
2026.....	175,000	29,838	204,838
2027.....	175,000	22,618	197,618
2028.....	175,000	15,182	190,182
2029.....	175,000	7,656	182,656
Total.....	\$ <u>36,280,000</u>	\$ <u>10,543,547</u>	\$ <u>46,823,547</u>

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

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011.....	\$ 314,687	\$ 82,051	\$ 396,738
2012.....	319,700	58,112	377,812
2013.....	90,300	136,660	226,960
2014.....	176,300	48,124	224,424
2015.....	181,600	42,279	223,879
2016.....	187,100	32,554	219,654
2017.....	192,800	23,516	216,316
2018.....	198,500	10,451	208,951
2019.....	204,300	5,108	209,408
Total.....	\$ <u>1,865,287</u>	\$ <u>438,855</u>	\$ <u>2,304,142</u>

The Town is scheduled to be subsidized by the Massachusetts Water Pollution Abatement Trust (MWPAT) on a periodic basis for principal in the amount of \$394,197 and interest costs for \$287,664. Thus, net MWPAT loan repayments including interest are scheduled to be \$1,302,783. Since the Town is legally obligated for the total amount of the debt, such amounts have been recorded in the accompanying basic financial statements. The fiscal year 2010 principal and interest subsidy totaled approximately \$47,819 and \$44,968, respectively.

The Town has been approved to receive school construction assistance through the Massachusetts School Building Authority (MSBA). The MSBA provides resources for eligible construction costs and debt interest and borrowing costs. During fiscal year 2010, approximately \$3,009,000 of such assistance was received. Approximately \$22,271,000 will be received in future fiscal years. Of this amount, approximately \$4,595,000 represents reimbursement of long-term interest costs, and approximately \$17,676,000 represents reimbursement of approved construction costs. Accordingly, \$17,676,000 intergovernmental receivable and corresponding deferred revenue has been recorded in the fund based financial statements and the change in the receivable has been recognized as revenue in the conversion to the government-wide financial statements.

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, 2010, the Town had the following authorized and unissued debt:

Purpose	Date Voted	Article	Amount Authorized	Amount Unissued
Construction of Barn/Garage.....	ATM 5/2009	10	\$ 150,000	\$ 150,000
New Library.....	ATM 3/2010	4	<u>9,300,000</u>	<u>9,300,000</u>
Total.....			<u>\$ 9,450,000</u>	<u>\$ 9,450,000</u>

Changes in Long-Term Liabilities

During the fiscal year ended June 30, 2010, the following changes occurred in long-term liabilities:

	Balance at June 30, 2009	Additions	Retirements and Other	Balance at June 30, 2010	Current Portion
<b>Governmental Activities:</b>					
Long-Term Bonds and Notes.....	\$ 40,575,000	\$ -	\$ (4,295,000)	\$ 36,280,000	\$ 4,290,000
Other Postemployment Benefits.....	4,624,199	4,244,693	(1,068,349)	7,800,543	-
Capital Lease Obligations.....	74,737	-	(74,737)	-	-
Compensated Absences.....	1,885,000	1,334,000	(1,297,000)	1,922,000	1,336,000
Total Governmental Activities.....	\$ 47,158,936	\$ 5,578,693	\$ (6,735,086)	\$ 46,002,543	\$ 5,626,000
<b>Business-Type Activities:</b>					
Long-Term Bonds and Notes.....	\$ 2,175,125	\$ -	\$ (309,838)	\$ 1,865,287	\$ 314,687
Other Postemployment Benefits.....	47,332	44,728	(9,863)	82,197	-
Compensated Absences.....	16,000	19,000	(16,000)	19,000	19,000
Total Business-Type Activities.....	\$ 2,238,457	\$ 63,728	\$ (335,701)	\$ 1,966,484	\$ 333,687
Total.....	\$ 49,397,393	\$ 5,642,421	\$ (7,070,787)	\$ 47,969,027	\$ 5,959,687

Compensated absence liabilities related to both governmental and business-type activities are normally paid from the general fund and sewer enterprise funds, respectively.

**NOTE 9 – 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 fiscal years.

The Town provides health insurance to its employees through its participation in the West Suburban Health Group (the Group), a non-profit trust comprised of eleven towns, one school district and two educational collaboratives. The Group is self-sustaining through member premiums. The Town recognizes the cost of providing health insurance by recording its 60% share of insurance premiums paid to the Group in the General Fund in the fiscal year paid. The purpose of the Group is to pay medical claims of its members' employees and their covered dependents. In the event the group is terminated, the Town is obligated to pay its prorate share of a deficit, should one exist.

The Town is a member of the Massachusetts Interlocal Insurance Association (MIIA), a public entity risk pool currently operating as a common risk management and insurance program for workers' compensation benefits for employees other than uniformed police and fire personnel. MIIA is self-sustaining through member premiums and reinsures through commercial companies for stop loss insurance. The total premiums assessed by MIIA to the Town during fiscal year 2010 totaled \$146,500 and are recorded in the General Fund.

The Town is self-insured for the workers' compensation claims of police officers and firefighters and are paid on a pay-as-you-go basis from the General Fund. The estimated liability for workers' compensation claims is based on history and injury type. The Town's liability is not material at June 30, 2010, and therefore is not reported.



The Town is self-insured for unemployment compensation. During fiscal year 2010, the Town appropriated \$87,000 to provide for anticipated costs of unemployment benefits. During fiscal year 2010, claims related to unemployment compensation totaled \$81,000. The liability for unemployment compensation was not material at June 30, 2010, and therefore is not reported.

#### **NOTE 10 – STABILIZATION FUND**

The Town has \$1.2 million in a stabilization fund classified as a major governmental fund in the fund-based statements. The stabilization fund may be used for general and/or capital purposes upon Town Meeting approval. During fiscal year 2010, the stabilization fund earned investment income of approximately \$5,000.

#### **NOTE 11 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS**

In fiscal year 2009 the Town has implemented GASB Statement 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions (GASB 45). As allowed by GASB 45, the Town established the net Other Postemployment Benefits (OPEB) obligation at zero at the beginning of the transition year and applied the measurement and recognition requirements of GASB 45 on a prospective basis.

*Plan Description* – The Town of Westwood administers a single-employer defined benefit healthcare plan (“the Retiree Health Plan”). The plan provides lifetime healthcare insurance for eligible retirees and their spouses through the Town’s group health insurance plan, 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 60 percent of the cost of current-year premiums for eligible retired plan members and their spouses. Plan members receiving benefits contribute the remaining 40 percent of their premium costs. For fiscal year 2010, the Town contributed approximately \$1,078,000 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:

Normal cost.....	\$ 2,735,371
Amortization of unfunded actuarial accrued liability.....	1,525,530
Interest on net OPEB obligation.....	163,504
Amortization of net OPEB obligation.....	<u>(134,984)</u>
Annual OPEB cost (expense).....	4,289,421
Contributions made.....	<u>(1,078,212)</u>
Increase in net OPEB obligation.....	3,211,209
Net OPEB obligation-beginning of year.....	<u>4,671,531</u>
Net OPEB obligation-end of year.....	<u><u>\$ 7,882,740</u></u>

The Town’s annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal years 2009 and 2010 were as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
6/30/2010	\$ 4,289,421	25%	\$ 7,882,740
6/30/2009	5,973,531	22%	4,671,531

*Funded Status and Funding Progress* – As of June 30, 2009, the most recent actuarial valuation date, the actuarial accrued liability for benefits was \$49,334,499, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$39,100,816, and the ratio of the UAAL to the covered payroll was 126.2 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 June 30, 2009 actuarial valuation, actuarial liabilities were determined using the projected unit credit cost method. The actuarial assumptions included a 3.5% investment return assumption, which is based on the expected yield on the assets of the Town, calculated based on the funded level of the plan at the valuation date, and an annual medical/drug cost trend rate of 9% initially, graded to 5% over 7 years. The UAAL is being amortized over a 30 year open period using a level percentage of projected payroll with amortization payments increasing at 4.5% per year. The remaining amortization period at June 30, 2010 is 28 years.

**NOTE 12 – COMMITMENTS**Westwood Station:

The Town's high profile commercial development project, known as Westwood Station, has stalled in recent years due to the economic downturn. The project originally planned to include in excess of 4.5 million square feet of retail, office, residential, and hotel space to be sited on the Town's former industrial park known as University Ave Park. Subsequent to year end, an agreement was reached for the project to be purchased in an effort to re-energize the project and move forward. Advancement of this project has the potential to significantly enhance the Town's tax base.

Library Construction:

During fiscal year 2010, the Town approved construction of a new 32,000 square foot main library located adjacent to the current library. The two-year project, which is scheduled to begin in fiscal year 2011, includes relocating a historic building on this site, all costs associated with the construction of the new facility, and the demolition of the current library. The Town project is estimated to cost \$13.85 million, with \$9.3 million to be financed by the Town, \$4 million to be financed by the Massachusetts Library and Green Incentive Grants, and the remainder to be financed through private donations.

**NOTE 13 – CONTINGENCIES**

The Town participates in a number of federal award programs. Although the Town grant programs have been audited in accordance with the provisions of the Single Audit Act Amendments of 1996 through June 30, 2010, 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 the Town expects such amounts, if any, to be immaterial.

Various legal actions and claims are pending against the Town. Litigation is subject to many uncertainties, and the outcome of individual litigated matters is not always predictable. Although the amount of liability, if any, at June 30, 2010, cannot be ascertained, management believes any resulting liability should not materially affect the financial position of the Town at June 30, 2010.

**NOTE 14 – IMPLEMENTATION OF NEW GASB PRONOUNCEMENTS**

During fiscal year 2010, the following GASB pronouncements were implemented:

- The GASB issued Statement #57, OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans. The standards in this statement permits an agent employer that has an individual employer OPEB plan with fewer than 100 members to use an alternative measurement method to produce actuarially based information for purposes of financial reporting, regardless of the number of total plan members in the agent multiple-employer OPEB plan in which it participates. Management elected to implement this standard early and this standard did not impact the basic financial statements.
- The GASB issued Statement #58, Accounting and Financial Reporting for Chapter 9 Bankruptcies. The standards in this statement provide guidance for bankrupt state and local governments by establishing requirements for recognizing and measuring the effects of the bankruptcy process on assets and liabilities and for classifying changes in those items and related costs. Management elected to implement this standard early and this standard did not impact the basic financial statements.

Future Implementation of GASB Pronouncements:

- The GASB issued Statement #54, Fund Balance Reporting and Governmental Fund Type Definitions, which is required to be implemented in fiscal year 2011. The implementation of this GASB will impact the Town's financial statements, as it changes fund balance components into Nonspendable; Restricted; Committed; Assigned; and Unassigned.

# *Required Supplementary Information*

# *General Fund*

## *Budgetary Comparison Schedule*

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

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

FISCAL YEAR ENDED JUNE 30, 2010

	Budgeted Amounts		Actual Budgetary Amounts	Amounts Carried Forward To Next Year	Variance To Final Budget
	Original Budget	Final Budget			
<b>REVENUES:</b>					
Real estate and personal property taxes, net of tax refunds.....	\$ 51,309,236	\$ 51,309,236	\$ 50,477,953	\$ -	\$ (831,283)
Motor vehicle excise taxes.....	1,985,000	1,985,000	2,131,252	-	146,252
Westwood Station.....	615,000	615,000	615,000	-	-
Penalties and interest on taxes.....	60,000	60,000	105,602	-	45,602
Fees.....	222,000	222,000	233,430	-	11,430
Licenses and permits.....	360,000	360,000	403,405	-	43,405
Fines and forfeitures.....	15,000	15,000	17,521	-	2,521
Intergovernmental.....	7,315,733	7,316,194	7,272,483	-	(43,711)
Departmental and other.....	260,000	260,000	255,382	-	(4,618)
Special assessments.....	-	-	-	-	-
Investment income.....	280,000	280,000	111,156	-	(168,844)
<b>TOTAL REVENUES.....</b>	<b>62,421,969</b>	<b>62,422,430</b>	<b>61,623,184</b>	<b>-</b>	<b>(799,246)</b>
<b>EXPENDITURES:</b>					
<b>SELECTMEN</b>					
Salaries.....	397,797	397,797	385,736	-	12,061
Expenditures.....	50,000	50,000	45,588	-	4,412
<b>TOTAL.....</b>	<b>447,797</b>	<b>447,797</b>	<b>431,324</b>	<b>-</b>	<b>16,473</b>
<b>FINANCE COMMISSION</b>					
Salaries.....	33,389	33,389	33,341	-	48
Expenditures.....	22,048	22,048	20,596	-	1,452
<b>TOTAL.....</b>	<b>55,437</b>	<b>55,437</b>	<b>53,937</b>	<b>-</b>	<b>1,500</b>
<b>ACCOUNTING</b>					
Salaries.....	168,885	168,885	168,478	-	407
Expenditures.....	5,020	5,020	4,713	-	307
<b>TOTAL.....</b>	<b>173,905</b>	<b>173,905</b>	<b>173,191</b>	<b>-</b>	<b>714</b>
<b>AUDIT-SCHOOL &amp; MUNICIPAL FINANCIALS</b>					
Professional Services.....	50,000	50,000	50,000	-	-
<b>ASSESSORS</b>					
Salaries.....	165,637	165,637	163,827	-	1,810
Expenditures.....	21,450	21,450	19,979	-	1,471
<b>TOTAL.....</b>	<b>187,087</b>	<b>187,087</b>	<b>183,806</b>	<b>-</b>	<b>3,281</b>
<b>TREASURER</b>					
Salaries.....	78,670	78,670	77,729	-	941
Expenditures.....	15,130	15,130	5,772	-	9,358
<b>TOTAL.....</b>	<b>93,800</b>	<b>93,800</b>	<b>83,501</b>	<b>-</b>	<b>10,299</b>
<b>COLLECTOR</b>					
Salaries.....	99,180	99,180	95,163	-	4,017
Expenditures.....	66,950	73,950	73,299	650	1
<b>TOTAL.....</b>	<b>166,130</b>	<b>173,130</b>	<b>168,462</b>	<b>650</b>	<b>4,018</b>
<b>LEGAL</b>					
Salaries.....	86,645	86,645	86,645	-	-
Expenditures.....	123,500	123,500	116,455	7,036	9
<b>TOTAL.....</b>	<b>210,145</b>	<b>210,145</b>	<b>203,100</b>	<b>7,036</b>	<b>9</b>

(Continued)

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

FISCAL YEAR ENDED JUNE 30, 2010

	Budgeted Amounts		Actual Budgetary Amounts	Amounts Carried Forward To Next Year	Variance To Final Budget
	Original Budget	Final Budget			
<b>PERSONNEL BOARD</b>					
Salaries.....	129,319	129,319	127,090	-	2,229
Expenditures.....	8,395	8,395	6,315	248	1,832
<b>TOTAL.....</b>	<b>137,714</b>	<b>137,714</b>	<b>133,405</b>	<b>248</b>	<b>4,061</b>
<b>INFORMATION SYSTEMS</b>					
Salaries.....	207,597	207,597	204,156	-	3,441
Expenditures.....	225,330	225,330	211,514	13,800	16
<b>TOTAL.....</b>	<b>432,927</b>	<b>432,927</b>	<b>415,670</b>	<b>13,800</b>	<b>3,457</b>
<b>TOWN CLERK</b>					
Salaries.....	131,212	131,212	127,824	-	3,388
Expenditures.....	45,000	45,000	29,192	250	15,558
<b>TOTAL.....</b>	<b>176,212</b>	<b>176,212</b>	<b>157,016</b>	<b>250</b>	<b>18,946</b>
<b>CONSERVATION COMMISSION</b>					
Salaries.....	39,749	39,749	38,221	-	1,528
Expenditures.....	5,450	5,450	2,301	-	3,149
<b>TOTAL.....</b>	<b>45,199</b>	<b>45,199</b>	<b>40,522</b>	<b>-</b>	<b>4,677</b>
<b>PLANNING BOARD</b>					
Salaries.....	90,490	60,490	56,704	-	3,786
Expenditures.....	3,715	3,715	2,067	-	1,648
<b>TOTAL.....</b>	<b>94,205</b>	<b>64,205</b>	<b>58,771</b>	<b>-</b>	<b>5,434</b>
<b>ZONING BOARD OF APPEALS</b>					
Salaries.....	23,638	23,638	23,635	-	3
Expenditures.....	2,865	2,865	505	-	2,360
<b>TOTAL.....</b>	<b>26,503</b>	<b>26,503</b>	<b>24,140</b>	<b>-</b>	<b>2,363</b>
<b>ECONOMIC DEVELOPMENT TASK FORCE</b>					
Salaries.....	70,581	70,581	70,530	-	51
Expenditures.....	3,800	3,800	-	-	3,800
<b>TOTAL.....</b>	<b>74,381</b>	<b>74,381</b>	<b>70,530</b>	<b>-</b>	<b>3,851</b>
<b>OUTSIDE PROFESSIONAL SERVICES</b>					
Expenditures.....	51,405	51,405	45,475	-	5,930
<b>MASS HOUSING PARTNERSHIP</b>					
Expenditures.....	15,000	15,000	15,000	-	-
<b>HOUSING AUTHORITY</b>					
Expenditures.....	10,000	10,000	7,191	-	2,809
<b>OFFICE COMMUNICATIONS</b>					
Expenditures.....	121,000	121,000	120,862	-	138
<b>TRAINING</b>					
Expenditures.....	6,000	6,000	6,000	-	-
<b>Total General Government.....</b>	<b>2,574,847</b>	<b>2,551,847</b>	<b>2,441,903</b>	<b>21,984</b>	<b>87,960</b>

(Continued)



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

FISCAL YEAR ENDED JUNE 30, 2010

	Budgeted Amounts		Actual Budgetary Amounts	Amounts Carried Forward To Next Year	Variance To Final Budget
	Original Budget	Final Budget			
<b>PUBLIC SAFETY</b>					
<b>POLICE DEPARTMENT</b>					
Salaries.....	2,500,900	2,620,900	2,620,900	-	-
Expenditures.....	217,150	217,150	213,186	156	3,808
<b>TOTAL.....</b>	<b>2,718,050</b>	<b>2,838,050</b>	<b>2,834,086</b>	<b>156</b>	<b>3,808</b>
<b>CAREER INCENTIVE PROGRAM.....</b>	<b>166,944</b>	<b>166,944</b>	<b>59,841</b>	<b>107,103</b>	<b>-</b>
<b>ANIMAL CONTROL</b>					
Salaries.....	41,927	41,927	41,776	-	151
Expenditures.....	7,500	7,500	4,449	-	3,051
<b>TOTAL.....</b>	<b>49,427</b>	<b>49,427</b>	<b>46,225</b>	<b>-</b>	<b>3,202</b>
<b>CROSSING GUARDS</b>					
Salaries.....	101,667	101,667	91,101	-	10,566
Expenditures.....	4,900	4,900	3,086	-	1,814
<b>TOTAL.....</b>	<b>106,567</b>	<b>106,567</b>	<b>94,187</b>	<b>-</b>	<b>12,380</b>
<b>FIRE DEPARTMENT</b>					
Salaries.....	2,393,239	2,393,239	2,367,149	-	26,090
Expenditures.....	178,991	178,991	178,673	-	318
<b>TOTAL.....</b>	<b>2,572,230</b>	<b>2,572,230</b>	<b>2,545,822</b>	<b>-</b>	<b>26,408</b>
<b>BUILDING INSPECTION</b>					
Salaries.....	239,476	239,476	236,675	-	2,801
Expenditures.....	34,950	34,950	25,312	-	9,638
<b>TOTAL.....</b>	<b>274,426</b>	<b>274,426</b>	<b>261,987</b>	<b>-</b>	<b>12,439</b>
<b>CIVIL DEFENSE.....</b>	<b>2,000</b>	<b>2,000</b>	<b>500</b>	<b>-</b>	<b>1,500</b>
<b>Total Public Safety.....</b>	<b>5,889,644</b>	<b>6,009,644</b>	<b>5,842,648</b>	<b>107,259</b>	<b>59,737</b>
<b>EDUCATION</b>					
<b>PUBLIC SCHOOLS</b>					
Salaries and expenditures.....	33,714,905	33,881,005	32,333,296	1,400,143	147,566
<b>BLUE HILLS REGIONAL.....</b>	<b>173,379</b>	<b>185,683</b>	<b>185,683</b>	<b>-</b>	<b>-</b>
<b>Total Education.....</b>	<b>33,888,284</b>	<b>34,066,688</b>	<b>32,518,979</b>	<b>1,400,143</b>	<b>147,566</b>

(Continued)

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

FISCAL YEAR ENDED JUNE 30, 2010

	Budgeted Amounts		Actual Budgetary Amounts	Amounts Carried Forward To Next Year	Variance To Final Budget
	Original Budget	Final Budget			
<b>PUBLIC WORKS</b>					
<b>DEPARTMENT OF PUBLIC WORKS</b>					
Salaries-admin.....	182,448	182,448	181,793	-	655
Salaries-operations.....	1,284,473	1,359,473	1,350,688	-	8,785
Expenditures.....	441,796	441,796	416,126	12,175	13,495
<b>TOTAL.....</b>	<b>1,908,717</b>	<b>1,983,717</b>	<b>1,948,607</b>	<b>12,175</b>	<b>22,935</b>
<b>BUILDING MAINTENANCE</b>					
Expenditures.....	624,524	624,524	535,937	9,296	79,291
<b>MUNICIPAL &amp; SCHOOL FIELD MAINTENANCE</b>					
Expenditures.....	112,044	112,044	102,336	-	9,708
<b>SNOW &amp; ICE</b>					
Expenditures.....	250,000	350,000	339,182	-	10,818
<b>STREET LIGHTING</b>					
Expenditures.....	149,991	149,991	105,893	-	44,098
<b>WASTE/COLLECTION/DISPOSAL</b>					
Expenditures.....	1,275,042	1,275,042	1,153,823	-	121,219
<b>Total Public Works.....</b>	<b>4,320,318</b>	<b>4,495,318</b>	<b>4,185,778</b>	<b>21,471</b>	<b>288,069</b>
<b>HEALTH AND HUMAN SERVICES</b>					
<b>HEALTH DIVISION</b>					
Salaries.....	174,750	174,750	174,746	-	4
Expenditures.....	10,200	10,200	7,560	435	2,205
<b>TOTAL.....</b>	<b>184,950</b>	<b>184,950</b>	<b>182,306</b>	<b>435</b>	<b>2,209</b>
<b>OUTSIDE HEALTH AGENCIES</b>					
	14,316	14,316	12,636	-	1,680
<b>DISABILITY COMMISSION</b>					
Expenditures.....	500	500	-	-	500
<b>COUNCIL ON AGING</b>					
Salaries.....	192,983	194,983	194,954	-	29
Expenditures.....	25,535	25,535	24,318	-	1,217
<b>TOTAL.....</b>	<b>218,518</b>	<b>220,518</b>	<b>219,272</b>	<b>-</b>	<b>1,246</b>
<b>YOUTH COMMISSION</b>					
Salaries.....	154,285	154,285	152,880	-	1,405
Expenditures.....	15,537	15,537	14,936	596	5
<b>TOTAL.....</b>	<b>169,822</b>	<b>169,822</b>	<b>167,816</b>	<b>596</b>	<b>1,410</b>
<b>VETERANS SERVICES</b>					
Salaries.....	25,185	25,185	25,181	-	4
Expenditures.....	60,800	85,800	82,953	-	2,847
<b>TOTAL.....</b>	<b>85,985</b>	<b>110,985</b>	<b>108,134</b>	<b>-</b>	<b>2,851</b>
<b>Total Health and Human Services.....</b>	<b>674,091</b>	<b>701,091</b>	<b>690,164</b>	<b>1,031</b>	<b>9,896</b>

(Continued)

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

FISCAL YEAR ENDED JUNE 30, 2010

	Budgeted Amounts		Actual Budgetary Amounts	Amounts Carried Forward To Next Year	Variance To Final Budget
	Original Budget	Final Budget			
<b>CULTURE AND RECREATION</b>					
<b>RECREATION</b>					
Salaries.....	233,225	233,225	232,660	-	565
Expenditures.....	41,550	41,550	39,472	-	2,078
<b>TOTAL.....</b>	<b>274,775</b>	<b>274,775</b>	<b>272,132</b>	<b>-</b>	<b>2,643</b>
<b>PUBLIC LIBRARY</b>					
Salaries.....	742,527	749,527	741,182	-	8,345
Expenditures.....	211,326	211,326	204,661	6,296	369
<b>TOTAL.....</b>	<b>953,853</b>	<b>960,853</b>	<b>945,843</b>	<b>6,296</b>	<b>8,714</b>
<b>MEMORIAL DAY</b>					
Expenditures.....	6,700	6,700	5,297	-	1,403
<b>Total Culture and Recreation.....</b>	<b>1,235,328</b>	<b>1,242,328</b>	<b>1,223,272</b>	<b>6,296</b>	<b>12,760</b>
<b>WESTWOOD STATION</b>					
Expenditures.....	18,400	18,400	18,400	-	-
<b>PENSION BENEFITS</b>					
Contributory Pension.....	2,329,423	2,329,423	2,329,423	-	-
Non-Contributory Pension.....	56,383	56,383	54,740	-	1,643
<b>Total Pension Benefits.....</b>	<b>2,385,806</b>	<b>2,385,806</b>	<b>2,384,163</b>	<b>-</b>	<b>1,643</b>
<b>INSURANCE</b>					
General Liability.....	402,000	352,000	278,318	-	73,682
<b>CAPITAL OUTLAY.....</b>	<b>1,870,219</b>	<b>2,350,219</b>	<b>1,302,387</b>	<b>1,047,309</b>	<b>523</b>
<b>EMPLOYEE BENEFITS.....</b>	<b>5,698,623</b>	<b>5,698,623</b>	<b>5,370,428</b>	<b>627</b>	<b>327,568</b>
<b>RESERVE FUND.....</b>	<b>650,000</b>	<b>384,596</b>	<b>9,000</b>	<b>16,000</b>	<b>359,596</b>
<b>STATE AND COUNTY ASSESSMENTS.....</b>	<b>555,357</b>	<b>555,357</b>	<b>536,238</b>	<b>-</b>	<b>19,119</b>
<b>DEBT SERVICE PRINCIPAL.....</b>	<b>4,349,307</b>	<b>4,349,307</b>	<b>4,295,000</b>	<b>-</b>	<b>54,307</b>
<b>DEBT SERVICE INTEREST.....</b>	<b>1,778,034</b>	<b>1,778,034</b>	<b>1,778,034</b>	<b>-</b>	<b>-</b>
<b>TOTAL EXPENDITURES.....</b>	<b>66,290,258</b>	<b>66,939,258</b>	<b>62,874,712</b>	<b>2,622,120</b>	<b>1,442,426</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES.....</b>	<b>(3,868,289)</b>	<b>(4,516,828)</b>	<b>(1,251,528)</b>	<b>(2,622,120)</b>	<b>643,180</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in.....	869,609	1,471,109	1,471,109	-	-
Transfers out.....	(127,500)	(127,500)	(127,500)	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>742,109</b>	<b>1,343,609</b>	<b>1,343,609</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE.....</b>	<b>(3,868,289)</b>	<b>(3,173,219)</b>	<b>92,081</b>	<b>(2,622,120)</b>	<b>643,180</b>
<b>BUDGETARY FUND BALANCE, Beginning of year.....</b>	<b>5,023,902</b>	<b>5,023,902</b>	<b>5,023,902</b>	<b>-</b>	<b>-</b>
<b>BUDGETARY FUND BALANCE, End of year.....</b>	<b>\$ 1,155,613</b>	<b>\$ 1,850,683</b>	<b>\$ 5,115,983</b>	<b>\$ (2,622,120)</b>	<b>\$ 643,180</b>

See notes to required supplementary information.

(Concluded)

# ***Retirement System Schedules of Funding Progress and Employer Contributions***

The Retirement System Schedule of Funding Progress presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

The Retirement System Schedule of Employer Contributions presents multiyear trend information for required and actual contributions relating to the cost-sharing plan as a whole, of which the Town is one participating employer, as well as the Town's proportionate share of the plan's annual contributions.

**Norfolk County Contributory Retirement System  
Schedule of Funding Progress**

Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Accrued Liability (AAL) Entry Age (B)	Unfunded AAL (UAAL) (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	UAAL as a Percentage of Covered Payroll ((B-A)/C)
01/01/08	\$ 596,157,147	\$ 907,719,124	\$ 311,561,977	65.7%	\$ 223,814,977	139.2%
01/01/07	533,077,948	855,677,413	322,599,465	62.3%	219,620,865	146.9%
01/01/05	467,186,566	762,900,650	295,714,084	61.2%	196,639,163	150.4%
01/01/03	415,150,776	675,275,257	260,124,481	61.5%	185,281,985	140.4%
01/01/00	371,646,793	533,959,970	162,313,177	69.6%	163,542,978	99.2%
01/01/97	258,771,070	392,463,080	133,692,010	65.9%	126,219,194	105.9%
01/01/93	151,546,609	291,472,940	139,926,331	52.0%	107,482,975	130.2%

The Town's share of the UAAL, as of January 1, 2010, is approximately 5.49%.

See notes to required supplementary information.

**Norfolk County Contributory Retirement System  
Schedule of Employer Contributions**

Plan Year Ended December 31	System Wide			Town of Westwood	
	Annual Required Contributions	(A) Actual Contributions	Percentage Contributed	(B) Actual Contributions	(B/A) Town's Percentage of System Wide Actual Contributions
2009	\$ 38,920,499	\$ 38,920,499	100%	\$ 2,135,190	5.49%
2008	33,104,903	33,104,903	100%	1,852,100	5.59%
2007	32,877,890	32,877,890	100%	1,810,830	5.51%
2006	31,755,708	31,755,708	100%	1,590,774	5.01%
2005	28,238,996	28,238,996	100%	1,349,590	4.78%

The Town's Actual Contributions equaled 100% of its Required Contributions for each year presented.

See notes to required supplementary information.

# ***Other Postemployment Benefits 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**

**Schedule of Funding Progress**

Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Accrued Liability (AAL) Projected Unit Credit (B)	Unfunded AAL (UAAL) (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	UAAL as a Percentage of Covered Payroll ((B-A)/C)
6/30/2009	\$ -	\$ 49,334,499	\$ 49,334,499	0%	\$ 39,100,816	126.2%
7/1/2006	-	53,091,156	53,091,156	0%	29,437,171	180.4%

**Schedule of Employer Contributions**

Fiscal Year Ended	Annual Required Contribution	Actual Contributions Made	Percentage Contributed
2010	\$ 4,260,901	\$ 1,078,212	25%
2009	5,973,531	1,302,000	22%

See notes to required supplementary information.



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

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Actuarial Methods:

Valuation date.....	June 30, 2009
Actuarial cost method.....	Projected credit unit
Amortization method.....	30 year level percent of pay assuming a 4.5% annual increase, closed.
Remaining amortization period.....	28 years as of June 30, 2010

Actuarial Assumptions:

Investment rate of return.....	3.5%, pay-as-you-go scenario
Medical/drug cost trend rate.....	8.5%, graded to 5% over 7 years.

Plan Membership:

Current retirees, beneficiaries, and dependents.....	317
Current active members.....	<u>623</u>
Total.....	<u><u>940</u></u>

See notes to required supplementary information.

**NOTE A – BUDGETARY BASIS OF ACCOUNTING**

1. Budgetary Information

Municipal Law requires the Town to adopt a balanced budget that is approved by Town Meeting. The Finance Committee presents an annual budget to Town Meeting, which includes estimates of revenues and other financing sources and recommendations of expenditures and other financing uses. The Town Meeting, 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 Special Town Meeting approval via a special article.

The majority of the Town’s appropriations are non-continuing which lapse at the end of each fiscal year. Others are continuing appropriations for which the governing body has authorized that an unspent balance from a prior fiscal year be carried forward and made available for spending in the current fiscal year. These carry forwards are included as part of the subsequent fiscal 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 Town is statutorily required to pay debt service, regardless of whether such amounts are appropriated. Additionally, expenditures for disasters, natural or otherwise, and final judgments may exceed the level of spending authorized by two-thirds majority vote of Town Meeting.

The Town adopts an annual budget for the General Fund in conformity with the guidelines described above. The original fiscal year 2010 approved budget for the General Fund authorized \$66,417,758 in appropriations and other amounts to be raised and \$2,133,756 in encumbrances and appropriations carried over from previous fiscal years. During fiscal year 2010, the Town increased the original budget by \$649,000, which was primarily due to the supplementary appropriations to fund the police department budget (\$120,000), the department of public works snow and ice budget (\$100,000) and the capital outlay budget (\$480,000.)

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

2. Budgetary - GAAP Reconciliation

For budgetary financial reporting purposes, the Uniform Municipal Accounting System basis of accounting (established by the Commonwealth of Massachusetts (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 fiscal year ended June 30, 2010, is presented below:

Net change in fund balance - budgetary basis.....	\$	92,081
<u>Basis of accounting differences:</u>		
Net change in recording 60-day receipts accrual.....		(86,600)
Net change in recording tax refunds payable.....		153,895
Net change in expenditure accruals.....		(346,682)
Recognition of revenue for on-behalf payments.....		5,172,918
Recognition of expenditures for on-behalf payments.....		<u>(5,172,918)</u>
Net change in fund balance - GAAP basis.....	\$	<u>(187,306)</u>

**3. Appropriation Deficits**

During fiscal year 2010, none of the Town's General Fund expenditures exceeded budgeted appropriations.

**NOTE B – PENSION PLAN**

The Town contributes to the Norfolk County Contributory Retirement System ("Retirement System"), a cost-sharing, multiple-employer defined benefit pension plan ("Plan") administered by the Norfolk County Retirement Board. The Retirement System provides retirement, disability, and death benefits to members and beneficiaries. Chapter 32 of the MGL assigns authority to establish and amend benefit provisions of the Plan. Plan members are required to contribute to the Retirement System at rates ranging from 5% to 11% of annual covered compensation. The Town is required to pay into the Retirement System its share of the system-wide actuarially determined contribution which is apportioned among the employers based on active covered payroll.

The schedule of funding progress, presented as required supplementary information, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. Additionally, the schedule of employer contributions, presented as required supplementary information, presents multiyear trend information for required and actual contributions relating to the cost-sharing plan as a whole, of which the Town is one participating employer, as well as the Town's proportionate share of the plan's annual contributions. This information is designed to be helpful for understanding the scale of the information presented relative to the Town.

The following actuarial methods and assumptions were used in the Retirement System's most recent actuarial valuation:

- Valuation Date..... January 1, 2008
- Actuarial Cost Method..... Entry Age Normal Cost Method
- Amortization Method..... Increasing at 4.5% per year, level dollar for ERI liability for certain units
- Remaining Amortization Period..... 20 years remaining as of January 1, 2008
- Asset Valuation Method..... The actuarial value of assets is determined by projecting the actuarial value of assets as of the beginning of the prior plan year with the assumed rate of return during that year (8.5%) and accounting for deposits and disbursements with interest at the assumed rate of return. An adjustment is then applied to recognize the difference between the actual investment return and expected return over a five year period. This preliminary actuarial value is not allowed to differ from the market value of assets by more than 20%.

Actuarial Assumptions:

- Investment rate of return..... 8.50%
- Projected salary increases..... 4.00%
- Cost of living adjustments..... 3.00% of the lesser of the pension amount and \$12,000 per year

Plan Membership:

Retired participants and beneficiaries receiving benefits.....	2,495
Inactive participants.....	2,043
Disabled.....	299
Active participants.....	<u>5,832</u>
Total.....	<u><u>10,669</u></u>

**NOTE C – OTHER POSTEMPLOYMENT BENEFITS**

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

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 the normal cost of providing benefits for the year and a component for the amortization of the total unfunded actuarial accrued liability of the plan.

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

Projections of benefits for financial reporting purposes are based on the substantive plan and 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 Actuarial Methods and Assumptions presents factors that significantly affect the identification of trends in the amounts reported.

# *Other Supplementary Information*

# *Combining and Individual Fund Statements and Schedules*

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

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

# *Nonmajor Governmental Funds*

## ***Special Revenue Funds***

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than permanent funds or major capital project funds) that are restricted by law or administrative action to expenditures for specific purposes. The Town's special revenue funds are grouped into the following categories:

- ***School Lunch Fund*** – accounts for the operations of the public school lunch program.
- ***Ambulance Fund*** – accounts for the fees collected for ambulance services which can legally only be appropriated for costs to provide the service, such as Emergency Medical Technician firefighter stipend and ambulance supplies.
- ***Departmental Grants/Other Revolving Funds*** – accounts for various grants and legally restricted revenues for special programs administered by Town departments.
- ***Educational Grants/Other Revolving Funds*** – accounts for all educational programs specially financed by grants and other restricted revenues.
- ***Expendable Governmental Trusts*** – accounts for contributions where both principal and investment earnings may be spent to support the government.
- ***Highway Improvement Fund*** – accounts for funds received from the State Highway Department which are used for construction, reconstruction and improvements of roadways.

## ***Capital Projects Funds***

Capital Projects Funds are used to account for financial resources to be used for the acquisition, construction or improvement of major capital assets (other than those financed by enterprise funds). Such resources are derived principally from proceeds of general obligation bonds and grants. The Town's grouping for non-major capital project funds is as described as follows:

- ***Roadway Improvements*** – accounts for construction, reconstruction and improvements of roadways, streets and sidewalks. Funding is provided primarily by bond proceeds, various grants and legally restricted revenues for special programs administered by Town departments.
- ***School Building Renovations*** – accounts for renovation, improvements and capital equipment associated with public school buildings.
- ***Facilities Renovations*** – accounts for renovation, improvements and capital equipment associated with town buildings and facilities.

### ***Permanent Funds***

Permanent Funds are used to account for financial resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government's programs.

- ***Cemetery Fund*** – accounts for contributions associated with cemetery care and maintenance.
- ***Other Nonexpendable Trust Funds*** – accounts for various contributions associated with the public library, schools and veterans services.



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**NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET**

JUNE 30, 2010

	Special Revenue Funds							Sub-total
	School Lunch	Ambulance	Departmental Grants/ Other Revolving	Educational Grants/ Other Revolving	Expendable Governmental Trusts	Highway Improvement		
<b>ASSETS</b>								
Cash and cash equivalents.....	\$ 55,545	\$ 673,268	\$ 1,642,386	\$ 3,030,067	\$ 104,281	\$ 134,129	\$ 5,639,676	
Investments.....	-	-	-	-	-	-	-	
Receivables, net of uncollectibles:								
Departmental and other.....	-	112,309	2,600	-	-	-	114,909	
Intergovernmental.....	-	-	-	-	-	662,605	662,605	
<b>TOTAL ASSETS.....</b>	<b>\$ 55,545</b>	<b>\$ 785,577</b>	<b>\$ 1,644,986</b>	<b>\$ 3,030,067</b>	<b>\$ 104,281</b>	<b>\$ 796,734</b>	<b>\$ 6,417,190</b>	
<b>LIABILITIES AND FUND BALANCES</b>								
<b>LIABILITIES:</b>								
Warrants payable.....	\$ 11,617	\$ -	\$ 9,519	\$ 75,445	\$ -	\$ -	\$ 96,581	
Accrued payroll.....	506	-	54	29,900	-	-	30,460	
Deferred revenues.....	-	112,309	2,600	-	-	662,605	777,514	
<b>TOTAL LIABILITIES.....</b>	<b>12,123</b>	<b>112,309</b>	<b>12,173</b>	<b>105,345</b>	<b>-</b>	<b>662,605</b>	<b>904,555</b>	
<b>FUND BALANCES:</b>								
Reserved for:								
Perpetual permanent funds.....	-	-	-	-	-	-	-	
Unreserved:								
Undesignated, reported in:								
Special revenue funds.....	43,422	673,268	1,632,813	2,924,722	104,281	134,129	5,512,635	
Capital projects funds.....	-	-	-	-	-	-	-	
Permanent funds.....	-	-	-	-	-	-	-	
<b>TOTAL FUND BALANCES.....</b>	<b>43,422</b>	<b>673,268</b>	<b>1,632,813</b>	<b>2,924,722</b>	<b>104,281</b>	<b>134,129</b>	<b>5,512,635</b>	
<b>TOTAL LIABILITIES AND FUND BALANCES...</b>	<b>\$ 55,545</b>	<b>\$ 785,577</b>	<b>\$ 1,644,986</b>	<b>\$ 3,030,067</b>	<b>\$ 104,281</b>	<b>\$ 796,734</b>	<b>\$ 6,417,190</b>	

(Continued)

Capital Projects Funds				Permanent Funds			Total Nonmajor Governmental Funds
Roadway Improvements	School Building Renovations	Facilities Renovations	Sub-total	Cemetery	Other Nonexpendable Trust Funds	Sub-total	
\$ 477,814	\$ 584,883	\$ 293,520	\$ 1,356,217	\$ 337,422	\$ 180,045	\$ 517,467	\$ 7,513,360
-	-	-	-	-	9,402	9,402	9,402
-	-	-	-	1,400	-	1,400	116,309
-	-	-	-	-	-	-	662,605
<u>\$ 477,814</u>	<u>\$ 584,883</u>	<u>\$ 293,520</u>	<u>\$ 1,356,217</u>	<u>\$ 338,822</u>	<u>\$ 189,447</u>	<u>\$ 528,269</u>	<u>\$ 8,301,676</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 96,581
-	-	-	-	-	-	-	30,460
-	-	-	-	1,400	-	1,400	778,914
-	-	-	-	1,400	-	1,400	905,955
-	-	-	-	325,949	-	325,949	325,949
-	-	-	-	-	-	-	5,512,635
477,814	584,883	293,520	1,356,217	-	-	-	1,356,217
-	-	-	-	11,473	189,447	200,920	200,920
<u>477,814</u>	<u>584,883</u>	<u>293,520</u>	<u>1,356,217</u>	<u>337,422</u>	<u>189,447</u>	<u>526,869</u>	<u>7,395,721</u>
<u>\$ 477,814</u>	<u>\$ 584,883</u>	<u>\$ 293,520</u>	<u>\$ 1,356,217</u>	<u>\$ 338,822</u>	<u>\$ 189,447</u>	<u>\$ 528,269</u>	<u>\$ 8,301,676</u>

(Concluded)

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

FISCAL YEAR ENDED JUNE 30, 2010

	<b>Special Revenue Funds</b>						
	School Lunch	Ambulance	Departmental Grants/ Other Revolving	Educational Grants/ Other Revolving	Expendable Governmental Trusts	Highway Improvement	Sub-total
<b>REVENUES:</b>							
Charges for services.....	\$ 924,465	\$ 622,331	\$ 764,570	\$ 2,359,697	\$ -	\$ -	\$ 4,671,063
Intergovernmental.....	91,514	-	137,666	2,419,448	-	708,984	3,357,612
Departmental and other.....	-	-	266,719	-	-	-	266,719
Contributions.....	-	-	169,413	113,573	-	-	282,986
Investment income.....	-	-	-	-	2,374	-	2,374
<b>TOTAL REVENUES.....</b>	<b>1,015,979</b>	<b>622,331</b>	<b>1,338,368</b>	<b>4,892,718</b>	<b>2,374</b>	<b>708,984</b>	<b>8,580,754</b>
<b>EXPENDITURES:</b>							
Current:							
General government.....	-	-	182,526	-	-	-	182,526
Public safety.....	-	-	154,721	-	-	-	154,721
Education.....	993,920	-	-	4,605,647	-	-	5,599,567
Public works.....	-	-	35,790	-	-	673,458	709,248
Human services.....	-	-	87,948	-	-	-	87,948
Culture and recreation.....	-	-	726,937	-	-	-	726,937
<b>TOTAL EXPENDITURES.....</b>	<b>993,920</b>	<b>-</b>	<b>1,187,922</b>	<b>4,605,647</b>	<b>-</b>	<b>673,458</b>	<b>7,460,947</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>22,059</b>	<b>622,331</b>	<b>150,446</b>	<b>287,071</b>	<b>2,374</b>	<b>35,526</b>	<b>1,119,807</b>
<b>OTHER FINANCING SOURCES (USES):</b>							
Transfers in.....	-	-	-	-	-	-	-
Transfers out.....	-	(971,500)	(198,631)	-	-	-	(1,170,131)
<b>TOTAL OTHER FINANCING SOURCES (USES)...</b>	<b>-</b>	<b>(971,500)</b>	<b>(198,631)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,170,131)</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>22,059</b>	<b>(349,169)</b>	<b>(48,185)</b>	<b>287,071</b>	<b>2,374</b>	<b>35,526</b>	<b>(50,324)</b>
<b>FUND BALANCES AT BEGINNING OF YEAR.....</b>	<b>21,363</b>	<b>1,022,437</b>	<b>1,680,998</b>	<b>2,637,651</b>	<b>101,907</b>	<b>98,603</b>	<b>5,562,959</b>
<b>FUND BALANCES AT END OF YEAR.....</b>	<b>\$ 43,422</b>	<b>\$ 673,268</b>	<b>\$ 1,632,813</b>	<b>\$ 2,924,722</b>	<b>\$ 104,281</b>	<b>\$ 134,129</b>	<b>\$ 5,512,635</b>

(Continued)

Capital Projects Funds				Permanent Funds			Total Nonmajor Governmental Funds
Roadway Improvements	School Building Renovations	Facilities Renovations	Sub-total	Cemetery	Other Nonexpendable Trust Funds	Sub-total	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,671,063
-	-	-	-	-	-	-	3,357,612
-	-	-	-	-	-	-	266,719
-	-	-	-	10,175	-	10,175	293,161
-	-	-	-	1,298	1,654	2,952	5,326
-	-	-	-	11,473	1,654	13,127	8,593,881
-	-	85,815	85,815	-	-	-	268,341
-	-	-	-	-	-	-	154,721
-	3,100,639	-	3,100,639	-	-	-	8,700,206
14,075	-	106,534	120,609	-	-	-	829,857
-	-	-	-	-	-	-	87,948
-	-	283	283	-	1,076	1,076	728,296
14,075	3,100,639	192,632	3,307,346	-	1,076	1,076	10,769,369
(14,075)	(3,100,639)	(192,632)	(3,307,346)	11,473	578	12,051	(2,175,488)
127,500	-	-	127,500	-	-	-	127,500
-	-	-	-	(10,000)	-	(10,000)	(1,180,131)
127,500	-	-	127,500	(10,000)	-	(10,000)	(1,052,631)
113,425	(3,100,639)	(192,632)	(3,179,846)	1,473	578	2,051	(3,228,119)
364,389	3,685,522	486,152	4,536,063	335,949	188,869	524,818	10,623,840
\$ 477,814	\$ 584,883	\$ 293,520	\$ 1,356,217	\$ 337,422	\$ 189,447	\$ 526,869	\$ 7,395,721

(Concluded)

# *Agency Fund*

The Agency Fund is used to account for assets held in a purely custodial capacity. The Town's agency fund consists primarily of student activities and planning deposits.

**AGENCY FUND**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

	<u>July 1, 2009</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2010</u>
<b>ASSETS</b>				
Cash and cash equivalents.....	\$ 298,116	\$ 860,343	\$ (831,993)	\$ 326,466
Receivables, net of allowance for uncollectibles:				
Departmental and other.....	<u>103,874</u>	<u>368,836</u>	<u>(396,048)</u>	<u>76,662</u>
<b>TOTAL ASSETS.....</b>	<b><u>\$ 401,990</u></b>	<b><u>\$ 1,229,179</u></b>	<b><u>\$ (1,228,041)</u></b>	<b><u>\$ 403,128</u></b>
<b>LIABILITIES</b>				
Warrants payable.....	\$ 2,905	\$ 1,984	\$ (2,905)	\$ 1,984
Liabilities due depositors - Student Activities.....	216,028	436,875	(426,034)	226,869
Liabilities due depositors - Planning Deposits.....	<u>183,057</u>	<u>790,321</u>	<u>(799,103)</u>	<u>174,275</u>
<b>TOTAL LIABILITIES.....</b>	<b><u>\$ 401,990</u></b>	<b><u>\$ 1,229,180</u></b>	<b><u>\$ (1,228,042)</u></b>	<b><u>\$ 403,128</u></b>

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# *Statistical Section*

*Ten Year History of the Following  
Major Categories:*

*Expenditures*

*Revenues*

*Property Tax Collections*

*Debt*

*Town Demographic  
And Economic Information*

*General Information*



Veterans' Day 2009 marked a special occasion as Westwood dedicated its new Veterans' Memorial Park. Approximately 600 people including residents and local politicians attended the ceremony. A Westwood resident who is a landscape architect donated his services and time to design a monument and site plan that included walkways, benches and a new flagpole.

Memorial bricks were sold to individuals and families who sought to recognize a veteran. The response to this effort was remarkable with over 460 engraved bricks sold in honor of our veterans. In addition to those with names on a brick, every one of Westwood's veterans is memorialized in the park.



# *Statistical Section*

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

## **Financial Trends**

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

## **Revenue Capacity**

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

## **Debt Capacity**

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

## **Demographic and Economic Information**

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

## **Operating Information**

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

*SOURCES: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The Town implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.*

**Net Assets By Component**

**Last Eight Fiscal Years**

	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
<b>Governmental activities:</b>								
Invested in capital assets, net of related debt.....	\$ 79,937,570	\$ 92,686,112	\$ 95,230,650	\$ 98,408,025	\$ 98,291,275	\$ 98,219,632	\$ 97,986,113	\$ 97,375,492
Restricted.....	1,982,394	2,396,038	2,040,497	1,964,324	2,460,440	2,422,271	2,591,376	2,172,033
Unrestricted.....	6,972,221	8,079,192	6,906,276	7,056,149	6,676,163	8,255,277	4,689,882	2,354,269
<b>Total governmental activities net assets.....</b>	<b>\$ 88,892,185</b>	<b>\$ 103,161,342</b>	<b>\$ 104,177,423</b>	<b>\$ 107,428,498</b>	<b>\$ 107,427,878</b>	<b>\$ 108,897,180</b>	<b>\$ 105,267,371</b>	<b>\$ 101,901,794</b>
<b>Business-type activities:</b>								
Invested in capital assets, net of related debt.....	11,777,013	12,576,170	13,031,429	13,291,362	13,471,826	13,521,282	13,678,560	13,318,644
Unrestricted.....	4,048,154	3,674,751	3,125,801	3,151,996	3,067,928	3,813,896	3,620,615	3,871,320
<b>Total business-type activities net assets.....</b>	<b>\$ 15,825,167</b>	<b>\$ 16,250,921</b>	<b>\$ 16,157,230</b>	<b>\$ 16,443,358</b>	<b>\$ 16,539,754</b>	<b>\$ 17,335,178</b>	<b>\$ 17,299,175</b>	<b>\$ 17,189,964</b>
<b>Primary government:</b>								
Invested in capital assets, net of related debt.....	91,714,583	105,262,282	108,262,079	111,699,387	111,763,101	111,740,914	111,664,673	110,694,136
Restricted.....	1,982,394	2,396,038	2,040,497	1,964,324	2,460,440	2,422,271	2,591,376	2,172,033
Unrestricted.....	11,020,375	11,753,943	10,032,077	10,208,145	9,744,091	12,069,173	8,310,497	6,225,589
<b>Total primary government net assets.....</b>	<b>\$ 104,717,352</b>	<b>\$ 119,412,263</b>	<b>\$ 120,334,653</b>	<b>\$ 123,871,856</b>	<b>\$ 123,967,632</b>	<b>\$ 126,232,358</b>	<b>\$ 122,566,546</b>	<b>\$ 119,091,758</b>

Changes in Net Assets

Last Eight Fiscal Years

	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
<b>Expenses</b>								
Governmental activities:								
General government.....	\$ 3,462,155	\$ 3,635,830	\$ 3,637,013	\$ 4,050,919	\$ 6,876,348	\$ 8,392,072	\$ 7,984,596	\$ 4,745,598
Public safety.....	5,979,119	6,932,516	6,788,670	6,681,974	7,571,002	7,851,039	8,778,769	8,490,129
Education.....	33,748,282	33,726,237	37,194,249	40,436,635	41,522,952	45,462,795	52,088,397	52,200,467
Public works.....	6,047,156	6,497,815	7,106,772	6,870,792	6,025,150	7,193,036	7,037,271	7,425,668
Human services.....	657,325	686,770	769,618	676,238	844,529	833,985	942,357	1,052,991
Culture and recreation.....	1,470,450	1,660,585	1,714,349	1,476,621	1,880,631	2,376,794	2,468,819	2,378,042
Interest.....	1,300,036	2,887,074	2,280,112	2,115,474	1,966,558	1,983,060	1,692,305	1,750,493
Total government activities expenses.....	<u>52,664,523</u>	<u>56,026,827</u>	<u>59,490,783</u>	<u>62,308,653</u>	<u>66,687,170</u>	<u>74,092,781</u>	<u>80,992,514</u>	<u>78,043,388</u>
Business-type activities:								
Sewer.....	3,531,101	3,346,728	3,670,564	3,472,503	3,944,791	3,734,283	3,761,813	3,670,498
Total primary government expenses.....	<u>\$ 56,195,624</u>	<u>\$ 59,373,555</u>	<u>\$ 63,161,347</u>	<u>\$ 65,781,156</u>	<u>\$ 70,631,961</u>	<u>\$ 77,827,064</u>	<u>\$ 84,754,327</u>	<u>\$ 81,713,886</u>
<b>Program Revenues</b>								
Governmental activities:								
Education charges for services.....	\$ 938,178	\$ 1,362,860	\$ 1,570,591	\$ 2,266,074	\$ 2,281,378	\$ 2,448,952	\$ 2,187,026	\$ 2,360,978
Public Safety charges for services.....	719,892	824,255	1,117,709	978,855	1,032,522	1,208,295	1,282,996	1,064,513
Other charges for services.....	738,635	745,324	897,929	1,674,457	4,098,574	5,601,007	4,866,297	1,810,492
Operating grants and contributions.....	9,583,746	10,228,691	10,538,810	11,286,009	11,341,858	13,597,090	15,435,834	14,179,816
Capital grant and contributions.....	8,850,868	10,228,896	206,689	3,890,753	255,834	405,154	404,240	416,865
Total government activities program revenues.....	<u>20,831,319</u>	<u>23,390,026</u>	<u>14,331,728</u>	<u>20,096,148</u>	<u>19,010,166</u>	<u>23,260,498</u>	<u>24,176,393</u>	<u>19,832,664</u>
Business-type activities:								
Charges for services.....	3,673,919	3,657,703	3,402,779	3,682,473	3,788,725	4,276,856	3,623,588	3,756,083
Operating grants and contributions.....	130,477	114,779	174,094	76,158	72,022	200,163	54,547	-
Capital grant and contributions.....	-	-	-	-	-	52,688	47,675	96,182
Total business-type activities program revenues.....	<u>3,804,396</u>	<u>3,772,482</u>	<u>3,576,873</u>	<u>3,758,631</u>	<u>3,860,747</u>	<u>4,529,707</u>	<u>3,725,810</u>	<u>3,852,265</u>
Total primary government program revenues.....	<u>\$ 24,635,715</u>	<u>\$ 27,162,508</u>	<u>\$ 17,908,601</u>	<u>\$ 23,854,779</u>	<u>\$ 22,870,913</u>	<u>\$ 27,790,205</u>	<u>\$ 27,902,203</u>	<u>\$ 23,684,929</u>
<b>Net (Expense)/Program Revenue</b>								
Governmental activities.....	\$ (29,874,293)	\$ (30,677,590)	\$ (43,199,844)	\$ (40,253,294)	\$ (47,677,004)	\$ (50,832,283)	\$ (56,816,121)	\$ (58,210,724)
Business-type activities.....	273,295	425,754	(93,691)	286,128	96,396	795,424	(36,003)	181,767
Total primary government net (expense)/program revenue.....	<u>\$ (29,600,998)</u>	<u>\$ (30,251,836)</u>	<u>\$ (43,293,535)</u>	<u>\$ (39,967,166)</u>	<u>\$ (47,580,608)</u>	<u>\$ (50,036,859)</u>	<u>\$ (56,852,124)</u>	<u>\$ (58,028,957)</u>
<b>General Revenues and other Changes in Net Assets</b>								
Governmental activities:								
Real estate and personal property taxes, net of tax refunds payable.....	\$ 37,137,655	\$ 42,923,460	\$ 42,580,416	\$ 41,634,700	\$ 43,748,150	\$ 48,295,949	\$ 49,761,536	\$ 51,462,011
Motor vehicle excise taxes.....	2,417,791	2,167,086	2,401,439	2,226,361	2,138,434	2,245,316	2,164,294	2,152,241
Penalties and interest on taxes.....	965,211	109,524	80,853	55,045	67,239	96,970	96,949	105,602
Grants and contributions not restricted to specific programs.....	724,330	700,468	703,263	789,487	945,762	962,617	882,855	723,159
Unrestricted investment income.....	731,824	494,065	402,355	688,030	707,268	615,900	280,678	111,156
Miscellaneous.....	473,967	511,355	6,810	69,957	69,531	84,833	-	-
Total primary government general revenues and other changes in net assets.....	<u>\$ 42,450,778</u>	<u>\$ 46,905,958</u>	<u>\$ 46,175,136</u>	<u>\$ 45,463,580</u>	<u>\$ 47,676,384</u>	<u>\$ 52,301,585</u>	<u>\$ 53,186,312</u>	<u>\$ 54,554,169</u>
<b>Changes in Net Assets</b>								
Governmental activities.....	\$ 12,788,485	\$ 16,228,368	\$ 2,975,292	\$ 5,210,286	\$ (620)	\$ 1,469,302	\$ (3,629,809)	\$ (3,656,555)
Business-type activities.....	61,295	425,754	(93,691)	286,128	96,396	795,424	(36,003)	181,767
Total primary government changes in net assets.....	<u>\$ 12,849,780</u>	<u>\$ 16,654,122</u>	<u>\$ 2,881,601</u>	<u>\$ 5,496,414</u>	<u>\$ 95,776</u>	<u>\$ 2,264,726</u>	<u>\$ (3,665,812)</u>	<u>\$ (3,474,788)</u>

**Fund Balances, Governmental Funds**

**Last Ten Fiscal Years**

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>General Fund</b>										
Reserved..... \$	1,276,601	1,103,884	972,309	1,363,820	919,078	545,225	795,859	1,041,648	1,450,831	1,855,781
Unreserved.....	2,958,707	2,416,165	2,464,039	3,576,642	2,845,975	3,111,460	2,383,588	3,148,155	2,939,926	2,347,670
<b>Total general fund..... \$</b>	<b>4,235,308</b>	<b>3,520,049</b>	<b>3,436,348</b>	<b>4,940,462</b>	<b>3,765,053</b>	<b>3,656,685</b>	<b>3,179,447</b>	<b>4,189,803</b>	<b>4,390,757</b>	<b>4,203,451</b>
<b>All Other Governmental Funds</b>										
Reserved..... \$	-	-	282,479	260,154	264,878	276,663	292,110	300,298	314,274	325,949
Unreserved, reported in:										
Special revenue funds.....	2,757,204	3,600,812	5,007,313	5,275,639	5,113,969	5,513,725	5,402,561	6,408,669	6,945,755	6,867,072
Capital projects funds.....	(11,688,102)	(2,119,012)	21,943,519	6,064,002	(687,108)	736,508	(686,881)	1,661,627	4,536,063	1,356,217
Permanent funds.....	-	-	188,960	219,535	96,550	104,165	205,104	214,874	210,544	200,920
<b>Total all other governmental funds... \$</b>	<b>(8,930,898)</b>	<b>1,481,800</b>	<b>27,422,271</b>	<b>11,819,330</b>	<b>4,788,289</b>	<b>6,631,061</b>	<b>5,212,894</b>	<b>8,585,468</b>	<b>12,006,636</b>	<b>8,750,158</b>

Fiscal years 2001 through 2002 exclude Expendable and Nonexpendable Trust Funds which were reported under the pre-GASB 34 format.

**Changes in Fund Balances, Governmental Funds**

**Last Ten Fiscal Years**

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>Revenues:</b>										
Real estate and personal property taxes, net of tax refunds.....	\$ 30,989,110	\$ 33,058,505	\$ 37,231,915	\$ 42,985,534	\$ 42,597,265	\$ 41,656,689	\$ 43,390,323	\$ 48,329,364	\$ 49,655,987	\$ 50,545,249
Motor vehicle and excise taxes.....	2,034,010	2,130,210	2,268,563	2,273,692	2,309,888	2,298,852	2,135,754	2,213,371	2,242,922	2,131,252
Charges for Service.....	4,709,200	5,347,532	2,136,492	2,651,950	3,117,619	3,935,558	4,126,579	4,391,067	4,366,363	4,671,063
Westwood station guaranteed tax payment.....	-	-	-	-	-	-	-	-	1,750,000	615,000
Westwood station building permits.....	-	-	-	-	-	-	-	-	811,079	-
Penalties and interest on taxes.....	105,016	80,919	95,211	109,524	80,853	55,045	67,239	96,970	96,949	105,602
Fees and rentals.....	323,616	157,769	194,161	193,562	139,377	159,315	310,687	279,096	251,898	233,430
Licenses and permits.....	302,049	402,773	389,218	390,896	488,924	563,180	438,345	479,822	378,525	403,405
Fines and forfeitures.....	18,505	20,968	22,131	20,103	19,535	20,233	20,030	16,825	16,982	17,521
Intergovernmental.....	6,063,531	10,384,817	9,538,368	9,278,949	11,003,129	18,939,179	14,204,828	15,026,293	15,663,177	15,877,013
Departmental and other.....	666,298	448,278	824,161	315,548	510,053	423,943	989,160	1,130,706	962,412	522,101
Departmental and other - Westwood Station.....	-	-	-	-	-	695,000	2,214,230	3,853,037	2,508,971	424,882
Special assessments.....	350,074	302,343	2,635	2,279	2,196	227	219	94	91	-
Contributions.....	339,225	101,472	254,579	292,751	198,012	278,475	209,027	1,232,407	257,657	293,161
Investment income.....	1,136,865	603,882	764,835	526,102	462,815	737,541	875,775	788,518	318,376	121,794
<b>Total Revenue.....</b>	<b>47,037,499</b>	<b>53,039,468</b>	<b>53,722,269</b>	<b>59,040,890</b>	<b>60,929,666</b>	<b>69,763,237</b>	<b>68,982,196</b>	<b>77,837,570</b>	<b>79,281,389</b>	<b>75,961,473</b>
<b>Expenditures:</b>										
General government.....	2,023,982	2,714,855	2,409,292	2,375,437	2,325,420	2,198,819	2,733,190	2,650,320	3,496,046	2,670,152
General government - Westwood Station.....	-	-	-	-	-	573,703	2,758,642	4,438,354	2,328,458	458,553
Public safety.....	4,419,718	5,156,328	5,048,020	5,553,718	5,319,769	5,532,508	5,864,064	6,028,392	6,152,929	5,920,912
Education.....	23,362,862	26,054,543	26,417,335	27,272,432	29,837,234	31,290,271	32,129,154	34,626,723	36,684,935	37,717,356
Public works.....	4,163,417	4,673,091	3,624,461	3,826,652	4,371,327	4,160,299	3,259,828	4,365,544	3,672,775	4,178,898
Human services.....	458,134	494,694	583,656	553,891	591,063	542,579	679,913	677,563	685,177	788,912
Culture and recreation.....	1,136,346	1,352,756	1,320,645	1,387,503	1,426,902	1,226,874	1,607,006	2,097,742	2,079,125	1,969,701
Pension benefits.....	-	4,527,122	4,623,294	4,914,630	5,532,520	6,087,190	6,521,911	6,705,488	7,294,027	7,557,081
Property and liability insurance.....	-	194,098	241,297	273,966	298,824	324,298	335,255	371,053	317,418	278,318
Employee benefits.....	3,186,542	2,465,611	2,872,277	3,073,485	3,318,828	3,962,780	4,349,031	4,788,339	5,323,520	5,453,428
State and MWRA assessments.....	2,230,095	2,154,608	538,506	513,867	496,131	496,993	508,634	514,316	521,780	536,238
Capital outlay.....	12,651,562	7,058,760	18,893,055	19,309,906	8,895,320	5,327,301	4,163,245	3,920,736	3,574,654	6,075,252
Capital outlay - Westwood Station.....	-	-	-	-	-	-	-	-	792,600	18,400
Debt service.....	-	-	-	-	-	-	-	-	-	-
Principal.....	3,439,008	2,140,102	2,360,000	4,028,000	4,415,000	4,165,000	4,165,000	4,165,000	4,515,000	4,295,000
Interest.....	-	1,052,316	834,458	3,258,430	2,307,778	2,140,218	1,988,350	1,959,070	1,810,846	1,778,034
<b>Total Expenditures.....</b>	<b>57,071,666</b>	<b>60,038,884</b>	<b>69,766,296</b>	<b>76,341,917</b>	<b>69,136,116</b>	<b>68,028,833</b>	<b>71,063,223</b>	<b>77,308,640</b>	<b>79,249,290</b>	<b>79,696,235</b>
Excess of revenues over (under) expenditures.....	(10,034,167)	(6,999,416)	(16,044,027)	(17,301,027)	(8,206,450)	1,734,404	(2,081,027)	528,930	32,099	(3,734,762)
<b>Other Financing Sources (Uses)</b>										
Issuance of debt.....	-	16,600,000	39,841,000	2,262,000	-	-	-	3,830,000	3,500,000	-
Premium from issuance of bonds.....	-	-	-	511,354	-	-	-	-	90,023	-
Capital lease financing.....	-	-	869,865	428,846	-	-	185,622	24,000	-	-
Transfers in.....	1,613,135	1,200,917	1,202,728	1,197,433	1,523,180	543,198	433,671	535,221	676,859	1,598,609
Transfers out.....	(1,028,433)	(1,104,062)	(990,728)	(1,197,433)	(1,523,180)	(543,198)	(433,671)	(535,221)	(676,859)	(1,307,631)
<b>Total other financing sources (uses).....</b>	<b>584,702</b>	<b>16,696,855</b>	<b>40,922,865</b>	<b>3,202,200</b>	<b>-</b>	<b>-</b>	<b>185,622</b>	<b>3,854,000</b>	<b>3,590,023</b>	<b>290,978</b>
<b>Net change in fund balance.....</b>	<b>\$ (9,449,465)</b>	<b>\$ 9,697,439</b>	<b>\$ 24,878,838</b>	<b>\$ (14,098,827)</b>	<b>\$ (8,206,450)</b>	<b>\$ 1,734,404</b>	<b>\$ (1,895,405)</b>	<b>\$ 4,382,930</b>	<b>\$ 3,622,122</b>	<b>\$ (3,443,784)</b>
Debt service as a percentage of noncapital expenditures....	7.74%	6.15%	6.38%	13.55%	11.60%	10.41%	9.48%	8.57%	8.56%	8.45%

**Notes:**

Fiscal years 2001 through 2002 exclude Expendable and Nonexpendable Trust Funds which were reported under the pre-GASB 34 format.

In fiscal year 2002, the on-behalf payments by the Commonwealth for teachers pension benefits were reported for the first time.

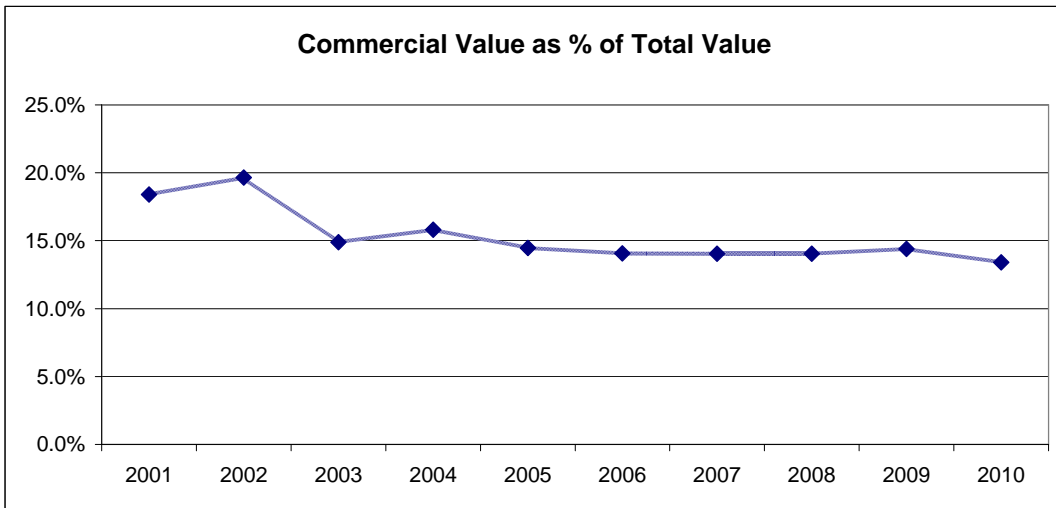
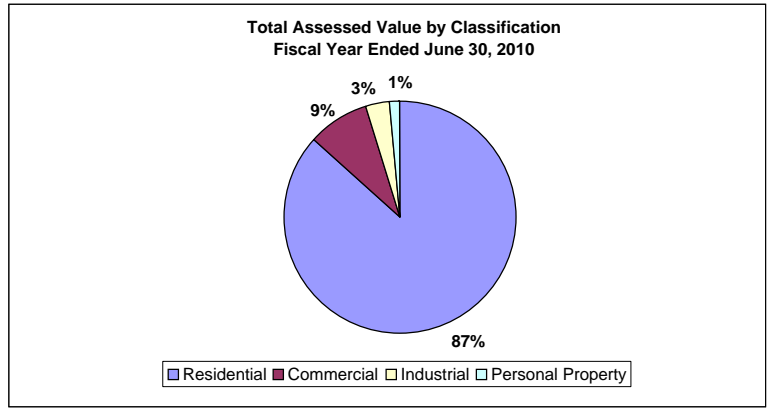
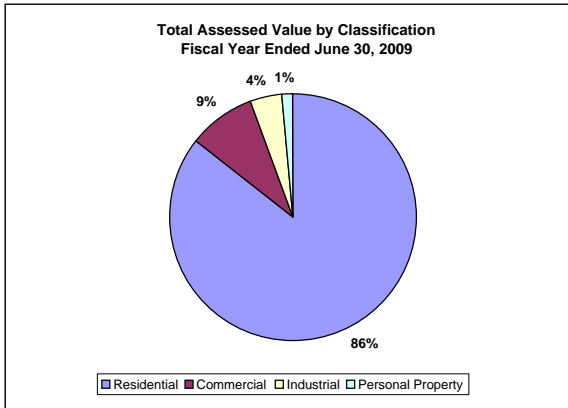
In fiscal year 2003, sewer charges for services were reclassified to the Sewer Enterprise Fund which was established in accordance with GASB 34.

Debt service interest and principal expenditures in 2001 are combined.

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

Last Ten Fiscal Years

Fiscal Year	Assessed and Actual Values and Tax Rates								
	Residential Value	Residential Tax Rate	Commercial Value	Industrial Value	Personal Property	Total Commercial Value	Commercial Tax Rate	Commercial % of Total Value	Total Town Value
2001	\$1,709,699,250	\$13.37	\$162,673,650	\$191,446,000	\$31,531,378	\$385,651,028	\$21.99	18.4%	\$2,095,350,278
2002	\$1,731,760,550	\$13.87	\$205,967,250	\$185,038,900	\$32,480,313	\$423,486,463	\$21.52	19.6%	\$2,155,247,013
2003	(1) \$2,471,698,300	\$11.45	\$217,111,450	\$186,762,200	\$28,226,499	\$432,100,149	\$20.80	14.9%	\$2,903,798,449
2004	\$2,485,356,400	\$12.96	\$220,942,100	\$190,054,500	\$55,705,658	\$466,702,258	\$23.36	15.8%	\$2,952,058,658
2005	\$2,777,182,391	\$11.97	\$257,451,131	\$175,306,750	\$36,935,683	\$469,693,564	\$20.97	14.5%	\$3,246,875,955
2006	(1) \$3,135,347,507	\$10.37	\$270,425,345	\$192,667,650	\$50,618,745	\$513,711,740	\$18.85	14.1%	\$3,649,059,247
2007	\$3,147,514,446	\$10.73	\$271,807,104	\$190,849,800	\$51,962,800	\$514,619,704	\$19.81	14.1%	\$3,662,134,150
2008	\$3,175,772,814	\$11.74	\$272,818,535	\$193,747,600	\$51,955,500	\$518,521,635	\$21.67	14.0%	\$3,694,294,449
2009	(1) \$3,197,768,457	\$12.01	\$325,730,795	\$164,387,500	\$47,764,400	\$537,882,695	\$22.25	14.4%	\$3,735,651,152
2010	\$3,088,616,907	\$12.87	\$313,502,764	\$116,181,450	\$48,381,800	\$478,066,014	\$25.51	13.4%	\$3,566,682,921



(1) Revaluation year.

Source: Assessor's Department, Town of Westwood

All property in the Commonwealth of Massachusetts is assessed at 100% of fair cash value.

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

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

Name	Nature of Business	2010			2001*		
		Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value	Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value
CFRI/Doherty	Office Building/Warehouse	\$ 106,773,200	1	4.9%	-	-	-
Nstar	Power Company	\$ 51,282,100	2	2.4%	-	-	-
Medical Information Tech Inc.	Office Building/Medical Information	\$ 50,359,350	3	2.3%	\$ 55,405,000	2	3.9%
Foxhill	Residential Community	\$ 80,984,600	4	2.1%	\$ 71,792,430	1	3.2%
GR-Highland/Westwood Glen LP	Residential Community	\$ 43,255,300	5	1.1%	-	-	-
CRP Holdings	Office Building/Research & Development	\$ 17,741,250	6	0.8%	-	-	-
346 University LLC	Office Building	\$ 10,146,950	7	0.5%	-	-	-
Westwood Nominee Trust	Office Building	\$ 9,449,500	8	0.4%	-	-	-
AMR Real Estate Holdings LLC	Office Building	\$ 9,334,850	9	0.4%	-	-	-
Uniave One Ltd. Partnership	Office Building/Research & Development	\$ 7,633,750	10	0.4%	-	-	-
Perry and Walker	Office Building/Financial Services	-	-	-	\$ 43,441,000	3	3.1%
Beacon Properties, LP	Office Building/Financial & Professional	-	-	-	\$ 24,430,000	4	1.7%
Worldwide Real Estate GMC	Office Building	-	-	-	\$ 12,310,000	5	0.9%
Glacier Limited Partnership	Office Building	-	-	-	\$ 10,000,000	6	0.7%
Uniave One Ltd. Partnership	Office Building/Research & Development	-	-	-	\$ 9,881,000	7	0.7%
Mortimer B. Zuckerman	Office Building/Warehouse	-	-	-	\$ 8,712,000	8	0.6%
Wells Ave Sr. Holdings LLC	Office Building/Research & Development	-	-	-	\$ 8,589,000	9	0.6%
Osborne Corp., Trustees	Office Building	-	-	-	\$ 7,564,000	10	0.5%
<b>Totals</b>		<b>\$386,960,850</b>		<b>15.3%</b>	<b>\$252,124,430</b>		<b>16.0%</b>

Source: Town of Westwood, Assessor Department  
\*Information is from fiscal 2002

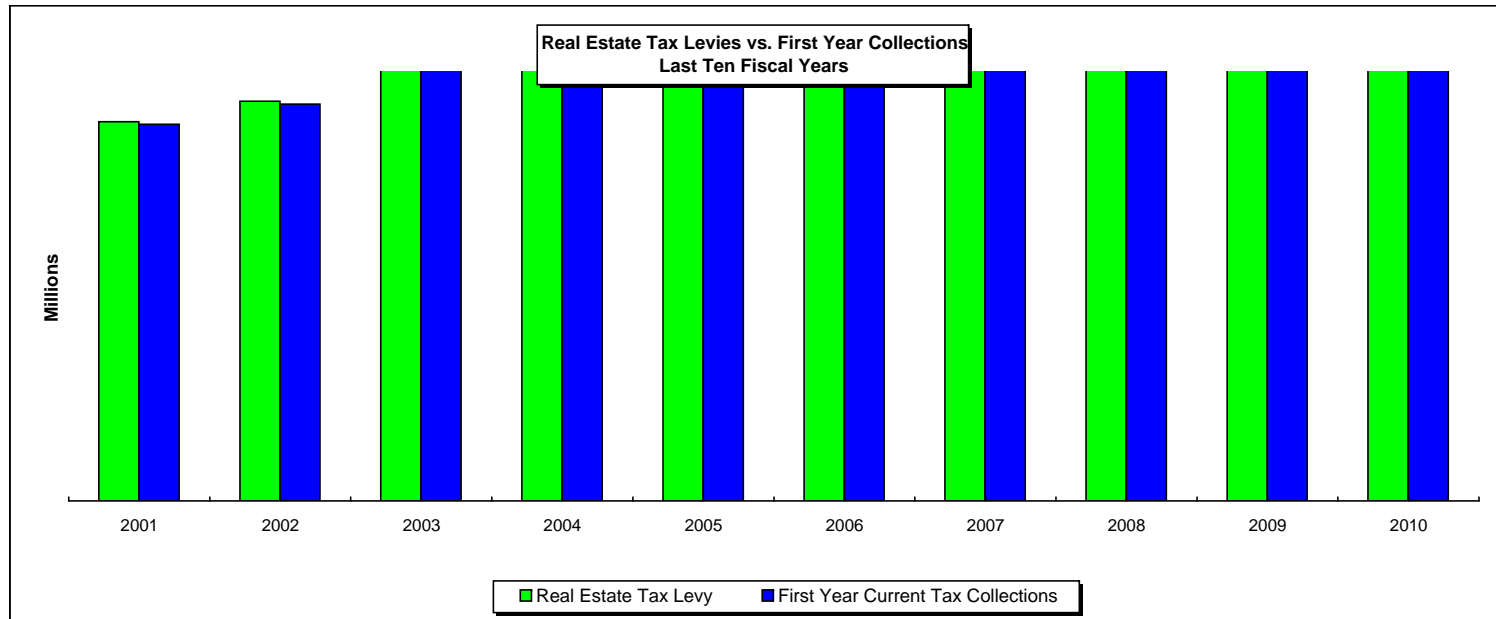


Town of Westwood, Massachusetts

Property Tax Levies and Collections

Last Ten Fiscal Years

Fiscal Year	(2) Total Tax Levy	Less Abatements & Exemptions	(2) Net Tax Levy	First Year Current Tax Collections	Percent of Net Levy Collected	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections to Net Tax Levy
2001	\$31,336,191	\$198,411	\$31,137,780	\$30,935,846	99.35%	\$182,650	\$31,118,496	99.94%
2002	\$33,126,601	\$309,793	\$32,816,808	\$32,592,848	99.32%	\$200,000	\$32,792,848	99.93%
2003 (1)	\$37,288,629	\$128,647	\$37,159,982	\$37,036,617	99.67%	\$96,832	\$37,133,449	99.93%
2004	\$43,112,384	\$304,176	\$42,808,208	\$42,644,456	99.62%	\$73,971	\$42,718,427	99.79%
2005	\$43,092,347	\$398,683	\$42,693,664	\$42,455,987	99.44%	\$13,692	\$42,469,679	99.48%
2006 (1)	\$42,197,020	\$492,206	\$41,704,814	\$41,549,899	99.63%	\$207,375	\$41,757,274	100.13%
2007	\$43,967,446	\$535,530	\$43,431,916	\$43,236,824	99.55%	\$353,812	\$43,590,636	100.37%
2008	\$48,519,937	\$1,084,368	\$47,435,569	\$46,745,693	98.55%	\$320,455	\$47,066,148	99.22%
2009 (1)	\$50,373,089	\$688,159	\$49,684,930	\$48,566,011	97.75%	\$192,656	\$48,758,667	98.14%
2010	\$51,832,246	\$523,010	\$51,309,236	\$49,220,471	95.93%	\$0	\$49,220,471	95.93%



(1) Revaluation year.

(2) Includes tax liens.

(3) Source: Town of Westwood Collectors Department and Town Records

Town of Westwood, Massachusetts

Ratios of Outstanding Debt and General Bonded Debt

Last Ten Fiscal Years

Fiscal Year	Population Estimates	Personal Income	Assessed Value	Governmental Activities Debt				
				General Obligation Bonds	Capital Leases	Per Capita	Percentage of Personal Income	Percentage of Assessed Value
2001	14,745	\$ 499,047,153	\$ 2,095,350,278	\$ 5,145,000	\$ -	\$ 349	1.03%	0.25%
2002	14,807	\$ 527,521,635	\$ 2,155,247,013	\$ 18,955,000	\$ -	\$ 1,280	3.59%	0.88%
2003	14,885	\$ 588,211,056	\$ 2,903,798,449	\$ 16,595,000	\$ -	\$ 1,115	2.82%	0.57%
2004	15,165	\$ 598,643,683	\$ 2,952,058,658	\$ 54,670,000	\$ 869,865	\$ 3,662	9.28%	1.88%
2005	15,229	\$ 632,810,637	\$ 3,246,875,955	\$ 50,255,000	\$ 605,479	\$ 3,340	8.04%	1.57%
2006	15,418	\$ 700,529,904	\$ 3,649,059,247	\$ 46,090,000	\$ 245,668	\$ 3,005	6.61%	1.27%
2007	15,485	\$ 714,127,717	\$ 3,662,134,150	\$ 41,925,000	\$ 185,622	\$ 2,719	5.90%	1.15%
2008	15,648	\$ 732,469,524	\$ 3,694,294,449	\$ 41,590,000	\$ 146,004	\$ 2,667	5.70%	1.13%
2009	15,680	\$ 744,976,928	\$ 3,735,651,152	\$ 40,575,000	\$ 74,737	\$ 2,592	5.46%	1.09%
2010	15,715	\$ 757,839,420	\$ 3,566,682,921	\$ 36,280,000	\$ -	\$ 2,309	4.79%	1.02%

Fiscal Year	Business-type Activities (1)		Total Primary Government			
	General Obligation Bonds	Capital Leases	Total Debt Outstanding	Per Capita	Percentage of Personal Income	Percentage of Assessed Value
2001	\$ 6,114,568	\$ -	\$ 11,259,568	\$ 764	2.26%	0.54%
2002	\$ 6,786,885	\$ -	\$ 25,741,885	\$ 1,738	4.88%	1.19%
2003	\$ 5,805,810	\$ -	\$ 22,400,810	\$ 1,505	3.81%	0.77%
2004	\$ 4,823,582	\$ -	\$ 60,363,447	\$ 3,980	10.08%	2.04%
2005	\$ 3,854,664	\$ -	\$ 54,715,143	\$ 3,593	8.65%	1.69%
2006	\$ 3,440,498	\$ -	\$ 49,776,166	\$ 3,228	7.11%	1.36%
2007	\$ 3,022,828	\$ -	\$ 45,133,450	\$ 2,915	6.32%	1.23%
2008	\$ 2,600,875	\$ -	\$ 44,336,879	\$ 2,833	6.05%	1.20%
2009	\$ 2,175,125	\$ -	\$ 42,824,862	\$ 2,731	5.75%	1.15%
2010	\$ 1,865,287	\$ -	\$ 38,145,287	\$ 2,427	5.03%	1.07%

(1) Sewer Fund  
Source: Audited Financial Statements, U. S. Census

**Town of Westwood, Massachusetts  
Direct and Overlapping Governmental Activities Debt**

**As of June 30, 2010**

<u>Town of Westwood, Massachusetts</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Norfolk County.....\$	900,000	3.10%	\$ 27,855
Blue Hills Regional Vocational School District.....	340,000	1.2%	<u>4,080</u>
Subtotal, overlapping debt.....			31,935
Town direct debt.....			<u>36,280,000</u>
Total direct and overlapping debt.....			<u>\$ 36,311,935</u>

Source: Town of Westwood, Finance Department

Town of Westwood, Massachusetts

Computation of Legal Debt Margin

Last Ten Fiscal Years

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Equalized Valuation.....	\$ 2,218,233,000	\$ 2,795,016,900	\$ 2,795,016,900	\$ 3,415,448,600	\$ 3,415,448,600	\$ 3,834,008,100	\$ 3,834,008,100	\$ 3,906,162,100	\$ 3,906,162,100	\$ 3,845,002,400
Debt Limit -5% of Equalized Valuation.....	\$ 110,911,650	\$ 139,750,845	\$ 139,750,845	\$ 170,772,430	\$ 170,772,430	\$ 191,700,405	\$ 191,700,405	\$ 195,308,105	\$ 195,308,105	\$ 192,250,120
Less:										
Outstanding debt applicable to limit.....	\$ 11,259,568	\$ 25,741,858	\$ 22,400,810	\$ 59,493,582	\$ 54,109,664	\$ 49,530,498	\$ 44,947,828	\$ 44,190,875	\$ 42,750,125	\$ 38,145,287
Authorized and unissued debt.....	\$ 56,702,000	\$ 47,986,340	\$ 9,183,640	\$ 5,833,340	\$ 7,023,340	\$ 3,445,000	\$ 3,865,000	\$ 4,535,000	\$ 1,150,000	\$ 9,450,000
Legal debt margin.....	<u>\$ 42,950,082</u>	<u>\$ 66,022,647</u>	<u>\$ 108,166,395</u>	<u>\$ 105,445,508</u>	<u>\$ 109,639,426</u>	<u>\$ 138,724,907</u>	<u>\$ 142,887,577</u>	<u>\$ 146,582,230</u>	<u>\$ 151,407,980</u>	<u>\$ 144,654,833</u>
Total debt applicable to the limit as a percentage of debt limit.....	61.28%	52.76%	22.60%	38.25%	35.80%	27.63%	25.46%	24.95%	22.48%	24.76%

Source: Town of Westwood, Finance Department

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

Fiscal Year	Population Estimates	Personal Income	Per Capita Personal Income (a)	Median Age	School Enrollment	Unemployment Rate
2001	14,745	\$ 621,889,470	\$ 42,176	41.0	2,556	2.7%
2002	14,805	\$ 633,786,348	\$ 42,809	41.0	2,698	3.4%
2003	14,885	\$ 646,769,229	\$ 43,451	41.0	2,761	3.6%
2004	15,165	\$ 668,819,563	\$ 44,103	41.0	2,830	2.1%
2005	15,229	\$ 681,716,777	\$ 44,764	41.0	2,867	3.3%
2006	15,418	\$ 700,529,904	\$ 45,436	41.0	2,915	2.7%
2007	15,485	\$ 714,127,717	\$ 46,117	41.0	3,023	3.0%
2008	15,648	\$ 732,469,524	\$ 46,809	41.0	3,008	2.7%
2009	15,680	\$ 744,976,928	\$ 47,511	41.0	3,012	5.7%
2010	15,715	\$ 757,839,420	\$ 48,224	41.0	3,184	0.0%

Source: U. S. Census, Division of Local Services  
 Median age is based on most recent census data  
 MA Department of Education  
 School and Town Clerk Departments, Town of Westwood  
 MA Office of Workforce Development

**Principal Employers (excluding Town)**

**Current Year and Nine Years Ago**

Employer	Nature of Business	2010			2002*		
		Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
Nstar	Power Company	1,115	1	17%	400	4	6%
State Street Bank	Financial Services	700	2	11%	800	2	12%
Meditech, Inc.	Medical Information	435	3	7%	1,326	1	20%
New York Life Insurance	Life Insurance	325	4	5%	-	-	-
Roche Brothers	Supermarkets	280	5	4%	390	6	6%
Turnbine, Inc.	Video Games	250	6	4%	-	-	-
ADE Corporation	Measurement Technology	200	7	3%	-	-	-
MIB	Medical Information	176	8	3%	200	10	3%
Northrop Grumman	Military Electronics	150	9	2%	-	-	-
Clair Motors	Car dealer	111	10	2%	-	-	-
RCN	Communications	-	-	-	500	3	-
LTX Corporation	Test Equipment for Computer Components	-	-	-	350	7	5%
Output Technologies	Printing Technology Product	-	-	-	300	8	4%
Cellular Wireless	Communications	-	-	-	400	5	6%
General Motors Corp	Auto Parts Distribution	-	-	-	200	9	3%
<b>Total</b>		<u>3,742</u>		<u>57%</u>	<u>4,866</u>		<u>65%</u>

Source: Massachusetts Workplace Development

\*Information from fiscal 2002

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

**Last Ten Fiscal Years**

Function	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General government.....	19	19	19	18	20	20	21	21	22	22
Public Safety.....	68	68	68	68	68	66	69	69	70	70
Education.....	345	367	391	379	396	431	488	493	513	512
Public works.....	28	29	29	28	28	28	28	29	29	29
Human services.....	6	6	6	6	6	6	6	6	6	6
Culture and recreation.....	8	9	9	9	9	9	9	9	10	10
<b>Total .....</b>	<b>474</b>	<b>498</b>	<b>522</b>	<b>508</b>	<b>527</b>	<b>560</b>	<b>621</b>	<b>627</b>	<b>650</b>	<b>649</b>

Source: Town Records

**Operating Indicators by Function/Program**

**Last Ten Fiscal Years**

Function/Program	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>General Government</b>										
Population.....	14,626	14,745	14,807	14,885	15,196	15,229	15,418	15,485	15,648	15,584
Registered Voters, Annual Town Election.....	9,247	9,212	9,000	9,032	8,999	9,323	9,353	9,584	10,040	10,182
<b>Town Clerk</b>										
Births.....	193	180	173	176	152	135	158	143	117	113
Marriages.....	61	56	46	49	41	53	44	36	42	36
Deaths.....	165	161	142	153	141	146	145	145	156	163
Dogs licensed.....	692	989	963	997	1,109	1,000	1,138	1,098	1,239	1,213
<b>Police</b>										
Documented calls for police services.....	16,579	13,909	15,088	15,408	15,858	15,300	15,993	16,234	12,819	14,464
Uniform crimes reported.....	139	164	177	210	262	214	238	263	237	254
Arrests.....	134	126	105	147	NA	126	155	153	90	76
Traffic citations issued.....	1,930	1,148	1,081	1,804	NA	1,666	2,042	2,583	1,816	2,191
Parking tickets issued.....	77	208	144	343	356	82	129	74	4	46
False burglary alarms.....	2,448	2,121	1,371	1,261	1,245	1,135	1,091	846	829	788
Total number of animal complaints.....	1,030	991	883	888	861	621	572	458	467	938
<b>Fire</b>										
Inspections.....	817	826	818	840	852	839	939	840	716	701
Plan reviews.....	132	118	112	111	125	96	105	106	75	69
Permits/certificates issued.....	621	507	371	563	547	408	418	242	362	330
Emergency responses.....	2,927	3,178	2,819	2,658	2,793	2,798	2,680	2,767	3,015	2,841
<b>Building Department</b>										
Permits issued.....	1,788	1,631	1,736	1,764	1,782	1,784	1,992	1,899	1,897	1,601
<b>Education</b>										
Public school enrollment.....	2,562	2,556	2,698	2,573	2,720	2,867	3,023	3,008	3,024	3,079
<b>Public Works</b>										
<b>Cemetery</b>										
Lots sold.....	61	46	43	26	47	60	36	51	32	54
interments.....	63	65	61	52	68	68	62	66	72	76
Recycling/tons.....	1,460	1,490	1,709	1,840	1,807	1,764	1,656	1,595	1,501	1,329
Hazardous Waste Day Participants.....	311	353	567	360	479	513	336	344	276	292
<b>Human Services</b>										
<b>Board of Health</b>										
Permits issued.....	358	362	353	348	359	343	354	375	324	317
Inspections.....	319	450	496	475	427	426	505	422	431	321
<b>Council on Aging</b>										
Home delivered meals served.....	17,890	15,759	16,987	15,040	14,625	15,898	19,603	19,576	19,878	19,988
Medical-van trips.....	4,321	1,980	3,186	2,832	2,945	2,347	4,182	7,561	6,088	8,422
<b>Libraries</b>										
Volumes in collection.....	99,071	97,566	104,078	112,017	119,325	109,304	111,646	120,148	115,214	111,114
Circulation.....	220,452	239,114	241,796	235,300	247,321	243,811	235,964	242,464	265,772	288,241
Program attendance.....	9,402	13,364	13,351	12,500	14,907	12,274	11,217	11,136	11,522	10,824
<b>Youth &amp; Family Services</b>										
Misc resident clinical consultation hours.....	910	900	1,397	1,268	1,320	1,500	683	822	726	677
<b>Recreation</b>										
Participants.....	7,032	6,982	6,711	7,105	6,832	6,950	7,967	7,327	7,877	8,327

NA Information not available  
 Note: 2010 information not available  
 Source: Various Town Departments



**Capital Asset Statistics by Function/Program**

**Last Ten Fiscal Years**

**Fiscal Year**

<b>Function/Program</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
General Government										
Number of Buildings.....	1	1	1	3	3	3	3	3	3	3
Police										
Number of Stations.....	1	1	1	1	1	1	1	1	1	1
Fire										
Number of Stations.....	2	2	2	2	2	2	2	2	2	2
Education										
Number of elementary schools.....	5	5	5	5	5	5	5	5	5	5
Number of middle schools.....	1	1	1	1	1	1	1	1	1	1
Number of high schools.....	1	1	1	1	1	1	1	1	1	1
Human Services										
Senior Center Facility.....	1	1	1	1	1	1	1	1	1	1
Culture and Recreation										
Libraries.....	2	2	2	2	2	2	2	2	2	2
Conservation land (acreage).....	760	N/A	N/A	N/A	N/A	N/A	700	700	700	700

Source: Various Town Departments

## How Does Westwood Compare with Other Communities?

In determining the list of communities with which to compare Westwood, three factors were considered: location, population, and per capita equalized valuation (EQV).

**Location** - Communities within a 30 mile radius of Westwood were considered.

**Population** - Towns with a population significantly smaller than Westwood probably do not have similar service demands; one larger in population will have increased service delivery demands.

Source: MA Department of Revenue

**Per Capita Equalized Valuation (EQV)** - This factor measures the relative "wealth" of a community by dividing property valuations by population. Per capita valuation is directly related to the amount of revenue that a community can raise via the property tax. It offers some comparison of a community's "ability to pay."

Municipality	Miles from Westwood	2004 Estimated U.S. Census	2004 EQV Per Capita	2000 Income Per Capita
Canton	8	21,505	\$164,732	\$33,510
Concord	24	16,919	\$285,814	\$51,477
Holliston	14	13,919	\$133,628	\$32,116
Medfield	6	12,397	\$169,463	\$42,891
Sharon	9	17,847	\$147,209	\$41,323
Sudbury	21	17,164	\$218,708	\$53,285
Wayland	17	13,063	\$231,391	\$52,717
Weston	15	11,595	\$401,644	\$79,640
<b>Westwood</b>		<b>14,020</b>	<b>243,613</b>	<b>41,553</b>

Fiscal Year 2010				
Municipality	Residential Tax Rate	Commercial Tax Rate	Tax Levy	Taxes As % of Total Revenue
Canton	10.83	21.77	\$53,681,760	66.73
Concord	13.09	13.09	\$65,797,569	82.89
Holliston	16.31	16.31	\$33,617,609	63.43
Medfield	14.24	14.24	\$32,636,573	64.94
Sharon	17.92	17.92	\$48,436,773	67.37
Sudbury	16.08	20.13	\$65,529,153	80.81
Wayland	17.78	17.78	\$53,708,371	78.05
Weston	11.01	11.01	\$58,075,330	73.48
<b>Westwood</b>	<b>13.07</b>	<b>23.98</b>	<b>\$51,832,246</b>	<b>75.76</b>

Municipality	Fiscal Year 2010			Fiscal Year 2009	December, 2009
	Average Single Family Tax Bill	State Hi-Lo Rank	Free Cash	Stabilization Fund	Moody's Bond Rating*
Canton	\$5,008	78	\$1,697,797	\$3,102,096	Aa2
Concord	\$10,939	7	\$8,471,337	\$3,117,230	Aaa
Holliston	\$6,434	43	\$206,643	\$857,734	A1
Medfield	\$8,236	22	\$1,556,547	\$2,903,271	Aa2
Sharon	\$7,682	27	\$1,183,164	\$341,330	Aa3
Sudbury	\$10,460	9	\$488,595	\$1,857,558	Aa1
Wayland	\$10,982	6	\$6,156,655	\$1,520,236	Aaa
Weston	\$15,542	1	\$2,948,558	\$0	Aaa
<b>Westwood</b>	<b>\$8,325</b>	<b>20</b>	<b>\$1,274,374</b>	<b>\$1,210,708</b>	<b>Aa1</b>

# Some Facts About Westwood

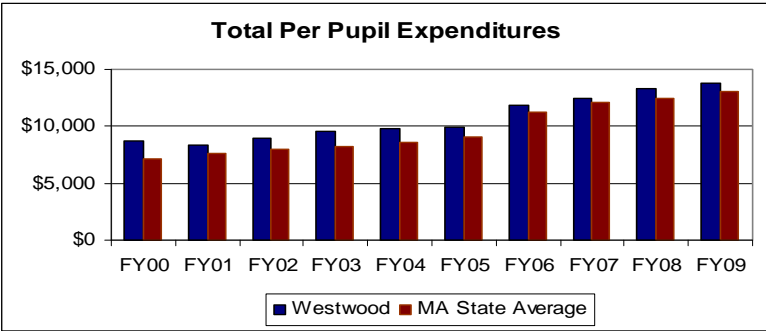
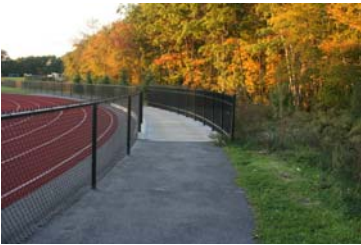
<b>Form of Government</b>	Board of Selectmen, Town Administrator, Open Town Meeting			
<b>Population Trends</b>	<b>1990</b>		<b>2000</b>	
	12,557		14,117	
<b>Registered Voters (2010)</b>	<b>Total</b>	<b>Democrats</b>	<b>Republicans</b>	<b>Unenrolled/Other</b>
	10,182	2,795	1,672	5,715

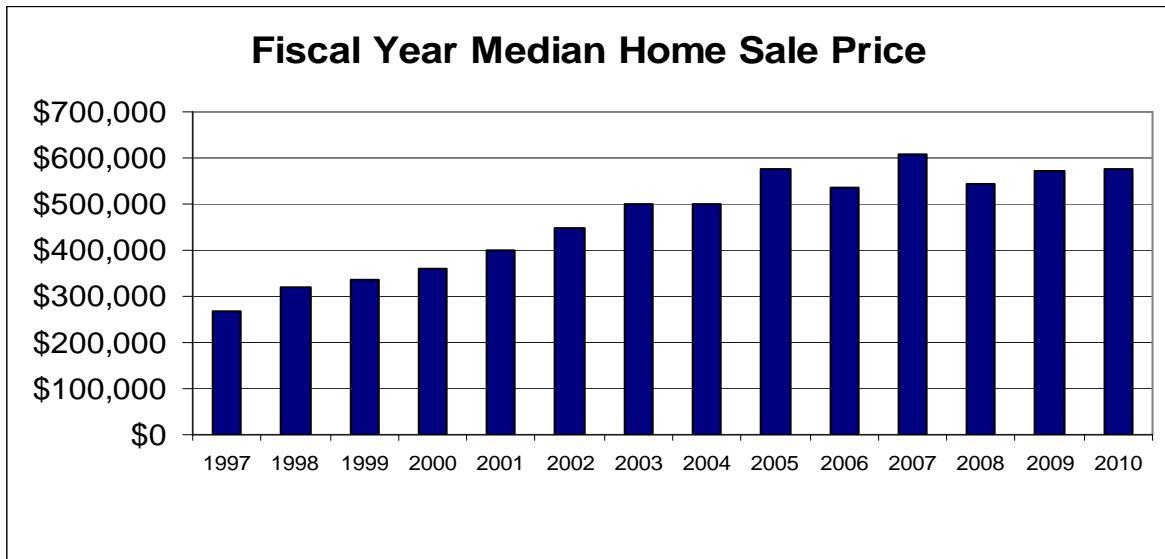
## Westwood Schools

At Town Meetings in 2000, 2002, and 2006, Westwood residents reaffirmed their commitment to education by approving a total of \$46.2 million for the construction of a new high school and recreational sports fields. In April, 2005 the new high school was opened for students. The new school features beautiful classroom facilities, a state of the art media center, and a new performing arts facility.

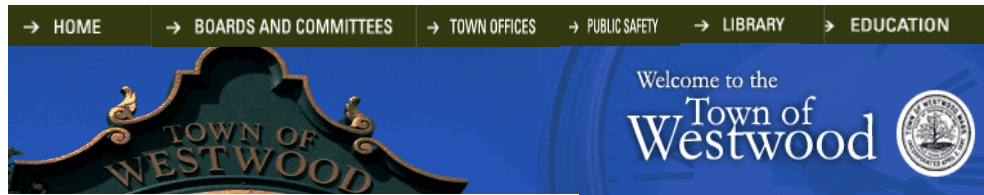


Westwood's New High School,  
Fitness Center, Track, Field



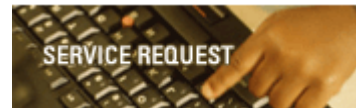


**Visit Westwood's Web Site!**  
<http://www.townhall.westwood.ma.us/>



Important Links...

- About Westwood
- Address & Phone Directory
- Community Resources Links
- Employment Opportunities
- Forms, Documents, Minutes
- How Do I?
- New Residents
- News and Announcements
- Photo Gallery
- Traffic Updates
- Upcoming Events



Questions/Comments?  
 Contact us online....

Sources: MA Department of Revenue  
 MA Department of Education  
 U. S. Census  
 Town Clerk – Town of Westwood  
 Board of Assessors – Town of Westwood