

TOWN OF DEDHAM

MASSACHUSETTS

ANNUAL COMPREHENSIVE FINANCIAL REPORT



For the Year Ended June 30, 2025

On the Cover: Town Green ribbon cutting ceremony, April 30, 2025.

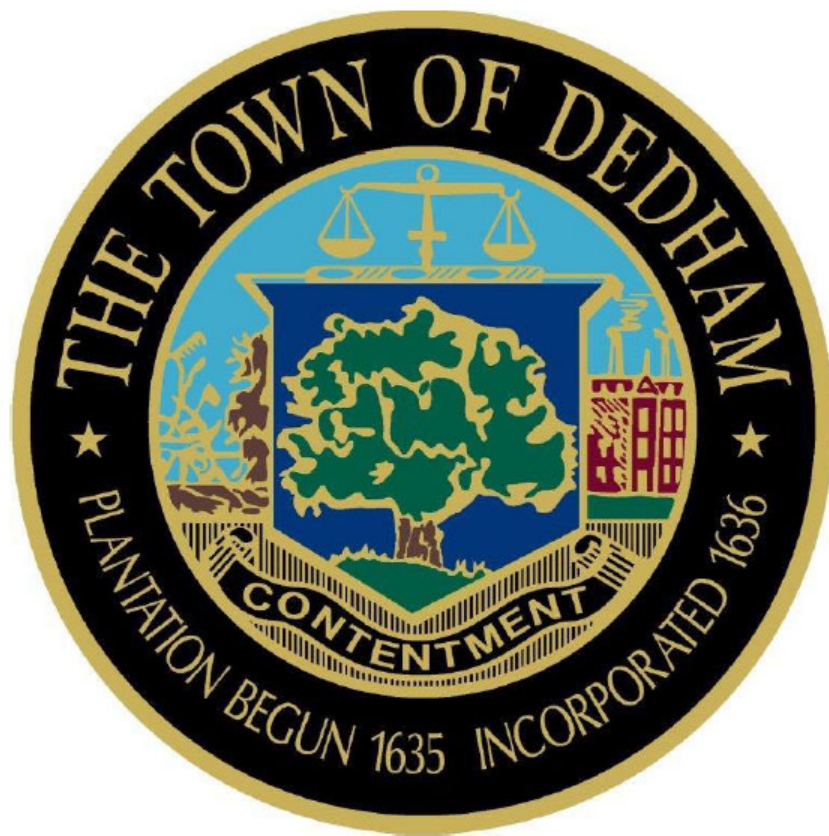


Photo above: Dedham Select Board members with Governor Healey and Lt. Governor Driscoll at Dedham High School, December 1, 2025.

TOWN OF DEDHAM, MASSACHUSETTS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Year Ended June 30, 2025



Prepared by:

The Finance Department of the Town of Dedham, Massachusetts

TOWN OF DEDHAM, MASSACHUSETTS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

JUNE 30, 2025

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TOWN OF DEDHAM, MASSACHUSETTS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

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Introductory Section



Photos above: Dedham 911 Ceremony, 2025.

Introductory Section

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TOWN OF
DEDHAM
MASSACHUSETTS

Leon I. Goodwin, III

Town Manager

☎ 781-751-9100

📍 450 Washington Street

🌐 www.dedham-ma.gov

Letter of Transmittal

January 29, 2026

To the Honorable Select Board and Citizens of the Town of Dedham, Massachusetts:

I am pleased to acknowledge that the Town of Dedham has completed its eleventh annual, *Annual Comprehensive Financial Report* (ACFR). The report is for the fiscal year ended June 30, 2025, and it has been prepared by the Town's Finance Department.

The Town is responsible for the accuracy, completeness and fairness of the data presented in the ACFR. This letter of transmittal and the management's discussion and analysis, located in the financial section of the ACFR, provide a comprehensive financial overview of the Town and ensure that the financial and general operations of Town government remain transparent, and therefore open for easy viewing.

The ACFR represents a complete set of financial statements in conformity with generally accepted accounting principles 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. This ACFR meets and exceeds those requirements and presents itself as an informative resource for all those interested in the financial activities of the Town.

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 rating agencies as well as the citizens and taxpayers of the Town of Dedham.

Since the report consists of management's representations concerning the finances of the Town, management assumes full responsibility for the completeness and reliability of all the information presented. In addition, 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 GAAP. Since the cost of internal controls should not outweigh their benefits, the Town of Dedham'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.

The Town of Dedham's financial statements have been audited by CBIZ, CPAs, a firm of licensed certified public accountants. The goal of the independent audit is to, on an annual basis, provide reasonable assurance that the financial statements of the Town are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by

management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Town's financial statements for the fiscal year ended June 30, 2025, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the Town 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's separately issued Single Audit Reports Pursuant to Uniform Guidance.

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

Profile of the Town

Dedham is located in, and serves as the county seat of, Norfolk County, Massachusetts. The Town has a total area of 10.6 square miles of which 10.4 square miles is land and 0.2 square miles is water. It borders Boston on the northeast, Needham on the northwest, Westwood on the southwest and Canton on the southeast. It is within close proximity to Routes 128, 1, 109 and Interstates 93 and 95. The population at the 2024 census was 25,485. Dedham's close proximity to Boston also places it within a reasonable distance from Logan International Airport, the largest transportation center in New England.

Commuter rail service is available to Boston's South Station via two stops on the Franklin Line (Endicott and Dedham Corporate Center) and one on the Providence Line (Route 128 Station). This service is provided by the Massachusetts Bay Transportation Authority (MBTA).

Dedham was first settled in 1635 by inhabitants of Roxbury and Watertown. It was incorporated in 1636 and named after a village in northern Essex, England named Dedham, the birthplace of some of the founding fathers. The first public meeting was held August 15, 1636, and was attended by 18 residents who signed the Town covenant. The covenant stipulated that if differences were to arise between townsmen, they would seek arbitration for resolution, and each would pay his fair share for the common good.

The Town offers a full range of traditional municipal services including police and fire protection, education, maintenance of streets, solid waste collection, health and human services, cultural and recreational services, and sewer services in conjunction with the Massachusetts Water Resources Authority (MWRA). Water is from ground sources and owned by the Dedham – Westwood Water District, which distributes water to both Towns, bills, and collects user charges independent of the Town.

Dedham prides itself on the quality of its school system. On January 1, 1643, the Town authorized the first tax-payer funded school in America. This was considered "the seed of American education" and is now the national standard. The Town, in collaboration with the Massachusetts School Building Authority (MSBA), recently completed construction of its Dr. Thomas J. Curran Early Childhood

Education Center (ECEC) in February 2019. This building houses students ages 3-6 in Prekindergarten and Kindergarten. The current school district enrollment is approximately 2,668 students, PreK through Grade 12, across seven schools. Funding is received via taxation and from governmental revenues, based on a minimum net school spending formula. Dedham Public Schools has long been considered a leader in Educational Technology as evidenced by its 1-to-1 student to device ratio in Grades 1 through 12 along with its network fiber ring encompassing all of its buildings recently installed district wide.

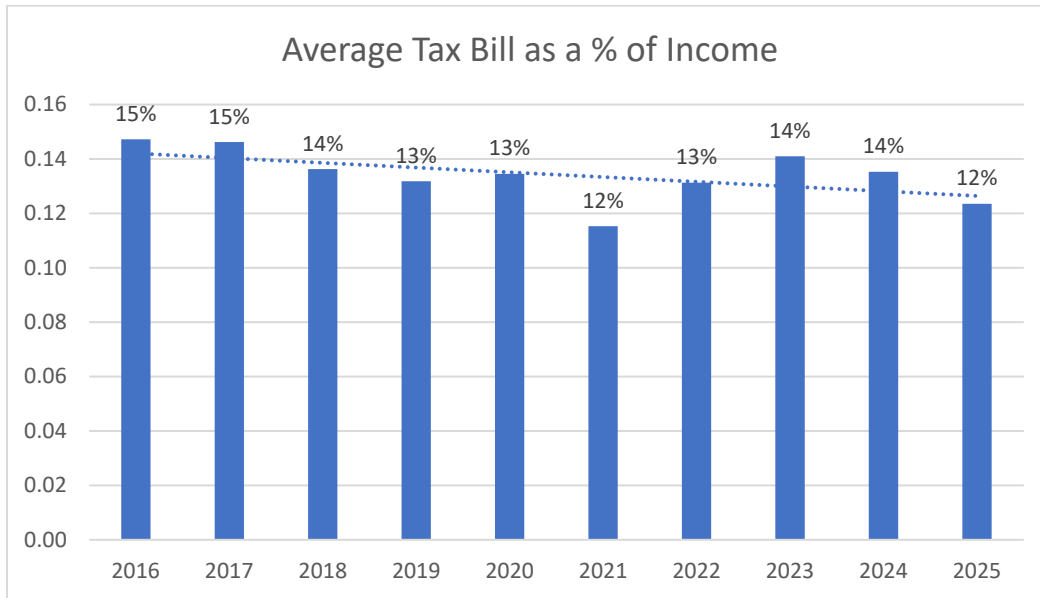
The Town operates under the Select Board, Town Manager and Representative Town Meeting form of government. The five elected Select Board members make policy decisions; the Town Manager is responsible for carrying out the policies of the Select Board and for managing the day-to-day operations of the Town. An elected, seven-member School Committee appoints a School Superintendent who administers the public school system of the Town. Select Board members and School Committee members are elected to three-year terms.

An annual operating budget is approved by the Town Meeting Representatives in May. Dedham's annual budget serves as the foundation for the Town's financial planning and control. The budget is prepared by fund, function (e.g. general government), department (e.g. finance) and category (e.g. Personnel Services, Purchase of Services, Supplies, Other Charges & Expenses) allowing the department heads to allocate resources within the department. Transfers between categories need approval from Town Meeting unless specifically exempted by the state statute.

Information Useful in Assessing the Town's Economic Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the Town operates. Dedham's proximity to Boston's business districts, presence of MBTA's commuter rail and bus service make Dedham a popular suburb for professionals commuting to the city. Dedham is primarily a residential community with continued commercial development, primarily along Providence Highway and State Route 1A. The socioeconomic diversification of the property owner of Dedham has led to a very strong local economy. Growth of average property values and income levels over the past decade are a key indicator of the economic stability. Other relevant socioeconomic data is located in the statistical section of this report.

Dedham Square remains a vibrant hub for small businesses while elsewhere the Town has become a regional retail destination with development ranging from big box retail, traditional malls to the latest iteration in retail development, the "lifestyle" center. Commercial activity remains diversified with Dedham's top 10 employers spread across different industry segments, including banking, health, manufacturing, and retail. Dedham has become a regional retail destination with development ranging from big box retail, traditional malls to the latest iteration in retail development, the lifestyle center. The past decade has been one of aggressive economic growth in Town. In early 2023, the Dedham Police Department moved from 600 High Street to a new Public Safety Building at 26 Bryant Street. After extensive study, the Town determined the best and highest use of this property is to create a signature Town Green, and Town Meeting voted to approve a \$2.55 million investment in the project, which was completed in 2025. Thousands of people live within walking distance of Dedham Square, including in over 200 apartment units that have been built in the past 20 years. The Town Green project will draw these residents to Dedham Center and all the businesses that are in the adjacent area.



*Source: Massachusetts Department of revenue; Division of Local Services

The average tax bill percentage of income is an important metric for the Town’s socio-economic makeup, as well as affordability of its tax burden. The stability of this indicator over time shows how Town residents’ incomes have risen in parallel with the Town budget.

Financial Condition

Town leaders recognize the importance of maintaining a stable tax situation for its residents. Development on the commercial side helps accomplish this goal and the Town continues to seek out the means to bolster economic development. Notably, through careful management since fiscal year 2014 the Town has not needed to tax its maximum tax levy permitted by state law. In 2025, the Town began a Deficit Reduction Plan to use the Long Range Financial Forecast to plan for sustainable budgets in fiscal year 2027 and beyond.

Over a ten-year span, Dedham has been able to appropriate a sizable investment for capital and, most notably, to substantially reduce its unfunded pension liability. Investment into the Town’s long term pension liability has returned a positive impact to the financial position as S&P noted that they “do not view pension and OPEB liabilities as a source of credit pressure for Dedham since the plans are well funded, and costs are low and manageable.” The Town is projected to fully fund its pension obligation in 2030 and will be able to re-allocate some of those savings to the OPEB liability.

Once again, S&P Global Ratings (S&P) assigned in March 2025 and September 2025 its highest ‘AAA/Stable’ credit rating to the Town’s latest general obligation bonds noting the Town’s “diverse economic base and solid financial performance, long with a well-embedded management framework” as some of the main factors.

Capital Improvements

The Town currently maintains two special purpose stabilization funds for capital. The Mitigation Stabilization fund was created by Town Meeting to set aside mitigation payments for later use for certain small to mid-sized projects. The Robin Reyes Major Capital Facilities Stabilization fund was created by Town Meeting to set aside local option meals and rooms excise tax for later use to pay the

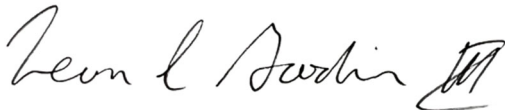
annual debt service for large building projects. In August 2017 the State legislature and Governor approved a special act that allows Dedham to post its local option tax receipts directly into the stabilization fund. Appropriations from the special fund for debt service payments will still require a 2/3rds vote at Town Meeting. In recent years, the Town has been able to use \$2.5 million annually from this fund to offset debt service.

Awards and Acknowledgements

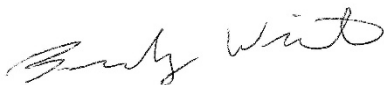
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement of Excellence in Financial Reporting to the Town of Dedham for its annual comprehensive financial report (ACFR) for the year ended June 30, 2024. This was the tenth year the Town had applied to receive this award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized ACFR. This 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 that our current ACFR will meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for this certificate. The publication of this ACFR represents an important achievement in the ability of the Town of Dedham to provide enhanced financial information and accountability to its citizens, elected and appointed officials, and investors. The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance Office.

Respectfully submitted,



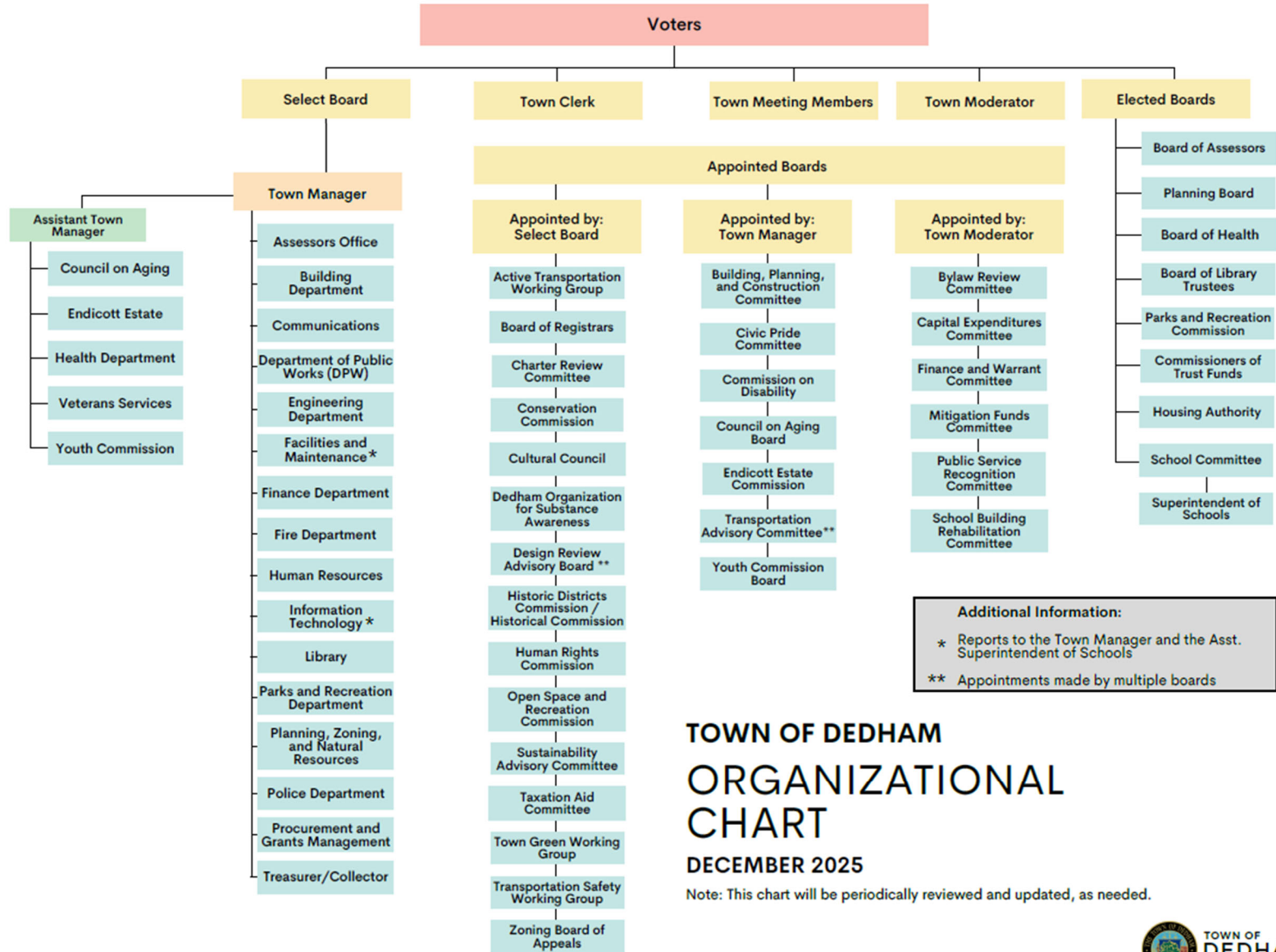
Leon I. Goodwin III
Town Manager



Brady Winsten
Director of Finance

Town of Dedham, Massachusetts

Organizational Chart



Additional Information:
 * Reports to the Town Manager and the Asst. Superintendent of Schools
 ** Appointments made by multiple boards

TOWN OF DEDHAM ORGANIZATIONAL CHART DECEMBER 2025

Note: This chart will be periodically reviewed and updated, as needed.



Town of Dedham, Massachusetts

Principal Town Officials

As of June 30, 2025

<u>Elected Officials</u>		<u>Term Expires</u>
Select Board	Erin Boles Walsh, Chair	2028
	Dimitria Sullivan, Vice Chair	2028
	Dr. Dennis J. Teehan, Jr.	2026
	James A. MacDonald	2027
	Michelle Persson Reilly	2026
Moderator	Daniel Driscoll	2026
Town Clerk	Paul M. Munchbach	2027
School Committee	Stephen Acosta, Chair	2026
	Laurie Twomey, Vice Chair	2026
	Joshua Langmead	2026
	Christopher Polito	2027
	Leah Flynn Gallant	2026
	Anthony Rodriguez	2028
Kaitlyn DeStefano	2028	
<u>Appointed Officials</u>		
Finance & Warrant Committee	Dave Roberts, Chair	2026
	Michael G. Leahy, Vice Chair	2025
	Michael Patriarca	2027
	Cindy Barich	2026
	Liz O'Donnell	2027
	Katherine Duceman	2028
	Sarah Smegal	2025
	Mike Emery	2027
Ed Dockham	2027	
<u>Other Officials</u>		
Town Manager	Leon I Goodwin III	
Director of Finance	Brady Winsten	
Superintendent of Schools	Nan Murphy	



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Town of Dedham
Massachusetts**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morill

Executive Director/CEO

Financial Section



Photo above: Richard Street paving.

Financial Section

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Independent Auditors' Report

To the Honorable Select Board
Town of Dedham, Massachusetts

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Dedham, Massachusetts (the "Town"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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, as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States ("*Government Auditing Standards*"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for twelve months beyond the financial statements date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The accompanying combining statements, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the Annual Comprehensive Financial Report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 29, 2026, on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.

CBIZ CPAs P.C.

Boston, MA
January 29, 2026

Management's Discussion and Analysis

Town of Dedham, Massachusetts

Management's Discussion and Analysis

June 30, 2025

As management of the Town of Dedham, Massachusetts (the Town), we offer readers of these financial statements this narrative overview and analysis of the financial activities of the Town for the year ended June 30, 2025.

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.

Overview of the Financial Statements

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

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances, in a manner similar to private-sector businesses.

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

The *statement of activities* presents information showing how the Town's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of 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 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, health and human services, culture and recreation, and interest. The business-type activities include the activities of the sewer and stormwater fund.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state

Town of Dedham, Massachusetts

Management's Discussion and Analysis

June 30, 2025

and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town 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 expendable resources, as well as on balances of expendable resources available at the end of the year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of 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 maintains three major governmental funds that are presented separately in the governmental fund financial statements. The remaining nonmajor funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

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

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

Enterprise funds are used to report the same functions as business-type activities in the government-wide financial statements. The Town uses an enterprise fund to account for its sewer and stormwater 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's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The fiduciary fund financial statements provide combined information for the pension and other postemployment benefits (OPEB) trust fund of the Town. The pension and other employee benefits trust is used to account for assets accumulated to provide funding for future pension and OPEB liabilities. The private purpose trust fund is used to account for resources held in trust which principal and investment income exclusively benefit individuals, private organizations, or other governments.

Town of Dedham, Massachusetts

Management's Discussion and Analysis

June 30, 2025

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.

Financial Overview

- The government-wide assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources at the close of the recent year by \$68.3 million and \$33.7 million (net position) for governmental activities and business-type activities, respectively.
- At the close of the current year, the Town's general fund reported an ending fund balance of \$27.2 million, a decrease of \$524,000 from the prior year. Total fund balance represents 18% of total general fund expenditures, which management considers adequate. Approximately \$21.8 million of this total amount is unassigned and available for appropriation at the Town's discretion.
- The Town's governmental debt decreased by \$5.4 million during the current year resulting from \$9.1 million of principal payments, new borrowings of \$4.0 million, and a net decrease in unamortized premiums of \$380,000. Current year debt issuances related to various capital improvements and infrastructure projects.
- The Town's business-type long-term debt increased by \$1.7 million during the current year due to principal payments of \$388,000, new borrowings of \$1.9 million, and an increase in unamortized premiums of \$134,000. Current year debt issuances were for sewer infrastructure improvements.

Government-wide Financial Analysis

Government-wide net position of \$131.7 million reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the investment in capital assets is reported net of 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's net position, \$12.4 million (12%), represents resources that are subject to external restrictions on how they may be used. The balance of unrestricted net position has a year-end deficit of \$42.1 million. The primary reason for this deficit balance is the recognition of the net other postemployment benefits liability of \$77.0 million.

Details related to the Town's governmental and business-type activities follow.

Governmental activities. The governmental activities net position increased by \$6.9 million during the current year to \$68.3 million, as compared to an increase of \$11.1 million during the prior year.

Town of Dedham, Massachusetts

Management's Discussion and Analysis

June 30, 2025

	2025	2024
Assets:		
Current assets.....	\$ 73,726,532	\$ 68,389,710
Capital assets, non depreciable.....	26,025,225	22,857,325
Capital assets, net of accumulated depreciation...	193,349,563	196,006,295
Total assets.....	293,101,320	287,253,330
Deferred outflow of resources.....	14,242,722	19,533,057
Liabilities:		
Current liabilities (excluding debt).....	17,014,868	10,529,250
Noncurrent liabilities (excluding debt).....	95,102,510	98,834,028
Current debt.....	9,314,923	9,675,344
Noncurrent debt.....	106,984,509	112,038,881
Total liabilities.....	228,416,810	231,077,503
Deferred inflow of resources.....	10,594,502	14,321,178
Net position:		
Net investment in capital assets.....	112,175,984	108,861,961
Restricted.....	12,447,824	10,720,422
Unrestricted.....	(56,291,078)	(58,194,677)
Total net position.....	\$ 68,332,730	\$ 61,387,706

Total revenues increased by approximately \$7.8 million when compared to prior year. The increase primarily related to a \$4.6 million increase in real estate and personal property taxes, which was in line with the tax rate setting, a \$1.2 million increase in charges for services, mainly due to an increase in building inspection fees, along with a \$1.4 million increase in capital grants and contributions, and a \$472,000 increase in investment income consistent with the market improvement over fiscal year 2024.

Overall, governmental activities expenses increased \$12.1 million from the prior year. Of the increase, \$3.7 million relates to the increase in the net OPEB liability, net of the related deferred outflow and deferred inflows of resources. Public safety experienced the largest increase, which related to an increase in salary expenditures, including overtime, as new union contract rates were in place for fiscal year 2025 for police and fire employees.

Town of Dedham, Massachusetts

Management's Discussion and Analysis

June 30, 2025

	2025	2024
Program Revenues:		
Charges for services.....	\$ 10,145,600	\$ 8,919,112
Operating grants and contributions.....	30,614,664	30,350,631
Capital grants and contributions.....	2,247,924	890,264
General Revenues:		
Real estate and personal property taxes, net of tax refunds payable.....	114,198,062	109,644,993
Tax and other liens.....	581,777	517,373
Motor vehicle and other excise taxes.....	4,486,391	4,225,634
Hotel/motel tax.....	1,272,501	1,519,187
Meals tax.....	1,464,188	1,513,528
Penalties and interest on taxes.....	359,649	470,885
Payments in lieu of taxes.....	36,470	35,580
Grants and contributions not restricted to specific programs.....	4,398,218	4,428,569
Unrestricted investment income.....	2,139,420	1,667,446
Miscellaneous.....	26,600	15,085
Total revenues.....	171,971,464	164,198,287
Expenses:		
General government.....	15,071,417	12,552,858
Public safety.....	28,420,259	23,291,915
Education.....	98,017,609	94,867,427
Public works.....	12,614,741	11,939,114
Health and human services.....	2,809,013	2,033,005
Culture and recreation.....	4,706,012	4,594,857
Interest.....	3,390,886	3,620,318
Total expenses.....	165,029,937	152,899,494
Excess before transfers.....	6,941,527	11,298,793
Transfers.....	3,497	(183,267)
Change in net position.....	6,945,024	11,115,526
Net position, beginning of year.....	61,387,706	50,272,180
Net position, end of year.....	\$ 68,332,730	\$ 61,387,706

Town of Dedham, Massachusetts

Management's Discussion and Analysis

June 30, 2025

Other financial notes related to governmental activities:

- Real estate and personal property taxes are by far the most significant revenue source for the Town's governmental activities. They comprised 66% of current resources. The taxes increased \$4.6 million from the prior year which is consistent with the budgetary increase for Town services. In Massachusetts, proposition 2 ½ allows municipalities to increase tax rates up to 2 ½ percent of the prior levy limit, adjusted for new construction and certain approved debt service.
- Charges for services represented 6% 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 Town are included in this category. These charges increased from the prior year due to an increase in building inspections.
- Operating grants and contributions accounted for 18% of the governmental activities' resources. Most of these resources apply to educational operations. These resources offset costs within the school department and supplement the portion of the general fund operating budget that is dedicated to the education function. The revenues were consistent with the prior year. The Town continued to spend grant funding to assist in the impact of the COVID-19 pandemic. These one-time grants were used for reopening of the schools, providing free meals for all students and various other Town purposes.
- Other taxes and other revenues comprised a total of 10% of the governmental activities' resources. This category primarily includes capital grants, motor vehicle and other excise taxes, hotel/motel tax, meals tax, non-restricted grants and contributions, and investment earnings. The Town saw a \$1.7 million overall increase in this category which primarily related to capital grants for road construction and investment income.
- Capital grants and contributions totaled \$2.2 million. Of this amount, \$1.9 million was from the state's chapter 90 highway program which is designed to help offset the Town's capital costs for infrastructure.
- Education is by far the largest governmental activity of the Town, with \$98.0 million of current year expenses. Approximately \$67.5 million in taxes and other revenue (general revenues) were needed to cover its 2025 operating expenses, net of related program revenues. A pension contribution of approximately \$8.3 million was made by the State on-behalf of Dedham teachers. Operating grants and educational expenses are grossed-up by recording this contribution.
- Public safety expenses of \$28.4 million, and general government expenses of \$15.1 million, are the second and third largest activities of the Town. Approximately \$23.2 million and \$12.2 million, respectively, of general revenues were needed to cover their 2025 operating expenses, net of related program revenues. Public safety saw an increase in expenses of \$5.1 million while general government saw an increase of \$2.5 million, both primarily related to the increase in the net OPEB liability and related deferred resources.

Town of Dedham, Massachusetts

Management’s Discussion and Analysis

June 30, 2025

Business-type activities. The business-type activities assets exceeded liabilities by \$33.7 million at the close of 2025. The net investment in capital assets was \$19.5 million (58%) and unrestricted net position was \$14.2 million (42%).

During fiscal year 2024, the stormwater utility fee was established to address the new requirements by the United States Environmental Protection Agency to reduce contamination of stormwater runoff to public water bodies

	2025	2024
Assets:		
Current assets.....	\$ 14,896,712	\$ 11,946,821
Noncurrent assets (excluding capital).....	242,809	242,809
Capital assets, net of accumulated depreciation..	26,890,458	25,722,119
Total assets.....	42,029,979	37,911,749
Liabilities:		
Current liabilities (excluding debt).....	97,153	15,324
Current debt.....	496,482	396,005
Noncurrent debt.....	7,725,370	6,159,836
Total liabilities.....	8,319,005	6,571,165
Net position:		
Net investment in capital assets.....	19,483,375	19,166,278
Unrestricted.....	14,227,599	12,174,306
Total net position.....	\$ 33,710,974	\$ 31,340,584

Business-type activities net position increased by \$2.4 million compared to an increase of \$4.4 million in the previous year. The sewer and stormwater fund reported an operating surplus of \$2.6 million. The fund is used to account for the capital operations of running the Town’s sewer and stormwater infrastructure.

During fiscal year 2025 and 2024, the sewer and stormwater fund issued \$1.9 million and \$760,000, respectively of long-term debt, for inflow and infiltration improvements.

The decrease in charges for services relates to stormwater revenue as fee adjustments were being made by the Town as part of the new stormwater program. Further, expenses have increased for the year related to the stormwater system MS-4 professional fees as the program was in place for a full year.

Town of Dedham, Massachusetts

Management's Discussion and Analysis

June 30, 2025

	2025	2024
Program Revenues:		
Charges for services.....	\$ 12,555,212	\$ 13,133,234
Capital grants and contributions.....	27,139	898,570
General Revenues:		
Unrestricted investment income.....	-	122
Total revenues.....	12,582,351	14,031,926
 Expenses:		
Sewer and stormwater.....	10,208,464	9,777,442
 Excess (Deficiency) before transfers	2,373,887	4,254,484
 Transfers.....	(3,497)	183,267
 Change in net position.....	2,370,390	4,437,751
 Net position, beginning of year.....	31,340,584	26,902,833
 Net position, end of year.....	\$ 33,710,974	\$ 31,340,584

Pension and Other Postemployment Benefits (OPEB). The general fund assumes responsibility for funding pension and OPEB costs Town-wide, and no amounts are allocated to the enterprise fund.

Financial Analysis of the Governmental Funds

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

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

As of the end of the current year, governmental funds reported combined ending fund balances of \$52.8 million which represents a \$590,000 decrease from the prior year. The cause of the decrease is mainly related to the general fund, as it recorded a \$4.9 million legal settlement payable in fiscal year 2025.

The general fund is the chief operating fund of the Town. At the end of the current year, the unassigned fund balance of the general fund was \$21.8 million, while the total fund balance was \$27.2 million. Included in the unassigned fund balance was \$13.0 million of stabilization funds. As a measure of the general fund's liquidity, it may be useful to compare both the unassigned fund balance and the total fund

Town of Dedham, Massachusetts

Management's Discussion and Analysis

June 30, 2025

balance to total fund expenditures. The unassigned fund balance represented 15% of total general fund expenditures, while the total fund balance represented 18% of that same amount.

The general fund decreased \$524,000 during 2025. There was a budgetary increase of \$2.8 million, along with an increase in the stabilization funds of \$1.7 million. The two increases were offset by the year end legal settlement accrual of \$4.9 million, related to a settlement reached in fiscal year 2025 for the Ames Town Hall Building construction.

As noted above, the Town's stabilization funds, reported within the general fund, increased by \$1.7 million during the year primarily due to revenues of \$2.7 million from meals and room occupancy tax, along with net investment income of \$824,000, and \$660,000 transferred in from the GF. These funds were offset by the use of \$2.5 million for debt service payments in the general fund.

The COVID-19 pandemic grant fund accounts for grant eligible expenditures from state and federal sources. During the year \$1.5 million was spent and \$1.5 million of revenue was recognized. The grants funded the department of public works HVAC upgrade, culvert design work, and generator purchases. At June 30, 2025, the Town reported \$1.9 million of unearned revenue for projects which are obligated, and will be spent by the December 31, 2026 deadline.

The building and improvements fund accounts for the building acquisition and construction activities that are funded through the issuance of long-term debt, free cash and State reimbursements. Fund balance totaled \$7.8 million at year end and \$3.2 million in capital expenditures were reported. These expenditures were funded through proceeds from the issuance of \$2.6 million of long-term debt, \$137,000 of premium from the issuance of the debt, which was used to reduce borrowing costs for the projects, and \$466,000 of transfers. Of the total expenditures, school roof replacements accounted for the majority.

Nonmajor governmental funds reported a decrease of \$117,000 related to a timing difference between the collection of fees and the issuance of long-term debt, and the related expenditures. This represents the activity of nonmajor capital projects, special revenue and permanent trust funds.

General Fund Budgetary Highlights

The original budget consisted of \$143.0 million of appropriations and other amounts to be raised, which included \$15.0 million of amounts carried over from previous years. The final budget increased from the original budget by approximately \$1.8 million. The Town voted additional supplemental appropriation of free cash which related to transfers out to fund capital articles and general fund capital. The Town approved total use of free cash of \$3.7 million for fiscal year 2025.

Revenues of the general fund came in better than anticipated by \$2.8 million. Licenses and permits came in \$841,000 over budget as growth continued within the Town. Further, investment income was \$787,000 higher than anticipated due to market conditions.

Town of Dedham, Massachusetts

Management's Discussion and Analysis

June 30, 2025

Total expenditures and carryovers were less than budget by approximately \$3.7 million. Major contributors were employee benefits and facilities. During 2025, the Town used \$1.5 million of free cash to support the operating budget.

Capital Assets and Debt Management

The Town's governmental activities capital assets as of June 30, 2025, amounts to \$219.4 million, net of accumulated depreciation. This amount represents purchases made over time in the following categories: land, infrastructure, improvements other than buildings, buildings and improvements, and vehicles, machinery and equipment. The Town's net capital additions of \$8.5 million relate to the following major additions: \$2.0 million for roads and sidewalks infrastructure improvements, \$1.3 million for the Town Green Park improvements, \$963,000 for the school roof repairs and \$921,000 for department of public works vehicles.

The Town's business-type activities capital assets as of June 30, 2025, amounts to \$26.9 million, net of accumulated depreciation. Additions totaled \$2.2 million for sewer and stormwater infrastructure.

The Town's governmental activities had total long-term debt outstanding of \$116.3 million at the end of the current year. As compared to the prior year, this is a net decrease of \$5.4 million resulting from principal payments of \$9.1 million, offset by \$4.0 million long term bond issuances during 2025.

The sewer and stormwater enterprise fund had long-term debt outstanding of \$8.2 million. The fund issued \$1.9 million of debt during 2025 and made principal payments of \$388,000.

The Town did not have any short term debt activity during fiscal year 2025.

During fiscal year 2025, S&P Global Ratings assigned 'AAA' crediting rating to the Town's latest general obligation bonds and affirmed its 'AAA' long-term rating, with stable outlook, on the Town's existing debt.

Please refer to notes 4 and 6 to the financial statements for further discussion of the major capital and debt activity.

Dedham Contributory Retirement System

The Pension Trust Fund (the System) recognized contributions of \$8.8 million for the calendar year ended December 31, 2024, and net investment gains of \$17.2 million. The System paid out \$13.2 million of retirement benefits, administration costs and transfers to other systems. Total net position of the System amounted to \$203.2 million at December 31, 2024.

Based on the most recent actuarial valuation performed as of January 1, 2024, the System's Funded Ratio was 93%, which increased from the prior year. Refer to Note 9 in the financial statements for further discussion.

Town of Dedham, Massachusetts

Management's Discussion and Analysis

June 30, 2025

Other Postemployment Benefits

In accordance with GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pension*, the government-wide activities have accumulated a liability for the net other postemployment benefits totaling \$77.0 million as of June 30, 2025. The total assets set aside in a trust for future benefits amounted to approximately \$37.3 million at June 30, 2025. Plan fiduciary net position as a percentage of the total OPEB liability was 32.6%. Refer to Note 10 in the financial statements for further discussion.

Requests for Information

This financial report is designed to provide a general overview of the Town's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Finance Department, 450 Washington Street, Dedham, Massachusetts 02026.

Basic Financial Statements

Town of Dedham, Massachusetts

Statement of Net Position

June 30, 2025

	<i>Primary Government</i>		
	Governmental Activities	Business-type Activities	Total
ASSETS			
CURRENT:			
Cash and cash equivalents.....	\$ 52,277,181	\$ 11,288,512	\$ 63,565,693
Investments.....	15,351,117	-	15,351,117
Receivables, net of allowance for uncollectibles:			
Real estate and personal property taxes.....	1,197,645	-	1,197,645
Tax liens.....	3,352,998	-	3,352,998
Motor vehicle and other excise taxes.....	412,953	-	412,953
User charges.....	-	3,593,900	3,593,900
Departmental and other.....	773,850	-	773,850
Intergovernmental.....	360,788	-	360,788
Special assessments.....	-	14,300	14,300
	73,726,532	14,896,712	88,623,244
NONCURRENT:			
Receivables, net of allowance for uncollectibles:			
Special assessments.....	-	242,809	242,809
Capital assets, nondepreciable.....	26,025,225	-	26,025,225
Capital assets, net of accumulated depreciation.....	193,349,563	26,890,458	220,240,021
	219,374,788	27,133,267	246,508,055
TOTAL ASSETS.....	293,101,320	42,029,979	335,131,299
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions.....	2,884,744	-	2,884,744
Deferred outflows related to other postemployment benefits..	11,357,978	-	11,357,978
TOTAL DEFERRED OUTFLOWS OF RESOURCES.....	14,242,722	-	14,242,722
LIABILITIES			
CURRENT:			
Warrants payable.....	\$ 2,162,303	\$ 43,314	\$ 2,205,617
Accrued payroll.....	5,308,426	5,677	5,314,103
Tax refunds payable.....	137,200	-	137,200
Accrued interest.....	634,586	48,084	682,670
Other liabilities.....	983,712	78	983,790
Unearned revenue.....	1,920,241	-	1,920,241
Legal settlements.....	4,850,000	-	4,850,000
Compensated absences.....	1,018,400	-	1,018,400
Bonds payable.....	9,314,923	496,482	9,811,405
	26,329,791	593,635	26,923,426
NONCURRENT:			
Compensated absences.....	3,055,100	-	3,055,100
Net pension liability.....	14,999,532	-	14,999,532
Net other postemployment benefits liability.....	77,047,878	-	77,047,878
Bonds payable.....	106,984,509	7,725,370	114,709,879
	202,087,019	7,725,370	209,812,389
TOTAL LIABILITIES.....	228,416,810	8,319,005	236,735,815
DEFERRED INFLOWS OF RESOURCES			
Taxes paid in advance.....	5,522	-	5,522
Deferred inflows related to pensions.....	522,687	-	522,687
Deferred inflows related to other postemployment benefits....	10,066,293	-	10,066,293
TOTAL DEFERRED INFLOWS OF RESOURCES.....	10,594,502	-	10,594,502
NET POSITION			
Net investment in capital assets.....	112,175,984	19,483,375	131,659,359
Restricted for:			
Permanent funds:			
Expendable.....	2,068,974	-	2,068,974
Nonexpendable.....	794,115	-	794,115
Gifts and grants.....	4,385,470	-	4,385,470
Revolving.....	3,919,553	-	3,919,553
Other.....	1,279,712	-	1,279,712
Unrestricted.....	(56,291,078)	14,227,599	(42,063,479)
TOTAL NET POSITION.....	\$ 68,332,730	\$ 33,710,974	\$ 102,043,704

See notes to basic financial statements.

Town of Dedham, Massachusetts

Statement of Activities

Year Ended June 30, 2025

<u>Functions/Programs</u>	Program Revenues				<u>Net (Expense) Revenue</u>
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Primary Government:					
<i>Governmental Activities:</i>					
General government.....	\$ 15,071,417	\$ 868,867	\$ 1,711,086	\$ 339,826	\$ (12,151,638)
Public safety.....	28,420,259	5,207,543	26,530	3,690	(23,182,496)
Education.....	98,017,609	2,649,388	27,843,628	2,404	(67,522,189)
Public works.....	12,614,741	229,813	446,621	1,902,004	(10,036,303)
Health and human services.....	2,809,013	167,515	525,425	-	(2,116,073)
Culture and recreation.....	4,706,012	1,022,474	61,374	-	(3,622,164)
Interest.....	3,390,886	-	-	-	(3,390,886)
Total Governmental Activities.....	<u>165,029,937</u>	<u>10,145,600</u>	<u>30,614,664</u>	<u>2,247,924</u>	<u>(122,021,749)</u>
<i>Business-Type Activities:</i>					
Sewer and stormwater.....	<u>10,208,464</u>	<u>12,555,212</u>	<u>-</u>	<u>27,139</u>	<u>2,373,887</u>
Total Primary Government.....	<u>\$ 175,238,401</u>	<u>\$ 22,700,812</u>	<u>\$ 30,614,664</u>	<u>\$ 2,275,063</u>	<u>\$ (119,647,862)</u>

See notes to basic financial statements.

Town of Dedham, Massachusetts

Statement of Activities (Continued)

Year Ended June 30, 2025

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Changes in net position:			
Net (expense) revenue from previous page.....	\$ (122,021,749)	\$ 2,373,887	\$ (119,647,862)
<i>General revenues:</i>			
Real estate and personal property taxes, net of tax refunds payable.....	114,198,062	-	114,198,062
Tax and other liens.....	581,777	-	581,777
Motor vehicle and other excise taxes.....	4,486,391	-	4,486,391
Hotel/motel tax.....	1,272,501	-	1,272,501
Meals tax.....	1,464,188	-	1,464,188
Penalties and interest on taxes.....	359,649	-	359,649
Payments in lieu of taxes.....	36,470	-	36,470
Grants and contributions not restricted to specific programs.....	4,398,218	-	4,398,218
Unrestricted investment income (loss).....	2,139,420	-	2,139,420
Miscellaneous.....	26,600	-	26,600
<i>Transfers, net</i>	3,497	(3,497)	-
Total general revenues and transfers.....	128,966,773	(3,497)	128,963,276
Change in net position.....	6,945,024	2,370,390	9,315,414
<i>Net position:</i>			
Beginning of year.....	61,387,706	31,340,584	92,728,290
End of year.....	\$ 68,332,730	\$ 33,710,974	\$ 102,043,704

See notes to basic financial statements.

Town of Dedham, Massachusetts

Governmental Funds Balance Sheet

June 30, 2025

	General	COVID-19 Pandemic Grants	Building and Improvements	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents.....	\$ 26,884,536	\$ 1,982,386	\$ 8,019,373	\$ 15,390,886	\$ 52,277,181
Investments.....	12,488,028	-	-	2,863,089	15,351,117
Receivables, net of uncollectibles:					
Real estate and personal property taxes.....	1,197,645	-	-	-	1,197,645
Tax liens.....	3,352,998	-	-	-	3,352,998
Motor vehicle and other excise taxes.....	412,953	-	-	-	412,953
Departmental and other.....	95,037	-	-	678,813	773,850
Intergovernmental.....	-	-	-	360,788	360,788
TOTAL ASSETS.....	\$ 44,431,197	\$ 1,982,386	\$ 8,019,373	\$ 19,293,576	\$ 73,726,532
LIABILITIES					
Warrants payable.....	\$ 1,553,895	\$ -	\$ 209,851	\$ 398,557	\$ 2,162,303
Accrued payroll.....	5,176,204	168	-	132,054	5,308,426
Tax refunds payable.....	137,200	-	-	-	137,200
Other liabilities.....	622,319	-	-	361,393	983,712
Unearned revenue.....	-	1,920,241	-	-	1,920,241
Legal settlements.....	4,850,000	-	-	-	4,850,000
TOTAL LIABILITIES.....	12,339,618	1,920,409	209,851	892,004	15,361,882
DEFERRED INFLOWS OF RESOURCES					
Taxes paid in advance.....	5,522	-	-	-	5,522
Unavailable revenue.....	4,890,126	-	-	678,813	5,568,939
TOTAL DEFERRED INFLOWS OF RESOURCES.....	4,895,648	-	-	678,813	5,574,461
FUND BALANCES					
Nonspendable.....	-	-	-	794,115	794,115
Restricted.....	-	61,977	7,809,522	16,827,334	24,698,833
Committed.....	580,584	-	-	101,310	681,894
Assigned.....	4,811,752	-	-	-	4,811,752
Unassigned.....	21,803,595	-	-	-	21,803,595
TOTAL FUND BALANCES.....	27,195,931	61,977	7,809,522	17,722,759	52,790,189
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES.....	\$ 44,431,197	\$ 1,982,386	\$ 8,019,373	\$ 19,293,576	\$ 73,726,532

See notes to basic financial statements.

Town of Dedham, Massachusetts

**Reconciliation of the Governmental Funds Balance Sheet
Total Fund Balances to the Statement of Net Position**

June 30, 2025

Total governmental fund balances.....	\$	52,790,189
Capital assets (net of accumulated depreciation) used in governmental activities are not financial resources and, therefore, are not reported in the funds.....		219,374,788
Accounts receivable are not available to pay for current-period expenditures and, therefore, are unavailable in the funds.....		5,568,939
The statement of net position includes certain deferred inflows of resources and deferred outflows of resources that will be amortized over future periods. In governmental funds, net of these amounts are not deferred.....		3,653,742
In the statement of activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due.....		(634,586)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:		
Bonds payable.....	\$	(116,299,432)
Net pension liability.....		(14,999,532)
Net other postemployment benefits liability.....		(77,047,878)
Compensated absences.....		<u>(4,073,500)</u>
Net effect of reporting long-term liabilities.....		<u>(212,420,342)</u>
Net position of governmental activities.....	\$	<u>68,332,730</u>

See notes to basic financial statements.

Town of Dedham, Massachusetts

Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances

Year Ended June 30, 2025

	General	COVID-19 Pandemic Grants	Building and Improvements	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES:					
Real estate and personal property taxes, net of tax refunds.....	\$ 114,196,137	\$ -	\$ -	\$ -	\$ 114,196,137
Tax liens.....	304,995	-	-	-	304,995
Motor vehicle and other excise taxes.....	4,474,857	-	-	-	4,474,857
Hotel/motel tax.....	1,272,501	-	-	-	1,272,501
Meals tax.....	1,464,188	-	-	-	1,464,188
Penalties and interest on taxes.....	359,649	-	-	-	359,649
Payments in lieu of taxes.....	36,470	-	-	-	36,470
Licenses and permits.....	2,091,537	-	-	-	2,091,537
Fines and forfeitures.....	99,508	-	-	-	99,508
Intergovernmental - state aid.....	14,234,879	-	-	-	14,234,879
Intergovernmental - Teachers Retirement.....	8,266,458	-	-	-	8,266,458
Intergovernmental - other.....	371,628	1,492,932	2,404	11,962,028	13,828,992
Departmental and other.....	1,212,135	-	-	7,420,557	8,632,692
Contributions and donations.....	-	-	-	764,071	764,071
Investment income (loss).....	1,934,622	-	-	204,798	2,139,420
TOTAL REVENUES.....	150,319,564	1,492,932	2,404	20,351,454	172,166,354
EXPENDITURES:					
Current:					
General government.....	14,885,064	500,895	31,999	3,174,783	18,592,741
Public safety.....	18,813,698	54,464	473,822	3,377,815	22,719,799
Education.....	60,054,220	-	1,933,147	10,643,390	72,630,757
Public works.....	7,766,954	348,073	760,799	3,899,844	12,775,670
Health and human services.....	1,315,687	548,250	-	434,158	2,298,095
Culture and recreation.....	2,905,983	34,775	-	867,401	3,808,159
Pension benefits.....	4,530,182	-	-	-	4,530,182
Pension benefits - Teachers Retirement.....	8,266,458	-	-	-	8,266,458
Employee benefits.....	14,554,345	-	-	-	14,554,345
State and county charges.....	3,759,799	-	-	-	3,759,799
Debt service:					
Principal.....	9,080,000	-	-	-	9,080,000
Interest.....	4,004,134	-	-	-	4,004,134
TOTAL EXPENDITURES.....	149,936,524	1,486,457	3,199,767	22,397,391	177,020,139
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	383,040	6,475	(3,197,363)	(2,045,937)	(4,853,785)
OTHER FINANCING SOURCES (USES):					
Issuance of long-term debt.....	-	-	2,645,000	1,400,000	4,045,000
Premium from issuance of debt.....	-	-	136,815	78,736	215,551
Transfers in.....	-	-	466,160	754,031	1,220,191
Transfers out.....	(907,150)	-	(5,720)	(303,824)	(1,216,694)
TOTAL OTHER FINANCING SOURCES (USES).....	(907,150)	-	3,242,255	1,928,943	4,264,048
NET CHANGE IN FUND BALANCES.....	(524,110)	6,475	44,892	(116,994)	(589,737)
FUND BALANCES AT 06/30/2024, AS PREVIOUSLY REPORTED.....	27,720,041	-	7,764,630	17,895,255	53,379,926
CHANGES WITHIN THE FINANCIAL REPORTING ENTITY.....	-	55,502	-	(55,502)	-
FUND BALANCES AT 06/30/2024, AS ADJUSTED.....	27,720,041	55,502	7,764,630	17,839,753	53,379,926
FUND BALANCES AT END OF YEAR.....	\$ 27,195,931	\$ 61,977	\$ 7,809,522	\$ 17,722,759	\$ 52,790,189

See notes to basic financial statements.

Town of Dedham, Massachusetts

**Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund
Balance of Governmental Funds to the Statement of Activities**

Year Ended June 30, 2025

Net change in fund balances - total governmental funds.....	\$	(589,737)
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>		
Capital outlay.....	\$	8,528,705
Depreciation expense.....		<u>(8,017,537)</u>
Net effect of reporting capital assets.....		511,168
<p>Revenues in the Statement of Activities that do not provide current financial resources are unavailable in the Statement of Revenues, Expenditures and Changes in Fund Balances. Therefore, the recognition of revenue for various types of accounts receivable differ between the two statements. This amount represents the net change in unavailable revenue.....</p>		
		(194,890)
<p>The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the financial resources of governmental funds. Neither transaction has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are unavailable and amortized in the Statement of Activities.</p>		
Issuance of long-term debt.....		(4,045,000)
Premium from issuance of bonds.....		(215,551)
Net amortization of premium from issuance of bonds.....		595,344
Debt service principal payments.....		<u>9,080,000</u>
Net effect of reporting long-term debt.....		5,414,793
<p>Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.</p>		
Net change in compensated absences accrual.....		(1,549,900)
Net change in claims and judgments accrual.....		5,000,000
Net change in accrued interest on long-term debt.....		17,904
Net change in deferred outflow/(inflow) of resources related to pensions.....		(4,001,199)
Net change in net pension liability/asset.....		6,028,854
Net change in deferred outflow/(inflow) of resources related to other postemployment benefits.....		2,442,967
Net change in net other postemployment benefits liability.....		<u>(6,134,936)</u>
Net effect of recording long-term liabilities.....		<u>1,803,690</u>
Change in net position of governmental activities.....	\$	<u>6,945,024</u>

See notes to basic financial statements.

Town of Dedham, Massachusetts

**Proprietary Funds
Statement of Net Position**

June 30, 2025

		Business-type Activities - Enterprise Fund
		Sewer & Stormwater
ASSETS		
CURRENT:		
Cash and cash equivalents.....	\$ 11,288,512	
Receivables:		
User charges.....	3,593,900	
Special assessments.....	14,300	
Total current assets.....		14,896,712
NONCURRENT:		
Receivables:		
Special assessments.....	242,809	
Capital assets, net of accumulated depreciation.....	26,890,458	
Total noncurrent assets.....		27,133,267
TOTAL ASSETS.....		42,029,979
LIABILITIES		
CURRENT:		
Warrants payable.....	\$ 43,314	
Accrued payroll.....	5,677	
Accrued interest.....	48,084	
Other liabilities.....	78	
Bonds payable.....	496,482	
Total current liabilities.....		593,635
NONCURRENT:		
Bonds payable.....		7,725,370
TOTAL LIABILITIES.....		8,319,005
NET POSITION		
Net investment in capital assets.....		19,483,375
Unrestricted.....		14,227,599
TOTAL NET POSITION.....	\$	33,710,974

See notes to basic financial statements.

Town of Dedham, Massachusetts

**Proprietary Funds
Statement of Revenues, Expenses and Changes in Net Position**

Year Ended June 30, 2025

	<u>Business-type Activities - Enterprise Fund</u>
	<u>Sewer & Stormwater</u>
<u>OPERATING REVENUES:</u>	
Charges for services.....	\$ <u>12,555,212</u>
<u>OPERATING EXPENSES:</u>	
Cost of services and administration.....	1,745,939
Salaries and wages.....	911,527
MWRA assessment.....	6,319,318
Depreciation.....	<u>985,893</u>
TOTAL OPERATING EXPENSES.....	<u>9,962,677</u>
OPERATING INCOME.....	<u>2,592,535</u>
<u>NONOPERATING REVENUES (EXPENSES):</u>	
Interest expense.....	<u>(245,787)</u>
INCOME BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS.....	<u>2,346,748</u>
CAPITAL CONTRIBUTIONS.....	<u>27,139</u>
<u>TRANSFERS:</u>	
Transfers out.....	<u>(3,497)</u>
CHANGE IN NET POSITION.....	2,370,390
NET POSITION AT BEGINNING OF YEAR.....	<u>31,340,584</u>
NET POSITION AT END OF YEAR.....	<u>\$ 33,710,974</u>

See notes to basic financial statements.

Town of Dedham, Massachusetts

Proprietary Funds Statement of Cash Flows

Year Ended June 30, 2025

	Business-type Activities - Enterprise Fund
	Sewer & Stormwater
<u>CASH FLOWS FROM (USED FOR) OPERATING ACTIVITIES:</u>	
Receipts from customers and users.....	\$ 12,593,010
Payments to vendors.....	(8,043,405)
Payments to employees.....	(911,527)
NET CASH FROM OPERATING ACTIVITIES.....	3,638,078
<u>CASH FLOWS FROM (USED FOR) NONCAPITAL FINANCING ACTIVITIES:</u>	
Transfers out.....	(3,497)
<u>CASH FLOWS FROM (USED FOR) CAPITAL AND RELATED FINANCING ACTIVITIES:</u>	
Proceeds from the issuance of bonds.....	1,920,000
Premium from the issuance of bonds.....	142,557
Capital contributions.....	27,139
Acquisition and construction of capital assets.....	(2,142,339)
Principal payments on bonds.....	(388,150)
Interest expense.....	(206,099)
NET CASH FROM (USED FOR) CAPITAL AND RELATED FINANCING ACTIVITIES.....	(646,892)
NET CHANGE IN CASH AND CASH EQUIVALENTS.....	2,987,689
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR.....	8,300,823
CASH AND CASH EQUIVALENTS AT END OF YEAR.....	\$ 11,288,512
<u>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH</u>	
<u>FROM OPERATING ACTIVITIES:</u>	
Operating income (loss).....	\$ 2,592,535
Adjustments to reconcile operating income to net cash from operating activities:	
Depreciation.....	985,893
Changes in assets and liabilities:	
User charges.....	37,798
Warrants payable.....	16,097
Accrued payroll.....	5,677
Other liabilities.....	78
Total adjustments.....	1,045,543
NET CASH FROM OPERATING ACTIVITIES.....	\$ 3,638,078
<u>NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:</u>	
Acquisition of capital assets on account.....	\$ 11,893

See notes to basic financial statements.

Town of Dedham, Massachusetts

**Fiduciary Funds
Statement of Fiduciary Net Position**

June 30, 2025

	Pension and Other Employee Benefit Trust Fund (1)	Private Purpose Trust Fund
ASSETS		
Cash and cash equivalents.....	\$ 593,878	\$ -
Investments:		
Investments in Pension Reserve Investment Trust.....	239,836,102	-
U.S. treasuries.....	-	399,829
Government sponsored enterprises.....	-	155,055
Corporate bonds.....	-	358,591
Equity securities.....	-	686,140
Equity mutual funds.....	-	158,934
Fixed income mutual funds.....	-	319,623
Receivables:		
Intergovernmental.....	441,974	-
TOTAL ASSETS.....	240,871,954	2,078,172
LIABILITIES		
Warrants payable.....	443,013	-
Other liabilities.....	-	612,010
TOTAL LIABILITIES.....	443,013	612,010
NET POSITION		
Restricted for pensions.....	203,175,224	-
Restricted for other postemployment benefits.....	37,253,717	-
Restricted for other purposes.....	-	1,466,162
TOTAL NET POSITION.....	\$ 240,428,941	\$ 1,466,162

(1) The Pension Trust Fund is as of December 31, 2024.

See notes to basic financial statements.

Town of Dedham, Massachusetts

**Fiduciary Funds
Statement of Changes in Fiduciary Net Position**

Year Ended June 30, 2025

	Pension and Other Employee Benefit Trust Fund (1)	Private Purpose Trust Fund
<u>ADDITIONS:</u>		
Contributions:		
Employer contributions.....	\$ 5,294,232	\$ -
Employer contributions for other postemployment benefit payments....	5,214,143	-
Member contributions.....	3,269,734	-
Transfers from other systems.....	338,415	-
3(8)c contributions from other systems.....	319,010	-
Workers compensation settlements.....	25,696	-
State COLA reimbursements.....	43,490	-
Member makeup payments and redeposits.....	19,799	-
Total contributions.....	14,524,519	-
Net investment income:		
Investment income.....	21,553,928	122,144
Less: investment expense.....	(1,118,747)	-
Net investment income.....	20,435,181	122,144
TOTAL ADDITIONS.....	34,959,700	122,144
<u>DEDUCTIONS:</u>		
Administration.....	336,559	-
Transfers to other systems.....	280,867	-
3(8)c transfer to other systems.....	385,283	-
Retirement benefits and refunds.....	12,192,842	-
Other postemployment benefit payments.....	5,214,143	-
Health and human services.....	-	100
Educational scholarships.....	-	104,050
TOTAL DEDUCTIONS.....	18,409,694	104,150
NET INCREASE IN NET POSITION.....	16,550,006	17,994
NET POSITION AT BEGINNING OF YEAR.....	223,878,935	1,448,168
NET POSITION AT END OF YEAR.....	\$ 240,428,941	\$ 1,466,162

(1) The Pension Trust Fund is as of December 31, 2024.

See notes to basic financial statements.

Town of Dedham, Massachusetts

Notes to Basic Financial Statements

Year Ended June 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The Town was incorporated in 1636 under the statutes of the Commonwealth of Massachusetts (Commonwealth). The Town is a municipal corporation governed by an elected Select Board.

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

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

The Dedham Contributory Retirement System (System) was established to provide retirement benefits to Town employees, the Dedham Housing Authority employees, and their beneficiaries. The System is governed by a five-member board comprised of the Town Accountant (ex-officio), two members elected by the System’s participants, one member appointed by the Select Board and one member appointed by the Board members. The System is presented using the accrual basis of accounting and is reported as a pension trust fund in the fiduciary fund financial statements.

The System did not issue a separate audited financial statement. The System issues a publicly available unaudited financial report in accordance with guidelines established by the Commonwealth’s Public Employee Retirement Administration Commission (PERAC). That report may be obtained by contacting the System at 202 Bussey Street, Suite 101, Dedham, Massachusetts 02026.

Joint Ventures – The Town has entered into a joint venture with the Towns of Westwood, Avon, Canton, Braintree, Holbrook, Milton, Norwood and Randolph to pool resources and share the costs, risks and rewards associated with providing vocational education through the Blue Hills Regional Technical School District. The members share in the operations of the Blue Hills Regional Technical School District and each member is responsible for its proportionate share of the operational and capital cost of the Blue Hills Regional Technical School District, which are paid in the form of assessments. The Town does not have an equity interest in the Blue Hills Regional Technical School District and the 2025

Town of Dedham, Massachusetts

Notes to Basic Financial Statements

Year Ended June 30, 2025

assessment was \$2.2 million. The School issues a publicly available financial report that can be obtained by writing to the School Business Manager at 800 Randolph Street, Canton, Massachusetts 02021.

Jointly Governed Organizations – The Dedham-Westwood Water District is responsible for providing water services to the Town’s citizens. The Town is responsible for appointing three of the six members of the Board of Water Commissioners. The Town is not financially accountable to the District beyond making these appointments.

B. Government-Wide and Fund-Level Financial Statements

Government-Wide Financial Statements

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

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

Fund Financial Statements

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

Major Fund Criteria

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

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

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

Town of Dedham, Massachusetts

Notes to Basic Financial Statements

Year Ended June 30, 2025

Fiduciary funds are reported by fund type.

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

Government-Wide Financial Statements

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

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

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

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

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

Fund Financial Statements

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

Town of Dedham, Massachusetts

Notes to Basic Financial Statements

Year Ended June 30, 2025

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

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

The following major governmental funds are reported:

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

The *COVID-19 pandemic grants fund* accounts for COVID-19 pandemic related costs specifically financed by federal, state, and other grants.

The *building and improvements fund* is used to account for the building acquisition and construction activities that are funded through the issuance of long-term debt or other available funds.

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

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

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

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

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

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

Town of Dedham, Massachusetts

Notes to Basic Financial Statements

Year Ended June 30, 2025

The following major proprietary fund is reported:

The *sewer and stormwater fund* is used to account for sewage and stormwater treatment operations of the department of public works that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges. The stormwater utility fee was established in 2024 to address the new requirements by the United States Environmental Protection Agency to reduce contamination of stormwater runoff to public water bodies.

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

The following fiduciary fund types are reported:

The *pension and other employee benefit trust fund* is used to account for the activities of the System, which accumulates resources to provide pension benefits to eligible retirees and their beneficiaries and of the OPEB (other postemployment benefits) trust which accumulates resources to provide funding for future OPEB liabilities.

The *private-purpose trust fund* is used to account for trust arrangements that exclusively benefit individuals, private organizations, or other governments. Some of these trust funds 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 allow the trustees to authorize spending of the realized investment earnings. The Town's educational scholarships and citizen benefit funds are accounted for in this fund.

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. Fair Value Measurements

The Town reports required types of financial instruments in accordance with the fair value standards. Fair value is the price that would be received to sell an asset or transfer a liability in an orderly transaction between market participations at the measurement date. These standards require an entity to

Town of Dedham, Massachusetts

Notes to Basic Financial Statements

Year Ended June 30, 2025

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

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

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

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

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

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

Market price is affected by a number of factors, including the type of instrument and the characteristics specific to the instrument. For more information on the fair value of the Town's financial instruments, see Note 2 – Cash and Investments.

F. Accounts Receivable

Government-Wide and Fund Financial Statements

The recognition of revenue related to accounts receivable reported in the government-wide financial statements and 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.

Town of Dedham, Massachusetts

Notes to Basic Financial Statements

Year Ended June 30, 2025

Real Estate, Personal Property Taxes and Tax Liens

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

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

Motor Vehicle and Other Excise Taxes

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

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

Sewer and Stormwater User Charges

Sewer user fees are levied quarterly based on individual meter readings from the Dedham-Westwood Water District and stormwater user fees are levied quarterly based on the impervious space of each property. Both are subject to penalties and interest if they are not paid by the respective due date. Unbilled user fees are estimated at year end and are recorded as revenue in the current period. Liens are processed in December of every year and included as a lien on the property owner's tax bill.

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

Departmental and Other

Departmental and other receivables are recorded net of an allowance for uncollectible accounts. The allowance for uncollectibles is estimated based on historical trends and specific account analysis.

Intergovernmental

Various federal and state grants for operating and capital purposes are applied for and received annually. For non-expenditure driven grants, receivables are recorded as soon as all eligibility requirements

Town of Dedham, Massachusetts

Notes to Basic Financial Statements

Year Ended June 30, 2025

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.

G. Capital Assets

Government-Wide and Proprietary Fund Financial Statements

Capital assets, which include land, improvements other than buildings, buildings and improvements, vehicles, machinery and equipment, and infrastructure (e.g., roads, street lights, sewer and stormwater mains, and similar items), are reported in the applicable governmental or business-type activity column of the government-wide financial statements, and the proprietary fund financial statements. Capital assets are recorded at historical cost or at estimated historical cost if actual historical cost is not available. Donated capital assets and capital assets received in service concession arrangements are recorded at acquisition value.

All purchases and construction costs in excess of \$10,000 are capitalized at the date of acquisition or construction, respectively, with useful lives of greater than 3 years.

Capital assets (excluding land and construction-in-progress) are depreciated over the estimated useful lives using the straight-line method. The estimated useful lives of capital assets being depreciated are as follows:

<u>Capital Asset Type</u>	<u>Estimated Useful Life (in years)</u>
Improvements other than buildings.....	10 - 40
Buildings and improvements.....	10 - 40
Vehicles, machinery and equipment.....	5 - 20
Infrastructure.....	20 - 50

The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized and are treated as expenses when incurred. Improvements are capitalized. Management regularly reviews long-lived assets and certain identifiable intangibles held and used for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. No impairments were noted the year under audit.

Town of Dedham, Massachusetts

Notes to Basic Financial Statements

Year Ended June 30, 2025

Governmental Fund Financial Statements

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

H. Deferred Outflows/Inflows of Resources

Government-Wide Financial Statements (Net Position)

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town has reported taxes paid in advance, deferred outflows of resources related to pensions and other postemployment benefits in this category.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Town has reported taxes paid in advance and deferred inflows of resources related to pensions and other postemployment benefits in this category.

Governmental Fund Financial Statements

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

I. Interfund Receivables and Payables

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

Government-Wide Financial Statements

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

Town of Dedham, Massachusetts

Notes to Basic Financial Statements

Year Ended June 30, 2025

Fund Financial Statements

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

J. Interfund Transfers

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

Government-Wide Financial Statements

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

Fund Financial Statements

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

K. Unavailable Revenue

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

L. Net Position and Fund Equity

Government-Wide Financial Statements (Net position)

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

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

Town of Dedham, Massachusetts

Notes to Basic Financial Statements

Year Ended June 30, 2025

Net position has been “restricted for” the following:

“Permanent funds - expendable” represents the amount of realized and unrealized investment earnings of donor restricted trusts. The 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 and consists primarily of gifts and federal and state grants.

“Revolving” represents amounts held within revolving funds for specific purposes.

“Other” purposes represents amount held for other Town-wide purposes.

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

Fund Financial Statements (Fund Balances)

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

The governmental fund balance classifications are as follows:

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

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

“Committed” fund balance includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Town’s highest level of decision-making authority. Town Meeting is the highest level of decision making authority that can, by adoption of a Town Meeting warrant article (resolution), commit funds for a specific purpose. Once voted, the limitation imposed by the vote remains in place until the funds are used for their intended purpose or a vote is taken to rescind the commitment.

Town of Dedham, Massachusetts

Notes to Basic Financial Statements

Year Ended June 30, 2025

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

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

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

M. Long-term Debt

Government-Wide and Proprietary Fund Financial Statements

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

Governmental Fund Financial Statements

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

N. Postemployment Benefits

For purposes of measuring the net pension liability/(asset), net OPEB liability, deferred outflows of resources and deferred inflows of resources related to postemployment benefits, and postemployment benefits, information about the fiduciary net position of both the Dedham Contributory Retirement

Town of Dedham, Massachusetts

Notes to Basic Financial Statements

Year Ended June 30, 2025

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

O. Compensated Absences

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

Government-Wide and Proprietary Fund Financial Statements

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

Governmental Fund Financial Statements

Compensated absences are reported in the governmental funds only if they have matured, (i.e. unused reimbursable leave still outstanding following an employee's resignation or retirement.) Vested or accumulated vacation and sick leave, which will be liquidated with expendable available financial resources, are reported as expenditures and fund liabilities upon maturity of the liability.

P. Investment Income

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

Q. Use of Estimates

Government-Wide and Fund Financial Statements

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

R. Total Column

Government-Wide Financial Statements

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

Town of Dedham, Massachusetts

Notes to Basic Financial Statements

Year Ended June 30, 2025

Fund Financial Statements

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

NOTE 2 – CASH AND INVESTMENTS

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

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

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

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

PRIT was created under MGL Chapter 32, Section 22, in December 1983. The PRIT pooled fund is an external investment pool that is not registered with the Securities Exchange Commission but is subject to oversight provided by the Pension Reserves Investment Management Board (PRIM). PRIM was created by legislation to provide general supervision of the investments and management of PRIT. PRIM shall choose an investment advisor by requesting proposals from advisors and reviewing such proposals based on criteria adopted under MGL Chapter 30B. At June 30, 2025, there were no unfunded commitments. Redemption frequency is monthly with a 30-day redemption notice period. PRIT maintains a diversified portfolio of active and passive investment strategies. A significant portion of the fund is allocated to global equity investments, which typically generate higher returns, but can also experience more volatility. To offset potential volatility and diversify the fund, investments are made in alternative asset classes that demonstrate little correlation to equities, serving to generate more consistent returns while reducing portfolio volatility.

Town of Dedham, Massachusetts

Notes to Basic Financial Statements

Year Ended June 30, 2025

MMDT maintains a cash portfolio and a short-term bond portfolio with an average maturity of approximately 47 days and a weighted average maturity of 2.91 years, respectively. The fair value of the position of the Pool is the same as the value of the Pool shares.

Custodial Credit Risk – Deposits

In the case of deposits, the custodial risk is the risk that, in the event of a bank failure the Town’s deposits may not be recovered. The Town’s policy states the Treasurer/Collector should consider choosing banks with Federal Depository Insurance and Depositor Insurance Fund insurance to fully protect Town funds, or a firm offering collateralization. At year end, the carrying amount of deposits totaled \$42.1 million and the bank balance totaled \$45.8 million. Of the bank balance, \$1.5 million was covered by Federal Depository Insurance, \$23.1 million was covered by Depositor Insurance Fund, \$20.6 million was covered through collateralization agreements with the bank, and \$638,000 was exposed to custodial credit risk because it was uninsured and uncollateralized.

At December 31, 2024, the carrying amount of the Retirement System’s deposits totaled \$594,000 and the bank balance totaled \$702,000. Of the bank balance \$399,000 was covered by Federal Depository Insurance and \$303,000 was uncollateralized.

As of June 30, 2025, the Town had the following investments:

<u>Investment Type</u>	<u>Fair value</u>	<u>Maturities:</u>		
		<u>Under 1 Year</u>	<u>1-5 Years</u>	<u>6-10 Years</u>
<u>Debt securities:</u>				
U.S. treasury notes.....	\$ 3,970,359	\$ 459,918	\$ 2,636,101	\$ 874,340
Government sponsored enterprises.....	1,279,264	44,296	894,825	340,143
Corporate bonds.....	<u>3,451,422</u>	<u>952,496</u>	<u>2,120,991</u>	<u>377,935</u>
Total debt securities.....	8,701,045	\$ <u>1,456,710</u>	\$ <u>5,651,917</u>	\$ <u>1,592,418</u>
<u>Other investments:</u>				
Equity securities.....	4,531,346			
Equity mutual funds.....	1,181,589			
Fixed income mutual funds.....	3,010,791			
Money market mutual funds.....	403,506			
Pension Reserve Investment Trust (PRIT)....	37,253,717			
MMDT - Bond portfolio.....	4,518			
MMDT - Cash portfolio.....	<u>21,090,903</u>			
Total investments.....	\$ <u>76,177,415</u>			

Town of Dedham, Massachusetts

Notes to Basic Financial Statements

Year Ended June 30, 2025

As of December 31, 2024, the Retirement System had investments in PRIT totaling \$202.6 million.

Custodial Credit Risk – Investments

For an investment, this is the risk that, in the event of a failure by the counterparty, the Town will not be able to recover the value of its investments or collateral security that are in the possession of an outside party. The Town's investments in debt securities and equity securities are exposed to custodial credit risk, as the securities are uninsured. The shares of MMDT and open-end mutual funds are not subject to custodial credit risk because they are not evidenced by securities that exist in physical or book-entry form.

The Town's policy is for the Treasurer/Collector to review each financial institution conducting business with the Town on a quarterly basis, using a recognized bank rating service. In addition, required monthly activity statements must be reconciled to the Town's records to ensure the timely resolution of any errors, discrepancies, etc. Securities held directly by the Town must be registered in the Town's name and tax identification number to prevent loss.

At December 31, 2024, the System's \$202.6 million investments in PRIT were not subject to custodial credit risk exposure because it was not evidenced by securities that exist in physical or book-entry form.

The System has not adopted a formal policy related to custodial credit risk.

Interest Rate Risk

Neither the Town nor the System has a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Town of Dedham, Massachusetts

Notes to Basic Financial Statements

Year Ended June 30, 2025

Credit Risk

Credit risk is the risk of loss due to the failure of the security issuer or backer. The Town has not adopted a formal policy related to credit risk. At June 30, 2025, the Town’s investments were rated as follows:

<u>Quality Rating</u>	<u>Government Sponsored Enterprises</u>	<u>Corporate Bonds</u>
AAA.....	\$ -	\$ 73,722
AA+.....	1,279,264	93,080
AA.....	-	665,281
AA-.....	-	994,107
A+.....	-	707,032
A.....	-	460,612
A-.....	-	408,272
BBB.....	-	49,316
Total.....	\$ <u>1,279,264</u>	\$ <u>3,451,422</u>

The Town’s investments in equity securities, equity mutual funds, fixed income mutual funds, money market mutual funds, PRIT and MMDT are unrated.

The System has not adopted a formal policy related to credit risk. The System’s investments in PRIT are unrated.

Concentration of Credit Risk

The Town’s policy states no more than 25% of the Town’s cash should be invested in a single financial institution unless that institution’s investment is fully insured or collateralized. The Town did not have more than 5% of its investments in any one individual security.

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

Fair Value of Investments

The Town holds investments that are measured at fair value on a recurring basis. Because investing is not a core part of the Town’s mission, the Town determines that the disclosures related to these investments only need to be disaggregated by major type. The Town chooses a tabular format for disclosing the levels within the fair value hierarchy.

Town of Dedham, Massachusetts

Notes to Basic Financial Statements

Year Ended June 30, 2025

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

The following table presents financial assets at June 30, 2025, that the Town measures fair value on a recurring basis, by level, within the fair value hierarchy:

Investment Type	June 30, 2025	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments measured at fair value:				
<u>Debt securities:</u>				
U.S. treasury notes.....	\$ 3,970,359	\$ -	\$ 3,970,359	\$ -
Government sponsored enterprises.....	1,279,264	-	1,279,264	-
Corporate bonds.....	3,451,422	-	3,451,422	-
Total debt securities.....	<u>8,701,045</u>	<u>-</u>	<u>8,701,045</u>	<u>-</u>
<u>Other investments:</u>				
Equity securities.....	4,531,346	4,531,346	-	-
Equity mutual funds.....	1,181,589	1,181,589	-	-
Fixed income mutual funds.....	3,010,791	3,010,791	-	-
Money market mutual funds.....	403,506	403,506	-	-
Total other investments.....	<u>9,127,232</u>	<u>9,127,232</u>	<u>-</u>	<u>-</u>
Total investments measured at fair value.....	<u>17,828,277</u>	<u>\$ 9,127,232</u>	<u>\$ 8,701,045</u>	<u>\$ -</u>
Investments measured at amortized cost:				
MMDT - Cash portfolio.....	<u>21,090,903</u>			
Investments measured at net asset value:				
Pension Reserve Investment Trust (PRIT).....	37,253,717			
MMDT - Bond portfolio.....	<u>4,518</u>			
Total investments measured at net asset value.....	<u>37,258,235</u>			
Total investments.....	<u>\$ 76,177,415</u>			

Town of Dedham, Massachusetts

Notes to Basic Financial Statements

Year Ended June 30, 2025

Equity securities, equity mutual funds, fixed income mutual funds and money market mutual funds classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. U.S. treasury notes, government sponsored enterprises, and corporate bonds classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities’ relationship to benchmark quoted prices.

MMDT, which is an external investment pool that is overseen by the Treasurer of the Commonwealth of Massachusetts, meets the criteria established by GASB 79, “*Certain External Investment Pools and Pool Participants*”, to report its investments at amortized cost; therefore, the Town reports its investments in MMDT at amortized cost which approximates the net asset value of \$1.00 per share. MMDT has a maturity of less than 1 year and is not rated.

PRIT and MMDT bond portfolio investments are valued using the net asset value (NAV) method as a practical expedient. The practical expedient is not used when the investment would be expected to sell at a value different than the NAV. Neither the Town nor the System has the ability to control any of the investment decisions relative to its funds in PRIT. There were no unfunded commitments at year end. The redemption frequency is monthly, and the notice period is 30 days.

As of December 31, 2024, the Retirement System had investments in PRIT totaling \$202.6 million.

NOTE 3 – RECEIVABLES

At June 30, 2025, receivables for the individual major and nonmajor governmental funds, in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	Gross Amount	Allowance for Uncollectibles	Net Amount
<u>Receivables:</u>			
Real estate and personal property taxes..	\$ 1,772,345	\$ (574,700)	\$ 1,197,645
Tax liens.....	3,352,998	-	3,352,998
Motor vehicle and other excise taxes.....	597,853	(184,900)	412,953
Departmental and other.....	773,850	-	773,850
Intergovernmental.....	360,788	-	360,788
Total.....	\$ 6,857,834	\$ (759,600)	\$ 6,098,234

Town of Dedham, Massachusetts

Notes to Basic Financial Statements

Year Ended June 30, 2025

At December 31, 2024, the pension and other employee benefit trust fund reported intergovernmental receivables of \$442,000, related to 3(8)(c) reimbursements from other Systems.

At June 30, 2025, the sewer and stormwater enterprise fund receivables consist of the following:

	Total
<u>Receivables:</u>	
Sewer user charges.....	\$ 2,465,207
Stormwater user charges.....	1,128,693
Sewer special assessments.....	257,109
 Total.....	 \$ 3,851,009

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

	General Fund	Other Governmental Funds	Total
<u>Receivables:</u>			
Real estate and personal property taxes.....	\$ 1,067,066	\$ -	\$ 1,067,066
Tax liens.....	3,352,998	-	3,352,998
Motor vehicle and other excise taxes.....	412,953	-	412,953
Departmental and other.....	57,109	678,813	735,922
 Total.....	 \$ 4,890,126	 \$ 678,813	 \$ 5,568,939

Town of Dedham, Massachusetts

Notes to Basic Financial Statements

Year Ended June 30, 2025

NOTE 4 – CAPITAL ASSETS

A summary of changes in capital asset activity for the year ended June 30, 2025, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
<u>Capital assets not being depreciated:</u>				
Land.....	\$ 19,788,726	\$ -	\$ -	\$ 19,788,726
Construction in progress.....	3,265,830	3,367,968	(397,299)	6,236,499
Total capital assets not being depreciated.....	23,054,556	3,367,968	(397,299)	26,025,225
<u>Capital assets being depreciated:</u>				
Improvements other than buildings.....	10,450,691	-	-	10,450,691
Buildings and improvements.....	226,784,945	1,809,516	-	228,594,461
Vehicles, machinery and equipment.....	20,308,740	1,720,431	(394,703)	21,634,468
Infrastructure.....	87,604,427	2,028,089	(2,028,089)	87,604,427
Total capital assets being depreciated.....	345,148,803	5,558,036	(2,422,792)	348,284,047
<u>Less accumulated depreciation for:</u>				
Improvements other than buildings.....	(4,620,915)	(466,985)	-	(5,087,900)
Buildings and improvements.....	(86,918,299)	(4,754,085)	-	(91,672,384)
Vehicles, machinery and equipment.....	(14,664,149)	(1,075,438)	394,703	(15,344,884)
Infrastructure.....	(43,136,376)	(1,721,029)	2,028,089	(42,829,316)
Total accumulated depreciation.....	(149,339,739)	(8,017,537)	2,422,792	(154,934,484)
Total capital assets being depreciated, net.....	195,809,064	(2,459,501)	-	193,349,563
Total governmental activities capital assets, net.....	\$ 218,863,620	\$ 908,467	\$ (397,299)	\$ 219,374,788
	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities:				
<u>Capital assets being depreciated:</u>				
Infrastructure.....	\$ 36,525,788	\$ 2,154,232	\$ -	\$ 38,680,020
<u>Less accumulated depreciation for:</u>				
Infrastructure.....	(10,803,669)	(985,893)	-	(11,789,562)
Total business-type activities capital assets, net... \$	25,722,119	\$ 1,168,339	\$ -	\$ 26,890,458

Town of Dedham, Massachusetts

Notes to Basic Financial Statements

Year Ended June 30, 2025

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

Governmental Activities:

General government.....	\$ 1,086,705
Public safety.....	1,866,342
Education.....	2,734,190
Public works.....	2,012,101
Culture and recreation.....	<u>318,199</u>
Total depreciation expense - governmental activities..	<u>\$ 8,017,537</u>

Business-Type Activities:

Sewer.....	<u>\$ 985,893</u>
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NOTE 5 – INTERFUND TRANSFERS

Interfund transfers for the year ended June 30, 2025, are summarized as follows:

Transfers Out:	Transfers In:			
	Building and Improvements	Nonmajor Governmental Funds	Total	
General fund.....	\$ 170,000	\$ 737,150	\$ 907,150	(1)
Building and Improvements.....	-	5,720	5,720	(2)
Nonmajor governmental funds.....	296,160	7,664	303,824	(3)
Sewer & stormwater enterprise fund.....	<u>-</u>	<u>3,497</u>	<u>3,497</u>	(4)
Total.....	<u>\$ 466,160</u>	<u>\$ 754,031</u>	<u>\$ 1,220,191</u>	

- (1) Represents budgeted transfers from the general fund to building and improvements capital fund, and non-major funds to fund various projects.
- (2) Represents transfers from the building and improvements fund to the non-major funds to fund various Town capital projects.
- (3) The transfer into the building and improvements fund represents a use of reserved bond premiums from the nonmajor funds. Transfers between nonmajor funds represent the reallocation of resources.
- (4) The transfer from the sewer and stormwater enterprise fund to the nonmajor fund represents the reallocation of resources.

Town of Dedham, Massachusetts

Notes to Basic Financial Statements

Year Ended June 30, 2025

NOTE 6 – LONG-TERM DEBT

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

Details related to the Town’s outstanding general obligation indebtedness at June 30, 2025, and the debt service requirements for the governmental activities were as follows:

Project	Maturities Through	Original Loan Amount	Interest Rate (%)	Outstanding at June 30, 2025
Municipal Purpose Bonds of 2011.....	2031	\$ 16,890,000	2.00-5.00	\$ 3,970,000
Municipal Purpose Bonds of 2012.....	2032	6,295,000	2.00-4.00	1,335,000
Municipal Purpose Bonds of 2013.....	2028	6,988,000	2.00-2.38	1,350,000
Municipal Purpose Bonds of 2014.....	2029	3,589,105	3.00	760,000
Municipal Purpose Bonds of 2014.....	2035	5,384,455	2.00-3.20	2,650,000
Municipal Purpose Bonds of 2015.....	2035	6,607,270	2.00-4.00	2,075,000
Municipal Purpose Bonds of 2016.....	2046	20,568,692	2.00-5.00	12,850,000
Municipal Purpose Bonds of 2017.....	2047	13,617,000	3.00-5.00	7,260,000
Municipal Purpose Bonds of 2018.....	2048	25,615,000	2.70-5.00	18,735,000
Municipal Purpose Bonds of 2019.....	2049	5,440,000	2.13-5.00	3,410,000
Municipal Purpose Bonds of 2020.....	2050	3,930,000	2.00-4.00	2,645,000
Municipal Purpose Bonds of 2021.....	2051	25,215,000	2.00-5.00	20,970,000
Municipal Purpose Bonds of 2022.....	2052	24,165,000	2.50-5.00	18,755,000
Municipal Purpose Bonds of 2023.....	2043	8,910,000	4.00-5.00	7,340,000
Municipal Purpose Bonds of 2024.....	2039	3,605,000	4.00-5.00	3,115,000
Municipal Purpose Bonds of 2025.....	2045	4,045,000	4.00-5.00	<u>4,045,000</u>
Total Governmental General Obligation Bonds Payable.....				111,265,000
Add: Unamortized premium on bonds.....				<u>5,034,432</u>
Total Bonds Payable, net.....				<u>\$ 116,299,432</u>

Town of Dedham, Massachusetts

Notes to Basic Financial Statements

Year Ended June 30, 2025

Debt service requirements for principal and interest for governmental general obligation bonds payable in future years were as follows:

General Obligation Bonds Payable:			
Year	Principal	Interest	Total
2026.....	\$ 8,755,000	\$ 3,614,785	\$ 12,369,785
2027.....	8,465,000	3,260,402	11,725,402
2028.....	7,805,000	2,925,297	10,730,297
2029.....	7,040,000	2,637,934	9,677,934
2030.....	6,505,000	2,380,710	8,885,710
2031.....	6,060,000	2,154,994	8,214,994
2032.....	5,280,000	1,964,727	7,244,727
2033.....	4,790,000	1,806,484	6,596,484
2034.....	4,660,000	1,661,987	6,321,987
2035.....	4,490,000	1,519,925	6,009,925
2036.....	3,980,000	1,385,285	5,365,285
2037.....	3,845,000	1,261,897	5,106,897
2038.....	3,765,000	1,153,420	4,918,420
2039.....	3,475,000	1,046,793	4,521,793
2040.....	3,390,000	951,118	4,341,118
2041.....	3,300,000	857,688	4,157,688
2042.....	3,310,000	764,403	4,074,403
2043.....	3,240,000	670,448	3,910,448
2044.....	3,130,000	578,301	3,708,301
2045.....	3,140,000	489,751	3,629,751
2046.....	3,025,000	400,181	3,425,181
2047.....	2,465,000	326,940	2,791,940
2048.....	2,220,000	253,044	2,473,044
2049.....	1,515,000	164,792	1,679,792
2050.....	1,445,000	118,482	1,563,482
2051.....	1,435,000	74,026	1,509,026
2052.....	735,000	29,400	764,400
Total.....	\$ 111,265,000	\$ 34,453,214	\$ 145,718,214

Town of Dedham, Massachusetts

Notes to Basic Financial Statements

Year Ended June 30, 2025

Details related to the Town’s outstanding general obligation and direct borrowings indebtedness at June 30, 2025, and the debt service requirements for the sewer and stormwater enterprise fund were as follows:

Project	Maturities Through	Original Loan Amount	Interest Rate (%)	Outstanding at June 30, 2025
Municipal Purpose Bonds of 2020...	2050	\$ 3,395,000	2.00-4.00	\$ 2,820,000
Municipal Purpose Bonds of 2022...	2052	1,545,000	2.50-5.00	1,380,000
Municipal Purpose Bonds of 2023...	2043	935,000	4.00-5.00	835,000
Municipal Purpose Bonds of 2024...	2039	465,000	4.00-5.00	430,000
Municipal Purpose Bonds of 2025...	2045	1,920,000	4.00-5.01	1,920,000
Subtotal General Obligation Bonds Payable.....				7,385,000
MWRA Loans of 2016.....	2027	228,250	0.00	22,825
MWRA Loans of 2020.....	2030	290,000	0.00	145,000
MWRA Loans of 2021.....	2031	290,000	0.00	174,000
MWRA Loans of 2023.....	2034	295,000	0.00	265,500
Subtotal Direct Borrowings Payable.....				607,325
Total Bonds Payable.....				7,992,325
Add: Unamortized premium on bonds.....				229,527
Total Bonds Payable, net.....				\$ 8,221,852

The Town is a member of the Massachusetts Water Resources Authority (MWRA) which offers its members interest free loans for various infrastructure purposes.

Town of Dedham, Massachusetts

Notes to Basic Financial Statements

Year Ended June 30, 2025

Debt service requirements for principal and interest for enterprise fund general obligation bonds and direct borrowings payable in future years were as follows:

General Obligation Bonds Payable:			
Year	Principal	Interest	Total
2026.....	\$ 365,000	\$ 259,329	\$ 624,329
2027.....	365,000	242,229	607,229
2028.....	360,000	225,129	585,129
2029.....	360,000	208,279	568,279
2030.....	360,000	193,727	553,727
2031.....	350,000	179,179	529,179
2032.....	350,000	165,679	515,679
2033.....	350,000	153,004	503,004
2034.....	350,000	140,620	490,620
2035.....	345,000	129,194	474,194
2036.....	340,000	117,932	457,932
2037.....	340,000	106,757	446,757
2038.....	340,000	96,007	436,007
2039.....	340,000	85,232	425,232
2040.....	310,000	74,432	384,432
2041.....	275,000	64,807	339,807
2042.....	275,000	56,206	331,206
2043.....	275,000	47,582	322,582
2044.....	230,000	39,006	269,006
2045.....	230,000	32,232	262,232
2046.....	160,000	25,393	185,393
2047.....	160,000	21,157	181,157
2048.....	160,000	16,919	176,919
2049.....	155,000	12,306	167,306
2050.....	150,000	7,893	157,893
2051.....	45,000	3,600	48,600
2052.....	45,000	1,800	46,800
Total.....	\$ 7,385,000	\$ 2,705,630	\$ 10,090,630

Town of Dedham, Massachusetts

Notes to Basic Financial Statements

Year Ended June 30, 2025

Direct Borrowings:			
Year	Principal	Interest	Total
2026.....	\$ 110,325	\$ -	\$ 110,325
2027.....	87,500	-	87,500
2028.....	87,500	-	87,500
2029.....	87,500	-	87,500
2030.....	87,500	-	87,500
2031.....	58,500	-	58,500
2032.....	29,500	-	29,500
2033.....	29,500	-	29,500
2034.....	29,500	-	29,500
Total.....	\$ <u>607,325</u>	\$ <u>-</u>	\$ <u>607,325</u>

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, 2025, the Town had the following authorized and unissued debt:

Purpose	Amount
Oakdale feasibility study.....	\$ 1,000,000
Early childhood education center.....	824,135
Sewer repairs.....	1,463,000
Solar panels.....	25,000
Fire engine and ladder trucks.....	1,550,000
Firefighter turnout gear.....	264,000
Bussey St./Milton St. design improvements.....	500,000
DPW loader.....	375,000
Maverick St. culvert.....	500,000
Townwide facilities assessment.....	300,000
Video surveillance & access control.....	500,000
School exterior improvements.....	1,204,000
MWRA - I&I.....	1,160,000
Ames building - judgement bonds.....	4,850,000
Total.....	\$ <u>14,515,135</u>

Town of Dedham, Massachusetts

Notes to Basic Financial Statements

Year Ended June 30, 2025

Changes in Long-term Liabilities

During the year ended June 30, 2025, the following changes occurred in long-term liabilities:

	Beginning Balance	Long-term Debt Issued	Long-term Debt Redeemed	Other Increases	Other Decreases	Ending Balance	Due Within One Year
Governmental Activities:							
Long-term general obligation bonds payable..	\$ 116,300,000	\$ 4,045,000	\$ (9,080,000)	\$ -	\$ -	\$ 111,265,000	\$ 8,755,000
Add: Unamortized premium on bonds.....	5,414,225	215,551	(595,344)	-	-	5,034,432	559,923
Total long-term debt payable.....	121,714,225	4,260,551	(9,675,344)	-	-	116,299,432	9,314,923
Compensated absences.....	2,523,600	-	-	2,180,800	(630,900)	4,073,500	1,018,400
Net pension liability/(asset).....	21,028,386	-	-	4,935,336	(10,964,190)	14,999,532	-
Net OPEB liability.....	70,912,942	-	-	27,342,583	(21,207,647)	77,047,878	-
Total governmental activity long-term liabilities.....	\$ 216,179,153	\$ 4,260,551	\$ (9,675,344)	\$ 34,458,719	\$ (32,802,737)	\$ 212,420,342	\$ 10,333,323
Business-Type Activities:							
Long-term general obligation bonds payable..	\$ 5,720,000	\$ 1,920,000	\$ (255,000)	\$ -	\$ -	\$ 7,385,000	\$ 365,000
Long-term direct borrowings payable.....	740,475	-	(133,150)	-	-	607,325	110,325
Add: Unamortized premium on bonds.....	95,366	142,557	(8,396)	-	-	229,527	21,157
Total long-term debt payable.....	\$ 6,555,841	\$ 2,062,557	\$ (396,546)	\$ -	\$ -	\$ 8,221,852	\$ 496,482

The governmental activities long-term liabilities are generally liquidated by the general fund and the business-type activities long-term liabilities are generally liquidated by the sewer and stormwater enterprise fund.

NOTE 7 – GOVERNMENTAL FUND BALANCE CLASSIFICATIONS

The Town classifies fund balances according to the constraints imposed on the use of those resources. There are two major types of fund balances, which are nonspendable and spendable.

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

In addition to the nonspendable fund balance, accounting standards provide a hierarchy of spendable fund balances, based on a hierarchy of spending constraints.

- **Restricted:** fund balances that are constrained by external parties, constitutional provisions, or enabling legislation.
- **Committed:** fund balances that contain self-imposed constraints of the government from its highest level of decision-making authority. The Town’s highest level of decision-making authority is the Annual Town Meeting. Town Meeting adoption of a “warrant article” is required to commit fund balance.

Town of Dedham, Massachusetts

Notes to Basic Financial Statements

Year Ended June 30, 2025

- Assigned: fund balances that contain self-imposed constraints of the Town to be used for a particular purpose.
- Unassigned: fund balance of the general fund that is not constrained for any particular purpose.

Massachusetts General Law Ch.40 §5B allows for the establishment of Stabilization funds for one or more different purposes on an as needed basis. The creation of a fund requires a two-thirds vote of Town Meeting and must clearly define the purpose of the fund. Any changes to the purpose of the fund along with any additions to or appropriations from the fund requires a two-thirds vote of Town Meeting. At June 30, 2025, the following amounts (included on the following page as unassigned fund balance) have been set aside in the following stabilization funds: general stabilization \$8.5 million, mitigation stabilization fund \$241,000, and \$4.3 million in the Robin Reyes major capital facilities stabilization fund.

The general stabilization fund balance can be used for general and/or capital purposes upon two-thirds majority approval of Town Meeting. The mitigation stabilization fund balance can only be used to offset unforeseen Town operating costs as a result of increased demand for services. The Robin Reyes major capital facilities stabilization fund balance can be used for any capital purpose approved by Town Meeting.

With the exception of the reserve for bond premium, the committed balances in the general fund are articles carried forward to next year. Assigned balances in the general fund are encumbrances carried forward to next year and free cash for subsequent year expenditures. The detail of each article and encumbrance is included in the budgetary comparison schedule presented as required supplementary information.

Town of Dedham, Massachusetts

Notes to Basic Financial Statements

Year Ended June 30, 2025

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

	General	COVID-19 Pandemic Grants	Building and Improvements	Nonmajor Governmental Funds	Total Governmental Funds
Fund Balances:					
Nonspendable:					
Permanent fund principal..... \$	-	-	-	794,115	\$ 794,115
Restricted for:					
COVID-19 pandemic grants.....	-	61,977	-	-	61,977
Building and improvements.....	-	-	7,809,522	-	7,809,522
Town grants.....	-	-	-	1,536,705	1,536,705
School grants.....	-	-	-	1,552,428	1,552,428
Town gifts.....	-	-	-	1,029,982	1,029,982
School gifts.....	-	-	-	266,355	266,355
School lunch.....	-	-	-	517,415	517,415
Town revolving.....	-	-	-	1,445,738	1,445,738
School revolving.....	-	-	-	2,473,815	2,473,815
Receipts reserved.....	-	-	-	1,279,712	1,279,712
Land and improvements.....	-	-	-	871,008	871,008
Roadway improvements.....	-	-	-	2,345,473	2,345,473
Machinery and equipment.....	-	-	-	1,160,050	1,160,050
Ames property.....	-	-	-	279,679	279,679
Cemetery trust funds.....	-	-	-	568,898	568,898
Library trust funds.....	-	-	-	855,790	855,790
Other trust funds.....	-	-	-	644,286	644,286
Committed to:					
Reserve for bond premium.....	63,167	-	-	-	63,167
Articles and continuing appropriations:					
General government.....	4,388	-	-	-	4,388
Public works.....	513,029	-	-	-	513,029
Details and other.....	-	-	-	101,310	101,310
Assigned to:					
General government.....	148,614	-	-	-	148,614
Public safety.....	82,794	-	-	-	82,794
Education.....	83,138	-	-	-	83,138
Public works.....	88,376	-	-	-	88,376
Facilities.....	604,187	-	-	-	604,187
Community services.....	16,744	-	-	-	16,744
Free cash for subsequent year expenditures..	3,787,899	-	-	-	3,787,899
Unassigned.....	21,803,595	-	-	-	21,803,595
Total Fund Balances..... \$	27,195,931	\$ 61,977	\$ 7,809,522	\$ 17,722,759	\$ 52,790,189

Town of Dedham, Massachusetts

Notes to Basic Financial Statements

Year Ended June 30, 2025

NOTE 8 – 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; injuries to employees; and natural disasters for which the Town carries commercial premium based insurance. The amount of claim settlements has not exceeded insurance coverage in any of the previous three years.

The Town provides health insurance to its employees and retirees through its participation in a pooled health insurance group called the West Suburban Health Group (Group). The purpose of the Group is for the joint negotiation and purchase of health insurance coverage with various carriers. Under these agreements, the insurance claims of the covered employees are paid for by the insurance carrier and are subsequently reimbursed by the Group. The Group charges monthly premiums to each governmental unit based upon requirements established through underwriting or actuarial estimates. The Group also maintains a deposit with the insurance carrier which is sufficient to cover two months of claims paid by the carrier for the Group. In addition, the Group provides full reinsurance coverage for all claim costs in excess of \$225,000 per covered employee.

NOTE 9 – PENSION PLAN

Plan Descriptions

The Town is a member of the Dedham Contributory Retirement System (“System”), a cost-sharing multiple-employer defined benefit pension plan covering eligible employees of the 2 member units. The System is administered by five board members (Board) on behalf of all current employees and retirees except for current teachers and retired teachers. Chapter 32 of the MGL assigns authority to establish and amend benefit provisions of the plan. The System is a component unit and is reported as a pension and other postemployment benefit trust fund in the fiduciary fund financial statements.

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

Town of Dedham, Massachusetts

Notes to Basic Financial Statements

Year Ended June 30, 2025

Special Funding Situation

The Commonwealth is a nonemployer contributor and is required by statute to make 100% of all actuarially determined employer contributions on behalf of the Town to the MTRS. Therefore, the Town is considered to be in a special funding situation as defined by GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and the Commonwealth is a nonemployer contributor in MTRS. Since the Town does not contribute directly to MTRS, there is no net pension liability to recognize. The total of the Commonwealth provided contributions have been allocated based on each employer's covered payroll to the total covered payroll of employers in MTRS as of the measurement date of June 30, 2024. The Town's portion of the collective pension expense, contributed by the Commonwealth, of \$8.3 million is reported in the general fund as intergovernmental revenue and pension benefits in the current fiscal year. The portion of the Commonwealth's collective net pension liability associated with the Town is \$100.1 million as of the measurement date.

Benefits Provided

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

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

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

Town of Dedham, Massachusetts

Notes to Basic Financial Statements

Year Ended June 30, 2025

At December 31, 2024, the System membership consists of the following:

Active members.....	469
Inactive members.....	268
Retirees and beneficiaries currently receiving benefits	<u>334</u>
Total.....	<u>1,071</u>

Contributions

Chapter 32 of the MGL governs the contributions of plan members and member units. Active plan members are required to contribute at rates ranging from 5% to 9% of gross regular compensation with an additional 2% contribution required for compensation exceeding \$30,000. The percentage rate is keyed to the date upon which an employee's membership commences. The member units are required to pay into the System a legislatively mandated actuarial determined contribution that is apportioned among the employers based on active current payroll. The total member units' required contribution for the year ended December 31, 2024, was \$4.8 million or 14.62% of covered payroll, actuarially determined as an amount that, when combined with plan member contributions, is expected to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. The Town's proportionate share of the required contribution was \$4.5 million, which equaled its actual contribution.

Pension Liability/(Asset)

The components of the net pension liability/(asset) of the participating member units at December 31, 2024, were as follows:

Total pension liability.....	\$ 219,049,031
Total pension plan's fiduciary net position.....	<u>(203,175,224)</u>
Total net pension liability/(asset).....	<u>\$ 15,873,807</u>
The pension plan's fiduciary net position as a percentage of the total pension liability.....	92.75%

At June 30, 2025, the Town reported a liability of \$15.0 million for its proportionate share of the net pension liability. The Town has made additional contributions to the pension system which were valued at approximately \$17.4 million at the measurement date of December 31, 2024. The net pension liability was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2024. At December 31, 2024, the

Town of Dedham, Massachusetts

Notes to Basic Financial Statements

Year Ended June 30, 2025

Town’s proportion was 94.49%, which was comparable to the proportion of 94.48% at December 31, 2023.

Pension Expense

For the year ended June 30, 2025, the Town recognized pension expense of \$2.5 million. At June 30, 2025, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions which consisted of the following:

Deferred Category	Deferred Outflows of Resources	Deferred Inflows of Resources	Total
Differences between expected and actual experience..... \$	-	\$ (357,761)	\$ (357,761)
Difference between projected and actual earnings, net.....	2,883,046	-	2,883,046
Changes in proportion and proportionate share of contributions..	1,698	(164,926)	(163,228)
Total deferred outflows/(inflows) of resources..... \$	2,884,744	\$ (522,687)	\$ 2,362,057

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

Year ended June 30:

2026.....	\$ 578,531
2027.....	4,610,786
2028.....	(2,071,791)
2029.....	(755,469)
Total deferred outflows/(inflows) of resources... \$	2,362,057

Town of Dedham, Massachusetts

Notes to Basic Financial Statements

Year Ended June 30, 2025

Actuarial Assumptions

The total pension liability in the January 1, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement date that was updated to December 31, 2024:

Valuation date.....	January 1, 2024
Actuarial cost method.....	Entry Age Normal Cost Method.
Asset valuation method.....	Fair value of assets as reported in the System's annual statement less unrecognized return in each of the last four years. Unrecognized return is equal to the difference between the actual fair value return and the expected fair value return and is recognized over a 4 year period, further adjusted, if necessary, to be within 10% of the fair value.
Investment rate of return/discount rate..	7.00%.
Wage inflation rate.....	3.00%.
Projected salary increases.....	4.00% per year.
Cost of living adjustments.....	3.00% of the first \$15,000.
Mortality rates.....	<i>Pre-Retirement:</i> RP-2014 Blue Collar Employee Mortality Table projected generationally with Scale MP-2021. <i>Healthy Retiree:</i> RP-2014 Blue Collar Healthy Annuitant Mortality Table projected generationally with Scale MP-2021. <i>Disabled Retiree:</i> RP-2014 Blue Collar Healthy Annuitant Mortality Table set forward one year projected generationally with Scale MP-2021.

Town of Dedham, Massachusetts

Notes to Basic Financial Statements

Year Ended June 30, 2025

Rate of Return

For the year ended December 31, 2024, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 9.12%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of December 31, 2024 and December 31, 2023. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and that contributions will be made at rates equal to the actuarially determined contribution rate. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Investment Policy

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Town of Dedham, Massachusetts

Notes to Basic Financial Statements

Year Ended June 30, 2025

Best estimates of arithmetic real rates of return for each major asset class included in the System’s target asset allocation as of December 31, 2024, are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equities.....	23.50%	5.82%
International developed markets equities..	9.00%	5.91%
International emerging markets equities...	3.50%	7.06%
Core fixed income.....	15.00%	1.81%
High-yield fixed income.....	9.00%	3.34%
Timber.....	10.00%	3.34%
Real estate.....	4.00%	3.82%
Hedge fund, GTAA, risk parity.....	10.00%	2.77%
Private equity.....	<u>16.00%</u>	9.20%
Total.....	<u>100.00%</u>	

Sensitivity of the Net Pension Liability/(Asset) to Changes in the Discount Rate

The following presents the net pension liability/(asset), calculated using the discount rate of 7.00%, as well as what the net pension liability/(asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	<u>1% Decrease (6.00%)</u>	<u>Current Discount (7.00%)</u>	<u>1% Increase (8.00%)</u>
The Town's proportionate share of the net pension liability/(asset)..... \$	<u>39,083,979</u>	<u>\$ 14,999,532</u>	<u>\$ (5,100,338)</u>
DCRS total net pension liability/(asset).. \$	<u>41,362,061</u>	<u>\$ 15,873,807</u>	<u>\$ (5,397,621)</u>

Changes in Assumptions – None.

Changes in Plan Provisions – None.

Town of Dedham, Massachusetts

Notes to Basic Financial Statements

Year Ended June 30, 2025

NOTE 10 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

Plan Description

The Town maintains a single employer defined benefit healthcare plan (Plan). The Plan provides lifetime healthcare and life insurance for eligible retirees and their spouses through the Town's group health and life insurance plans, which covers both active and retired members. Chapter 32B of the MGL assigns authority to establish and amend benefit provisions of the Plan. Benefit provisions are negotiated between the Town and the unions representing Town employees and are renegotiated each bargaining period. The Plan does not issue a publicly available financial report.

Funding Policy

Contribution requirements are negotiated between the Town and union representatives. The required contribution is based on a pay-as-you-go financing requirement. Retired plan members and beneficiaries currently receiving benefits are required to contribute between 10% and 50% of the cost of benefits provided depending on the plan they choose. The Town is required to contribute the balance of the current premiums and may contribute additional amounts to pre-fund benefits. The Town contributed approximately \$5.7 million to the plan during 2025. Administrative costs of the Plan are assumed to be included in plan premiums.

The Commonwealth of Massachusetts passed special legislation that has allowed the Town to establish the other postemployment benefit trust fund to begin pre-funding its OPEB liabilities. During 2025, the Town pre-funded future OPEB liabilities totaling \$500,000 by contributing funds to the OPEB trust fund in excess of the pay-as-you go required contribution. The fund is reported within the Fiduciary Fund financial statements. As of June 30, 2025, the net position of the OPEB trust fund totaled \$37.3 million.

Investment Policy

The Town's policy in regard to the allocation of invested assets is established and may be amended by the Select Board by a majority vote of its members. The OPEB plan's assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the OPEB plan. The long-term real rate of return on OPEB investments was determined using the Town's investment policy.

Town of Dedham, Massachusetts

Notes to Basic Financial Statements

Year Ended June 30, 2025

Employees Covered by Benefit Terms

The following table represents the Plan's membership at June 30, 2025:

Active members.....	658
Inactive members currently receiving benefits....	<u>666</u>
Total.....	<u>1,324</u>

Components of OPEB Liability

The following table represents the components of the Plan's OPEB liability as of June 30, 2025:

Total OPEB liability.....	\$ 114,301,595
Less: OPEB plan's fiduciary net position.....	<u>(37,253,717)</u>
Net OPEB liability.....	\$ <u>77,047,878</u>
The OPEB plan's fiduciary net position as a percentage of the total OPEB liability..	32.6%

Town of Dedham, Massachusetts

Notes to Basic Financial Statements

Year Ended June 30, 2025

Significant Actuarial Methods and Assumptions

The total OPEB liability in the July 1, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified, that were updated to June 30, 2025:

Valuation date.....	July 1, 2023
Actuarial cost method.....	Individual Entry Age Normal.
Asset valuation method.....	Fair value of assets as of the reporting date.
Single equivalent discount rate.....	6.47%, net of OPEB plan investment expense, including inflation. Previously 6.97%.
Municipal bond rate.....	4.21% as of June 30, 2024 (source: S&P municipal bond 20-year high grade index - SAPIHG). Previously 4.13%.
Salary increases.....	3.00% annually as of year end and for future periods.
Healthcare cost trend rate.....	5.00% to 3.63% in 2060 and forward.
Pre-retirement mortality rates.....	General: RP-2014 Mortality Table for Blue Collar Employees projected generationally with scale MP-2016 for males and females, set forward 1 year for females. Teachers: RP-2014 Mortality Table for White Collar Employees projected generationally with scale MP-2016 for males and females.
Post-retirement mortality rates.....	General: RP-2014 Mortality Table for Blue Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females, set forward 1 year for females. Teachers: RP-2014 Mortality Table for White Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females.
Disabled mortality rates.....	General: RP-2014 Mortality Table for Blue Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females, set forward 1 year for females. Teachers: RP-2014 Mortality Table for White Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females.

Town of Dedham, Massachusetts

Notes to Basic Financial Statements

Year Ended June 30, 2025

Rate of Return

For the year ended June 30, 2025, the annual money-weighted rate of return on investments, net of investment expense, was 9.63%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the OPEB plan’s target asset allocation as of June 30, 2025 are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity - large cap.....	14.50%	4.52%
Domestic equity- small/mid cap.....	3.50%	5.06%
International developed markets equities	16.00%	5.08%
International emerging markets equities.	6.00%	5.80%
Domestic fixed income.....	20.00%	2.44%
International fixed income.....	3.00%	2.13%
Alternatives.....	23.00%	6.09%
Real Estate.....	14.00%	3.73%
Total.....	<u>100.00%</u>	

Discount Rate

The discount rate used to measure the total OPEB liability was 6.47% as of June 30, 2025, and 6.97% as of June 30, 2024. The projection of cash flows used to determine the discount rate assumed that contributions will be made in accordance with the Plan’s funding policy. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to be sufficient to make all projected benefit payments to current plan members.

Town of Dedham, Massachusetts

Notes to Basic Financial Statements

Year Ended June 30, 2025

Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at June 30, 2024.....	\$ 104,402,081	\$ 33,489,139	\$ 70,912,942
Changes for the year:			
Service cost.....	1,791,163	-	1,791,163
Interest.....	7,223,016	-	7,223,016
Changes in assumptions.....	6,099,478	-	6,099,478
Benefit payments.....	(5,214,143)	(5,214,143)	-
Employer contributions.....	-	5,714,143	(5,714,143)
Investment income.....	-	3,264,578	(3,264,578)
Net change.....	<u>9,899,514</u>	<u>3,764,578</u>	<u>6,134,936</u>
Balances at June 30, 2025.....	\$ <u>114,301,595</u>	\$ <u>37,253,717</u>	\$ <u>77,047,878</u>

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following table presents the net other postemployment benefit liability and service cost, calculated using the discount rate of 6.47%, as well as what the net other postemployment benefit liability and service cost would be if it were calculated using a discount rate that is 1-percentage-point lower (5.47%) or 1-percentage-point higher (7.47%) than the current rate:

	1% Decrease (5.47%)	Current Discount Rate (6.47%)	1% Increase (7.47%)
Net OPEB liability.....	\$ <u>92,264,199</u>	\$ <u>77,047,878</u>	\$ <u>64,584,726</u>

Town of Dedham, Massachusetts

Notes to Basic Financial Statements

Year Ended June 30, 2025

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Trend

The following table presents the net other postemployment benefit liability and service cost, calculated using the current healthcare trend rate of 4.96%, as well as what the net other postemployment benefit liability and service cost would be if it were calculated using a healthcare trend rate that is 1-percentage-point lower or 1-percentage-point higher:

	1% Decrease	Current Trend	1% Increase
Net OPEB liability..... \$	63,209,390	\$ 77,047,878	\$ 94,141,704

OPEB Expense and Deferred Outflows and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2025, the Town recognized OPEB expense of \$9.4 million. At June 30, 2025, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Deferred Category	Deferred Outflows of Resources	Deferred Inflows of Resources	Total
Differences between expected and actual experience... \$	-	\$ (3,859,621)	\$ (3,859,621)
Difference between projected and actual earnings, net..	-	(581,060)	(581,060)
Changes in assumptions.....	11,357,978	(5,625,612)	5,732,366
Total deferred outflows/(inflows) of resources..... \$	11,357,978	\$ (10,066,293)	\$ 1,291,685

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

Year ended June 30:

2026.....	\$ 3,714,687
2027.....	(1,112,467)
2028.....	(1,412,444)
2029.....	(693,679)
2030.....	795,588
Total deferred outflows/(inflows) of resources.... \$	1,291,685

Town of Dedham, Massachusetts

Notes to Basic Financial Statements

Year Ended June 30, 2025

Changes in Assumptions – The single equivalent discount rate was decrease from 6.97% to 6.47%.

Changes in Plan Provisions – None.

NOTE 11 – FINANCIAL STATEMENTS FOR INDIVIDUAL PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS

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

	<u>Pension Trust Fund (as of December 31, 2024)</u>	<u>Other Postemployment Benefit Trust Fund</u>	<u>Total Pension and Other Employee Benefit Trust Funds</u>
ASSETS			
Cash and cash equivalents.....	\$ 593,878	\$ -	\$ 593,878
Investments:			
Investments in Pension Reserve Investment Trust..	202,582,385	37,253,717	239,836,102
Receivables:			
Intergovernmental.....	<u>441,974</u>	<u>-</u>	<u>441,974</u>
TOTAL ASSETS.....	<u>203,618,237</u>	<u>37,253,717</u>	<u>240,871,954</u>
LIABILITIES			
Warrants payable.....	<u>443,013</u>	<u>-</u>	<u>443,013</u>
NET POSITION			
Restricted for pensions.....	203,175,224	-	203,175,224
Restricted for other postemployment benefits.....	<u>-</u>	<u>37,253,717</u>	<u>37,253,717</u>
TOTAL NET POSITION.....	<u>\$ 203,175,224</u>	<u>\$ 37,253,717</u>	<u>\$ 240,428,941</u>

Town of Dedham, Massachusetts

Notes to Basic Financial Statements

Year Ended June 30, 2025

	Pension Trust Fund (as of December 31, 2024)	Other Postemployment Benefit Trust Fund	Total Pension and Other Employee Benefit Trust Funds
<u>ADDITIONS:</u>			
Contributions:			
Employer contributions.....	\$ 4,794,232	\$ 500,000	\$ 5,294,232
Employer contributions for other postemployment benefit payments.....	-	5,214,143	5,214,143
Member contributions.....	3,269,734	-	3,269,734
Transfers from other systems.....	338,415	-	338,415
3(8)c contributions from other systems.....	319,010	-	319,010
Workers compensation settlements.....	25,696	-	25,696
State COLA reimbursements.....	43,490	-	43,490
Member makeup payments and redeposits.....	19,799	-	19,799
	8,810,376	5,714,143	14,524,519
Net investment income:			
Investment income.....	18,120,805	3,433,123	21,553,928
Less: investment expense.....	(950,202)	(168,545)	(1,118,747)
	17,170,603	3,264,578	20,435,181
	17,170,603	3,264,578	20,435,181
TOTAL ADDITIONS.....	25,980,979	8,978,721	34,959,700
<u>DEDUCTIONS:</u>			
Administration.....	336,559	-	336,559
Transfers to other systems.....	280,867	-	280,867
3(8)c transfer to other systems.....	385,283	-	385,283
Retirement benefits and refunds.....	12,192,842	-	12,192,842
Other postemployment benefit payments.....	-	5,214,143	5,214,143
	13,195,551	5,214,143	18,409,694
TOTAL DEDUCTIONS.....	13,195,551	5,214,143	18,409,694
NET INCREASE IN NET POSITION.....	12,785,428	3,764,578	16,550,006
NET POSITION AT BEGINNING OF YEAR.....	190,389,796	33,489,139	223,878,935
NET POSITION AT END OF YEAR.....	\$ 203,175,224	\$ 37,253,717	\$ 240,428,941

NOTE 12 – COMMITMENTS

The Town is committed to completing various projects throughout the Town that will be funded with long-term debt which has been authorized, but not yet issued, totaling approximately \$14.5 million.

The general fund had various commitments for goods and services related to encumbrances and articles of \$1.5 million.

Town of Dedham, Massachusetts

Notes to Basic Financial Statements

Year Ended June 30, 2025

NOTE 13 – CONTINGENCIES

The Town participates in a number of federal award programs. Although the grant programs have been audited in accordance with the provisions of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* through June 30, 2025, these programs are still subject to financial and compliance audits. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although it is expected such amounts, if any, to be immaterial.

Various legal actions and claims are pending. Litigation is subject to many uncertainties, and the outcome of individual litigated matters is not always predictable. On June 30, 2025, the Town recorded a legal settlement payable for the payment made in July 2025 for the Ames building settlement. Management believes any remaining liability, related to additional cases, should not materially affect the financial position at June 30, 2025.

NOTE 14 – CHANGE IN FUND CLASSIFICATION

During the fiscal year ended June 30, 2025, the Town reviewed its fund classifications and determined that the COVID-19 Pandemic Grants fund, previously reported as a nonmajor fund, now met the criteria for major fund reporting according to the Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements—and Management’s Discussion and Analysis—for State and Local Governments*.

The COVID-19 Pandemic Grants fund has been reclassified as a major governmental fund for the fiscal year ended June 30, 2025. The reclassification is based on the funds’ financial activity, which now meets the quantitative thresholds established for major fund reporting. The effects of this reclassification are reflected in the accompanying financial statements for the fiscal year ended June 30, 2025. The reclassification did not have any impact on the total net position or the change in net position of the Town. The following table represents the changes:

	Reporting Units Affected by Adjustments to Beginning Balances:	
	COVID-19 Pandemic Grants	Nonmajor Governmental Funds
June 30, 2024, as previously reported.....	\$ -	\$ 17,895,255
Change from nonmajor fund to major fund.....	55,502	(55,502)
June 30, 2024, as adjusted.....	\$ 55,502	\$ 17,839,753

Town of Dedham, Massachusetts

Notes to Basic Financial Statements

Year Ended June 30, 2025

NOTE 15 – IMPLEMENTATION OF NEW GASB PRONOUNCEMENTS

During 2025, the following GASB pronouncements were implemented:

- GASB Statement #101, *Compensated Absences*. The Town has evaluated the impact of implementing GASB 101 and determined that the effect on the annual comprehensive financial report is not material. As a result, beginning balances have not been revised retrospectively. The Town implemented GASB 101 prospectively in 2025.
- GASB Statement #102, *Certain Risk Disclosures*. This pronouncement did not impact the annual comprehensive financial report.

The following GASB pronouncements will be implemented in the future:

- The GASB issued Statement #103, *Financial Reporting Model Improvements*, which is required to be implemented in 2026.
- The GASB issued Statement #104, *Disclosure of Certain Capital Asset*, which is required to be implemented in 2026.
- The GASB issued Statement #105, *Subsequent Events*, which is required to be implemented for fiscal years beginning after June 15, 2026.

Management is currently assessing the impact the implementation of these pronouncements will have on the annual comprehensive financial report.

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 the entire Town's financial resources, except those required to be accounted for in another fund.

Town of Dedham, Massachusetts

General Fund Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Budgetary Basis

Year Ended June 30, 2025

	Budgeted Amounts				Actual Budgetary Amounts	Amounts Carried Forward to Next Year	Variance to Final Budget
	Amounts Carried Forward from Prior Year	Current Year Initial Budget	Original Budget	Final Budget			
REVENUES:							
Real estate and personal property taxes, net of tax refunds.....	\$ -	\$ 114,607,710	\$ 114,607,710	\$ 114,607,710	\$ 114,366,198	\$ -	\$ (241,512)
Tax liens.....	-	-	-	-	304,995	-	304,995
Motor vehicle and other excise taxes.....	-	3,808,000	3,808,000	3,808,000	4,474,857	-	666,857
Penalties and interest on taxes.....	-	450,000	450,000	450,000	359,649	-	(90,351)
Payments in lieu of taxes.....	-	35,000	35,000	35,000	36,470	-	1,470
Licenses and permits.....	-	1,250,784	1,250,784	1,250,784	2,091,537	-	840,753
Fines and forfeitures.....	-	90,000	90,000	90,000	99,508	-	9,508
Intergovernmental.....	-	14,195,059	14,195,059	14,195,059	14,606,507	-	411,448
Departmental and other.....	-	1,109,708	1,109,708	1,109,708	1,212,135	-	102,427
Investment income (loss).....	-	323,153	323,153	323,153	1,110,646	-	787,493
TOTAL REVENUES.....	-	135,869,414	135,869,414	135,869,414	138,662,502	-	2,793,088
EXPENDITURES:							
Current:							
General Government							
Select Board/Town Manager:							
Personnel services.....	-	2,047,240	2,047,240	757,929	757,784	-	145
Purchase of services.....	1,740	49,000	50,740	51,029	36,768	11,590	2,671
Other charges & expenses.....	12,544	1,413,948	1,426,492	1,481,492	1,476,440	-	5,052
Total.....	14,284	3,510,188	3,524,472	2,290,450	2,270,992	11,590	7,868
Legal:							
Purchase of services.....	-	285,098	285,098	296,126	268,124	24,300	3,702
Litigation & judgements.....	-	25,000	25,000	52,981	527,884	-	(474,903)
Total.....	-	310,098	310,098	349,107	796,008	24,300	(471,201)
Finance & Warrant Committee:							
Reserve fund.....	-	250,000	250,000	183,100	-	-	183,100
Finance Department:							
Personnel services.....	-	802,550	802,550	787,550	670,446	-	117,104
Purchase of services.....	27,400	187,250	214,650	214,650	184,513	-	30,137
Supplies & materials.....	-	3,000	3,000	3,000	342	-	2,658
Other charges & expenses.....	-	12,000	12,000	12,000	10,525	-	1,475
Total.....	27,400	1,004,800	1,032,200	1,017,200	865,826	-	151,374
Technology Department:							
Personnel services.....	-	416,007	416,007	324,736	324,614	-	122
Purchase of services.....	48,549	1,188,734	1,237,283	1,243,993	1,106,175	99,551	38,267
Supplies & materials.....	8,770	18,500	27,270	27,270	13,737	4,569	8,964
Other charges & expenses.....	-	7,600	7,600	7,600	3,686	-	3,914
Operating capital.....	-	13,390	13,390	13,400	384	-	13,016
Total.....	57,319	1,644,231	1,701,550	1,616,999	1,448,596	104,120	64,283
Central Purchasing:							
Personnel services.....	-	10,000	10,000	10,000	9,500	-	500
Purchase of services.....	-	75,000	75,000	101,000	81,344	-	19,656
Overtime.....	-	66,000	66,000	84,000	84,000	-	-
Supplies & materials.....	1,000	90,000	91,000	91,000	65,006	6,657	19,337
Total.....	1,000	241,000	242,000	286,000	239,850	6,657	39,493
Assessing:							
Personnel services.....	-	419,615	419,615	435,219	435,219	-	-
Purchase of services.....	-	48,250	48,250	48,250	46,038	-	2,212
Supplies & materials.....	-	500	500	500	30	-	470
Other charges & expenses.....	-	3,500	3,500	3,500	1,217	-	2,283
Total.....	-	471,865	471,865	487,469	482,504	-	4,965
Human Resources:							
Personnel services.....	-	321,426	321,426	337,350	337,350	-	-
Purchase of services.....	-	95,275	95,275	55,645	29,283	-	26,362
Other charges & expenses.....	-	4,400	4,400	4,400	2,224	-	2,176
Total.....	-	421,101	421,101	397,395	368,857	-	28,538

See notes to required supplementary information.

Town of Dedham, Massachusetts

General Fund Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Budgetary Basis (Continued)

Year Ended June 30, 2025

	Budgeted Amounts				Actual Budgetary Amounts	Amounts Carried Forward to Next Year	Variance to Final Budget
	Amounts Carried Forward from Prior Year	Current Year Initial Budget	Original Budget	Final Budget			
Town Clerk:							
Personnel services.....	-	388,735	388,735	408,824	408,824	-	-
Purchase of services.....	-	74,200	74,200	93,100	85,108	1,947	6,045
Supplies & materials.....	-	1,200	1,200	1,200	1,129	-	71
Other charges & expenses.....	-	1,450	1,450	1,450	1,010	-	440
Total.....	-	465,585	465,585	504,574	496,071	1,947	6,556
Planning:							
Personnel services.....	-	477,923	477,923	443,236	434,580	-	8,656
Purchase of services.....	14,556	121,450	136,006	138,081	78,713	-	59,368
Other charges & expenses.....	-	4,850	4,850	4,850	3,255	-	1,595
Total.....	14,556	604,223	618,779	586,167	516,548	-	69,619
Economic Development:							
Articles.....	4,388	4,388	8,776	4,388	-	4,388	-
Total General Government.....	118,947	8,927,479	9,046,426	7,722,849	7,485,252	153,002	84,595
Public Safety:							
Police Department:							
Personnel services.....	-	6,252,562	6,252,562	6,850,295	6,927,561	-	(77,266)
Overtime.....	-	724,912	724,912	954,912	945,275	180	9,457
Purchase of services.....	21,356	243,229	264,585	209,744	204,184	-	5,560
Supplies & materials.....	2,947	150,575	153,522	133,594	118,146	-	15,448
Other charges & expenses.....	-	27,271	27,271	27,271	21,789	-	5,482
Operating capital.....	147,487	292,500	439,987	439,987	357,554	41,047	41,386
Total.....	171,790	7,691,049	7,862,839	8,615,803	8,574,509	41,227	67
Fire Department:							
Personnel services.....	3,494	6,641,912	6,645,406	7,425,071	7,411,105	13,966	-
Overtime.....	-	700,378	700,378	860,378	915,984	-	(55,606)
Purchase of services.....	3,331	291,915	295,246	247,246	224,390	1,770	21,086
Supplies & materials.....	1,217	287,210	288,427	268,427	160,432	22,466	85,529
Other charges & expenses.....	-	14,685	14,685	14,685	10,366	-	4,319
Total.....	8,042	7,936,100	7,944,142	8,815,807	8,722,277	38,202	55,328
Central Dispatch Center:							
Personnel services.....	-	771,363	771,363	746,363	656,677	3,365	86,321
Overtime.....	-	193,894	193,894	193,894	193,894	-	-
Purchase of services.....	-	67,080	67,080	67,080	52,611	-	14,469
Supplies & materials.....	-	2,000	2,000	2,000	-	-	2,000
Other charges & expenses.....	-	1,910	1,910	1,910	686	-	1,224
Total.....	-	1,036,247	1,036,247	1,011,247	903,868	3,365	104,014
Building Inspection:							
Personnel services.....	-	593,131	593,131	611,871	611,871	-	-
Supplies & materials.....	-	2,000	2,000	2,000	273	-	1,727
Other charges & expenses.....	-	1,500	1,500	1,500	900	-	600
Total.....	-	596,631	596,631	615,371	613,044	-	2,327
Civil Preparedness:							
Purchase of services.....	-	1,395	1,395	1,395	-	-	1,395
Supplies & materials.....	-	2,350	2,350	2,350	-	-	2,350
Total.....	-	3,745	3,745	3,745	-	-	3,745
Total Public Safety.....	179,832	17,263,772	17,443,604	19,061,973	18,813,698	82,794	165,481

See notes to required supplementary information.

Town of Dedham, Massachusetts

General Fund Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Budgetary Basis (Continued)

Year Ended June 30, 2025

	Budgeted Amounts				Actual Budgetary Amounts	Amounts Carried Forward to Next Year	Variance to Final Budget
	Amounts Carried Forward from Prior Year	Current Year Initial Budget	Original Budget	Final Budget			
Education:							
Dedham Public Schools:							
School operations.....	53,473	52,849,030	52,902,503	52,902,503	52,746,215	83,138	73,150
Operating capital.....	-	-	-	202,500	93,836	-	108,664
Total.....	53,473	52,849,030	52,902,503	53,105,003	52,840,051	83,138	181,814
Blue Hills Regional School:							
Assessment.....	-	2,236,344	2,236,344	2,236,344	2,227,776	-	8,568
Norfolk County Agricultural High School:							
Assessment.....	-	76,619	76,619	76,619	72,112	-	4,507
Total Education.....	53,473	55,161,993	55,215,466	55,417,966	55,139,939	83,138	194,889
Public Works:							
Engineering:							
Personnel services.....	-	513,448	513,448	528,354	527,916	-	438
Purchase of services.....	-	88,850	88,850	88,850	35,021	10,000	43,829
Supplies & materials.....	-	16,950	16,950	16,950	2,167	-	14,783
Other charges & expenses.....	-	11,020	11,020	11,020	5,608	-	5,412
Articles.....	513,029	-	513,029	513,029	-	513,029	-
Total.....	513,029	630,268	1,143,297	1,158,203	570,712	523,029	64,462
Public Works Operations:							
Personnel services.....	-	1,807,963	1,807,963	1,807,963	1,783,249	-	24,714
Overtime.....	-	189,000	189,000	189,000	163,434	-	25,566
Purchase of services.....	143,459	1,542,321	1,685,780	1,611,780	1,519,871	55,987	35,922
Supplies & materials.....	902	397,000	397,902	343,143	276,381	21,737	45,025
Other charges & expenses.....	624	14,000	14,624	14,425	12,196	-	2,229
Operating capital.....	-	-	-	2,006	-	-	2,006
Total.....	144,985	3,950,284	4,095,269	3,968,317	3,755,131	77,724	135,462
Snow and Ice:							
Snow and ice removal.....	17,050	677,000	694,050	1,036,050	1,011,399	652	23,999
Rubbish and Recycling:							
Rubbish and recycling.....	-	2,960,044	2,960,044	3,129,044	2,982,948	-	146,096
Total Public Works.....	675,064	8,217,596	8,892,660	9,291,614	8,320,190	601,405	370,019
Facilities:							
Town Facilities:							
Personnel services.....	-	766,854	766,854	777,047	777,047	-	-
Overtime.....	-	61,520	61,520	61,520	57,551	-	3,969
Purchase of services.....	213,980	689,678	903,658	807,465	487,296	78,736	241,433
Supplies & materials.....	11,992	271,491	283,483	295,919	225,411	7,071	63,437
Utilities.....	78,249	887,438	965,687	1,005,687	872,433	69,285	63,969
Other charges & expenses.....	-	2,926	2,926	2,926	946	-	1,980
Operating capital.....	14,442	275,000	289,442	289,442	129,130	8,606	151,706
Total.....	318,663	2,954,907	3,273,570	3,240,006	2,549,814	163,698	526,494
School Facilities:							
Personnel services.....	20,099	2,365,561	2,385,660	2,383,302	2,082,652	45,000	255,650
Overtime.....	-	198,077	198,077	198,077	179,660	-	18,417
Purchase of services.....	56,850	878,755	935,605	935,606	703,556	231,542	508
Supplies & materials.....	14,494	336,365	350,859	350,859	332,323	18,444	92
Utilities.....	28,929	1,725,453	1,754,382	1,754,382	1,590,301	145,503	18,578
Other charges & expenses.....	-	2,500	2,500	4,858	1,669	-	3,189
Operating capital.....	24,120	-	24,120	24,120	24,120	-	-
Total.....	144,492	5,506,711	5,651,203	5,651,204	4,914,281	440,489	296,434
Total Facilities.....	463,155	8,461,618	8,924,773	8,891,210	7,464,095	604,187	822,928
Community Services:							
Board of Health:							
Personnel services.....	-	481,784	481,784	481,784	452,131	-	29,653
Purchase of services.....	-	11,895	11,895	11,895	1,090	-	10,805
Supplies & materials.....	-	1,850	1,850	1,850	1,463	-	387
Other charges & expenses.....	2,500	32,700	35,200	35,200	17,624	-	17,576
Operating capital.....	-	8,000	8,000	8,000	6,634	1,204	162
Total.....	2,500	536,229	538,729	538,729	478,942	1,204	58,583
Council on Aging:							
Personnel services.....	-	333,894	333,894	342,515	342,515	-	-
Purchases of services.....	700	30,000	30,700	30,700	25,558	528	4,614
Supplies & materials.....	-	38,500	38,500	38,500	18,400	7,973	12,127
Other charges & expenses.....	-	4,500	4,500	4,500	3,965	-	535
Total.....	700	406,894	407,594	416,215	390,438	8,501	17,276

See notes to required supplementary information.

Town of Dedham, Massachusetts

General Fund Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Budgetary Basis (Continued)

Year Ended June 30, 2025

	Budgeted Amounts				Actual Budgetary Amounts	Amounts Carried Forward to Next Year	Variance to Final Budget
	Amounts Carried Forward from Prior Year	Current Year Initial Budget	Original Budget	Final Budget			
Youth Commission:							
Personnel services.....	-	314,605	314,605	314,605	293,694	-	20,911
Purchase of services.....	-	15,000	15,000	15,730	15,730	-	-
Supplies & materials.....	-	5,500	5,500	4,271	4,271	-	-
Other charges & expenses.....	-	1,000	1,000	1,500	1,500	-	-
Total.....	-	336,105	336,105	336,106	315,195	-	20,911
Veteran's Services:							
Personnel services.....	-	98,890	98,890	102,917	102,917	-	-
Purchase of services.....	-	500	500	500	-	-	500
Supplies & materials.....	-	300	300	300	-	-	300
Other charges & expenses.....	-	110,650	110,650	47,650	28,195	-	19,455
Total.....	-	210,340	210,340	151,367	131,112	-	20,255
Library:							
Personnel services.....	-	1,199,562	1,199,562	1,199,562	1,176,481	-	23,081
Overtime.....	-	10,000	10,000	20,000	18,711	-	1,289
Purchase of services.....	570	100,950	101,520	101,520	90,305	-	11,215
Supplies & materials.....	3,375	267,944	271,319	271,319	262,995	4,133	4,191
Other charges & expenses.....	-	8,700	8,700	8,700	4,314	-	4,386
Total.....	3,945	1,587,156	1,591,101	1,601,101	1,552,806	4,133	44,162
Parks & Recreation:							
Personnel services.....	-	854,118	854,118	862,227	862,227	-	-
Overtime.....	-	12,000	12,000	12,000	12,000	-	-
Purchase of services.....	10,481	72,000	82,481	82,478	79,984	899	1,595
Supplies & materials.....	2,543	159,000	161,543	161,543	155,593	2,007	3,943
Utilities.....	648	2,250	2,898	2,898	1,907	-	991
Other charges & expenses.....	-	600	600	600	420	-	180
Operating capital.....	-	-	-	297	-	-	297
Total.....	13,672	1,099,968	1,113,640	1,122,043	1,112,131	2,906	7,006
Endicott Estate:							
Personnel services.....	-	188,409	188,409	192,235	192,235	-	-
Purchase of services.....	-	21,350	21,350	21,350	15,729	-	5,621
Supplies & materials.....	-	5,000	5,000	5,000	3,082	-	1,918
Other charges & expenses.....	-	1,900	1,900	1,900	-	-	1,900
Total.....	-	216,659	216,659	220,485	211,046	-	9,439
Civic & Cultural Programs:							
Civic pride.....	-	20,000	20,000	20,000	20,000	-	-
Cultural Council.....	-	10,000	10,000	10,000	10,000	-	-
Total.....	-	30,000	30,000	30,000	30,000	-	-
Total Community Services.....	20,817	4,423,351	4,444,168	4,416,046	4,221,670	16,744	177,632
State and County Assessments.....	-	3,939,064	3,939,064	3,939,064	3,759,799	-	179,265
Debt Service:							
Principal.....	-	9,133,750	9,133,750	9,116,750	9,080,000	-	36,750
Interest.....	-	3,987,448	3,987,448	4,004,448	4,004,134	-	314
Total.....	-	13,121,198	13,121,198	13,121,198	13,084,134	-	37,064
Employee Benefits:							
Personnel services.....	-	20,823,770	20,823,770	20,853,770	19,203,527	-	1,650,243
TOTAL EXPENDITURES.....	1,511,288	140,339,841	141,851,129	142,715,690	137,492,304	1,541,270	3,682,116
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	(1,511,288)	(4,470,427)	(5,981,715)	(6,846,276)	1,170,198	(1,541,270)	6,475,204
OTHER FINANCING SOURCES (USES):							
Transfers in.....	-	3,726,470	3,726,470	3,726,470	3,726,470	-	-
Transfers out.....	-	(1,160,000)	(1,160,000)	(2,117,836)	(2,117,836)	-	-
TOTAL OTHER FINANCING SOURCES (USES).....	-	2,566,470	2,566,470	1,608,634	1,608,634	-	-
NET CHANGE IN FUND BALANCE.....	(1,511,288)	(1,903,957)	(3,415,245)	(5,237,642)	2,778,832	(1,541,270)	6,475,204
BUDGETARY FUND BALANCE, Beginning of year...	-	16,245,376	16,245,376	16,245,376	16,245,376	-	-
BUDGETARY FUND BALANCE, End of year.....	\$(1,511,288)	\$ 14,341,419	\$ 12,830,131	\$ 11,007,734	\$ 19,024,208	\$(1,541,270)	\$ 6,475,204

See notes to required supplementary information.

Pension Plan Schedules – Retirement System

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

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

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

These schedules are intended to present information for ten years.

Town of Dedham, Massachusetts

Schedule of Changes in the Net Pension Liability/Asset And Related Ratios

Dedham Contributory Retirement System

	December 31, 2015	December 31, 2016	December 31, 2017	December 31, 2018	December 31, 2019	December 31, 2020	December 31, 2021	December 31, 2022	December 31, 2023	December 31, 2024
Total pension liability:										
Service cost.....	\$ 3,044,083	\$ 3,044,083	\$ 3,130,263	\$ 3,407,651	\$ 3,087,842	\$ 3,185,292	\$ 3,280,852	\$ 3,679,342	\$ 3,795,407	\$ 3,806,870
Interest.....	10,663,706	10,166,868	10,434,432	10,778,701	12,592,079	13,094,204	13,530,848	14,000,218	14,443,843	14,727,187
Changes in benefit terms.....	1,684,915	-	-	-	-	-	2,662,624	-	(1,636,339)	-
Differences between expected and actual experience....	3,030,168	-	1,572,401	7,826,299	1,275,215	-	209,008	-	(757,226)	-
Changes in assumptions.....	(4,100,558)	-	3,494,125	18,037,471	-	-	4,193,704	-	-	-
Benefit payments.....	(9,304,824)	(9,809,840)	(9,880,882)	(9,595,614)	(9,929,337)	(10,324,111)	(10,380,652)	(11,428,967)	(11,487,169)	(12,132,381)
Interest on benefit payments.....	(353,834)	-	-	-	-	-	-	-	-	-
Net change in total pension liability.....	4,663,656	3,401,111	8,750,339	30,454,508	7,025,799	5,955,385	13,496,384	6,250,593	4,358,516	6,401,676
Total pension liability - beginning.....	128,291,064	132,954,720	136,355,831	145,106,170	175,560,678	182,586,477	188,541,862	202,038,246	208,288,839	212,647,355
Total pension liability - ending (a).....	\$ 132,954,720	\$ 136,355,831	\$ 145,106,170	\$ 175,560,678	\$ 182,586,477	\$ 188,541,862	\$ 202,038,246	\$ 208,288,839	\$ 212,647,355	\$ 219,049,031
Plan fiduciary net position:										
Employer contributions.....	\$ 4,725,074	\$ 12,194,092	\$ 7,031,923	\$ 5,357,850	\$ 3,937,057	\$ 4,265,682	\$ 4,477,686	\$ 4,700,227	\$ 4,700,227	\$ 4,794,232
Member contributions.....	2,480,961	2,509,736	2,449,519	2,448,456	2,575,743	2,671,632	2,848,519	3,017,281	3,137,830	3,289,533
Net investment income (loss).....	705,719	8,454,659	21,087,313	(3,214,135)	21,995,860	18,592,569	33,663,661	(22,739,251)	19,098,288	17,170,603
Administrative expenses.....	(221,292)	(227,189)	(211,787)	(249,350)	(275,561)	(289,889)	(280,610)	(327,800)	(341,150)	(336,559)
Retirement benefits and refunds.....	(9,304,824)	(9,809,840)	(9,880,882)	(9,595,614)	(9,929,337)	(10,324,111)	(10,380,652)	(11,428,967)	(11,487,169)	(12,132,381)
Other receipts.....	305,199	487,921	266,900	-	-	-	-	-	-	-
Net increase (decrease) in fiduciary net position.....	(1,309,163)	13,609,379	20,742,986	(5,252,793)	18,303,762	14,915,883	30,328,604	(26,778,510)	15,108,026	12,785,428
Fiduciary net position - beginning of year.....	110,721,622	109,412,459	123,021,838	143,764,824	138,512,031	156,815,793	171,731,676	202,060,280	175,281,770	190,389,796
Fiduciary net position - end of year (b).....	\$ 109,412,459	\$ 123,021,838	\$ 143,764,824	\$ 138,512,031	\$ 156,815,793	\$ 171,731,676	\$ 202,060,280	\$ 175,281,770	\$ 190,389,796	\$ 203,175,224
Net pension liability/(asset) - ending (a)-(b).....	\$ 23,542,261	\$ 13,333,993	\$ 1,341,346	\$ 37,048,647	\$ 25,770,684	\$ 16,810,186	\$ (22,034)	\$ 33,007,069	\$ 22,257,559	\$ 15,873,807
Plan fiduciary net position as a percentage of the total pension liability.....	82.29%	90.22%	99.08%	78.90%	85.89%	91.08%	100.01%	84.15%	89.53%	92.75%
Covered payroll.....	\$ 22,457,073	\$ 23,355,356	\$ 24,330,871	\$ 25,300,391	\$ 26,246,264	\$ 27,222,951	\$ 28,453,331	\$ 29,504,571	\$ 30,900,460	\$ 32,135,631
Net pension liability/(asset) as a percentage of covered payroll.....	104.83%	57.09%	5.51%	146.44%	98.19%	61.75%	-0.08%	111.87%	72.03%	49.40%

See notes to required supplementary information.

Town of Dedham, Massachusetts

Schedules of Contributions

Dedham Contributory Retirement System

Year	Actuarially determined contribution	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
December 31, 2024.....	\$ 4,794,232	\$ (4,794,232)	\$ -	\$ 32,135,631	14.92%
December 31, 2023.....	4,700,227	(4,700,227)	-	30,900,460	15.21%
December 31, 2022.....	4,700,227	(4,700,227)	-	29,504,571	15.93%
December 31, 2021.....	4,477,686	(4,477,686)	-	28,453,331	15.74%
December 31, 2020.....	4,265,682	(4,265,682)	-	27,222,951	15.67%
December 31, 2019.....	3,927,108	(3,937,057)	(9,949)	26,246,264	15.00%
December 31, 2018.....	5,348,511	(5,357,851)	(9,340)	25,300,391	21.18%
December 31, 2017.....	5,031,923	(7,031,923)	(2,000,000)	24,330,871	28.90%
December 31, 2016.....	4,694,092	(12,194,092)	(7,500,000)	23,355,356	52.21%
December 31, 2015.....	4,531,244	(4,725,074)	(193,830)	22,457,073	21.04%

See notes to required supplementary information.

Town of Dedham, Massachusetts

Schedule of Investment Returns

Dedham Contributory Retirement System

<u>Year</u>	<u>Annual money-weighted rate of return, net of investment expense</u>
December 31, 2024.....	9.12%
December 31, 2023.....	11.01%
December 31, 2022.....	-11.36%
December 31, 2021.....	19.79%
December 31, 2020.....	11.99%
December 31, 2019.....	16.14%
December 31, 2018.....	-2.28%
December 31, 2017.....	17.17%
December 31, 2016.....	7.54%
December 31, 2015.....	0.64%

See notes to required supplementary information.

Pension Plan Schedules – Town

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

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

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

These schedules are intended to present information for ten years.

Town of Dedham, Massachusetts

Schedule of the Town's Proportionate Share of the Net Position Liability/Asset

Dedham Contributory Retirement System

Year	Proportion of the net pension liability (asset)	Proportionate share of the net pension liability (asset)	Covered payroll	Net pension liability/(asset) as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
December 31, 2024.....	94.49%	\$ 14,999,532	\$ 30,978,138	48.42%	92.75%
December 31, 2023.....	94.48%	21,028,386	29,787,486	70.59%	89.53%
December 31, 2022.....	96.16%	31,738,978	28,565,248	111.11%	84.15%
December 31, 2021..... (B)	-2,909.98%	(641,186)	22,946,128	-2.79%	100.01%
December 31, 2020.....	96.19%	16,170,118	20,232,926	79.92%	91.08%
December 31, 2019.....	96.91%	24,567,717	25,294,317	97.13%	85.89%
December 31, 2018..... (A)	95.73%	35,465,442	24,313,714	145.87%	78.90%
December 31, 2017..... (A)	70.32%	943,289	23,583,495	4.00%	99.08%
December 31, 2016.....	93.50%	12,467,754	22,419,105	55.61%	90.22%
December 31, 2015.....	95.73%	22,537,763	21,498,156	104.84%	82.29%

(A) The proportionate share of the Net Pension Liability/(Asset) is based on the Annual Actuarially Determined Contribution that is required from each member unit. The Town made additional contributions of \$7,500,000 in 2017 and \$2,500,000 in 2018 to reduce their unfunded liability, however these amounts were not reflected in the proportional allocation until the following year.

(B) As a result of the additional contributions made by the Town, the Town has reported a net pension asset, and the Housing Authority continues to report a net pension liability.

See notes to required supplementary information.

Town of Dedham, Massachusetts

Schedule of the Town's Contributions

Dedham Contributory Retirement System

Year	Actuarially determined contribution	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
June 30, 2025.....	\$ 4,530,182	\$ (4,530,182)	\$ -	\$ 30,159,830	15.02%
June 30, 2024.....	4,440,657	(4,440,657)	-	30,159,830	14.72%
June 30, 2023.....	4,519,650	(4,519,650)	-	28,922,314	15.63%
June 30, 2022.....	4,306,080	(4,306,080)	-	23,232,955	18.53%
June 30, 2021.....	4,103,261	(4,103,261)	-	20,485,838	20.03%
June 30, 2020.....	3,806,854	(3,816,803)	(9,949)	25,610,496	14.90%
June 30, 2019.....	5,124,523	(5,133,863)	(9,340)	24,617,635	20.85%
June 30, 2018.....	4,826,096	(6,826,096)	(2,000,000)	23,878,289	28.59%
June 30, 2017.....	4,505,919	(12,005,919)	(7,500,000)	22,699,344	52.89%
June 30, 2016.....	4,337,414	(4,531,244)	(193,830)	21,766,883	20.82%

See notes to required supplementary information.

Town of Dedham, Massachusetts

Schedule of the Special Funding Amounts of the Net Pension Liability

Massachusetts Teachers' Retirement System

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

<u>Year</u>	<u>Commonwealth's 100% Share of the Associated Net Pension Liability</u>	<u>Expense and Revenue Recognized for the Commonwealth's Support</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Liability</u>
2025.....	\$ 100,148,974	\$ 8,266,458	61.45%
2024.....	107,526,206	10,039,736	58.48%
2023.....	101,891,524	8,381,572	57.75%
2022.....	90,651,961	7,274,442	62.03%
2021.....	114,181,282	14,103,024	50.67%
2020.....	94,041,839	11,404,205	53.95%
2019.....	91,250,976	9,246,965	54.84%
2018.....	85,654,990	8,940,061	54.25%
2017.....	80,976,650	8,260,149	52.73%
2016.....	74,825,083	6,068,980	55.38%

See notes to required supplementary information.

Other Postemployment Benefit Plan Schedules

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

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

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

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

Town of Dedham, Massachusetts

Schedule of Changes in the Town's Net OPEB Liability and Related Ratios

Other Postemployment Benefit Plan

	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024	June 30, 2025
Total OPEB Liability									
Service cost.....	\$ 1,644,829	\$ 1,472,302	\$ 1,538,556	\$ 1,612,148	\$ 1,684,695	\$ 2,505,116	\$ 2,131,004	\$ 2,245,075	\$ 1,791,163
Interest.....	5,265,920	5,595,888	5,193,396	5,396,873	5,763,526	6,086,077	6,812,462	7,048,475	7,223,016
Differences between expected and actual experience.....	-	(13,034,791)	-	2,138,423	-	(8,126,220)	-	(3,426,043)	-
Changes of assumptions.....	-	-	-	-	-	29,013,189	1,291,591	(8,625,936)	6,099,478
Benefit payments.....	(3,771,164)	(3,475,557)	(3,952,760)	(4,237,665)	(4,428,360)	(3,490,619)	(4,501,405)	(4,917,023)	(5,214,143)
Net change in total OPEB liability.....	3,139,585	(9,442,158)	2,779,192	4,909,779	3,019,861	25,987,543	5,733,652	(7,675,452)	9,899,514
Total OPEB liability - beginning.....	75,950,079	79,089,664	69,647,506	72,426,698	77,336,477	80,356,338	106,343,881	112,077,533	104,402,081
Total OPEB liability - ending (a).....	\$ 79,089,664	\$ 69,647,506	\$ 72,426,698	\$ 77,336,477	\$ 80,356,338	\$ 106,343,881	\$ 112,077,533	\$ 104,402,081	\$ 114,301,595
Plan fiduciary net position									
Employer contributions.....	\$ 1,540,138	\$ 1,609,454	\$ 1,724,479	\$ 1,680,142	\$ 438,937	\$ -	\$ 500,000	\$ 751,250	\$ 500,000
Employer contributions for OPEB payments.....	3,771,164	3,475,557	3,952,760	4,237,665	4,428,360	3,490,619	4,501,405	4,917,023	5,214,143
Net investment income/(loss).....	1,408,979	1,431,564	1,033,543	420,508	6,531,010	(1,084,674)	1,589,214	2,878,406	3,264,578
Benefit payments.....	(3,771,164)	(3,475,557)	(3,952,760)	(4,237,665)	(4,428,360)	(3,490,619)	(4,501,405)	(4,917,023)	(5,214,143)
Net change in plan fiduciary net position.....	2,949,117	3,041,018	2,758,022	2,100,650	6,969,947	(1,084,674)	2,089,214	3,629,656	3,764,578
Plan fiduciary net position - beginning of year.....	11,036,189	13,985,306	17,026,324	19,784,346	21,884,996	28,854,943	27,770,269	29,859,483	33,489,139
Plan fiduciary net position - end of year (b).....	\$ 13,985,306	\$ 17,026,324	\$ 19,784,346	\$ 21,884,996	\$ 28,854,943	\$ 27,770,269	\$ 29,859,483	\$ 33,489,139	\$ 37,253,717
Net OPEB liability - ending (a)-(b).....	\$ 65,104,358	\$ 52,621,182	\$ 52,642,352	\$ 55,451,481	\$ 51,501,395	\$ 78,573,612	\$ 82,218,050	\$ 70,912,942	\$ 77,047,878
Plan fiduciary net position as a percentage of the total OPEB liability.....	17.68%	24.45%	27.32%	28.30%	35.91%	26.11%	26.64%	32.08%	32.59%
Covered-employee payroll.....	\$ 48,730,159	\$ 52,002,675	\$ 53,822,768	\$ 57,625,832	\$ 59,642,736	\$ 63,036,730	\$ 64,927,832	\$ 77,500,000	\$ 79,825,000
Net OPEB liability as a percentage of covered-employee payroll.....	133.60%	101.19%	97.81%	96.23%	86.35%	124.65%	126.63%	91.50%	96.52%

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

See notes to required supplementary information.

Town of Dedham, Massachusetts

Schedule of Town's Contributions

Other Postemployment Benefit Plan

Year	Actuarially determined contribution	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	Covered- employee payroll	Contributions as a percentage of covered- employee payroll
June 30, 2025.....	\$ 5,777,551	\$ (5,714,143)	\$ 63,408	\$ 79,825,000	7.16%
June 30, 2024.....	6,124,257	(5,668,273)	455,984	77,500,000	7.31%
June 30, 2023.....	6,303,333	(5,001,405)	1,301,928	64,927,832	7.70%
June 30, 2022.....	6,542,860	(3,490,619)	3,052,241	63,036,730	5.54%
June 30, 2021.....	4,967,812	(4,867,297)	100,515	59,642,736	8.16%
June 30, 2020.....	4,741,922	(5,917,807)	(1,175,885)	57,625,832	10.27%
June 30, 2019.....	4,524,078	(5,677,239)	(1,153,161)	53,822,768	10.55%
June 30, 2018.....	4,313,840	(5,085,011)	(771,171)	52,002,675	9.78%
June 30, 2017.....	5,282,204	(5,925,736)	(643,532)	48,730,159	12.16%

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

See notes to required supplementary information.

Town of Dedham, Massachusetts
Schedule of Investment Returns
Other Postemployment Benefit Plan

<u>Year</u>	<u>Annual money-weighted rate of return, net of investment expense</u>
June 30, 2025.....	9.63%
June 30, 2024.....	9.55%
June 30, 2023.....	5.72%
June 30, 2022.....	-3.76%
June 30, 2021.....	29.31%
June 30, 2020.....	1.97%
June 30, 2019.....	5.56%
June 30, 2018.....	9.26%
June 30, 2017.....	12.72%

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

See notes to required supplementary information.

Town of Dedham, Massachusetts

Notes to Required Supplementary Information

Year Ended June 30, 2025

NOTE A – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

Municipal Law requires the adoption of a balanced budget that is approved at the Annual and Special Town Meetings. The Town has an Advisory Committee that submits reports on proposed appropriations at Town Meetings.

The appropriated budget is prepared by fund, function and department. Transfers of appropriations among departments require the approval of Town Meeting.

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

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

An annual budget is adopted for the general fund in conformity with the guidelines described above. The original 2025 budget consisted of approximately \$143.0 million in appropriations and other amounts to be raised. Included in the original budget are approximately \$1.5 million in amounts carried over from previous years.

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

Town of Dedham, Massachusetts

Notes to Required Supplementary Information

Year Ended June 30, 2025

Budgetary – GAAP Reconciliation

For budgetary financial reporting purposes, the Uniform Municipal Accounting System basis of accounting (established by the Commonwealth) is followed, which differs from the GAAP basis of accounting. A reconciliation of budgetary-basis to GAAP-basis results for the general fund for the year ended June 30, 2025, is presented below:

Net change in fund balance - budgetary basis.....	\$ 2,778,832
<u>Perspective differences:</u>	
Activity of the stabilization funds recorded in the general fund for GAAP.....	1,717,117
<u>Basis of accounting differences:</u>	
Net change in recording tax refunds payable.....	(18,140)
Net change in recording 60 day receipts.....	(151,919)
Net change in legal settlements payable.....	(4,850,000)
Recognition of revenue for on-behalf payments.....	8,266,458
Recognition of expenditures for on-behalf payments.....	<u>(8,266,458)</u>
Net change in fund balance - GAAP basis.....	\$ <u>(524,110)</u>

Appropriation Deficits

During 2025, expenditures exceeded budgeted appropriations for legal litigation and judgements, police personnel services, and fire overtime. The state and county assessments over expenditure is not required to be raised the subsequent year.

NOTE B – PENSION PLAN

Pension Plan Schedules – Retirement System

Changes in the Net Pension Liability/Asset and Related Ratios

The Schedule of Changes in the Net Pension Liability/Asset and Related Ratios includes the detailed changes in the System’s total pension liability, changes in the System’s net position, and the ending net pension liability/(asset). It also demonstrates the plan’s net position as a percentage of the total pension liability and the net pension liability/(asset) as a percentage of covered payroll.

Town of Dedham, Massachusetts

Notes to Required Supplementary Information

Year Ended June 30, 2025

Contributions

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

Schedule of Investment Returns

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

Pension Plan Schedules - Town

Schedule of the Town's Proportionate Share of the Net Pension Liability/Asset

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

Schedule of the Town's Contributions

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

Schedule of the Special Funding Amounts of the Net Pension Liabilities

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

Town of Dedham, Massachusetts

Notes to Required Supplementary Information

Year Ended June 30, 2025

pension liability that is associated with the Town; the portion of the collective pension expense as both revenue and pension expense recognized by the Town; and the Plan's fiduciary net position as a percentage of the total liability.

Changes in Assumptions – None.

Changes in Plan Provisions – None.

NOTE C – OTHER POSTEMPLOYMENT BENEFITS

The Town administers a single employer defined benefit healthcare plan (“The Other Postemployment Benefit Plan”). The plan provides lifetime healthcare and life insurance for eligible retirees and their spouses through the Town’s participation in the West Suburban Healthcare Group, which covers both active and retired members. Additionally, retired teachers and their spouses receive health insurance through the Group Insurance Commission of the Commonwealth of Massachusetts (GIC). Each participating municipality is assessed for the governmental share of health and life insurance premiums paid on behalf of its teacher retirees by the state.

The Other Postemployment Benefit Plan

The Schedule of Changes in the Town’s Net Other Postemployment Benefit Liability and Related Ratios

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

Schedule of the Town’s Contributions

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

Town of Dedham, Massachusetts

Notes to Required Supplementary Information

Year Ended June 30, 2025

Methods and assumptions used to determine contribution rates are as follows:

Valuation date.....	July 1, 2023
Actuarial cost method.....	Individual Entry Age Normal.
Asset valuation method.....	Fair value of assets as of the reporting date.
Single equivalent discount rate.....	6.47%, net of OPEB plan investment expense, including inflation. Previously 6.97%.
Municipal bond rate.....	4.21% as of June 30, 2024 (source: S&P municipal bond 20-year high grade index - SAPIHG). Previously 4.13%.
Salary increases.....	3.00% annually as of year end and for future periods.
Healthcare cost trend rate.....	5.00% to 3.63% in 2060 and forward.
Pre-retirement mortality rates.....	General: RP-2014 Mortality Table for Blue Collar Employees projected generationally with scale MP-2016 for males and females, set forward 1 year for females. Teachers: RP-2014 Mortality Table for White Collar Employees projected generationally with scale MP-2016 for males and females.
Post-retirement mortality rates.....	General: RP-2014 Mortality Table for Blue Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females, set forward 1 year for females. Teachers: RP-2014 Mortality Table for White Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females.
Disabled mortality rates.....	General: RP-2014 Mortality Table for Blue Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females, set forward 1 year for females. Teachers: RP-2014 Mortality Table for White Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females.

Town of Dedham, Massachusetts

Notes to Required Supplementary Information

Year Ended June 30, 2025

Schedule of Investment Returns

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

Changes in Assumptions – The single equivalent discount rate decreased from 6.97% to 6.47%.

Changes in Provisions – None.

Combining Statements

Nonmajor Governmental Funds

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for specific revenue sources that are restricted by law or administrative action to expenditures for specific purposes.

Town Grants Fund – This fund is used to account for non-school related activity specially financed by federal, state, and other grants.

School Grants Fund – This fund is used to account for educational programs specially financed by federal, state, and other grants.

Town Gifts Fund – This fund is used to account for gifts which have been accepted by the Town to be used for non-school purposes that are specified by the donor.

School Gifts Fund – This fund is used to account for gifts which have been accepted by the Town for school related purposes that are specified by the donor.

School Lunch Fund – This fund accounts for the operations of the public school's lunch program that is funded by user fees and grants.

Town Revolving Fund – This fund accounts for self-supporting non-school related programs that are sponsored by the Town.

School Revolving Fund – This fund accounts for self-supporting school related programs that are sponsored by the Town.

Receipts Reserved Fund – This fund accounts for specific receipts identified by the Commonwealth that are to be held until appropriated.

Details and Other Fund – This fund accounts for off-duty work details, performance bonds and student activities.

CAPITAL PROJECT FUNDS

Capital Project Funds are used to account for financial resources used in acquisition or construction of major capital facilities, improvements and equipment (other than those financed by enterprise funds). Such resources are derived principally from proceeds of general obligation bonds and grants.

Land and Improvements Fund – This fund accounts for land acquisition and land improvements that are financed through the issuance of long-term debt or other available funds.

Roadway Improvements Fund – This fund accounts for roadway improvements throughout the Town that are funded through the issuance of long-term debt, grants received under the Commonwealth of Massachusetts' Chapter 90 program, and other available funds.

Nonmajor Governmental Funds (Continued)

Machinery and Equipment Fund – This fund accounts for the acquisition of capital equipment that is funded through the issuance of long-term debt or other available funds.

Ames Property Fund – is used to account for the remodeling/repurposing of the Ames Building.

PERMANENT FUNDS

The Permanent Funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the Town's programs.

Cemetery Trust Fund – This fund accounts for contributions earmarked for the perpetual care and maintenance of cemetery facilities and property.

Library Trust Fund – This fund accounts for contributions earmarked for the support of the Town's libraries.

Other Trust Fund – This fund accounts for all contributions and bequests for which only earnings may be expended to benefit the government activities that are not financed by the Cemetery Trust Fund or the Library Trust Fund.

Town of Dedham, Massachusetts

**Nonmajor Governmental Funds
Combining Balance Sheet**

June 30, 2025

	Special Revenue Funds							
	Town Grants	School Grants	Town Gifts	School Gifts	School Lunch	Town Revolving	School Revolving	Receipts Reserved
ASSETS								
Cash and cash equivalents.....	\$ 1,666,546	\$ 1,729,599	\$ 1,030,570	\$ 267,015	\$ 533,452	\$ 1,467,085	\$ 2,504,229	\$ 1,279,712
Investments.....	-	-	-	-	-	-	-	-
Receivables, net of uncollectibles:								
Departmental and other.....	-	-	-	-	-	-	-	-
Intergovernmental.....	-	-	-	-	-	-	-	-
TOTAL ASSETS.....	<u>\$ 1,666,546</u>	<u>\$ 1,729,599</u>	<u>\$ 1,030,570</u>	<u>\$ 267,015</u>	<u>\$ 533,452</u>	<u>\$ 1,467,085</u>	<u>\$ 2,504,229</u>	<u>\$ 1,279,712</u>
LIABILITIES								
Warrants payable.....	\$ 124,281	\$ 177,171	\$ 588	\$ 660	\$ 16,037	\$ 7,035	\$ 30,414	\$ -
Accrued payroll.....	5,560	-	-	-	-	14,312	-	-
Other liabilities.....	-	-	-	-	-	-	-	-
TOTAL LIABILITIES.....	<u>129,841</u>	<u>177,171</u>	<u>588</u>	<u>660</u>	<u>16,037</u>	<u>21,347</u>	<u>30,414</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue.....	-	-	-	-	-	-	-	-
FUND BALANCES								
Nonspendable.....	-	-	-	-	-	-	-	-
Restricted.....	1,536,705	1,552,428	1,029,982	266,355	517,415	1,445,738	2,473,815	1,279,712
Committed.....	-	-	-	-	-	-	-	-
TOTAL FUND BALANCES.....	<u>1,536,705</u>	<u>1,552,428</u>	<u>1,029,982</u>	<u>266,355</u>	<u>517,415</u>	<u>1,445,738</u>	<u>2,473,815</u>	<u>1,279,712</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES.....	<u>\$ 1,666,546</u>	<u>\$ 1,729,599</u>	<u>\$ 1,030,570</u>	<u>\$ 267,015</u>	<u>\$ 533,452</u>	<u>\$ 1,467,085</u>	<u>\$ 2,504,229</u>	<u>\$ 1,279,712</u>

Town of Dedham, Massachusetts

**Nonmajor Governmental Funds
Combining Balance Sheet (Continued)**

June 30, 2025

	Special Revenue Funds		Capital Project Funds					
	Details and Other	Subtotal	Land and Improvements	Roadway Improvements	Machinery and Equipment	Ames Property	Subtotal	
ASSETS								
Cash and cash equivalents.....	\$ 603,877	\$ 11,082,085	\$ 871,008	\$ 1,998,064	\$ 1,160,050	\$ 279,679	\$ 4,308,801	
Investments.....	-	-	-	-	-	-	-	
Receivables, net of uncollectibles:								
Departmental and other.....	678,813	678,813	-	-	-	-	-	
Intergovernmental.....	-	-	-	360,788	-	-	360,788	
TOTAL ASSETS.....	\$ 1,282,690	\$ 11,760,898	\$ 871,008	\$ 2,358,852	\$ 1,160,050	\$ 279,679	\$ 4,669,589	
LIABILITIES								
Warrants payable.....	\$ 28,992	\$ 385,178	\$ -	\$ 13,379	\$ -	\$ -	\$ 13,379	
Accrued payroll.....	112,182	132,054	-	-	-	-	-	
Other liabilities.....	361,393	361,393	-	-	-	-	-	
TOTAL LIABILITIES.....	502,567	878,625	-	13,379	-	-	13,379	
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue.....	678,813	678,813	-	-	-	-	-	
FUND BALANCES								
Nonspendable.....	-	-	-	-	-	-	-	
Restricted.....	-	10,102,150	871,008	2,345,473	1,160,050	279,679	4,656,210	
Committed.....	101,310	101,310	-	-	-	-	-	
TOTAL FUND BALANCES.....	101,310	10,203,460	871,008	2,345,473	1,160,050	279,679	4,656,210	
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES.....	\$ 1,282,690	\$ 11,760,898	\$ 871,008	\$ 2,358,852	\$ 1,160,050	\$ 279,679	\$ 4,669,589	

Town of Dedham, Massachusetts

**Nonmajor Governmental Funds
Combining Balance Sheet (Continued)**

June 30, 2025

	Permanent Funds				Total Nonmajor Governmental Funds
	Cemetery Trust	Library Trust	Other Trust	Subtotal	
ASSETS					
Cash and cash equivalents.....	\$ -	\$ -	\$ -	\$ -	\$ 15,390,886
Investments.....	1,077,423	1,058,034	727,632	2,863,089	2,863,089
Receivables, net of uncollectibles:					
Departmental and other.....	-	-	-	-	678,813
Intergovernmental.....	-	-	-	-	360,788
TOTAL ASSETS.....	\$ 1,077,423	\$ 1,058,034	\$ 727,632	\$ 2,863,089	\$ 19,293,576
LIABILITIES					
Warrants payable.....	\$ -	\$ -	\$ -	\$ -	\$ 398,557
Accrued payroll.....	-	-	-	-	132,054
Other liabilities.....	-	-	-	-	361,393
TOTAL LIABILITIES.....	-	-	-	-	892,004
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue.....	-	-	-	-	678,813
FUND BALANCES					
Nonspendable.....	508,525	202,244	83,346	794,115	794,115
Restricted.....	568,898	855,790	644,286	2,068,974	16,827,334
Committed.....	-	-	-	-	101,310
TOTAL FUND BALANCES.....	1,077,423	1,058,034	727,632	2,863,089	17,722,759
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES.....	\$ 1,077,423	\$ 1,058,034	\$ 727,632	\$ 2,863,089	\$ 19,293,576

Town of Dedham, Massachusetts

**Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances**

Year ended June 30, 2025

	Special Revenue Funds							
	Town Grants	School Grants	Town Gifts	School Gifts	School Lunch	Town Revolving	School Revolving	Receipts Reserved
REVENUES:								
Intergovernmental - other.....	\$ 1,500,749	\$ 6,526,470	\$ -	\$ -	\$ 2,085,907	\$ 50,300	\$ -	\$ -
Departmental and other.....	289,755	-	5,216	-	213,124	1,025,392	3,135,314	3,632
Contributions and donations.....	-	-	607,550	139,222	-	884	-	-
Investment income (loss).....	-	-	935	1,146	-	6,019	-	-
TOTAL REVENUES.....	1,790,504	6,526,470	613,701	140,368	2,299,031	1,082,595	3,135,314	3,632
EXPENDITURES:								
Current:								
General government.....	353,334	-	990,747	-	-	58,001	2,666	-
Public safety.....	160,403	-	-	-	-	188,851	-	-
Education.....	118,515	5,342,905	149	137,816	2,397,895	-	2,403,966	-
Public works.....	671,280	-	-	-	-	-	-	-
Health and human services.....	372,974	-	16,795	-	-	44,389	-	-
Culture and recreation.....	50,800	-	-	-	-	772,561	-	-
TOTAL EXPENDITURES.....	1,727,306	5,342,905	1,007,691	137,816	2,397,895	1,063,802	2,406,632	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	63,198	1,183,565	(393,990)	2,552	(98,864)	18,793	728,682	3,632
OTHER FINANCING SOURCES (USES):								
Issuance of bonds.....	-	-	-	-	-	-	-	-
Premium from issuance of bonds.....	-	-	-	-	-	-	-	-
Transfers in.....	-	-	-	-	-	-	-	16,881
Transfers out.....	-	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES).....	-	-	-	-	-	-	-	16,881
NET CHANGE IN FUND BALANCES.....	63,198	1,183,565	(393,990)	2,552	(98,864)	18,793	728,682	20,513
FUND BALANCES AT 6/30/24, AS PREVIOUSLY REPORTED..	1,473,507	368,863	1,423,972	263,803	616,279	1,426,945	1,745,133	1,259,199
CHANGES WITHIN THE FINANCIAL REPORTING ENTITY....	-	-	-	-	-	-	-	-
FUND BALANCES AT 6/30/24, AS ADJUSTED.....	1,473,507	368,863	1,423,972	263,803	616,279	1,426,945	1,745,133	1,259,199
FUND BALANCES AT END OF YEAR.....	\$ 1,536,705	\$ 1,552,428	\$ 1,029,982	\$ 266,355	\$ 517,415	\$ 1,445,738	\$ 2,473,815	\$ 1,279,712

Town of Dedham, Massachusetts

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)

Year ended June 30, 2025

	Special Revenue Funds			Capital Project Funds				
	COVID-19 Pandemic Grants	Details and Other	Subtotal	Land and Improvements	Roadway Improvements	Machinery and Equipment	Ames Property	Subtotal
REVENUES:								
Intergovernmental - other.....	\$ -	\$ -	\$ 10,163,426	\$ 339,826	\$ 1,458,776	\$ -	\$ -	\$ 1,798,602
Departmental and other.....	-	2,748,124	7,420,557	-	-	-	-	-
Contributions and donations.....	-	-	747,656	-	-	-	-	-
Investment income (loss).....	-	13	8,113	-	-	-	-	-
TOTAL REVENUES.....	-	2,748,137	18,339,752	339,826	1,458,776	-	-	1,798,602
EXPENDITURES:								
Current:								
General government.....	-	-	1,404,748	1,759,994	-	2,500	2,955	1,765,449
Public safety.....	-	2,729,190	3,078,444	-	-	200,996	-	200,996
Education.....	-	157,681	10,558,927	438	-	84,000	-	84,438
Public works.....	-	-	671,280	400	2,152,686	1,069,453	-	3,222,539
Health and human services.....	-	-	434,158	-	-	-	-	-
Culture and recreation.....	-	-	823,361	-	-	44,040	-	44,040
TOTAL EXPENDITURES.....	-	2,886,871	16,970,918	1,760,832	2,152,686	1,400,989	2,955	5,317,462
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	-	(138,734)	1,368,834	(1,421,006)	(693,910)	(1,400,989)	(2,955)	(3,518,860)
OTHER FINANCING SOURCES (USES):								
Issuance of bonds.....	-	-	-	-	1,140,000	260,000	-	1,400,000
Premium from issuance of bonds.....	-	-	-	-	78,736	-	-	78,736
Transfers in.....	-	-	16,881	-	200,000	537,150	-	737,150
Transfers out.....	-	-	-	-	(5,074)	(298,750)	-	(303,824)
TOTAL OTHER FINANCING SOURCES (USES).....	-	-	16,881	-	1,413,662	498,400	-	1,912,062
NET CHANGE IN FUND BALANCES.....	-	(138,734)	1,385,715	(1,421,006)	719,752	(902,589)	(2,955)	(1,606,798)
FUND BALANCES AT 6/30/24, AS PREVIOUSLY REPORTED.....	55,502	240,044	8,873,247	2,292,014	1,625,721	2,062,639	282,634	6,263,008
CHANGES WITHIN THE FINANCIAL REPORTING ENTITY.....	(55,502)	-	(55,502)	-	-	-	-	-
FUND BALANCES AT 6/30/24, AS ADJUSTED.....	-	240,044	8,817,745	2,292,014	1,625,721	2,062,639	282,634	6,263,008
FUND BALANCES AT END OF YEAR.....	\$ -	\$ 101,310	\$ 10,203,460	\$ 871,008	\$ 2,345,473	\$ 1,160,050	\$ 279,679	\$ 4,656,210

Town of Dedham, Massachusetts

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)

Year ended June 30, 2025

	Permanent Funds				Total Nonmajor Governmental Funds
	Cemetery Trust	Library Trust	Other Trust	Subtotal	
REVENUES:					
Intergovernmental - other.....	\$ -	\$ -	\$ -	\$ -	\$ 11,962,028
Departmental and other.....	-	-	-	-	7,420,557
Contributions and donations.....	16,415	-	-	16,415	764,071
Investment income (loss).....	72,906	72,253	51,526	196,685	204,798
	89,321	72,253	51,526	213,100	20,351,454
TOTAL REVENUES.....					
EXPENDITURES:					
Current:					
General government.....	-	-	4,586	4,586	3,174,783
Public safety.....	-	-	98,375	98,375	3,377,815
Education.....	-	-	25	25	10,643,390
Public works.....	-	-	6,025	6,025	3,899,844
Health and human services.....	-	-	-	-	434,158
Culture and recreation.....	-	-	-	-	867,401
	-	-	109,011	109,011	22,397,391
TOTAL EXPENDITURES.....					
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....					
	89,321	72,253	(57,485)	104,089	(2,045,937)
OTHER FINANCING SOURCES (USES):					
Issuance of bonds.....	-	-	-	-	1,400,000
Premium from issuance of bonds.....	-	-	-	-	78,736
Transfers in.....	-	-	-	-	754,031
Transfers out.....	-	-	-	-	(303,824)
	-	-	-	-	1,928,943
TOTAL OTHER FINANCING SOURCES (USES).....					
NET CHANGE IN FUND BALANCES.....	89,321	72,253	(57,485)	104,089	(116,994)
FUND BALANCES AT 6/30/24, AS PREVIOUSLY REPORTED...	988,102	985,781	785,117	2,759,000	17,895,255
CHANGES WITHIN THE FINANCIAL REPORTING ENTITY....	-	-	-	-	(55,502)
FUND BALANCES AT 6/30/24, AS ADJUSTED.....	988,102	985,781	785,117	2,759,000	17,839,753
FUND BALANCES AT END OF YEAR.....	\$ 1,077,423	\$ 1,058,034	\$ 727,632	\$ 2,863,089	\$ 17,722,759

Statistical Section



Photos above: 2025 Bike Rodeo.

Statistical Section

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

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

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

Town of Dedham, Massachusetts

Net Position by Component

Last Ten Years

	<u>2016</u>	<u>2017 (1)</u>	<u>2018</u>	<u>2019 (2)</u>	<u>2020 (3)</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Governmental activities										
Net investment in capital assets.....	\$ 74,335,822	\$ 80,672,671	\$ 86,724,148	\$ 87,718,413	\$ 96,813,501	\$ 99,112,250	\$ 101,087,747	\$ 102,271,752	\$ 108,861,961	\$ 112,175,984
Restricted.....	5,080,485	4,930,693	4,477,121	3,079,059	4,266,053	4,641,265	5,351,998	4,837,431	10,720,422	12,447,824
Unrestricted.....	<u>23,863,133</u>	<u>(20,973,724)</u>	<u>(20,089,497)</u>	<u>(22,491,094)</u>	<u>(35,664,203)</u>	<u>(37,906,330)</u>	<u>(46,081,012)</u>	<u>(56,837,003)</u>	<u>(58,194,677)</u>	<u>(56,291,078)</u>
Total governmental activities net position.....	\$ <u>103,279,440</u>	\$ <u>64,629,640</u>	\$ <u>71,111,772</u>	\$ <u>68,306,378</u>	\$ <u>65,415,351</u>	\$ <u>65,847,185</u>	\$ <u>60,358,733</u>	\$ <u>50,272,180</u>	\$ <u>61,387,706</u>	\$ <u>68,332,730</u>
Business-type activities										
Net investment in capital assets.....	\$ 18,135,704	\$ 20,074,127	\$ 19,779,480	\$ 20,589,401	\$ 20,479,377	\$ 21,073,317	\$ 19,736,773	\$ 19,626,562	\$ 19,166,278	\$ 19,483,375
Unrestricted.....	<u>10,459,155</u>	<u>9,657,456</u>	<u>9,148,903</u>	<u>6,289,708</u>	<u>6,829,902</u>	<u>6,954,231</u>	<u>7,681,280</u>	<u>7,276,271</u>	<u>12,174,306</u>	<u>14,227,599</u>
Total business-type activities net position.....	\$ <u>28,594,859</u>	\$ <u>29,731,583</u>	\$ <u>28,928,383</u>	\$ <u>26,879,109</u>	\$ <u>27,309,279</u>	\$ <u>28,027,548</u>	\$ <u>27,418,053</u>	\$ <u>26,902,833</u>	\$ <u>31,340,584</u>	\$ <u>33,710,974</u>
Primary government										
Net investment in capital assets.....	\$ 92,471,526	\$ 100,746,798	\$ 106,503,628	\$ 108,307,814	\$ 117,292,878	\$ 120,185,567	\$ 120,824,520	\$ 121,898,314	\$ 128,028,239	\$ 131,659,359
Restricted.....	5,080,485	4,930,693	4,477,121	3,079,059	4,266,053	4,641,265	4,710,812	4,837,431	6,289,145	12,447,824
Unrestricted.....	<u>34,322,288</u>	<u>(11,316,268)</u>	<u>(10,940,594)</u>	<u>(16,201,386)</u>	<u>(28,834,301)</u>	<u>(30,952,099)</u>	<u>(37,758,546)</u>	<u>(49,560,732)</u>	<u>(41,589,094)</u>	<u>(42,063,479)</u>
Total primary government net position.....	\$ <u>131,874,299</u>	\$ <u>94,361,223</u>	\$ <u>100,040,155</u>	\$ <u>95,185,487</u>	\$ <u>92,724,630</u>	\$ <u>93,874,733</u>	\$ <u>87,776,786</u>	\$ <u>77,175,013</u>	\$ <u>92,728,290</u>	\$ <u>102,043,704</u>

(1) In 2017, the unrestricted net position for governmental activities has been revised due to the implementation of GASB Statement #75.

(2) In 2019, the unrestricted net position for governmental activities has been restated to reflect the change in measurement date for GASB Statement #75.
In 2019, the unrestricted net position for business-type activities has been restated to reflect an adjustment for estimate of unbilled sewer usage charges.

(3) In 2020, the unrestricted net position for governmental activities has been revised due to the implementation of GASB Statement #84.

Town of Dedham, Massachusetts

Changes in Net Position

Last Ten Years

	2016 (1)	2017	2018 (2)	2019	2020	2021	2022	2023	2024 (3)	2025
Expenses										
Governmental activities:										
General government.....	\$ 9,895,257	\$ 9,056,603	\$ 9,477,757	\$ 12,516,527	\$ 11,439,015	\$ 12,283,764	\$ 13,582,072	\$ 17,614,248	\$ 12,479,095	\$ 15,071,417
Public safety.....	16,397,639	15,239,193	16,929,199	20,847,436	20,589,697	21,781,379	23,199,175	24,716,709	23,291,915	28,420,259
Education.....	63,663,385	65,847,140	71,559,646	74,481,775	79,754,291	83,349,267	83,434,120	90,420,220	94,867,427	98,017,609
Public works.....	9,743,512	8,761,324	10,377,613	12,089,797	12,867,837	13,978,588	13,974,009	12,492,197	12,012,877	12,614,741
Health and human services.....	1,607,696	1,432,425	1,772,701	2,058,842	2,031,622	1,993,326	2,167,694	2,262,558	2,033,005	2,809,013
Culture and recreation.....	3,043,349	2,948,425	3,512,242	4,143,407	4,094,029	3,455,668	4,427,960	4,714,157	4,594,857	4,706,012
Interest.....	1,675,411	2,039,494	2,846,337	3,008,019	2,956,656	2,838,232	3,371,004	3,629,499	3,620,318	3,390,886
Total government activities expenses.....	106,026,249	105,324,604	116,475,495	129,145,803	133,733,147	139,680,224	144,156,034	155,849,588	152,899,494	165,029,937
Business-type activities:										
Sewer and stormwater.....	5,766,409	6,180,498	6,389,381	7,201,106	7,737,912	7,603,705	7,919,859	8,140,123	9,777,442	10,208,464
Endicott Estate.....	281,150	343,085	369,543	-	-	-	-	-	-	-
Total business-type activities expenses.....	6,047,559	6,523,583	6,758,924	7,201,106	7,737,912	7,603,705	7,919,859	8,140,123	9,777,442	10,208,464
Total primary government expenses.....	\$ 112,073,808	\$ 111,848,187	\$ 123,234,419	\$ 136,346,909	\$ 141,471,059	\$ 147,283,929	\$ 152,075,893	\$ 163,989,711	\$ 162,676,936	\$ 175,238,401
Program Revenues										
Governmental activities:										
General government.....	\$ 967,506	\$ 1,014,293	\$ 1,607,657	\$ 1,075,107	\$ 1,962,229	\$ 1,717,611	\$ 1,451,528	\$ 1,339,894	\$ 791,582	\$ 868,867
Public safety.....	1,907,041	1,564,526	1,229,946	1,648,802	1,974,376	3,470,094	3,306,517	3,575,146	4,279,176	5,207,543
Education.....	1,936,319	2,692,683	2,501,080	2,428,716	2,074,712	1,170,778	2,533,431	2,300,114	2,496,181	2,649,388
Public works.....	62,571	98,230	153,435	110,528	189,350	214,705	128,409	109,553	208,935	229,813
Health and human services.....	196,789	203,925	110,039	121,363	106,165	119,757	171,691	207,225	161,859	167,515
Culture and recreation.....	325,222	293,744	361,222	723,139	442,203	343,998	744,401	964,701	981,379	1,022,474
Operating grants and contributions.....	14,404,503	15,982,107	16,496,065	18,297,523	22,925,186	28,995,153	22,454,063	23,744,310	30,350,631	30,614,664
Capital grants and contributions.....	1,092,587	2,574,075	4,115,030	5,530,075	1,166,380	739,209	1,533,131	1,058,509	890,264	2,247,924
Total government activities program revenues.....	20,892,538	24,423,583	26,574,474	29,935,253	30,840,601	36,771,305	32,323,171	33,299,452	40,160,007	43,008,188
Business-type activities:										
Charge for services.....	8,323,701	8,223,787	7,457,001	5,079,798	6,687,177	7,454,409	7,310,364	7,330,544	13,133,234	12,555,212
Operating grants and contributions.....	29,718	24,347	14,044	7,934	1,375	-	-	-	-	-
Capital grants and contributions.....	684,750	-	-	-	870,000	870,000	-	299,961	898,570	27,139
Total business-type activities program revenues.....	9,038,169	8,248,134	7,471,045	5,087,732	7,558,552	8,324,409	7,310,364	7,630,505	14,031,804	12,582,351
Total primary government program revenues.....	\$ 29,930,707	\$ 32,671,717	\$ 34,045,519	\$ 35,022,985	\$ 38,399,153	\$ 45,095,714	\$ 39,633,535	\$ 40,929,957	\$ 54,191,811	\$ 55,590,539
Net (Expense)/Revenue										
Governmental activities.....	\$ (85,133,711)	\$ (80,901,021)	\$ (89,901,021)	\$ (99,210,550)	\$ (102,892,546)	\$ (102,908,919)	\$ (111,832,863)	\$ (122,550,136)	\$ (112,739,487)	\$ (122,021,749)
Business-type activities.....	2,990,610	1,724,551	712,121	(2,113,374)	(179,360)	720,704	(609,495)	(509,618)	4,254,362	2,373,887
Total primary government net expense.....	\$ (82,143,101)	\$ (79,176,470)	\$ (89,188,900)	\$ (101,323,924)	\$ (103,071,906)	\$ (102,188,215)	\$ (112,442,358)	\$ (123,059,754)	\$ (108,485,125)	\$ (119,647,862)

(1) In 2016, the Town established the Endicott Estate enterprise fund.

(2) At the end of 2018, the Town terminated the Endicott Estate enterprise fund.

(3) In 2024, the Town added stormwater services to the sewer enterprise fund.

Town of Dedham, Massachusetts

Changes in Net Position (Continued)

Last Ten Years

	2016 (1)	2017	2018 (2)	2019	2020	2021	2022	2023	2024 (3)	2025
General Revenues and other Changes in Net Position										
Governmental activities:										
Real estate and personal property taxes, net of tax refunds payable.....	\$ 79,171,605	\$ 81,582,439	\$ 83,914,028	\$ 85,360,315	\$ 89,045,964	\$ 91,882,084	\$ 95,703,938	\$ 100,650,239	\$ 109,644,993	\$ 114,198,062
Tax liens.....	1,804,992	618,227	39,292	887,497	93,538	411,292	664,250	58,547	517,373	581,777
Motor vehicle and other excise taxes.....	3,674,075	3,613,389	3,889,293	3,902,400	3,987,269	3,893,949	3,873,379	3,773,793	4,225,634	4,486,391
Hotel/motel tax.....	1,487,976	1,454,061	1,468,170	1,446,469	1,085,872	415,880	796,649	1,272,163	1,519,187	1,272,501
Meals tax.....	870,316	862,982	924,153	1,006,126	907,415	777,976	1,072,079	1,170,893	1,513,528	1,464,188
Penalties and interest on taxes.....	548,701	485,962	533,387	630,133	440,462	329,561	1,140,022	422,871	470,885	359,649
Payments in lieu of taxes.....	291	59,366	30,942	142,223	68,908	101,675	33,860	34,710	35,580	36,470
Grants and contributions not restricted to specific programs.....	3,255,520	3,429,611	3,548,546	3,681,863	3,661,144	3,763,568	4,445,758	4,066,011	4,428,569	4,398,218
Unrestricted investment income/(loss).....	884,474	343,702	430,563	1,980,624	1,549,617	1,627,138	(1,408,774)	842,873	1,667,446	2,139,420
Miscellaneous.....	-	503,462	59,545	138,841	20,711	135,195	23,250	165,881	15,085	26,600
Transfers.....	(591,512)	646,696	824,258	(64,100)	(588,182)	2,435	-	5,602	(183,267)	3,497
Special item.....	-	-	720,976	-	-	-	-	-	-	-
Total governmental activities.....	91,106,438	93,599,897	96,383,153	99,112,391	100,272,718	103,340,753	106,344,411	112,463,583	123,855,013	128,966,773
Business-type activities:										
Grants and contributions not restricted to specific programs.....	-	-	4,398,218	-	-	-	-	-	-	-
Unrestricted investment income.....	-	58,869	29,913	-	21,348	-	-	-	122	-
Transfers.....	591,512	(646,696)	(824,258)	64,100	588,182	(2,435)	-	(5,602)	183,267	(3,497)
Special item.....	-	-	(720,976)	-	-	-	-	-	-	-
Total business type activities.....	591,512	(587,827)	2,882,897	64,100	609,530	(2,435)	-	(5,602)	183,389	(3,497)
Total primary government general revenues and other changes in net position.....	\$ 91,697,950	\$ 93,012,070	\$ 99,266,050	\$ 99,176,491	\$ 100,882,248	\$ 103,338,318	\$ 106,344,411	\$ 112,457,981	\$ 124,038,402	\$ 128,963,276
Changes in Net Position										
Governmental activities.....	\$ 5,972,727	\$ 12,698,876	\$ 6,482,132	\$ (98,159)	\$ (2,619,828)	\$ 431,834	\$ (5,488,452)	\$ (10,086,553)	\$ 11,115,526	\$ 6,945,024
Business-type activities.....	3,582,122	1,136,724	3,595,018	(2,049,274)	430,170	718,269	(609,495)	(515,220)	4,437,751	2,370,390
Total primary government.....	\$ 9,554,849	\$ 13,835,600	\$ 10,077,150	\$ (2,147,433)	\$ (2,189,658)	\$ 1,150,103	\$ (6,097,947)	\$ (10,601,773)	\$ 15,553,277	\$ 9,315,414

(1) In 2016, the Town established the Endicott Estate enterprise fund and net position was transferred to governmental activities.

(2) At the end of 2018, the Town terminated the Endicott Estate enterprise fund.

(3) In 2024, the Town added stormwater services to the sewer enterprise fund.

Town of Dedham, Massachusetts
Fund Balances, Governmental Funds

Last Ten Years

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020 (1)</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
General Fund										
Committed.....	\$ 792,356	\$ 1,138,572	\$ 859,545	\$ 741,178	\$ 710,411	\$ 730,737	\$ 884,261	\$ 787,180	784,136	\$ 580,584
Assigned.....	11,276,770	11,220,687	4,560,703	3,311,223	2,846,199	1,861,724	2,653,664	3,650,632	3,160,822	4,811,752
Unassigned.....	<u>29,673,739</u>	<u>22,755,407</u>	<u>25,124,966</u>	<u>24,307,627</u>	<u>21,962,357</u>	<u>22,409,555</u>	<u>20,764,606</u>	<u>20,011,265</u>	<u>23,775,083</u>	<u>21,803,595</u>
Total general fund.....	<u>\$ 41,742,865</u>	<u>\$ 35,114,666</u>	<u>\$ 30,545,214</u>	<u>\$ 28,360,028</u>	<u>\$ 25,518,967</u>	<u>\$ 25,002,016</u>	<u>\$ 24,302,531</u>	<u>\$ 24,449,077</u>	<u>27,720,041</u>	<u>\$ 27,195,931</u>
All Other Governmental Funds										
Nonspendable.....	\$ 728,260	\$ 783,787	\$ 794,115	\$ 794,115	\$ 794,115	\$ 794,115	\$ 794,115	\$ 794,115	794,115	\$ 794,115
Restricted.....	25,746,528	25,295,950	31,091,264	25,228,473	25,681,088	38,433,328	34,520,838	24,613,375	24,625,726	24,698,833
Committed.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>240,044</u>	<u>101,310</u>
Total all other governmental funds....	<u>\$ 26,474,788</u>	<u>\$ 26,079,737</u>	<u>\$ 31,885,379</u>	<u>\$ 26,022,588</u>	<u>\$ 26,475,203</u>	<u>\$ 39,227,443</u>	<u>\$ 35,314,953</u>	<u>\$ 25,407,490</u>	<u>25,659,885</u>	<u>\$ 25,594,258</u>

(1) In 2020, the restricted fund balance for all other governmental funds was revised due to the implementation of GASB Statement #84.

Town of Dedham, Massachusetts

Changes in Fund Balances, Governmental Funds

Last Ten Years

	2016	2017	2018 (1)	2019	2020	2021	2022	2023	2024	2025
Revenues:										
Real estate and personal property taxes, net of tax refunds.....	\$ 79,902,404	\$ 81,985,920	\$ 83,419,986	\$ 85,794,821	\$ 88,211,982	\$ 91,868,778	\$ 96,073,783	\$ 100,494,927	\$ 109,687,443	\$ 114,196,137
Tax liens.....	564,136	862,402	748,315	910,780	498,712	240,319	1,100,976	376,386	306,095	304,995
Motor vehicle and other excise taxes.....	3,763,952	3,714,018	3,910,506	3,882,516	3,864,757	3,787,279	4,065,348	3,808,866	4,175,171	4,474,857
Hotel/motel tax.....	1,487,976	1,454,061	1,468,170	1,446,469	1,085,872	415,880	796,649	1,272,163	1,519,187	1,272,501
Meals tax.....	870,316	862,982	924,153	1,006,126	907,415	777,976	1,072,079	1,170,893	1,513,528	1,464,188
Penalties and interest on taxes.....	548,701	485,962	533,387	630,133	440,462	329,561	1,140,022	422,871	470,885	359,649
Payment in lieu of taxes.....	291	59,366	30,942	142,223	68,908	101,675	33,860	34,710	35,580	36,470
Licenses and permits.....	1,816,602	1,309,044	1,029,842	1,394,965	1,411,321	1,361,217	1,374,601	1,245,874	1,663,438	2,091,537
Fines and forfeitures.....	89,396	142,127	149,352	118,543	94,716	43,584	63,265	87,790	119,027	99,508
Intergovernmental.....	18,680,689	19,906,851	23,951,279	27,180,745	27,352,446	33,898,404	28,258,729	29,145,844	33,629,206	36,330,329
Departmental and other.....	3,592,592	6,750,208	4,907,874	4,831,159	4,508,038	4,548,730	5,778,699	6,435,015	7,235,779	8,632,692
Contributions and donations.....	389,959	242,530	153,935	223,820	477,717	761,573	1,067,107	681,667	1,849,447	764,071
Investment income/(loss).....	884,474	343,702	430,563	1,980,624	1,549,617	1,627,138	(1,408,774)	842,873	1,667,446	2,139,420
Total Revenues.....	112,591,488	118,119,173	121,658,304	129,542,924	130,471,963	139,762,114	139,416,344	146,019,879	163,872,232	172,166,354
Expenditures:										
General government.....	7,195,013	6,244,126	6,785,992	9,650,321	8,203,810	8,842,214	9,297,421	9,065,361	9,381,893	16,855,675
Public safety.....	12,128,514	13,733,540	12,992,895	13,856,208	13,981,292	16,496,351	17,104,177	17,931,560	17,842,168	21,831,451
Education.....	51,425,188	55,291,949	48,917,172	50,641,129	53,770,879	55,275,029	58,585,798	62,646,000	67,509,709	70,952,743
Public works.....	6,252,586	6,104,779	6,314,629	6,596,016	7,478,413	8,992,423	8,762,686	8,106,456	8,607,216	8,704,016
Health and human services.....	1,156,673	713,406	1,359,514	1,362,223	1,414,606	1,454,874	1,529,044	1,598,883	1,588,097	2,298,095
Culture and recreation.....	3,274,473	3,021,456	2,810,160	2,606,349	2,641,282	2,270,780	3,082,168	3,360,872	3,587,058	3,654,536
Pension and fringe benefits.....	16,506,963	24,836,102	29,761,440	27,748,489	28,062,566	30,788,036	24,103,350	25,886,531	28,463,539	27,350,985
State and county charges.....	2,477,739	2,673,551	2,892,415	2,890,687	3,182,848	3,401,931	3,850,542	3,624,862	3,845,607	3,759,799
Capital outlay.....	5,318,370	19,284,925	26,079,059	16,882,677	7,096,771	16,561,120	26,752,449	21,151,214	10,264,330	8,528,705
Debt service:										
Principal.....	6,123,451	6,530,418	7,163,726	7,831,726	7,650,000	7,445,000	8,085,000	8,050,000	8,750,000	9,080,000
Interest.....	1,772,943	2,168,032	2,593,646	3,324,515	3,286,028	3,112,148	3,682,922	4,105,471	4,219,867	4,004,134
Total Expenditures.....	113,631,913	140,602,284	147,670,648	143,390,340	136,768,495	154,639,906	164,835,557	165,527,210	164,059,484	177,020,139
Excess of revenues over (under) expenditures.....	(1,040,425)	(22,483,111)	(26,012,344)	(13,847,416)	(6,296,532)	(14,877,792)	(25,419,213)	(19,507,331)	(187,252)	(4,853,785)
Other Financing Sources (Uses)										
Issuance of long-term debt.....	20,568,692	13,617,000	25,615,000	5,440,000	3,930,000	25,215,000	19,820,000	8,910,000	3,605,000	4,045,000
Issuance of refunding debt.....	-	-	-	-	-	-	4,345,000	-	-	-
Premium from issuance of debt.....	644,847	1,196,165	809,276	423,539	291,486	1,895,646	932,685	830,812	288,878	215,551
Premium from issuance of refunding bonds.....	-	-	-	-	-	-	419,553	-	-	-
Payments to refunded bond escrow agent.....	-	-	-	-	-	-	(4,710,000)	-	-	-
Transfers in.....	1,842,343	3,563,706	4,149,495	4,172,089	2,939,090	798,350	628,645	6,005,132	3,601,057	1,220,191
Transfers out.....	(1,411,121)	(2,917,010)	(3,325,237)	(4,236,189)	(3,527,272)	(795,915)	(628,645)	(5,999,530)	(3,784,324)	(1,216,694)
Total other financing sources (uses).....	21,644,761	15,459,861	27,248,534	5,799,439	3,633,304	27,113,081	20,807,238	9,746,414	3,710,611	4,264,048
Net change in fund balance.....	\$ 20,604,336	\$ (7,023,250)	\$ 1,236,190	\$ (8,047,977)	\$ (2,663,228)	\$ 12,235,289	\$ (4,611,975)	\$ (9,760,917)	\$ 3,523,359	\$ (589,737)
Debt service as a percentage of noncapital expenditures.....	7.29%	7.17%	8.02%	8.82%	8.43%	7.65%	8.52%	8.42%	8.43%	7.77%

(1) Capital outlay does not include the transfer of capital assets from the Endicott Estate enterprise fund.

Town of Dedham, Massachusetts

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

Last Ten Years

Year	Assessed and Actual Values and Tax Rates										
	Residential Value	Residential Tax Rate	Residential % of Total Value	Commercial Value	Industrial Value	Personal Property	Total Commercial Value	Commercial Tax Rate	Commercial % of Total Value	Total Direct Rate	Total Town Value
2016	\$ 3,487,624,988	\$ 15.49	80.73%	\$ 691,486,412	\$ 32,486,100	\$ 108,568,250	\$ 832,540,762	\$ 33.02	19.27%	\$ 18.87	\$ 4,320,165,750
2017	3,710,487,092	14.76	80.97%	719,725,798	39,639,410	112,560,630	871,925,838	31.36	19.03%	17.92	4,582,412,930
2018	3,929,302,277	14.55	81.50%	733,573,448	39,820,375	118,583,480	891,977,303	30.68	18.50%	17.53	4,821,279,580
2019	4,153,135,015	14.15	81.63%	746,781,895	42,204,190	145,408,540	934,394,625	29.79	18.37%	17.02	5,087,529,640
2020	4,498,656,707	13.72	82.12%	782,164,818	43,214,175	154,250,140	979,629,133	28.70	17.88%	16.40	5,478,285,840
2021	4,609,009,167	13.67	81.42%	818,883,683	45,743,550	186,947,050	1,051,574,283	28.86	18.58%	16.49	5,660,583,450
2022	4,996,194,081	13.35	82.07%	838,629,084	47,936,335	204,840,710	1,091,406,129	27.93	17.93%	15.96	6,087,600,210
2023	5,565,727,722	12.84	83.01%	880,547,898	50,562,880	208,200,700	1,139,311,478	26.55	16.99%	15.17	6,705,039,200
2024	6,146,810,665	12.50	82.90%	978,211,242	56,012,465	233,674,120	1,267,897,827	25.88	17.10%	14.79	7,414,708,492
2025	6,371,804,025	12.62	82.69%	1,024,307,835	59,891,990	249,599,520	1,333,799,345	26.20	17.31%	14.97	7,705,603,370

Source: Assessor's Department, Town of Dedham

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.

Town of Dedham, Massachusetts

Principal Taxpayers

Current Year and Nine Years Ago

Name	Nature of Business	2025			2016		
		Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value	Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value
Legacy Place LLC	Shopping Center	\$ 158,656,500	1	2.06%	\$ 118,723,500	1	2.75%
HRCA of Dedham, Inc.	Apts/Assisted Living	104,950,200	2	1.36%	89,512,100	3	2.07%
Eversource-Gas	Utility	100,081,705	3	1.30%	39,574,280	4	0.92%
OCW Retail-Dedham LLC	Shopping Center	86,698,600	4	1.13%	53,349,200	2	1.23%
Archstone Legacy Place	Apartment Complex	84,772,000	5	1.10%	45,863,900	8	1.06%
RAR2-Jefferson At Dedham	Apartment Complex	83,137,400	6	1.08%	43,128,800	10	1.00%
National Amusements	Theater/Entertainment	37,517,500	7	0.49%	25,717,600	6	0.60%
Eversource-Electric (prev. NSTAR)	Utility	59,088,386	8	0.77%	-	-	-
DIV CMM Rustcraft	Office/Warehouse	49,733,000	9	0.65%	20,759,600	9	0.48%
Federal Realty Investment	Shopping Center	41,503,000	10	0.54%	30,683,700	5	0.71%
Pearl Realty Trust	Retail	-	-	-	22,903,300	7	0.53%
Totals		\$ 806,138,291		10.46%	\$ 490,215,980		11.35%

Source: Official Statements

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

Year	Total Tax Levy	Less Abatements & Exemptions	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
2016	\$ 81,513,807	\$ 1,238,851	\$ 80,274,956	\$ 79,831,977	99.45%	\$ 442,979	\$ 80,274,956	100.00%
2017	82,110,384	612,899	81,497,485	80,504,125	98.78%	321,265	80,825,390	99.18%
2018	84,537,212	786,359	83,750,853	83,201,168	99.34%	347,546	83,548,714	99.76%
2019	86,602,476	665,243	85,937,233	85,313,155	99.27%	242,841	85,555,996	99.56%
2020	89,836,926	594,514	89,242,412	87,942,409	98.54%	850,976	88,793,385	99.50%
2021	93,353,589	738,827	92,614,762	92,034,286	99.37%	580,476	92,614,762	100.00%
2022	97,098,374	750,000	96,348,374	95,530,214	99.15%	496,687	96,026,901	99.67%
2023	101,712,664	750,000	100,962,664	99,744,335	98.79%	306,095	100,050,430	99.10%
2024	109,648,329	750,000	108,898,329	107,208,387	98.45%	595,502	107,803,889	98.99%
2025	115,357,710	750,000	114,607,710	113,751,238	99.25%	-	113,751,238	99.25%

Source: Accounting Records and Official Statements

Town of Dedham, Massachusetts

Ratio of Outstanding Debt by Type

Last Ten Years

Year	Governmental Activities	Business-Type Activities		Total Debt Outstanding	Percentage of Personal Income	U.S. Census	Debt Per Capita
	General Obligation Bonds (1)	General Obligation Bonds (1)	Direct Borrowings				
2016	\$ 73,180,615	\$ 785,000	\$ 1,223,335	\$ 75,188,950	6.72%	25,398	\$ 2,960
2017	81,334,824	660,000	921,855	82,916,679	7.24%	25,255	3,283
2018	100,352,916	540,000	610,675	101,503,591	7.90%	25,231	4,023
2019	98,086,480	420,000	346,725	98,853,205	7.62%	25,219	3,920
2020	94,359,693	3,842,201	541,075	98,742,969	5.91%	25,364	3,893
2021	113,719,131	3,642,180	756,425	118,117,736	6.78%	25,420	4,647
2022	125,994,237	4,947,700	652,775	131,594,712	7.97%	25,219	5,218
2023	127,162,922	5,588,762	549,125	133,300,809	7.73%	25,240	5,281
2024	121,714,225	5,815,366	740,475	128,270,066	6.59%	25,485	5,033
2025	116,299,432	7,614,527	607,325	124,521,284	6.40%	25,364	4,909

(1) This is the general obligation bonds of both governmental and business-type activities, net of original issuance discounts and premiums.

Source: U.S. Census, State Division of Local Services

Town of Dedham, Massachusetts

Ratio of General Bonded Debt

Last Ten Years

Year	General Obligation Bonds (1)	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2016	\$ 73,965,615	1.71%	2,912
2017	81,994,824	1.79%	3,247
2018	100,892,916	2.09%	3,999
2019	98,506,480	1.94%	3,906
2020	98,201,894	1.79%	3,872
2021	117,361,311	2.07%	4,617
2022	130,941,937	2.15%	5,192
2023	132,751,684	1.98%	5,260
2024	127,529,591	1.72%	5,004
2025	123,913,959	1.61%	4,885

(1) This is the general bonded debt of both governmental and business-type activities, net of original issuance discounts and premiums.

Source: U.S. Census, State Division of Local Services

Town of Dedham, Massachusetts

Direct and Overlapping Governmental Activities Debt

As of June 30, 2025

<u>Town of Dedham, 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 (1).....	\$ 13,855,000	3.500%	\$ 484,925
Massachusetts Water Resources Authority - Sewer (2).....	3,881,120,000	0.021%	815,035
			1,299,960
Direct debt:			
Governmental Bonds Payable.....			116,299,432
Total direct and overlapping debt.....			\$ 233,898,824

Source: Official Statements, Accounting Records

(1) County expenses including debt service on county bonds are assessed upon the cities and towns within the county in proportion to their taxable valuation as last equalized by the State Commissioner of Revenue.

(2) The Town's share is supported by a Sewer Enterprise Fund.

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

Town of Dedham, Massachusetts

Computation of Legal Debt Margin

Last Ten Years

(Amounts in thousands)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Equalized Valuation.....	\$ 4,726,183	\$ 4,726,183	\$ 5,319,863	\$ 5,319,863	\$ 5,863,556	\$ 5,863,556	\$ 6,593,839	\$ 6,593,839	\$ 6,539,160	\$ 6,539,160
Debt Limit: 5% of Equalized Valuation	236,309	236,309	265,993	265,993	293,178	293,178	329,692	329,692	326,958	326,958
Less:										
Outstanding debt applicable to limit..	69,123	68,900	80,685	76,022	76,709	95,377	108,266	110,561	106,730	104,587
Authorized and unissued debt.....	39,158	26,971	46,239	47,503	29,591	15,819	2,188	3,263	4,663	14,515
Legal debt margin.....	\$ 128,028	\$ 140,438	\$ 139,069	\$ 142,468	\$ 186,878	\$ 181,982	\$ 219,238	\$ 215,868	\$ 215,565	\$ 207,856
Total debt applicable to the limit as a percentage of debt limit.....	45.82%	40.57%	47.72%	46.44%	36.26%	37.93%	33.50%	34.52%	34.07%	36.43%

Source: State Division of Local Services, Accounting Records

Town of Dedham, Massachusetts
Demographic and Economic Statistics
Last Ten Years

Year	Population Estimates	Personal Income	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2016	25,398	\$ 1,118,671,182	\$ 55,162	43.1	2,772	2.40%
2017	25,255	1,145,623,000	65,206	43.1	2,693	3.30%
2018	25,231	1,285,381,000	60,765	42.4	2,658	2.60%
2019	25,219	1,296,887,075	63,246	43.3	2,687	2.90%
2020	25,364	1,669,671,043	65,828	43.3	2,736	16.20%
2021	25,420	1,741,690,402	68,516	42.9	2,556	5.50%
2022	25,219	1,651,934,000	60,765	42.9	2,605	3.20%
2023	25,240	1,724,313,000	60,879	42.9	2,555	2.60%
2024	25,485	1,947,076,000	68,317	43.5	2,699	3.30%
2025	25,364	1,947,076,000	77,892	43.5	2,668	4.00%

Source: U. S. Census, Division of Local Services, Massachusetts Department of Elementary and Secondary Education

Note: Median age is based on most recent census data.

Town of Dedham, Massachusetts

Principal Employers

Current Year and Nine Years Ago

Employer	Nature of Business	2025			2016		
		Employees (1)	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
Dedham Medical Associates	Medical Center	750	1	5.65%	500	3	3.79%
Norfolk County	County Government	375	2	2.82%	500	3	3.79%
American Red Cross Blood Svc	Other Ambulatory Health Care Services	375	2	2.82%	250	8	1.89%
Nobles Day Camp	Parks and Recreational Camps	375	2	2.82%	-	-	-
Norfolk County - Sheriff	County Government	347	5	2.61%	-	-	-
Papa Gino's Inc	Restaurant	185	6	1.39%	-	-	-
Alimed	Medical Equipment and Supplies Manufacturing	175	7	1.32%	-	-	-
BJ'S Wholesale Club	Warehouse Clubs, Supercenters, and Other General Merchandise Retailers	175	7	1.32%	-	-	-
Best Buy	Electronics and Appliance Retailers	175	7	1.32%	-	-	-
Costco Wholesale	Warehouse Clubs, Supercenters, and Other General Merchandise Retailers	175	7	1.32%	-	-	-
Legacy Place Lifestyle Center	Retail				1750	1	13.26%
Newbridge on the Charles	Assisted Living/Nursing Home	-	-	-	650	2	4.92%
General Dynamics	Technology	-	-	-	400	5	3.03%
Citizens Bank	Finance	-	-	-	350	6	2.65%
Whole Foods	Grocery/ Retail	-	-	-	300	7	2.27%
Sears, Roebuck & Co	Retail	-	-	-	250	8	1.89%
Dedham Executive Center	Offices	-	-	-	250	8	1.89%
	Total	<u>3,107</u>		<u>23.39%</u>	<u>5,200</u>		<u>39.39%</u>

Source: Official Statements

Note: Employers with same amount of employees are ranked equally.

(1) = Median employment number based on range of employees provided by the state.

Town of Dedham, Massachusetts

Full-Time Equivalent Town Employees by Function

Last Ten Years

Function	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
General government.....	65	66	68	72	73	88	80	46	38	37
Public safety.....	141	145	145	145	145	138	143	137	137	137
Education.....	490	501	494	496	509	502	510	510	507	507
Public works.....	28	28	28	28	28	29	28	29	28	28
Health and human services....	14	13	13	14	14	12	15	16	16	16
Culture and recreation.....	28	28	29	29	29	25	29	40	29	29
Total	<u>766</u>	<u>781</u>	<u>777</u>	<u>784</u>	<u>798</u>	<u>794</u>	<u>805</u>	<u>778</u>	<u>755</u>	<u>754</u>

Source: Town personnel records

Town of Dedham, Massachusetts

Operating Indicators by Function/Program

Last Ten Years

<u>Function/Program</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Public Safety										
Police										
Criminal offenses										
Violent.....	13	11	5	7	9	9	72	104	114	110
Property.....	585	473	378	345	280	345	332	368	346	379
Total criminal offenses.....	598	484	383	352	289	354	404	472	460	489
Fire										
Incidents										
Fires.....	217	191	169	121	110	101	103	149	110	154
Non-fire incidents.....	4,352	4,665	4,909	4,773	4,623	4,636	5,288	5,616	5,682	5,567
Total fire calls.....	4,569	4,856	5,078	4,894	4,733	4,737	5,391	5,765	5,792	5,721
Inspectional Services										
Number of building permits.....	1,475	1,527	1,207	1,376	1,352	1,444	1,396	1,300	1,112	1,067
Education										
Number of students.....	2,747	2,694	2,658	2,687	2,736	2,609	2,605	2,555	2,699	2,668
Public Works										
Highway										
Roads paved (miles).....	4.0	6.0	1.0	2.6	0.5	1.5	1.8	1.4	1.4	1.5
Sewer										
Sanitary sewers replaced (miles)...	0.14	0.10	0.10	0.01	0.01	0.03	0.01	0.01	0.01	0.01
Health and Human Services										
Board of Health										
Inspections										
Food establishments.....	742	724	690	629	385	612	665	816	897	897
Other.....	202	159	210	394	426	307	402	301	389	389
Total inspections.....	944	883	900	1,023	811	919	1,067	1,117	1,286	1,286
Culture and Recreation										
Libraries										
Circulation.....	137,326	154,653	172,363	172,204	154,978	108,421	191,596	200,366	206,811	215,491
Holdings.....	150,214	126,763	130,020	137,438	140,930	156,486	169,172	189,919	204,922	60,088 *
Total libraries.....	287,540	281,416	302,383	309,642	295,908	264,907	360,768	390,285	411,733	275,579

Source: Various Town Departments and State Websites.

*Beginning in 2025, the state changed the method for calculating the holdings number so that it no longer includes digital materials.

Town of Dedham, Massachusetts

Capital Asset Statistics by Function/Program

Last Ten Years

<u>Function/Program</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
General Government										
Number of buildings.....	18	18	18	18	18	18	18	18	18	18
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.....	7	7	7	7	7	7	7	7	7	7
Number of middle schools.....	1	1	1	1	1	1	1	1	1	1
Number of high schools.....	1	1	1	1	1	1	1	1	1	1
Public Works										
Road miles.....	107	107	107	107	107	107	107	107	107	107
Sewer main lines (miles).....	95	95	95	95	95	95	95	95	95	95
Number of cemeteries.....	3	3	3	3	3	3	3	3	3	3
Culture and Recreation										
Number of libraries.....	2	2	2	2	2	2	2	2	2	2
Number of public parks.....	9	9	9	9	9	9	9	9	9	9

Source: Various Town Departments and State websites.