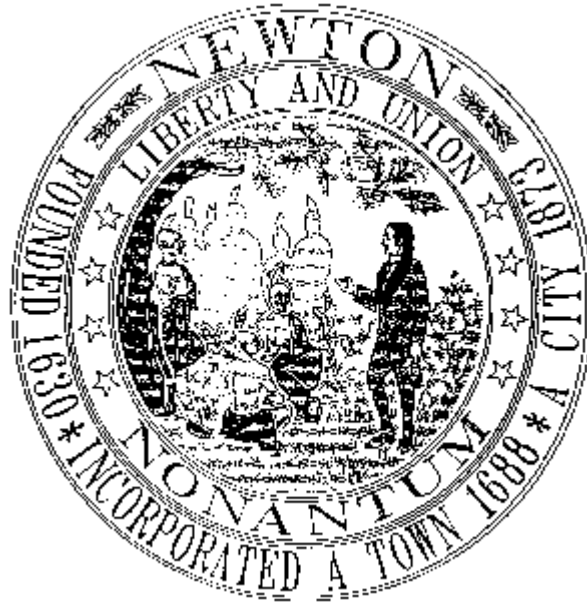


CITY OF NEWTON, MASSACHUSETTS

**\$38,930,000 General Obligation
Municipal Purpose Loan of 2017 Bonds
Dated December 21, 2017**



FINANCING SUMMARY

December 2017



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SUMMARY OF TERMS

City of Newton, Massachusetts \$38,930,000 General Obligation Municipal Purpose Loan of 2017 Bonds Dated December 21, 2017, Payable September 1, 2018 through September 1, 2047

ISSUER:	City of Newton, Massachusetts.																														
FINANCIAL ADVISOR:	FirstSouthwest, a Division of Hilltop Securities Inc., Boston, Massachusetts.																														
PURCHASER:	Morgan Stanley & Co, LLC, New York, New York.																														
RATINGS:	Moody's Investors Service: Aaa																														
KEY DATES:	Dated Date: 12/21/2017 Delivery Date: 12/21/2017 Date of Sale: 12/12/2017 Final Maturity: 9/1/2047																														
STRUCTURE:	\$32,025,000 serial bonds maturing annually on September 1 in the years 2018 through 2040, with three term bonds maturing September 1, 2042 (\$1,825,000), September 1, 2044 (\$1,940,000) and September 1, 2047 (\$3,140,000), subject to mandatory redemption as set forth below.																														
INTEREST PAYMENT DATES:	Interest on the Bonds will be payable semiannually on March 1 and September 1, commencing September 1, 2018.																														
INTEREST BASIS:	30 day month/360 day year (30/360).																														
DELIVERY:	Depository Trust Company, New York, New York.																														
DENOMINATIONS:	\$5,000 or any integral multiple thereof.																														
BOND COUNSEL:	Locke Lord LLP, Boston, Massachusetts.																														
PAYING/ESCROW AGENT:	U.S. Bank National Association, Boston, Massachusetts.																														
VERIFICATION AGENT:	Grant Thornton LLP, Minneapolis, Minnesota.																														
OPTIONAL REDEMPTION:	Bonds maturing on or prior to September 1, 2027 shall not be subject to redemption prior to their stated maturity dates. Bonds maturing on and after September 1, 2028 shall be subject to redemption prior to maturity, at the option of the City, on or after September 1, 2027, either in whole or in part at any time, and if in part, by lot within a maturity, at the par amount of the Bonds to be redeemed, plus accrued interest to the redemption date.																														
MANDATORY REDEMPTION:	The Bonds maturing September 1, 2042, September 1, 2044 and September 1, 2047 (the "Term Bonds") are subject to mandatory redemption or maturity on each of the dates and in each of the principal amounts as set forth below (the particular portion of each Term Bond to be redeemed or to mature on the final maturity date to be delivered by lot), at a redemption price of par, plus accrued interest, if any, to the redemption date. <table><tr><td colspan="3"><u>\$1,825,000 Term Bond Maturing September 1, 2042</u></td></tr><tr><td>2041</td><td>\$</td><td>900,000</td></tr><tr><td>2042*</td><td></td><td>925,000</td></tr><tr><td colspan="3"><u>\$1,940,000 Term Bond Maturing September 1, 2044</u></td></tr><tr><td>2043</td><td>\$</td><td>955,000</td></tr><tr><td>2044*</td><td></td><td>985,000</td></tr><tr><td colspan="3"><u>\$3,140,000 Term Bond Maturing September 1, 2047</u></td></tr><tr><td>2045</td><td>\$</td><td>1,015,000</td></tr><tr><td>2046</td><td></td><td>1,045,000</td></tr><tr><td>2047*</td><td></td><td>1,080,000</td></tr></table>	<u>\$1,825,000 Term Bond Maturing September 1, 2042</u>			2041	\$	900,000	2042*		925,000	<u>\$1,940,000 Term Bond Maturing September 1, 2044</u>			2043	\$	955,000	2044*		985,000	<u>\$3,140,000 Term Bond Maturing September 1, 2047</u>			2045	\$	1,015,000	2046		1,045,000	2047*		1,080,000
<u>\$1,825,000 Term Bond Maturing September 1, 2042</u>																															
2041	\$	900,000																													
2042*		925,000																													
<u>\$1,940,000 Term Bond Maturing September 1, 2044</u>																															
2043	\$	955,000																													
2044*		985,000																													
<u>\$3,140,000 Term Bond Maturing September 1, 2047</u>																															
2045	\$	1,015,000																													
2046		1,045,000																													
2047*		1,080,000																													
	*Final maturity.																														
TAX STATUS:	The Bonds will not be designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.																														

COMPETITIVE BIDDING RESULTS

City of Newton, Massachusetts
\$38,930,000 General Obligation Municipal Purpose Loan of 2017 Bonds
Dated December 21, 2017, Payable September 1, 2018 through September 1, 2047

DATE OF SALE: December 12, 2017

BIDS RECEIVED: Seven

AWARD: Morgan Stanley & Co, LLC

Bid (resized): 110.372792%

TIC (resized): 2.912581%

<u>Due September 1</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield/ Price</u>	<u>Due September 1</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield/ Price</u>
2018	\$ 600,000	5.000 %	1.19 %	2031	\$ 1,340,000	4.000 %	2.53 %
2019	740,000	5.000	1.43	2032	1,365,000	4.000	2.62
2020	1,665,000	5.000	1.49	2033	1,260,000	4.000	2.71
2021	1,765,000	5.000	1.54	2034	1,290,000	4.000	2.79
2022	1,780,000	5.000	1.62	2035	1,315,000	4.000	2.87
2023	1,800,000	5.000	1.71	2036	1,340,000	3.000	98.50
2024	1,820,000	5.000	1.78	2037	1,360,000	3.000	97.75
2025	1,535,000	5.000	1.83	2038	1,185,000	3.000	3.19
2026	1,555,000	5.000	1.90	2039	1,210,000	3.125	98.50
2027	1,580,000	5.000	2.00	2040	875,000	3.125	98.00
2028	1,605,000	5.000	2.11	2042	1,825,000	3.250	3.30
2029	1,630,000	5.000	2.17	2044	1,940,000	3.250	98.75
2030	1,410,000	4.000	2.44	2047	3,140,000	3.250	3.35

BID: 107.822641 TIC: 2.982116%

Wells Fargo Bank, National Association

BID: 109.725436 TIC: 2.984463%

Janney Montgomery Scott LLC

BID: 107.141701 TIC: 2.990985%

Bank of America Merrill Lynch

BID: 112.623758 TIC: 3.033040%

J.P. Morgan Securities LLC

BID: 107.181339 TIC: 3.042055%

Robert W. Baird & Co., Inc.

BID: 110.292724 TIC: 3.121855%

UBS Financial Services Inc.

11:00:07 a.m. EDST [Upcoming Calendar](#) [Overview](#) [Compare](#) [Summary](#)

Bid Results

Newton
\$39,680,000 General Obligation Municipal Purpose Loan of
2017 Bonds

The following bids were submitted using **PARITY**[®] and displayed ranked by lowest TIC.
 Click on the name of each bidder to see the respective bids.

Bid Award*	Bidder Name	TIC
<input type="checkbox"/>	Morgan Stanley & Co, LLC	2.899645
<input type="checkbox"/>	Wells Fargo Bank, National Association	2.982116
<input type="checkbox"/>	Janney Montgomery Scott LLC	2.984463
<input type="checkbox"/>	Bank of America Merrill Lynch	2.990985
<input type="checkbox"/>	J.P. Morgan Securities LLC	3.033040
<input type="checkbox"/>	Robert W. Baird & Co., Inc.	3.042055
<input type="checkbox"/>	UBS Financial Services Inc.	3.121855

*Awarding the Bonds to a specific bidder will provide you with the Reoffering Prices and Yields.

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Upcoming Calendar Overview Result Excel

**Morgan Stanley & Co, LLC - New York , NY's Bid
Newton**



**\$39,680,000 General Obligation Municipal Purpose Loan of
2017 Bonds**

For the aggregate principal amount of \$39,680,000.00, we will pay you \$43,662,585.23, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price
09/01/2018	645M	5.0000	1.1900	102.625
09/01/2019	780M	5.0000	1.4300	105.953
09/01/2020	1,765M	5.0000	1.4900	109.234
09/01/2021	1,870M	5.0000	1.5400	112.377
09/01/2022	1,880M	5.0000	1.6200	115.217
09/01/2023	1,895M	5.0000	1.7100	117.776
09/01/2024	1,910M	5.0000	1.7800	120.234
09/01/2025	1,610M	5.0000	1.8300	122.652
09/01/2026	1,620M	5.0000	1.9000	124.733
09/01/2027	1,635M	5.0000	2.0000	126.315
09/01/2028	1,655M	5.0000	2.1100	125.214
09/01/2029	1,675M	5.0000	2.1700	124.618
09/01/2030	1,430M	4.0000	2.4400	113.392
09/01/2031	1,355M	4.0000	2.5300	112.564
09/01/2032	1,375M	4.0000	2.6200	111.743
09/01/2033	1,270M	4.0000	2.7100	110.930
09/01/2034	1,295M	4.0000	2.7900	110.212
09/01/2035	1,320M	4.0000	2.8700	109.500
09/01/2036	1,340M	3.0000	3.1060	98.500
09/01/2037	1,345M	3.0000	3.1540	97.750
09/01/2038	1,160M	3.0000	3.1900	97.135
09/01/2039	1,175M	3.1250	3.2210	98.500
09/01/2040	855M	3.1250	3.2500	98.000
09/01/2041				
09/01/2042	1,785M	3.2500	3.3000	99.156
09/01/2043				
09/01/2044	1,900M	3.2500	3.3210	98.750
09/01/2045				
09/01/2046				
09/01/2047	3,135M	3.2500	3.3500	98.124

Total Interest Cost: \$20,762,923.96
 Premium: \$3,982,585.23
 Net Interest Cost: \$16,780,338.73
 TIC: 2.899645
 Time Last Bid Received On: 12/12/2017 10:59:57 EST

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Upcoming Calendar	Overview	Result	Excel
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**Wells Fargo Bank, National Association - Charlotte , NC's Bid
Newton**



**\$39,680,000 General Obligation Municipal Purpose Loan of
2017 Bonds**

For the aggregate principal amount of \$39,680,000.00, we will pay you \$42,784,024.00, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price
09/01/2018	645M	5.0000	1.2200	102.604
09/01/2019	780M	5.0000	1.4700	105.883
09/01/2020	1,765M	5.0000	1.5600	109.039
09/01/2021	1,870M	5.0000	1.6100	112.109
09/01/2022	1,880M	5.0000	1.7000	114.826
09/01/2023	1,895M	5.0000	1.7900	117.302
09/01/2024	1,910M	5.0000	1.8700	119.606
09/01/2025	1,610M	5.0000	1.9300	121.851
09/01/2026	1,620M	5.0000	2.0000	123.829
09/01/2027	1,635M	5.0000	2.1000	125.314
09/01/2028	1,655M	5.0000	2.2400	123.927
09/01/2029	1,675M	4.0000	2.3700	114.041
09/01/2030	1,430M	4.0000	2.4400	113.392
09/01/2031	1,355M	4.0000	2.5300	112.564
09/01/2032	1,375M	4.0000	2.6200	111.743
09/01/2033	1,270M	4.0000	2.7100	110.930
09/01/2034	1,295M	3.0000	3.0770	99.000
09/01/2035	1,320M	3.0000	3.1290	98.250
09/01/2036	1,340M	3.0000	3.1780	97.500
09/01/2037	1,345M	3.0000	3.2060	97.000
09/01/2038	1,160M	3.1250	3.2250	98.500
09/01/2039	1,175M	3.1250	3.2540	98.000
09/01/2040				
09/01/2041	1,735M	3.1250	3.3080	97.000
09/01/2042				
09/01/2043				
09/01/2044	2,805M	3.2500	3.3640	98.000
09/01/2045				
09/01/2046				
09/01/2047	3,135M	3.2500	3.3840	97.500

Total Interest Cost: \$20,121,225.35
 Premium: \$3,104,024.00
 Net Interest Cost: \$17,017,201.35
 TIC: 2.982116
 Time Last Bid Received On: 12/12/2017 10:59:02 EST

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Upcoming Calendar	Overview	Result	Excel
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**Janney Montgomery Scott LLC - Philadelphia , PA's Bid
Newton**



**\$39,680,000 General Obligation Municipal Purpose Loan of
2017 Bonds**

For the aggregate principal amount of \$39,680,000.00, we will pay you \$43,539,052.82, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price
09/01/2018	645M	5.0000	1.2100	102.611
09/01/2019	780M	5.0000	1.4500	105.918
09/01/2020	1,765M	5.0000	1.5100	109.178
09/01/2021	1,870M	5.0000	1.6100	112.109
09/01/2022	1,880M	5.0000	1.7000	114.826
09/01/2023	1,895M	5.0000	1.7900	117.302
09/01/2024	1,910M	5.0000	1.8200	119.954
09/01/2025	1,610M	5.0000	1.9300	121.851
09/01/2026	1,620M	5.0000	2.0000	123.829
09/01/2027	1,635M	5.0000	2.1000	125.314
09/01/2028	1,655M	5.0000	2.1800	124.519
09/01/2029	1,675M	4.0000	2.3700	114.041
09/01/2030	1,430M	4.0000	2.4400	113.392
09/01/2031	1,355M	4.0000	2.5300	112.564
09/01/2032	1,375M	4.0000	2.6200	111.743
09/01/2033	1,270M	4.0000	2.7100	110.930
09/01/2034	1,295M	4.0000	2.7900	110.212
09/01/2035	1,320M	4.0000	2.8700	109.500
09/01/2036	1,340M	4.0000	2.9200	109.058
09/01/2037	1,345M	3.1250	3.2500	98.189
09/01/2038				
09/01/2039				
09/01/2040				
09/01/2041				
09/01/2042	4,975M	3.2500	3.4000	97.503
09/01/2043				
09/01/2044				
09/01/2045				
09/01/2046				
09/01/2047	5,035M	3.3750	3.5000	97.699

Total Interest Cost: \$21,141,574.31
 Premium: \$3,859,052.82
 Net Interest Cost: \$17,282,521.49
 TIC: 2.984463
 Time Last Bid Received On: 12/12/2017 10:59:06 EST

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Bank of America Merrill Lynch - New York , NY's Bid



Newton

\$39,680,000 General Obligation Municipal Purpose Loan of 2017 Bonds

For the aggregate principal amount of \$39,680,000.00, we will pay you \$42,513,827.11, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price
09/01/2018	645M	5.0000	1.2400	102.590
09/01/2019	780M	5.0000	1.4800	105.866
09/01/2020	1,765M	5.0000	1.5400	109.095
09/01/2021	1,870M	5.0000	1.5900	112.185
09/01/2022	1,880M	5.0000	1.6700	114.972
09/01/2023	1,895M	5.0000	1.7600	117.479
09/01/2024	1,910M	5.0000	1.8500	119.745
09/01/2025	1,610M	5.0000	1.9000	122.091
09/01/2026	1,620M	5.0000	1.9700	124.099
09/01/2027	1,635M	5.0000	2.0700	125.613
09/01/2028	1,655M	5.0000	2.1800	124.519
09/01/2029	1,675M	5.0000	2.2400	123.927
09/01/2030	1,430M	4.0000	2.5100	112.748
09/01/2031	1,355M	3.0000	3.0000	100.000
09/01/2032	1,375M	3.0000	3.0400	99.526
09/01/2033	1,270M	3.0000	3.0800	99.007
09/01/2034	1,295M	3.0000	3.1200	98.444
09/01/2035	1,320M	3.0000	3.1700	97.708
09/01/2036	1,340M	3.0000	3.2000	97.199
09/01/2037	1,345M	3.1250	3.2500	98.189
09/01/2038	1,160M	3.1250	3.2600	97.976
09/01/2039	1,175M	3.1250	3.2700	97.756
09/01/2040	855M	3.1250	3.3000	97.216
09/01/2041	880M	3.1250	3.3100	96.975
09/01/2042				
09/01/2043	1,835M	3.2500	3.3890	97.625
09/01/2044				
09/01/2045	1,975M	3.2500	3.4040	97.250
09/01/2046				
09/01/2047	2,130M	3.3750	3.4560	98.500

Total Interest Cost: \$19,841,046.01
 Premium: \$2,833,827.11
 Net Interest Cost: \$17,007,218.90
 TIC: 2.990985
 Time Last Bid Received On: 12/12/2017 10:58:36 EST

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Upcoming Calendar Overview Result Excel

**J.P. Morgan Securities LLC - New York , NY's Bid
Newton**



**\$39,680,000 General Obligation Municipal Purpose Loan of
2017 Bonds**

For the aggregate principal amount of \$39,680,000.00, we will pay you \$44,689,107.28, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price
09/01/2018	645M	5.0000	1.2500	102.583
09/01/2019	780M	5.0000	1.4500	105.918
09/01/2020	1,765M	5.0000	1.5100	109.178
09/01/2021	1,870M	5.0000	1.6100	112.109
09/01/2022	1,880M	5.0000	1.7000	114.826
09/01/2023	1,895M	5.0000	1.7900	117.302
09/01/2024	1,910M	5.0000	1.8700	119.606
09/01/2025	1,610M	5.0000	1.9300	121.851
09/01/2026	1,620M	5.0000	1.9500	124.280
09/01/2027	1,635M	5.0000	2.0500	125.813
09/01/2028	1,655M	5.0000	2.1600	124.717
09/01/2029	1,675M	4.0000	2.3700	114.041
09/01/2030	1,430M	4.0000	2.4400	113.392
09/01/2031	1,355M	4.0000	2.5300	112.564
09/01/2032	1,375M	4.0000	2.6200	111.743
09/01/2033	1,270M	4.0000	2.7100	110.930
09/01/2034	1,295M	4.0000	2.7900	110.212
09/01/2035	1,320M	4.0000	2.8700	109.500
09/01/2036	1,340M	4.0000	2.9200	109.058
09/01/2037	1,345M	4.0000	2.9800	108.529
09/01/2038				
09/01/2039				
09/01/2040				
09/01/2041				
09/01/2042	4,975M	4.0000	3.0900	107.569
09/01/2043				
09/01/2044				
09/01/2045				
09/01/2046				
09/01/2047	5,035M	4.0000	3.1400	107.136

Total Interest Cost: \$23,088,018.06
 Premium: \$5,009,107.28
 Net Interest Cost: \$18,078,910.78
 TIC: 3.033040
 Time Last Bid Received On: 12/12/2017 10:56:30 EST

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Robert W. Baird & Co., Inc. - Red Bank , NJ's Bid



Newton

\$39,680,000 General Obligation Municipal Purpose Loan of 2017 Bonds

For the aggregate principal amount of \$39,680,000.00, we will pay you \$42,529,555.42, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price
09/01/2018	645M	5.0000	1.3000	102.547
09/01/2019	780M	5.0000	1.4500	105.918
09/01/2020	1,765M	5.0000	1.5100	109.178
09/01/2021	1,870M	5.0000	1.6100	112.109
09/01/2022	1,880M	5.0000	1.7000	114.826
09/01/2023	1,895M	5.0000	1.7500	117.539
09/01/2024	1,910M	5.0000	1.8200	119.954
09/01/2025	1,610M	5.0000	1.9000	122.091
09/01/2026	1,620M	5.0000	2.0000	123.829
09/01/2027	1,635M	5.0000	2.1000	125.314
09/01/2028	1,655M	5.0000	2.1800	124.519
09/01/2029	1,675M	4.0000	2.3700	114.041
09/01/2030	1,430M	4.0000	2.4400	113.392
09/01/2031	1,355M	4.0000	2.5300	112.564
09/01/2032	1,375M	3.0000	3.0500	99.408
09/01/2033	1,270M	3.0000	3.1500	98.151
09/01/2034	1,295M	3.0000	3.2000	97.425
09/01/2035	1,320M	3.0000	3.2500	96.653
09/01/2036	1,340M	3.1250	3.3000	97.569
09/01/2037	1,345M	3.2500	3.3500	98.563
09/01/2038	1,160M	3.2500	3.4000	97.780
09/01/2039	1,175M	3.2500	3.4200	97.407
09/01/2040				
09/01/2041				
09/01/2042	2,640M	3.3750	3.4500	98.756
09/01/2043				
09/01/2044				
09/01/2045				
09/01/2046				
09/01/2047	5,035M	3.3750	3.5000	97.699

Total Interest Cost: \$20,182,619.62
 Premium: \$2,849,555.42
 Net Interest Cost: \$17,333,064.20
 TIC: 3.042055
 Time Last Bid Received On: 12/12/2017 10:57:12 EST

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of

Upcoming Calendar Overview Result Excel

**UBS Financial Services Inc. - New York , NY's Bid
Newton**



**\$39,680,000 General Obligation Municipal Purpose Loan of
2017 Bonds**

For the aggregate principal amount of \$39,680,000.00, we will pay you \$43,764,152.90, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price
09/01/2018	645M	5.0000	1.2100	102.611
09/01/2019	780M	5.0000	1.4900	105.849
09/01/2020	1,765M	5.0000	1.5600	109.039
09/01/2021	1,870M	5.0000	1.6100	112.109
09/01/2022	1,880M	5.0000	1.7000	114.826
09/01/2023	1,895M	5.0000	1.7900	117.302
09/01/2024	1,910M	5.0000	1.8700	119.606
09/01/2025	1,610M	5.0000	1.9300	121.851
09/01/2026	1,620M	5.0000	2.1000	122.933
09/01/2027	1,635M	5.0000	2.2500	123.829
09/01/2028	1,655M	5.0000	2.3500	122.851
09/01/2029	1,675M	4.0000	2.3700	114.041
09/01/2030	1,430M	4.0000	2.4400	113.392
09/01/2031	1,355M	4.0000	2.5300	112.564
09/01/2032	1,375M	4.0000	2.6200	111.743
09/01/2033	1,270M	4.0000	2.7100	110.930
09/01/2034	1,295M	4.0000	2.7900	110.212
09/01/2035	1,320M	4.0000	2.8700	109.500
09/01/2036	1,340M	4.0000	2.9200	109.058
09/01/2037	1,345M	3.2500	3.3800	98.138
09/01/2038				
09/01/2039				
09/01/2040	3,190M	3.2500	3.4200	97.328
09/01/2041				
09/01/2042				
09/01/2043				
09/01/2044	3,685M	4.0000	3.2600	106.104
09/01/2045				
09/01/2046				
09/01/2047	3,135M	4.0000	3.2900	105.848

Total Interest Cost: \$22,372,598.26
 Premium: \$4,084,152.90
 Net Interest Cost: \$18,288,445.36
 TIC: 3.121855
 Time Last Bid Received On: 12/12/2017 10:54:12 EST

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of

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BOND DEBT SERVICE

City of Newton, Massachusetts
General Obligation Municipal Purpose Loan of 2017 Bonds
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OMS for bond proceeds escrow
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			Dated Date	12/21/2017		
			Delivery Date	12/21/2017		
Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service	
09/01/2018	600,000.00	5.000%	1,131,297.74	1,731,297.74	-	
03/01/2019	-	-	799,534.39	799,534.39	-	
06/30/2019	-	-	-	-	2,530,832.13	
09/01/2019	740,000.00	5.000%	799,534.39	1,539,534.39	-	
03/01/2020	-	-	781,034.39	781,034.39	-	
06/30/2020	-	-	-	-	2,320,568.78	
09/01/2020	1,665,000.00	5.000%	781,034.39	2,446,034.39	-	
03/01/2021	-	-	739,409.38	739,409.38	-	
06/30/2021	-	-	-	-	3,185,443.77	
09/01/2021	1,765,000.00	5.000%	739,409.38	2,504,409.38	-	
03/01/2022	-	-	695,284.38	695,284.38	-	
06/30/2022	-	-	-	-	3,199,693.76	
09/01/2022	1,780,000.00	5.000%	695,284.38	2,475,284.38	-	
03/01/2023	-	-	650,784.38	650,784.38	-	
06/30/2023	-	-	-	-	3,126,068.76	
09/01/2023	1,800,000.00	5.000%	650,784.38	2,450,784.38	-	
03/01/2024	-	-	605,784.38	605,784.38	-	
06/30/2024	-	-	-	-	3,056,568.76	
09/01/2024	1,820,000.00	5.000%	605,784.38	2,425,784.38	-	
03/01/2025	-	-	560,284.38	560,284.38	-	
06/30/2025	-	-	-	-	2,986,068.76	
09/01/2025	1,535,000.00	5.000%	560,284.38	2,095,284.38	-	
03/01/2026	-	-	521,909.38	521,909.38	-	
06/30/2026	-	-	-	-	2,617,193.76	
09/01/2026	1,555,000.00	5.000%	521,909.38	2,076,909.38	-	
03/01/2027	-	-	483,034.38	483,034.38	-	
06/30/2027	-	-	-	-	2,559,943.76	
09/01/2027	1,580,000.00	5.000%	483,034.38	2,063,034.38	-	
03/01/2028	-	-	443,534.38	443,534.38	-	
06/30/2028	-	-	-	-	2,506,568.76	
09/01/2028	1,605,000.00	5.000%	443,534.38	2,048,534.38	-	
03/01/2029	-	-	403,409.38	403,409.38	-	
06/30/2029	-	-	-	-	2,451,943.76	
09/01/2029	1,630,000.00	5.000%	403,409.38	2,033,409.38	-	
03/01/2030	-	-	362,659.38	362,659.38	-	
06/30/2030	-	-	-	-	2,396,068.76	
09/01/2030	1,410,000.00	4.000%	362,659.38	1,772,659.38	-	
03/01/2031	-	-	334,459.38	334,459.38	-	
06/30/2031	-	-	-	-	2,107,118.76	
09/01/2031	1,340,000.00	4.000%	334,459.38	1,674,459.38	-	
03/01/2032	-	-	307,659.38	307,659.38	-	
06/30/2032	-	-	-	-	1,982,118.76	
09/01/2032	1,365,000.00	4.000%	307,659.38	1,672,659.38	-	
03/01/2033	-	-	280,359.38	280,359.38	-	
06/30/2033	-	-	-	-	1,953,018.76	
09/01/2033	1,260,000.00	4.000%	280,359.38	1,540,359.38	-	
03/01/2034	-	-	255,159.38	255,159.38	-	
06/30/2034	-	-	-	-	1,795,518.76	
09/01/2034	1,290,000.00	4.000%	255,159.38	1,545,159.38	-	
03/01/2035	-	-	229,359.38	229,359.38	-	
06/30/2035	-	-	-	-	1,774,518.76	
09/01/2035	1,315,000.00	4.000%	229,359.38	1,544,359.38	-	
03/01/2036	-	-	203,059.38	203,059.38	-	
06/30/2036	-	-	-	-	1,747,418.76	
09/01/2036	1,340,000.00	3.000%	203,059.38	1,543,059.38	-	
03/01/2037	-	-	182,959.38	182,959.38	-	
06/30/2037	-	-	-	-	1,726,018.76	
09/01/2037	1,360,000.00	3.000%	182,959.38	1,542,959.38	-	
03/01/2038	-	-	162,559.38	162,559.38	-	
06/30/2038	-	-	-	-	1,705,518.76	
09/01/2038	1,185,000.00	3.000%	162,559.38	1,347,559.38	-	
03/01/2039	-	-	144,784.38	144,784.38	-	
06/30/2039	-	-	-	-	1,492,343.76	
09/01/2039	1,210,000.00	3.125%	144,784.38	1,354,784.38	-	
03/01/2040	-	-	125,878.13	125,878.13	-	
06/30/2040	-	-	-	-	1,480,662.51	
09/01/2040	875,000.00	3.125%	125,878.13	1,000,878.13	-	
03/01/2041	-	-	112,206.25	112,206.25	-	
06/30/2041	-	-	-	-	1,113,084.38	
09/01/2041	900,000.00	3.250%	112,206.25	1,012,206.25	-	
03/01/2042	-	-	97,581.25	97,581.25	-	
06/30/2042	-	-	-	-	1,109,787.50	
09/01/2042	925,000.00	3.250%	97,581.25	1,022,581.25	-	
03/01/2043	-	-	82,550.00	82,550.00	-	
06/30/2043	-	-	-	-	1,105,131.25	
09/01/2043	955,000.00	3.250%	82,550.00	1,037,550.00	-	
03/01/2044	-	-	67,031.25	67,031.25	-	
06/30/2044	-	-	-	-	1,104,581.25	
09/01/2044	985,000.00	3.250%	67,031.25	1,052,031.25	-	
03/01/2045	-	-	51,025.00	51,025.00	-	
06/30/2045	-	-	-	-	1,103,056.25	
09/01/2045	1,015,000.00	3.250%	51,025.00	1,066,025.00	-	
03/01/2046	-	-	34,531.25	34,531.25	-	
06/30/2046	-	-	-	-	1,100,556.25	
09/01/2046	1,045,000.00	3.250%	34,531.25	1,079,531.25	-	
03/01/2047	-	-	17,550.00	17,550.00	-	
06/30/2047	-	-	-	-	1,097,081.25	
09/01/2047	1,080,000.00	3.250%	17,550.00	1,097,550.00	-	
06/30/2048	-	-	-	-	1,097,550.00	
	38,930,000.00		20,602,048.00	59,532,048.00	59,532,048.00	

BOND PRICING

City of Newton, Massachusetts
General Obligation Municipal Purpose Loan of 2017 Bonds
Advance Refunding of May 1, 2010 Series A, May 1, 2010 Series B & April 14, 2011
SLGS as of 12/7/2017 (for invested cash contribution)
OMS for bond proceeds escrow
FINAL

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)
Bond Component:									
	09/01/2018	600,000.00	5.000%	1.190%	102.625	-	-	-	15,750.00
	09/01/2019	740,000.00	5.000%	1.430%	105.953	-	-	-	44,052.20
	09/01/2020	1,665,000.00	5.000%	1.490%	109.234	-	-	-	153,746.10
	09/01/2021	1,765,000.00	5.000%	1.540%	112.377	-	-	-	218,454.05
	09/01/2022	1,780,000.00	5.000%	1.620%	115.217	-	-	-	270,862.60
	09/01/2023	1,800,000.00	5.000%	1.710%	117.776	-	-	-	319,968.00
	09/01/2024	1,820,000.00	5.000%	1.780%	120.234	-	-	-	368,258.80
	09/01/2025	1,535,000.00	5.000%	1.830%	122.652	-	-	-	347,708.20
	09/01/2026	1,555,000.00	5.000%	1.900%	124.733	-	-	-	384,598.15
	09/01/2027	1,580,000.00	5.000%	2.000%	126.315	-	-	-	415,777.00
	09/01/2028	1,605,000.00	5.000%	2.110%	125.214 C	2.323%	09/01/2027	100.000	404,684.70
	09/01/2029	1,630,000.00	5.000%	2.170%	124.618 C	2.552%	09/01/2027	100.000	401,273.40
	09/01/2030	1,410,000.00	4.000%	2.440%	113.392 C	2.743%	09/01/2027	100.000	188,827.20
	09/01/2031	1,340,000.00	4.000%	2.530%	112.564 C	2.883%	09/01/2027	100.000	168,357.60
	09/01/2032	1,365,000.00	4.000%	2.620%	111.743 C	3.005%	09/01/2027	100.000	160,291.95
	09/01/2033	1,260,000.00	4.000%	2.710%	110.930 C	3.114%	09/01/2027	100.000	137,718.00
	09/01/2034	1,290,000.00	4.000%	2.790%	110.212 C	3.205%	09/01/2027	100.000	131,734.80
	09/01/2035	1,315,000.00	4.000%	2.870%	109.500 C	3.287%	09/01/2027	100.000	124,925.00
	09/01/2036	1,340,000.00	3.000%	3.106%	98.500	-	-	-	(20,100.00)
	09/01/2037	1,360,000.00	3.000%	3.154%	97.750	-	-	-	(30,600.00)
	09/01/2038	1,185,000.00	3.000%	3.190%	97.135	-	-	-	(33,950.25)
	09/01/2039	1,210,000.00	3.125%	3.221%	98.500	-	-	-	(18,150.00)
	09/01/2040	875,000.00	3.125%	3.250%	98.000	-	-	-	(17,500.00)
		<u>32,025,000.00</u>							<u>4,136,687.50</u>
Bond Component #2:									
	09/01/2041	900,000.00	3.250%	3.300%	99.156	-	-	-	(7,596.00)
	09/01/2042	925,000.00	3.250%	3.300%	99.156	-	-	-	(7,807.00)
		<u>1,825,000.00</u>							<u>(15,403.00)</u>
Bond Component #3:									
	09/01/2043	955,000.00	3.250%	3.321%	98.750	-	-	-	(11,937.50)
	09/01/2044	985,000.00	3.250%	3.321%	98.750	-	-	-	(12,312.50)
		<u>1,940,000.00</u>							<u>(24,250.00)</u>
Bond Component #4:									
	09/01/2045	1,015,000.00	3.250%	3.350%	98.124	-	-	-	(19,041.40)
	09/01/2046	1,045,000.00	3.250%	3.350%	98.124	-	-	-	(19,604.20)
	09/01/2047	1,080,000.00	3.250%	3.350%	98.124	-	-	-	(20,260.80)
		<u>3,140,000.00</u>							<u>(58,906.40)</u>
		<u>38,930,000.00</u>							<u>4,038,128.10</u>

Dated Date	12/21/2017	
Delivery Date	12/21/2017	
First Coupon	09/01/2018	
Par Amount	38,930,000.00	
Premium	4,038,128.11	
Production	42,968,128.11	110.372792%
Underwriter's Discount	(209,562.52)	(0.538306%)
Purchase Price	42,758,565.59	109.834486%
Accrued Interest	-	
Net Proceeds	42,758,565.59	

BOND DEBT SERVICE

City of Newton, Massachusetts
Refund May 1, 2010 Series A School (ISQ)

Dated Date 12/21/2017
Delivery Date 12/21/2017

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
09/01/2018	-	-	215,324.65	215,324.65	-
03/01/2019	-	-	155,033.75	155,033.75	-
06/30/2019	-	-	-	-	370,358.40
09/01/2019	-	-	155,033.75	155,033.75	-
03/01/2020	-	-	155,033.75	155,033.75	-
06/30/2020	-	-	-	-	310,067.50
09/01/2020	360,350.00	5.000%	155,033.75	515,383.75	-
03/01/2021	-	-	146,025.00	146,025.00	-
06/30/2021	-	-	-	-	661,408.75
09/01/2021	360,000.00	5.000%	146,025.00	506,025.00	-
03/01/2022	-	-	137,025.00	137,025.00	-
06/30/2022	-	-	-	-	643,050.00
09/01/2022	360,000.00	5.000%	137,025.00	497,025.00	-
03/01/2023	-	-	128,025.00	128,025.00	-
06/30/2023	-	-	-	-	625,050.00
09/01/2023	360,000.00	5.000%	128,025.00	488,025.00	-
03/01/2024	-	-	119,025.00	119,025.00	-
06/30/2024	-	-	-	-	607,050.00
09/01/2024	360,000.00	5.000%	119,025.00	479,025.00	-
03/01/2025	-	-	110,025.00	110,025.00	-
06/30/2025	-	-	-	-	589,050.00
09/01/2025	360,000.00	5.000%	110,025.00	470,025.00	-
03/01/2026	-	-	101,025.00	101,025.00	-
06/30/2026	-	-	-	-	571,050.00
09/01/2026	360,000.00	5.000%	101,025.00	461,025.00	-
03/01/2027	-	-	92,025.00	92,025.00	-
06/30/2027	-	-	-	-	553,050.00
09/01/2027	360,000.00	5.000%	92,025.00	452,025.00	-
03/01/2028	-	-	83,025.00	83,025.00	-
06/30/2028	-	-	-	-	535,050.00
09/01/2028	360,000.00	5.000%	83,025.00	443,025.00	-
03/01/2029	-	-	74,025.00	74,025.00	-
06/30/2029	-	-	-	-	517,050.00
09/01/2029	360,000.00	5.000%	74,025.00	434,025.00	-
03/01/2030	-	-	65,025.00	65,025.00	-
06/30/2030	-	-	-	-	499,050.00
09/01/2030	360,000.00	4.000%	65,025.00	425,025.00	-
03/01/2031	-	-	57,825.00	57,825.00	-
06/30/2031	-	-	-	-	482,850.00
09/01/2031	360,000.00	4.000%	57,825.00	417,825.00	-
03/01/2032	-	-	50,625.00	50,625.00	-
06/30/2032	-	-	-	-	468,450.00
09/01/2032	360,000.00	4.000%	50,625.00	410,625.00	-
03/01/2033	-	-	43,425.00	43,425.00	-
06/30/2033	-	-	-	-	454,050.00
09/01/2033	360,000.00	4.000%	43,425.00	403,425.00	-
03/01/2034	-	-	36,225.00	36,225.00	-
06/30/2034	-	-	-	-	439,650.00
09/01/2034	360,000.00	4.000%	36,225.00	396,225.00	-
03/01/2035	-	-	29,025.00	29,025.00	-
06/30/2035	-	-	-	-	425,250.00
09/01/2035	360,000.00	4.000%	29,025.00	389,025.00	-
03/01/2036	-	-	21,825.00	21,825.00	-
06/30/2036	-	-	-	-	410,850.00
09/01/2036	360,000.00	3.000%	21,825.00	381,825.00	-
03/01/2037	-	-	16,425.00	16,425.00	-
06/30/2037	-	-	-	-	398,250.00
09/01/2037	360,000.00	3.000%	16,425.00	376,425.00	-
03/01/2038	-	-	11,025.00	11,025.00	-
06/30/2038	-	-	-	-	387,450.00
09/01/2038	360,000.00	3.000%	11,025.00	371,025.00	-
03/01/2039	-	-	5,625.00	5,625.00	-
06/30/2039	-	-	-	-	376,650.00
09/01/2039	360,000.00	3.125%	5,625.00	365,625.00	-
06/30/2040	-	-	-	-	365,625.00
	7,200,350.00		3,490,009.65	10,690,359.65	10,690,359.65

BOND PRICING

City of Newton, Massachusetts
Refund May 1, 2010 Series A School (ISQ)

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)	
Bond Component:										
	09/01/2020	360,350.00	5.000%	1.490%	109.234	-	-	-	33,274.72	
	09/01/2021	360,000.00	5.000%	1.540%	112.377	-	-	-	44,557.20	
	09/01/2022	360,000.00	5.000%	1.620%	115.217	-	-	-	54,781.20	
	09/01/2023	360,000.00	5.000%	1.710%	117.776	-	-	-	63,993.60	
	09/01/2024	360,000.00	5.000%	1.780%	120.234	-	-	-	72,842.40	
	09/01/2025	360,000.00	5.000%	1.830%	122.652	-	-	-	81,547.20	
	09/01/2026	360,000.00	5.000%	1.900%	124.733	-	-	-	89,038.80	
	09/01/2027	360,000.00	5.000%	2.000%	126.315	-	-	-	94,734.00	
	09/01/2028	360,000.00	5.000%	2.110%	125.214 C	2.323%	09/01/2027	100.000	90,770.40	
	09/01/2029	360,000.00	5.000%	2.170%	124.618 C	2.552%	09/01/2027	100.000	88,624.80	
	09/01/2030	360,000.00	4.000%	2.440%	113.392 C	2.743%	09/01/2027	100.000	48,211.20	
	09/01/2031	360,000.00	4.000%	2.530%	112.564 C	2.883%	09/01/2027	100.000	45,230.40	
	09/01/2032	360,000.00	4.000%	2.620%	111.743 C	3.005%	09/01/2027	100.000	42,274.80	
	09/01/2033	360,000.00	4.000%	2.710%	110.930 C	3.114%	09/01/2027	100.000	39,348.00	
	09/01/2034	360,000.00	4.000%	2.790%	110.212 C	3.205%	09/01/2027	100.000	36,763.20	
	09/01/2035	360,000.00	4.000%	2.870%	109.500 C	3.287%	09/01/2027	100.000	34,200.00	
	09/01/2036	360,000.00	3.000%	3.106%	98.500	-	-	-	(5,400.00)	
	09/01/2037	360,000.00	3.000%	3.154%	97.750	-	-	-	(8,100.00)	
	09/01/2038	360,000.00	3.000%	3.190%	97.135	-	-	-	(10,314.00)	
	09/01/2039	360,000.00	3.125%	3.221%	98.500	-	-	-	(5,400.00)	
		7,200,350.00								930,977.92

Dated Date	12/21/2017	
Delivery Date	12/21/2017	
First Coupon	09/01/2018	
Par Amount	7,200,350.00	
Premium	930,977.92	
Production	8,131,327.92	112.929620%
Underwriter's Discount	(38,759.91)	(0.538306%)
Purchase Price	8,092,568.01	112.391314%
Accrued Interest	-	
Net Proceeds	8,092,568.01	

BOND DEBT SERVICE

City of Newton, Massachusetts
Refund May 1, 2010 Series B Various Sewer System Improvements (I)

Dated Date 12/21/2017
Delivery Date 12/21/2017

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
09/01/2018	-	-	7,604.17	7,604.17	-
03/01/2019	-	-	5,475.00	5,475.00	-
06/30/2019	-	-	-	-	13,079.17
09/01/2019	-	-	5,475.00	5,475.00	-
03/01/2020	-	-	5,475.00	5,475.00	-
06/30/2020	-	-	-	-	10,950.00
09/01/2020	22,000.00	5.000%	5,475.00	27,475.00	-
03/01/2021	-	-	4,925.00	4,925.00	-
06/30/2021	-	-	-	-	32,400.00
09/01/2021	22,000.00	5.000%	4,925.00	26,925.00	-
03/01/2022	-	-	4,375.00	4,375.00	-
06/30/2022	-	-	-	-	31,300.00
09/01/2022	22,000.00	5.000%	4,375.00	26,375.00	-
03/01/2023	-	-	3,825.00	3,825.00	-
06/30/2023	-	-	-	-	30,200.00
09/01/2023	22,000.00	5.000%	3,825.00	25,825.00	-
03/01/2024	-	-	3,275.00	3,275.00	-
06/30/2024	-	-	-	-	29,100.00
09/01/2024	22,000.00	5.000%	3,275.00	25,275.00	-
03/01/2025	-	-	2,725.00	2,725.00	-
06/30/2025	-	-	-	-	28,000.00
09/01/2025	22,000.00	5.000%	2,725.00	24,725.00	-
03/01/2026	-	-	2,175.00	2,175.00	-
06/30/2026	-	-	-	-	26,900.00
09/01/2026	22,000.00	5.000%	2,175.00	24,175.00	-
03/01/2027	-	-	1,625.00	1,625.00	-
06/30/2027	-	-	-	-	25,800.00
09/01/2027	22,000.00	5.000%	1,625.00	23,625.00	-
03/01/2028	-	-	1,075.00	1,075.00	-
06/30/2028	-	-	-	-	24,700.00
09/01/2028	22,000.00	5.000%	1,075.00	23,075.00	-
03/01/2029	-	-	525.00	525.00	-
06/30/2029	-	-	-	-	23,600.00
09/01/2029	21,000.00	5.000%	525.00	21,525.00	-
06/30/2030	-	-	-	-	21,525.00
	219,000.00		78,554.17	297,554.17	297,554.17

BOND PRICING

City of Newton, Massachusetts
Refund May 1, 2010 Series B Various Sewer System Improvements (I)

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)	
Bond Component:										
	09/01/2020	22,000.00	5.000%	1.490%	109.234	-	-	-	2,031.48	
	09/01/2021	22,000.00	5.000%	1.540%	112.377	-	-	-	2,722.94	
	09/01/2022	22,000.00	5.000%	1.620%	115.217	-	-	-	3,347.74	
	09/01/2023	22,000.00	5.000%	1.710%	117.776	-	-	-	3,910.72	
	09/01/2024	22,000.00	5.000%	1.780%	120.234	-	-	-	4,451.48	
	09/01/2025	22,000.00	5.000%	1.830%	122.652	-	-	-	4,983.44	
	09/01/2026	22,000.00	5.000%	1.900%	124.733	-	-	-	5,441.26	
	09/01/2027	22,000.00	5.000%	2.000%	126.315	-	-	-	5,789.30	
	09/01/2028	22,000.00	5.000%	2.110%	125.214 C	2.323%	09/01/2027	100.000	5,547.08	
	09/01/2029	21,000.00	5.000%	2.170%	124.618 C	2.552%	09/01/2027	100.000	5,169.78	
		219,000.00								43,395.22

Dated Date	12/21/2017	
Delivery Date	12/21/2017	
First Coupon	09/01/2018	
Par Amount	219,000.00	
Premium	43,395.22	
Production	262,395.22	119.815169%
Underwriter's Discount	(1,178.89)	(0.538306%)
Purchase Price	261,216.33	119.276863%
Accrued Interest	-	
Net Proceeds	261,216.33	

BOND DEBT SERVICE

City of Newton, Massachusetts
Refund May 1, 2010 Series B Modular Classrooms (I)

Dated Date 12/21/2017
Delivery Date 12/21/2017

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
09/01/2018	-	-	14,236.11	14,236.11	-
03/01/2019	-	-	10,250.00	10,250.00	-
06/30/2019	-	-	-	-	24,486.11
09/01/2019	-	-	10,250.00	10,250.00	-
03/01/2020	-	-	10,250.00	10,250.00	-
06/30/2020	-	-	-	-	20,500.00
09/01/2020	82,000.00	5.000%	10,250.00	92,250.00	-
03/01/2021	-	-	8,200.00	8,200.00	-
06/30/2021	-	-	-	-	100,450.00
09/01/2021	82,000.00	5.000%	8,200.00	90,200.00	-
03/01/2022	-	-	6,150.00	6,150.00	-
06/30/2022	-	-	-	-	96,350.00
09/01/2022	82,000.00	5.000%	6,150.00	88,150.00	-
03/01/2023	-	-	4,100.00	4,100.00	-
06/30/2023	-	-	-	-	92,250.00
09/01/2023	82,000.00	5.000%	4,100.00	86,100.00	-
03/01/2024	-	-	2,050.00	2,050.00	-
06/30/2024	-	-	-	-	88,150.00
09/01/2024	82,000.00	5.000%	2,050.00	84,050.00	-
06/30/2025	-	-	-	-	84,050.00
	410,000.00		96,236.11	506,236.11	506,236.11

BOND PRICING

City of Newton, Massachusetts
Refund May 1, 2010 Series B Modular Classrooms (I)

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Premium (-Discount)
Bond Component:						
	09/01/2020	82,000.00	5.000%	1.490%	109.234	7,571.88
	09/01/2021	82,000.00	5.000%	1.540%	112.377	10,149.14
	09/01/2022	82,000.00	5.000%	1.620%	115.217	12,477.94
	09/01/2023	82,000.00	5.000%	1.710%	117.776	14,576.32
	09/01/2024	82,000.00	5.000%	1.780%	120.234	16,591.88
		410,000.00				61,367.16

Dated Date	12/21/2017	
Delivery Date	12/21/2017	
First Coupon	09/01/2018	
Par Amount	410,000.00	
Premium	61,367.16	
Production	471,367.16	114.967600%
Underwriter's Discount	(2,207.05)	(0.538305%)
Purchase Price	469,160.11	114.429295%
Accrued Interest	-	
Net Proceeds	469,160.11	

BOND DEBT SERVICE

City of Newton, Massachusetts
Refund May 1, 2010 Series B Burr School Windows (I)

Dated Date 12/21/2017
Delivery Date 12/21/2017

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
09/01/2018	-	-	9,105.03	9,105.03	-
03/01/2019	-	-	6,555.63	6,555.63	-
06/30/2019	-	-	-	-	15,660.66
09/01/2019	-	-	6,555.63	6,555.63	-
03/01/2020	-	-	6,555.63	6,555.63	-
06/30/2020	-	-	-	-	13,111.26
09/01/2020	27,225.00	5.000%	6,555.63	33,780.63	-
03/01/2021	-	-	5,875.00	5,875.00	-
06/30/2021	-	-	-	-	39,655.63
09/01/2021	27,000.00	5.000%	5,875.00	32,875.00	-
03/01/2022	-	-	5,200.00	5,200.00	-
06/30/2022	-	-	-	-	38,075.00
09/01/2022	26,000.00	5.000%	5,200.00	31,200.00	-
03/01/2023	-	-	4,550.00	4,550.00	-
06/30/2023	-	-	-	-	35,750.00
09/01/2023	26,000.00	5.000%	4,550.00	30,550.00	-
03/01/2024	-	-	3,900.00	3,900.00	-
06/30/2024	-	-	-	-	34,450.00
09/01/2024	26,000.00	5.000%	3,900.00	29,900.00	-
03/01/2025	-	-	3,250.00	3,250.00	-
06/30/2025	-	-	-	-	33,150.00
09/01/2025	26,000.00	5.000%	3,250.00	29,250.00	-
03/01/2026	-	-	2,600.00	2,600.00	-
06/30/2026	-	-	-	-	31,850.00
09/01/2026	26,000.00	5.000%	2,600.00	28,600.00	-
03/01/2027	-	-	1,950.00	1,950.00	-
06/30/2027	-	-	-	-	30,550.00
09/01/2027	26,000.00	5.000%	1,950.00	27,950.00	-
03/01/2028	-	-	1,300.00	1,300.00	-
06/30/2028	-	-	-	-	29,250.00
09/01/2028	26,000.00	5.000%	1,300.00	27,300.00	-
03/01/2029	-	-	650.00	650.00	-
06/30/2029	-	-	-	-	27,950.00
09/01/2029	26,000.00	5.000%	650.00	26,650.00	-
06/30/2030	-	-	-	-	26,650.00
	262,225.00		93,877.55	356,102.55	356,102.55

BOND PRICING

City of Newton, Massachusetts
Refund May 1, 2010 Series B Burr School Windows (I)

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)	
Bond Component:										
	09/01/2020	27,225.00	5.000%	1.490%	109.234	-	-	-	2,513.96	
	09/01/2021	27,000.00	5.000%	1.540%	112.377	-	-	-	3,341.79	
	09/01/2022	26,000.00	5.000%	1.620%	115.217	-	-	-	3,956.42	
	09/01/2023	26,000.00	5.000%	1.710%	117.776	-	-	-	4,621.76	
	09/01/2024	26,000.00	5.000%	1.780%	120.234	-	-	-	5,260.84	
	09/01/2025	26,000.00	5.000%	1.830%	122.652	-	-	-	5,889.52	
	09/01/2026	26,000.00	5.000%	1.900%	124.733	-	-	-	6,430.58	
	09/01/2027	26,000.00	5.000%	2.000%	126.315	-	-	-	6,841.90	
	09/01/2028	26,000.00	5.000%	2.110%	125.214 C	2.323%	09/01/2027	100.000	6,555.64	
	09/01/2029	26,000.00	5.000%	2.170%	124.618 C	2.552%	09/01/2027	100.000	6,400.68	
		262,225.00								51,813.09

Dated Date	12/21/2017	
Delivery Date	12/21/2017	
First Coupon	09/01/2018	
Par Amount	262,225.00	
Premium	51,813.09	
Production	314,038.09	119.759020%
Underwriter's Discount	(1,411.57)	(0.538305%)
Purchase Price	312,626.52	119.220715%
Accrued Interest	-	
Net Proceeds	312,626.52	

BOND DEBT SERVICE

City of Newton, Massachusetts
Refund May 1, 2010 Series B Fire Station 4 Renovations (I)

Dated Date 12/21/2017
Delivery Date 12/21/2017

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
09/01/2018	-	-	1,527.78	1,527.78	-
03/01/2019	-	-	1,100.00	1,100.00	-
06/30/2019	-	-	-	-	2,627.78
09/01/2019	-	-	1,100.00	1,100.00	-
03/01/2020	-	-	1,100.00	1,100.00	-
06/30/2020	-	-	-	-	2,200.00
09/01/2020	5,000.00	5.000%	1,100.00	6,100.00	-
03/01/2021	-	-	975.00	975.00	-
06/30/2021	-	-	-	-	7,075.00
09/01/2021	5,000.00	5.000%	975.00	5,975.00	-
03/01/2022	-	-	850.00	850.00	-
06/30/2022	-	-	-	-	6,825.00
09/01/2022	5,000.00	5.000%	850.00	5,850.00	-
03/01/2023	-	-	725.00	725.00	-
06/30/2023	-	-	-	-	6,575.00
09/01/2023	5,000.00	5.000%	725.00	5,725.00	-
03/01/2024	-	-	600.00	600.00	-
06/30/2024	-	-	-	-	6,325.00
09/01/2024	4,000.00	5.000%	600.00	4,600.00	-
03/01/2025	-	-	500.00	500.00	-
06/30/2025	-	-	-	-	5,100.00
09/01/2025	4,000.00	5.000%	500.00	4,500.00	-
03/01/2026	-	-	400.00	400.00	-
06/30/2026	-	-	-	-	4,900.00
09/01/2026	4,000.00	5.000%	400.00	4,400.00	-
03/01/2027	-	-	300.00	300.00	-
06/30/2027	-	-	-	-	4,700.00
09/01/2027	4,000.00	5.000%	300.00	4,300.00	-
03/01/2028	-	-	200.00	200.00	-
06/30/2028	-	-	-	-	4,500.00
09/01/2028	4,000.00	5.000%	200.00	4,200.00	-
03/01/2029	-	-	100.00	100.00	-
06/30/2029	-	-	-	-	4,300.00
09/01/2029	4,000.00	5.000%	100.00	4,100.00	-
06/30/2030	-	-	-	-	4,100.00
	44,000.00		15,227.78	59,227.78	59,227.78

BOND PRICING

City of Newton, Massachusetts
Refund May 1, 2010 Series B Fire Station 4 Renovations (I)

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)	
Bond Component:										
	09/01/2020	5,000.00	5.000%	1.490%	109.234	-	-	-	461.70	
	09/01/2021	5,000.00	5.000%	1.540%	112.377	-	-	-	618.85	
	09/01/2022	5,000.00	5.000%	1.620%	115.217	-	-	-	760.85	
	09/01/2023	5,000.00	5.000%	1.710%	117.776	-	-	-	888.80	
	09/01/2024	4,000.00	5.000%	1.780%	120.234	-	-	-	809.36	
	09/01/2025	4,000.00	5.000%	1.830%	122.652	-	-	-	906.08	
	09/01/2026	4,000.00	5.000%	1.900%	124.733	-	-	-	989.32	
	09/01/2027	4,000.00	5.000%	2.000%	126.315	-	-	-	1,052.60	
	09/01/2028	4,000.00	5.000%	2.110%	125.214 C	2.323%	09/01/2027	100.000	1,008.56	
	09/01/2029	4,000.00	5.000%	2.170%	124.618 C	2.552%	09/01/2027	100.000	984.72	
		44,000.00								8,480.84

Dated Date	12/21/2017	
Delivery Date	12/21/2017	
First Coupon	09/01/2018	
Par Amount	44,000.00	
Premium	8,480.84	
Production	52,480.84	119.274636%
Underwriter's Discount	(236.85)	(0.538295%)
Purchase Price	52,243.99	118.736341%
Accrued Interest	-	
Net Proceeds	52,243.99	

BOND DEBT SERVICE

City of Newton, Massachusetts
Refund May 1, 2010 Series B Fire Station 7 Renovations (I)

Dated Date 12/21/2017
Delivery Date 12/21/2017

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
09/01/2018	-	-	66,723.96	66,723.96	-
03/01/2019	-	-	48,041.25	48,041.25	-
06/30/2019	-	-	-	-	114,765.21
09/01/2019	-	-	48,041.25	48,041.25	-
03/01/2020	-	-	48,041.25	48,041.25	-
06/30/2020	-	-	-	-	96,082.50
09/01/2020	193,650.00	5.000%	48,041.25	241,691.25	-
03/01/2021	-	-	43,200.00	43,200.00	-
06/30/2021	-	-	-	-	284,891.25
09/01/2021	192,000.00	5.000%	43,200.00	235,200.00	-
03/01/2022	-	-	38,400.00	38,400.00	-
06/30/2022	-	-	-	-	273,600.00
09/01/2022	192,000.00	5.000%	38,400.00	230,400.00	-
03/01/2023	-	-	33,600.00	33,600.00	-
06/30/2023	-	-	-	-	264,000.00
09/01/2023	192,000.00	5.000%	33,600.00	225,600.00	-
03/01/2024	-	-	28,800.00	28,800.00	-
06/30/2024	-	-	-	-	254,400.00
09/01/2024	192,000.00	5.000%	28,800.00	220,800.00	-
03/01/2025	-	-	24,000.00	24,000.00	-
06/30/2025	-	-	-	-	244,800.00
09/01/2025	192,000.00	5.000%	24,000.00	216,000.00	-
03/01/2026	-	-	19,200.00	19,200.00	-
06/30/2026	-	-	-	-	235,200.00
09/01/2026	192,000.00	5.000%	19,200.00	211,200.00	-
03/01/2027	-	-	14,400.00	14,400.00	-
06/30/2027	-	-	-	-	225,600.00
09/01/2027	192,000.00	5.000%	14,400.00	206,400.00	-
03/01/2028	-	-	9,600.00	9,600.00	-
06/30/2028	-	-	-	-	216,000.00
09/01/2028	192,000.00	5.000%	9,600.00	201,600.00	-
03/01/2029	-	-	4,800.00	4,800.00	-
06/30/2029	-	-	-	-	206,400.00
09/01/2029	192,000.00	5.000%	4,800.00	196,800.00	-
06/30/2030	-	-	-	-	196,800.00
	1,921,650.00		690,888.96	2,612,538.96	2,612,538.96

BOND PRICING

City of Newton, Massachusetts
Refund May 1, 2010 Series B Fire Station 7 Renovations (I)

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)	
Bond Component:										
	09/01/2020	193,650.00	5.000%	1.490%	109.234	-	-	-	17,881.64	
	09/01/2021	192,000.00	5.000%	1.540%	112.377	-	-	-	23,763.84	
	09/01/2022	192,000.00	5.000%	1.620%	115.217	-	-	-	29,216.64	
	09/01/2023	192,000.00	5.000%	1.710%	117.776	-	-	-	34,129.92	
	09/01/2024	192,000.00	5.000%	1.780%	120.234	-	-	-	38,849.28	
	09/01/2025	192,000.00	5.000%	1.830%	122.652	-	-	-	43,491.84	
	09/01/2026	192,000.00	5.000%	1.900%	124.733	-	-	-	47,487.36	
	09/01/2027	192,000.00	5.000%	2.000%	126.315	-	-	-	50,524.80	
	09/01/2028	192,000.00	5.000%	2.110%	125.214 C	2.323%	09/01/2027	100.000	48,410.88	
	09/01/2029	192,000.00	5.000%	2.170%	124.618 C	2.552%	09/01/2027	100.000	47,266.56	
		1,921,650.00								381,022.76

Dated Date	12/21/2017	
Delivery Date	12/21/2017	
First Coupon	09/01/2018	
Par Amount	1,921,650.00	
Premium	381,022.76	
Production	2,302,672.76	119.827896%
Underwriter's Discount	(10,344.36)	(0.538306%)
Purchase Price	2,292,328.40	119.289590%
Accrued Interest	-	
Net Proceeds	2,292,328.40	

BOND DEBT SERVICE

City of Newton, Massachusetts
Refund May 1, 2010 Series B Energy Conservation (I)

Dated Date 12/21/2017
Delivery Date 12/21/2017

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
09/01/2018	-	-	38,580.73	38,580.73	-
03/01/2019	-	-	27,778.13	27,778.13	-
06/30/2019	-	-	-	-	66,358.86
09/01/2019	-	-	27,778.13	27,778.13	-
03/01/2020	-	-	27,778.13	27,778.13	-
06/30/2020	-	-	-	-	55,556.26
09/01/2020	223,125.00	5.000%	27,778.13	250,903.13	-
03/01/2021	-	-	22,200.00	22,200.00	-
06/30/2021	-	-	-	-	273,103.13
09/01/2021	222,000.00	5.000%	22,200.00	244,200.00	-
03/01/2022	-	-	16,650.00	16,650.00	-
06/30/2022	-	-	-	-	260,850.00
09/01/2022	222,000.00	5.000%	16,650.00	238,650.00	-
03/01/2023	-	-	11,100.00	11,100.00	-
06/30/2023	-	-	-	-	249,750.00
09/01/2023	222,000.00	5.000%	11,100.00	233,100.00	-
03/01/2024	-	-	5,550.00	5,550.00	-
06/30/2024	-	-	-	-	238,650.00
09/01/2024	222,000.00	5.000%	5,550.00	227,550.00	-
06/30/2025	-	-	-	-	227,550.00
	1,111,125.00		260,693.25	1,371,818.25	1,371,818.25

BOND PRICING

City of Newton, Massachusetts
Refund May 1, 2010 Series B Energy Conservation (I)

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Premium (-Discount)
Bond Component:						
	09/01/2020	223,125.00	5.000%	1.490%	109.234	20,603.36
	09/01/2021	222,000.00	5.000%	1.540%	112.377	27,476.94
	09/01/2022	222,000.00	5.000%	1.620%	115.217	33,781.74
	09/01/2023	222,000.00	5.000%	1.710%	117.776	39,462.72
	09/01/2024	222,000.00	5.000%	1.780%	120.234	44,919.48
		1,111,125.00				166,244.24

Dated Date	12/21/2017	
Delivery Date	12/21/2017	
First Coupon	09/01/2018	
Par Amount	1,111,125.00	
Premium	166,244.24	
Production	1,277,369.24	114.961795%
Underwriter's Discount	(5,981.25)	(0.538306%)
Purchase Price	1,271,387.99	114.423489%
Accrued Interest	-	
Net Proceeds	1,271,387.99	

BOND DEBT SERVICE

City of Newton, Massachusetts
Refund April 14, 2011 School Roof Repairs (I)

Dated Date 12/21/2017
Delivery Date 12/21/2017

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
09/01/2018	-	-	12,013.89	12,013.89	-
03/01/2019	-	-	8,650.00	8,650.00	-
06/30/2019	-	-	-	-	20,663.89
09/01/2019	-	-	8,650.00	8,650.00	-
03/01/2020	-	-	8,650.00	8,650.00	-
06/30/2020	-	-	-	-	17,300.00
09/01/2020	-	-	8,650.00	8,650.00	-
03/01/2021	-	-	8,650.00	8,650.00	-
06/30/2021	-	-	-	-	17,300.00
09/01/2021	36,000.00	5.000%	8,650.00	44,650.00	-
03/01/2022	-	-	7,750.00	7,750.00	-
06/30/2022	-	-	-	-	52,400.00
09/01/2022	36,000.00	5.000%	7,750.00	43,750.00	-
03/01/2023	-	-	6,850.00	6,850.00	-
06/30/2023	-	-	-	-	50,600.00
09/01/2023	36,000.00	5.000%	6,850.00	42,850.00	-
03/01/2024	-	-	5,950.00	5,950.00	-
06/30/2024	-	-	-	-	48,800.00
09/01/2024	35,000.00	5.000%	5,950.00	40,950.00	-
03/01/2025	-	-	5,075.00	5,075.00	-
06/30/2025	-	-	-	-	46,025.00
09/01/2025	35,000.00	5.000%	5,075.00	40,075.00	-
03/01/2026	-	-	4,200.00	4,200.00	-
06/30/2026	-	-	-	-	44,275.00
09/01/2026	35,000.00	5.000%	4,200.00	39,200.00	-
03/01/2027	-	-	3,325.00	3,325.00	-
06/30/2027	-	-	-	-	42,525.00
09/01/2027	35,000.00	5.000%	3,325.00	38,325.00	-
03/01/2028	-	-	2,450.00	2,450.00	-
06/30/2028	-	-	-	-	40,775.00
09/01/2028	35,000.00	5.000%	2,450.00	37,450.00	-
03/01/2029	-	-	1,575.00	1,575.00	-
06/30/2029	-	-	-	-	39,025.00
09/01/2029	35,000.00	5.000%	1,575.00	36,575.00	-
03/01/2030	-	-	700.00	700.00	-
06/30/2030	-	-	-	-	37,275.00
09/01/2030	35,000.00	4.000%	700.00	35,700.00	-
06/30/2031	-	-	-	-	35,700.00
	353,000.00		139,663.89	492,663.89	492,663.89

BOND PRICING

City of Newton, Massachusetts
Refund April 14, 2011 School Roof Repairs (I)

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)	
Bond Component:										
	09/01/2021	36,000.00	5.000%	1.540%	112.377	-	-	-	4,455.72	
	09/01/2022	36,000.00	5.000%	1.620%	115.217	-	-	-	5,478.12	
	09/01/2023	36,000.00	5.000%	1.710%	117.776	-	-	-	6,399.36	
	09/01/2024	35,000.00	5.000%	1.780%	120.234	-	-	-	7,081.90	
	09/01/2025	35,000.00	5.000%	1.830%	122.652	-	-	-	7,928.20	
	09/01/2026	35,000.00	5.000%	1.900%	124.733	-	-	-	8,656.55	
	09/01/2027	35,000.00	5.000%	2.000%	126.315	-	-	-	9,210.25	
	09/01/2028	35,000.00	5.000%	2.110%	125.214 C	2.323%	09/01/2027	100.000	8,824.90	
	09/01/2029	35,000.00	5.000%	2.170%	124.618 C	2.552%	09/01/2027	100.000	8,616.30	
	09/01/2030	35,000.00	4.000%	2.440%	113.392 C	2.743%	09/01/2027	100.000	4,687.20	
		353,000.00								71,338.50

Dated Date	12/21/2017	
Delivery Date	12/21/2017	
First Coupon	09/01/2018	
Par Amount	353,000.00	
Premium	71,338.50	
Production	424,338.50	120.209207%
Underwriter's Discount	(1,900.22)	(0.538306%)
Purchase Price	422,438.28	119.670901%
Accrued Interest	-	
Net Proceeds	422,438.28	

BOND DEBT SERVICE

City of Newton, Massachusetts
Refund April 14, 2011 School Masonry Repairs (I)

Dated Date 12/21/2017
Delivery Date 12/21/2017

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
09/01/2018	-	-	6,465.28	6,465.28	-
03/01/2019	-	-	4,655.00	4,655.00	-
06/30/2019	-	-	-	-	11,120.28
09/01/2019	-	-	4,655.00	4,655.00	-
03/01/2020	-	-	4,655.00	4,655.00	-
06/30/2020	-	-	-	-	9,310.00
09/01/2020	-	-	4,655.00	4,655.00	-
03/01/2021	-	-	4,655.00	4,655.00	-
06/30/2021	-	-	-	-	9,310.00
09/01/2021	19,000.00	5.000%	4,655.00	23,655.00	-
03/01/2022	-	-	4,180.00	4,180.00	-
06/30/2022	-	-	-	-	27,835.00
09/01/2022	19,000.00	5.000%	4,180.00	23,180.00	-
03/01/2023	-	-	3,705.00	3,705.00	-
06/30/2023	-	-	-	-	26,885.00
09/01/2023	19,000.00	5.000%	3,705.00	22,705.00	-
03/01/2024	-	-	3,230.00	3,230.00	-
06/30/2024	-	-	-	-	25,935.00
09/01/2024	19,000.00	5.000%	3,230.00	22,230.00	-
03/01/2025	-	-	2,755.00	2,755.00	-
06/30/2025	-	-	-	-	24,985.00
09/01/2025	19,000.00	5.000%	2,755.00	21,755.00	-
03/01/2026	-	-	2,280.00	2,280.00	-
06/30/2026	-	-	-	-	24,035.00
09/01/2026	19,000.00	5.000%	2,280.00	21,280.00	-
03/01/2027	-	-	1,805.00	1,805.00	-
06/30/2027	-	-	-	-	23,085.00
09/01/2027	19,000.00	5.000%	1,805.00	20,805.00	-
03/01/2028	-	-	1,330.00	1,330.00	-
06/30/2028	-	-	-	-	22,135.00
09/01/2028	19,000.00	5.000%	1,330.00	20,330.00	-
03/01/2029	-	-	855.00	855.00	-
06/30/2029	-	-	-	-	21,185.00
09/01/2029	19,000.00	5.000%	855.00	19,855.00	-
03/01/2030	-	-	380.00	380.00	-
06/30/2030	-	-	-	-	20,235.00
09/01/2030	19,000.00	4.000%	380.00	19,380.00	-
06/30/2031	-	-	-	-	19,380.00
	190,000.00		75,435.28	265,435.28	265,435.28

BOND PRICING

City of Newton, Massachusetts
Refund April 14, 2011 School Masonry Repairs (I)

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)	
Bond Component:										
	09/01/2021	19,000.00	5.000%	1.540%	112.377	-	-	-	2,351.63	
	09/01/2022	19,000.00	5.000%	1.620%	115.217	-	-	-	2,891.23	
	09/01/2023	19,000.00	5.000%	1.710%	117.776	-	-	-	3,377.44	
	09/01/2024	19,000.00	5.000%	1.780%	120.234	-	-	-	3,844.46	
	09/01/2025	19,000.00	5.000%	1.830%	122.652	-	-	-	4,303.88	
	09/01/2026	19,000.00	5.000%	1.900%	124.733	-	-	-	4,699.27	
	09/01/2027	19,000.00	5.000%	2.000%	126.315	-	-	-	4,999.85	
	09/01/2028	19,000.00	5.000%	2.110%	125.214 C	2.323%	09/01/2027	100.000	4,790.66	
	09/01/2029	19,000.00	5.000%	2.170%	124.618 C	2.552%	09/01/2027	100.000	4,677.42	
	09/01/2030	19,000.00	4.000%	2.440%	113.392 C	2.743%	09/01/2027	100.000	2,544.48	
		190,000.00								38,480.32

Dated Date	12/21/2017	
Delivery Date	12/21/2017	
First Coupon	09/01/2018	
Par Amount	190,000.00	
Premium	38,480.32	
Production	228,480.32	120.252800%
Underwriter's Discount	(1,022.78)	(0.538305%)
Purchase Price	227,457.54	119.714495%
Accrued Interest	-	
Net Proceeds	227,457.54	

BOND DEBT SERVICE

City of Newton, Massachusetts
Refund April 14, 2011 School Boiler Replacement (I)

Dated Date 12/21/2017
Delivery Date 12/21/2017

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
09/01/2018	-	-	4,960.07	4,960.07	-
03/01/2019	-	-	3,571.25	3,571.25	-
06/30/2019	-	-	-	-	8,531.32
09/01/2019	-	-	3,571.25	3,571.25	-
03/01/2020	-	-	3,571.25	3,571.25	-
06/30/2020	-	-	-	-	7,142.50
09/01/2020	-	-	3,571.25	3,571.25	-
03/01/2021	-	-	3,571.25	3,571.25	-
06/30/2021	-	-	-	-	7,142.50
09/01/2021	15,650.00	5.000%	3,571.25	19,221.25	-
03/01/2022	-	-	3,180.00	3,180.00	-
06/30/2022	-	-	-	-	22,401.25
09/01/2022	15,000.00	5.000%	3,180.00	18,180.00	-
03/01/2023	-	-	2,805.00	2,805.00	-
06/30/2023	-	-	-	-	20,985.00
09/01/2023	15,000.00	5.000%	2,805.00	17,805.00	-
03/01/2024	-	-	2,430.00	2,430.00	-
06/30/2024	-	-	-	-	20,235.00
09/01/2024	15,000.00	5.000%	2,430.00	17,430.00	-
03/01/2025	-	-	2,055.00	2,055.00	-
06/30/2025	-	-	-	-	19,485.00
09/01/2025	15,000.00	5.000%	2,055.00	17,055.00	-
03/01/2026	-	-	1,680.00	1,680.00	-
06/30/2026	-	-	-	-	18,735.00
09/01/2026	14,000.00	5.000%	1,680.00	15,680.00	-
03/01/2027	-	-	1,330.00	1,330.00	-
06/30/2027	-	-	-	-	17,010.00
09/01/2027	14,000.00	5.000%	1,330.00	15,330.00	-
03/01/2028	-	-	980.00	980.00	-
06/30/2028	-	-	-	-	16,310.00
09/01/2028	14,000.00	5.000%	980.00	14,980.00	-
03/01/2029	-	-	630.00	630.00	-
06/30/2029	-	-	-	-	15,610.00
09/01/2029	14,000.00	5.000%	630.00	14,630.00	-
03/01/2030	-	-	280.00	280.00	-
06/30/2030	-	-	-	-	14,910.00
09/01/2030	14,000.00	4.000%	280.00	14,280.00	-
06/30/2031	-	-	-	-	14,280.00
	145,650.00		57,127.57	202,777.57	202,777.57

BOND PRICING

City of Newton, Massachusetts
Refund April 14, 2011 School Boiler Replacement (I)

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)	
Bond Component:										
	09/01/2021	15,650.00	5.000%	1.540%	112.377	-	-	-	1,937.00	
	09/01/2022	15,000.00	5.000%	1.620%	115.217	-	-	-	2,282.55	
	09/01/2023	15,000.00	5.000%	1.710%	117.776	-	-	-	2,666.40	
	09/01/2024	15,000.00	5.000%	1.780%	120.234	-	-	-	3,035.10	
	09/01/2025	15,000.00	5.000%	1.830%	122.652	-	-	-	3,397.80	
	09/01/2026	14,000.00	5.000%	1.900%	124.733	-	-	-	3,462.62	
	09/01/2027	14,000.00	5.000%	2.000%	126.315	-	-	-	3,684.10	
	09/01/2028	14,000.00	5.000%	2.110%	125.214 C	2.323%	09/01/2027	100.000	3,529.96	
	09/01/2029	14,000.00	5.000%	2.170%	124.618 C	2.552%	09/01/2027	100.000	3,446.52	
	09/01/2030	14,000.00	4.000%	2.440%	113.392 C	2.743%	09/01/2027	100.000	1,874.88	
		145,650.00								29,316.93

Dated Date	12/21/2017	
Delivery Date	12/21/2017	
First Coupon	09/01/2018	
Par Amount	145,650.00	
Premium	29,316.93	
Production	174,966.93	120.128342%
Underwriter's Discount	(784.04)	(0.538304%)
Purchase Price	174,182.89	119.590038%
Accrued Interest	-	
Net Proceeds	174,182.89	

BOND DEBT SERVICE

City of Newton, Massachusetts
Refund April 14, 2011 Horace Mann School Windows/Doors (I)

Dated Date 12/21/2017
Delivery Date 12/21/2017

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
09/01/2018	-	-	7,520.83	7,520.83	-
03/01/2019	-	-	5,415.00	5,415.00	-
06/30/2019	-	-	-	-	12,935.83
09/01/2019	-	-	5,415.00	5,415.00	-
03/01/2020	-	-	5,415.00	5,415.00	-
06/30/2020	-	-	-	-	10,830.00
09/01/2020	-	-	5,415.00	5,415.00	-
03/01/2021	-	-	5,415.00	5,415.00	-
06/30/2021	-	-	-	-	10,830.00
09/01/2021	23,000.00	5.000%	5,415.00	28,415.00	-
03/01/2022	-	-	4,840.00	4,840.00	-
06/30/2022	-	-	-	-	33,255.00
09/01/2022	22,000.00	5.000%	4,840.00	26,840.00	-
03/01/2023	-	-	4,290.00	4,290.00	-
06/30/2023	-	-	-	-	31,130.00
09/01/2023	22,000.00	5.000%	4,290.00	26,290.00	-
03/01/2024	-	-	3,740.00	3,740.00	-
06/30/2024	-	-	-	-	30,030.00
09/01/2024	22,000.00	5.000%	3,740.00	25,740.00	-
03/01/2025	-	-	3,190.00	3,190.00	-
06/30/2025	-	-	-	-	28,930.00
09/01/2025	22,000.00	5.000%	3,190.00	25,190.00	-
03/01/2026	-	-	2,640.00	2,640.00	-
06/30/2026	-	-	-	-	27,830.00
09/01/2026	22,000.00	5.000%	2,640.00	24,640.00	-
03/01/2027	-	-	2,090.00	2,090.00	-
06/30/2027	-	-	-	-	26,730.00
09/01/2027	22,000.00	5.000%	2,090.00	24,090.00	-
03/01/2028	-	-	1,540.00	1,540.00	-
06/30/2028	-	-	-	-	25,630.00
09/01/2028	22,000.00	5.000%	1,540.00	23,540.00	-
03/01/2029	-	-	990.00	990.00	-
06/30/2029	-	-	-	-	24,530.00
09/01/2029	22,000.00	5.000%	990.00	22,990.00	-
03/01/2030	-	-	440.00	440.00	-
06/30/2030	-	-	-	-	23,430.00
09/01/2030	22,000.00	4.000%	440.00	22,440.00	-
06/30/2031	-	-	-	-	22,440.00
	221,000.00		87,530.83	308,530.83	308,530.83

BOND PRICING

City of Newton, Massachusetts
Refund April 14, 2011 Horace Mann School Windows/Doors (I)

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)	
Bond Component:										
	09/01/2021	23,000.00	5.000%	1.540%	112.377	-	-	-	2,846.71	
	09/01/2022	22,000.00	5.000%	1.620%	115.217	-	-	-	3,347.74	
	09/01/2023	22,000.00	5.000%	1.710%	117.776	-	-	-	3,910.72	
	09/01/2024	22,000.00	5.000%	1.780%	120.234	-	-	-	4,451.48	
	09/01/2025	22,000.00	5.000%	1.830%	122.652	-	-	-	4,983.44	
	09/01/2026	22,000.00	5.000%	1.900%	124.733	-	-	-	5,441.26	
	09/01/2027	22,000.00	5.000%	2.000%	126.315	-	-	-	5,789.30	
	09/01/2028	22,000.00	5.000%	2.110%	125.214 C	2.323%	09/01/2027	100.000	5,547.08	
	09/01/2029	22,000.00	5.000%	2.170%	124.618 C	2.552%	09/01/2027	100.000	5,415.96	
	09/01/2030	22,000.00	4.000%	2.440%	113.392 C	2.743%	09/01/2027	100.000	2,946.24	
		221,000.00								44,679.93

Dated Date	12/21/2017	
Delivery Date	12/21/2017	
First Coupon	09/01/2018	
Par Amount	221,000.00	
Premium	44,679.93	
Production	265,679.93	120.217163%
Underwriter's Discount	(1,189.66)	(0.538308%)
Purchase Price	264,490.27	119.678855%
Accrued Interest	-	
Net Proceeds	264,490.27	

BOND DEBT SERVICE

City of Newton, Massachusetts
Zervas Elementary School Construction (I)

Dated Date 12/21/2017
Delivery Date 12/21/2017

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
09/01/2018	65,000.00	5.000%	52,767.36	117,767.36	-
03/01/2019	-	-	36,367.50	36,367.50	-
06/30/2019	-	-	-	-	154,134.86
09/01/2019	65,000.00	5.000%	36,367.50	101,367.50	-
03/01/2020	-	-	34,742.50	34,742.50	-
06/30/2020	-	-	-	-	136,110.00
09/01/2020	65,000.00	5.000%	34,742.50	99,742.50	-
03/01/2021	-	-	33,117.50	33,117.50	-
06/30/2021	-	-	-	-	132,860.00
09/01/2021	65,000.00	5.000%	33,117.50	98,117.50	-
03/01/2022	-	-	31,492.50	31,492.50	-
06/30/2022	-	-	-	-	129,610.00
09/01/2022	65,000.00	5.000%	31,492.50	96,492.50	-
03/01/2023	-	-	29,867.50	29,867.50	-
06/30/2023	-	-	-	-	126,360.00
09/01/2023	65,000.00	5.000%	29,867.50	94,867.50	-
03/01/2024	-	-	28,242.50	28,242.50	-
06/30/2024	-	-	-	-	123,110.00
09/01/2024	65,000.00	5.000%	28,242.50	93,242.50	-
03/01/2025	-	-	26,617.50	26,617.50	-
06/30/2025	-	-	-	-	119,860.00
09/01/2025	65,000.00	5.000%	26,617.50	91,617.50	-
03/01/2026	-	-	24,992.50	24,992.50	-
06/30/2026	-	-	-	-	116,610.00
09/01/2026	65,000.00	5.000%	24,992.50	89,992.50	-
03/01/2027	-	-	23,367.50	23,367.50	-
06/30/2027	-	-	-	-	113,360.00
09/01/2027	65,000.00	5.000%	23,367.50	88,367.50	-
03/01/2028	-	-	21,742.50	21,742.50	-
06/30/2028	-	-	-	-	110,110.00
09/01/2028	65,000.00	5.000%	21,742.50	86,742.50	-
03/01/2029	-	-	20,117.50	20,117.50	-
06/30/2029	-	-	-	-	106,860.00
09/01/2029	60,700.00	5.000%	20,117.50	80,817.50	-
03/01/2030	-	-	18,600.00	18,600.00	-
06/30/2030	-	-	-	-	99,417.50
09/01/2030	60,000.00	4.000%	18,600.00	78,600.00	-
03/01/2031	-	-	17,400.00	17,400.00	-
06/30/2031	-	-	-	-	96,000.00
09/01/2031	60,000.00	4.000%	17,400.00	77,400.00	-
03/01/2032	-	-	16,200.00	16,200.00	-
06/30/2032	-	-	-	-	93,600.00
09/01/2032	60,000.00	4.000%	16,200.00	76,200.00	-
03/01/2033	-	-	15,000.00	15,000.00	-
06/30/2033	-	-	-	-	91,200.00
09/01/2033	60,000.00	4.000%	15,000.00	75,000.00	-
03/01/2034	-	-	13,800.00	13,800.00	-
06/30/2034	-	-	-	-	88,800.00
09/01/2034	60,000.00	4.000%	13,800.00	73,800.00	-
03/01/2035	-	-	12,600.00	12,600.00	-
06/30/2035	-	-	-	-	86,400.00
09/01/2035	60,000.00	4.000%	12,600.00	72,600.00	-
03/01/2036	-	-	11,400.00	11,400.00	-
06/30/2036	-	-	-	-	84,000.00
09/01/2036	60,000.00	3.000%	11,400.00	71,400.00	-
03/01/2037	-	-	10,500.00	10,500.00	-
06/30/2037	-	-	-	-	81,900.00
09/01/2037	60,000.00	3.000%	10,500.00	70,500.00	-
03/01/2038	-	-	9,600.00	9,600.00	-
06/30/2038	-	-	-	-	80,100.00
09/01/2038	60,000.00	3.000%	9,600.00	69,600.00	-
03/01/2039	-	-	8,700.00	8,700.00	-
06/30/2039	-	-	-	-	78,300.00
09/01/2039	60,000.00	3.125%	8,700.00	68,700.00	-
03/01/2040	-	-	7,762.50	7,762.50	-
06/30/2040	-	-	-	-	76,462.50
09/01/2040	60,000.00	3.125%	7,762.50	67,762.50	-
03/01/2041	-	-	6,825.00	6,825.00	-
06/30/2041	-	-	-	-	74,587.50
09/01/2041	60,000.00	3.250%	6,825.00	66,825.00	-
03/01/2042	-	-	5,850.00	5,850.00	-
06/30/2042	-	-	-	-	72,675.00
09/01/2042	60,000.00	3.250%	5,850.00	65,850.00	-
03/01/2043	-	-	4,875.00	4,875.00	-
06/30/2043	-	-	-	-	70,725.00
09/01/2043	60,000.00	3.250%	4,875.00	64,875.00	-
03/01/2044	-	-	3,900.00	3,900.00	-
06/30/2044	-	-	-	-	68,775.00
09/01/2044	60,000.00	3.250%	3,900.00	63,900.00	-
03/01/2045	-	-	2,925.00	2,925.00	-
06/30/2045	-	-	-	-	66,825.00
09/01/2045	60,000.00	3.250%	2,925.00	62,925.00	-
03/01/2046	-	-	1,950.00	1,950.00	-
06/30/2046	-	-	-	-	64,875.00
09/01/2046	60,000.00	3.250%	1,950.00	61,950.00	-
03/01/2047	-	-	975.00	975.00	-
06/30/2047	-	-	-	-	62,925.00
09/01/2047	60,000.00	3.250%	975.00	60,975.00	-
06/30/2048	-	-	-	-	60,975.00
	1,855,700.00		1,011,827.36	2,867,527.36	2,867,527.36

BOND PRICING

City of Newton, Massachusetts
Zervas Elementary School Construction (I)

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)
Bond Component:									
	09/01/2018	65,000.00	5.000%	1.190%	102.625	-	-	-	1,706.25
	09/01/2019	65,000.00	5.000%	1.430%	105.953	-	-	-	3,869.45
	09/01/2020	65,000.00	5.000%	1.490%	109.234	-	-	-	6,002.10
	09/01/2021	65,000.00	5.000%	1.540%	112.377	-	-	-	8,045.05
	09/01/2022	65,000.00	5.000%	1.620%	115.217	-	-	-	9,891.05
	09/01/2023	65,000.00	5.000%	1.710%	117.776	-	-	-	11,554.40
	09/01/2024	65,000.00	5.000%	1.780%	120.234	-	-	-	13,152.10
	09/01/2025	65,000.00	5.000%	1.830%	122.652	-	-	-	14,723.80
	09/01/2026	65,000.00	5.000%	1.900%	124.733	-	-	-	16,076.45
	09/01/2027	65,000.00	5.000%	2.000%	126.315	-	-	-	17,104.75
	09/01/2028	65,000.00	5.000%	2.110%	125.214 C	2.323%	09/01/2027	100.000	16,389.10
	09/01/2029	60,700.00	5.000%	2.170%	124.618 C	2.552%	09/01/2027	100.000	14,943.13
	09/01/2030	60,000.00	4.000%	2.440%	113.392 C	2.743%	09/01/2027	100.000	8,035.20
	09/01/2031	60,000.00	4.000%	2.530%	112.564 C	2.883%	09/01/2027	100.000	7,538.40
	09/01/2032	60,000.00	4.000%	2.620%	111.743 C	3.005%	09/01/2027	100.000	7,045.80
	09/01/2033	60,000.00	4.000%	2.710%	110.930 C	3.114%	09/01/2027	100.000	6,558.00
	09/01/2034	60,000.00	4.000%	2.790%	110.212 C	3.205%	09/01/2027	100.000	6,127.20
	09/01/2035	60,000.00	4.000%	2.870%	109.500 C	3.287%	09/01/2027	100.000	5,700.00
	09/01/2036	60,000.00	3.000%	3.106%	98.500	-	-	-	(900.00)
	09/01/2037	60,000.00	3.000%	3.154%	97.750	-	-	-	(1,350.00)
	09/01/2038	60,000.00	3.000%	3.190%	97.135	-	-	-	(1,719.00)
	09/01/2039	60,000.00	3.125%	3.221%	98.500	-	-	-	(900.00)
	09/01/2040	60,000.00	3.125%	3.250%	98.000	-	-	-	(1,200.00)
		<u>1,435,700.00</u>							<u>168,393.23</u>
Bond Component #2:									
	09/01/2041	60,000.00	3.250%	3.300%	99.156	-	-	-	(506.40)
	09/01/2042	60,000.00	3.250%	3.300%	99.156	-	-	-	(506.40)
		<u>120,000.00</u>							<u>(1,012.80)</u>
Bond Component #3:									
	09/01/2043	60,000.00	3.250%	3.321%	98.750	-	-	-	(750.00)
	09/01/2044	60,000.00	3.250%	3.321%	98.750	-	-	-	(750.00)
		<u>120,000.00</u>							<u>(1,500.00)</u>
Bond Component #4:									
	09/01/2045	60,000.00	3.250%	3.350%	98.124	-	-	-	(1,125.60)
	09/01/2046	60,000.00	3.250%	3.350%	98.124	-	-	-	(1,125.60)
	09/01/2047	60,000.00	3.250%	3.350%	98.124	-	-	-	(1,125.60)
		<u>180,000.00</u>							<u>(3,376.80)</u>
		<u>1,855,700.00</u>							<u>162,503.63</u>

Dated Date	12/21/2017	
Delivery Date	12/21/2017	
First Coupon	09/01/2018	
Par Amount	1,855,700.00	
Premium	162,503.63	
Production	2,018,203.63	108.756999%
Underwriter's Discount	(9,989.34)	(0.538306%)
Purchase Price	2,008,214.29	108.218693%
Accrued Interest	-	
Net Proceeds	2,008,214.29	

BOND DEBT SERVICE

City of Newton, Massachusetts
Newton South HS Mondo Track Replacement (I)

Dated Date 12/21/2017
Delivery Date 12/21/2017

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
09/01/2018	24,000.00	5.000%	10,138.89	34,138.89	-
03/01/2019	-	-	6,700.00	6,700.00	-
06/30/2019	-	-	-	-	40,838.89
09/01/2019	20,000.00	5.000%	6,700.00	26,700.00	-
03/01/2020	-	-	6,200.00	6,200.00	-
06/30/2020	-	-	-	-	32,900.00
09/01/2020	20,000.00	5.000%	6,200.00	26,200.00	-
03/01/2021	-	-	5,700.00	5,700.00	-
06/30/2021	-	-	-	-	31,900.00
09/01/2021	20,000.00	5.000%	5,700.00	25,700.00	-
03/01/2022	-	-	5,200.00	5,200.00	-
06/30/2022	-	-	-	-	30,900.00
09/01/2022	20,000.00	5.000%	5,200.00	25,200.00	-
03/01/2023	-	-	4,700.00	4,700.00	-
06/30/2023	-	-	-	-	29,900.00
09/01/2023	20,000.00	5.000%	4,700.00	24,700.00	-
03/01/2024	-	-	4,200.00	4,200.00	-
06/30/2024	-	-	-	-	28,900.00
09/01/2024	20,000.00	5.000%	4,200.00	24,200.00	-
03/01/2025	-	-	3,700.00	3,700.00	-
06/30/2025	-	-	-	-	27,900.00
09/01/2025	20,000.00	5.000%	3,700.00	23,700.00	-
03/01/2026	-	-	3,200.00	3,200.00	-
06/30/2026	-	-	-	-	26,900.00
09/01/2026	20,000.00	5.000%	3,200.00	23,200.00	-
03/01/2027	-	-	2,700.00	2,700.00	-
06/30/2027	-	-	-	-	25,900.00
09/01/2027	20,000.00	5.000%	2,700.00	22,700.00	-
03/01/2028	-	-	2,200.00	2,200.00	-
06/30/2028	-	-	-	-	24,900.00
09/01/2028	20,000.00	5.000%	2,200.00	22,200.00	-
03/01/2029	-	-	1,700.00	1,700.00	-
06/30/2029	-	-	-	-	23,900.00
09/01/2029	20,000.00	5.000%	1,700.00	21,700.00	-
03/01/2030	-	-	1,200.00	1,200.00	-
06/30/2030	-	-	-	-	22,900.00
09/01/2030	20,000.00	4.000%	1,200.00	21,200.00	-
03/01/2031	-	-	800.00	800.00	-
06/30/2031	-	-	-	-	22,000.00
09/01/2031	20,000.00	4.000%	800.00	20,800.00	-
03/01/2032	-	-	400.00	400.00	-
06/30/2032	-	-	-	-	21,200.00
09/01/2032	20,000.00	4.000%	400.00	20,400.00	-
06/30/2033	-	-	-	-	20,400.00
	304,000.00		107,338.89	411,338.89	411,338.89

BOND PRICING

City of Newton, Massachusetts
Newton South HS Mondo Track Replacement (I)

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)
Bond Component:									
	09/01/2018	24,000.00	5.000%	1.190%	102.625	-	-	-	630.00
	09/01/2019	20,000.00	5.000%	1.430%	105.953	-	-	-	1,190.60
	09/01/2020	20,000.00	5.000%	1.490%	109.234	-	-	-	1,846.80
	09/01/2021	20,000.00	5.000%	1.540%	112.377	-	-	-	2,475.40
	09/01/2022	20,000.00	5.000%	1.620%	115.217	-	-	-	3,043.40
	09/01/2023	20,000.00	5.000%	1.710%	117.776	-	-	-	3,555.20
	09/01/2024	20,000.00	5.000%	1.780%	120.234	-	-	-	4,046.80
	09/01/2025	20,000.00	5.000%	1.830%	122.652	-	-	-	4,530.40
	09/01/2026	20,000.00	5.000%	1.900%	124.733	-	-	-	4,946.60
	09/01/2027	20,000.00	5.000%	2.000%	126.315	-	-	-	5,263.00
	09/01/2028	20,000.00	5.000%	2.110%	125.214 C	2.323%	09/01/2027	100.000	5,042.80
	09/01/2029	20,000.00	5.000%	2.170%	124.618 C	2.552%	09/01/2027	100.000	4,923.60
	09/01/2030	20,000.00	4.000%	2.440%	113.392 C	2.743%	09/01/2027	100.000	2,678.40
	09/01/2031	20,000.00	4.000%	2.530%	112.564 C	2.883%	09/01/2027	100.000	2,512.80
	09/01/2032	20,000.00	4.000%	2.620%	111.743 C	3.005%	09/01/2027	100.000	2,348.60
		304,000.00							49,034.40

Dated Date	12/21/2017	
Delivery Date	12/21/2017	
First Coupon	09/01/2018	
Par Amount	304,000.00	
Premium	49,034.40	
Production	353,034.40	116.129737%
Underwriter's Discount	(1,636.45)	(0.538306%)
Purchase Price	351,397.95	115.591431%
Accrued Interest	-	
Net Proceeds	351,397.95	

BOND DEBT SERVICE

City of Newton, Massachusetts
Cabot Elementary School (EXEMPT)(LEVEL) (IE)

	Dated Date	12/21/2017			
	Delivery Date	12/21/2017			
Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
09/01/2018	185,775.00	5.000%	502,869.79	688,644.79	-
03/01/2019	-	-	357,421.88	357,421.88	-
06/30/2019	-	-	-	-	1,046,066.67
09/01/2019	330,500.00	5.000%	357,421.88	687,921.88	-
03/01/2020	-	-	349,159.38	349,159.38	-
06/30/2020	-	-	-	-	1,037,081.26
09/01/2020	348,000.00	5.000%	349,159.38	697,159.38	-
03/01/2021	-	-	340,459.38	340,459.38	-
06/30/2021	-	-	-	-	1,037,618.76
09/01/2021	362,700.00	5.000%	340,459.38	703,159.38	-
03/01/2022	-	-	331,391.88	331,391.88	-
06/30/2022	-	-	-	-	1,034,551.26
09/01/2022	384,000.00	5.000%	331,391.88	715,391.88	-
03/01/2023	-	-	321,791.88	321,791.88	-
06/30/2023	-	-	-	-	1,037,183.76
09/01/2023	404,000.00	5.000%	321,791.88	725,791.88	-
03/01/2024	-	-	311,691.88	311,691.88	-
06/30/2024	-	-	-	-	1,037,483.76
09/01/2024	426,000.00	5.000%	311,691.88	737,691.88	-
03/01/2025	-	-	301,041.88	301,041.88	-
06/30/2025	-	-	-	-	1,038,733.76
09/01/2025	445,000.00	5.000%	301,041.88	746,041.88	-
03/01/2026	-	-	289,916.88	289,916.88	-
06/30/2026	-	-	-	-	1,035,958.76
09/01/2026	466,000.00	5.000%	289,916.88	755,916.88	-
03/01/2027	-	-	278,266.88	278,266.88	-
06/30/2027	-	-	-	-	1,034,183.76
09/01/2027	491,000.00	5.000%	278,266.88	769,266.88	-
03/01/2028	-	-	265,991.88	265,991.88	-
06/30/2028	-	-	-	-	1,035,258.76
09/01/2028	516,000.00	5.000%	265,991.88	781,991.88	-
03/01/2029	-	-	253,091.88	253,091.88	-
06/30/2029	-	-	-	-	1,035,083.76
09/01/2029	546,300.00	5.000%	253,091.88	799,391.88	-
03/01/2030	-	-	239,434.38	239,434.38	-
06/30/2030	-	-	-	-	1,038,826.26
09/01/2030	570,000.00	4.000%	239,434.38	809,434.38	-
03/01/2031	-	-	228,034.38	228,034.38	-
06/30/2031	-	-	-	-	1,037,468.76
09/01/2031	590,000.00	4.000%	228,034.38	818,034.38	-
03/01/2032	-	-	216,234.38	216,234.38	-
06/30/2032	-	-	-	-	1,034,268.76
09/01/2032	615,000.00	4.000%	216,234.38	831,234.38	-
03/01/2033	-	-	203,934.38	203,934.38	-
06/30/2033	-	-	-	-	1,035,168.76
09/01/2033	640,000.00	4.000%	203,934.38	843,934.38	-
03/01/2034	-	-	191,134.38	191,134.38	-
06/30/2034	-	-	-	-	1,035,068.76
09/01/2034	670,000.00	4.000%	191,134.38	861,134.38	-
03/01/2035	-	-	177,734.38	177,734.38	-
06/30/2035	-	-	-	-	1,038,868.76
09/01/2035	695,000.00	4.000%	177,734.38	872,734.38	-
03/01/2036	-	-	163,834.38	163,834.38	-
06/30/2036	-	-	-	-	1,036,568.76
09/01/2036	720,000.00	3.000%	163,834.38	883,834.38	-
03/01/2037	-	-	153,034.38	153,034.38	-
06/30/2037	-	-	-	-	1,036,868.76
09/01/2037	740,000.00	3.000%	153,034.38	893,034.38	-
03/01/2038	-	-	141,934.38	141,934.38	-
06/30/2038	-	-	-	-	1,034,968.76
09/01/2038	765,000.00	3.000%	141,934.38	906,934.38	-
03/01/2039	-	-	130,459.38	130,459.38	-
06/30/2039	-	-	-	-	1,037,393.76
09/01/2039	790,000.00	3.125%	130,459.38	920,459.38	-
03/01/2040	-	-	118,115.63	118,115.63	-
06/30/2040	-	-	-	-	1,038,575.01
09/01/2040	815,000.00	3.125%	118,115.63	933,115.63	-
03/01/2041	-	-	105,381.25	105,381.25	-
06/30/2041	-	-	-	-	1,038,496.88
09/01/2041	840,000.00	3.250%	105,381.25	945,381.25	-
03/01/2042	-	-	91,731.25	91,731.25	-
06/30/2042	-	-	-	-	1,037,112.50
09/01/2042	865,000.00	3.250%	91,731.25	956,731.25	-
03/01/2043	-	-	77,675.00	77,675.00	-
06/30/2043	-	-	-	-	1,034,406.25
09/01/2043	895,000.00	3.250%	77,675.00	972,675.00	-
03/01/2044	-	-	63,131.25	63,131.25	-
06/30/2044	-	-	-	-	1,035,806.25
09/01/2044	925,000.00	3.250%	63,131.25	988,131.25	-
03/01/2045	-	-	48,100.00	48,100.00	-
06/30/2045	-	-	-	-	1,036,231.25
09/01/2045	955,000.00	3.250%	48,100.00	1,003,100.00	-
03/01/2046	-	-	32,581.25	32,581.25	-
06/30/2046	-	-	-	-	1,035,681.25
09/01/2046	985,000.00	3.250%	32,581.25	1,017,581.25	-
03/01/2047	-	-	16,575.00	16,575.00	-
06/30/2047	-	-	-	-	1,034,156.25
09/01/2047	1,020,000.00	3.250%	16,575.00	1,036,575.00	-
06/30/2048	-	-	-	-	1,036,575.00
	19,000,275.00		12,101,440.01	31,101,715.01	31,101,715.01

BOND PRICING

City of Newton, Massachusetts
Cabot Elementary School (EXEMPT)(LEVEL) (IE)

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)
Bond Component:									
	09/01/2018	185,775.00	5.000%	1.190%	102.625	-	-	-	4,876.59
	09/01/2019	330,500.00	5.000%	1.430%	105.953	-	-	-	19,674.67
	09/01/2020	348,000.00	5.000%	1.490%	109.234	-	-	-	32,134.32
	09/01/2021	362,700.00	5.000%	1.540%	112.377	-	-	-	44,891.38
	09/01/2022	384,000.00	5.000%	1.620%	115.217	-	-	-	58,433.28
	09/01/2023	404,000.00	5.000%	1.710%	117.776	-	-	-	71,815.04
	09/01/2024	426,000.00	5.000%	1.780%	120.234	-	-	-	86,196.84
	09/01/2025	445,000.00	5.000%	1.830%	122.652	-	-	-	100,801.40
	09/01/2026	466,000.00	5.000%	1.900%	124.733	-	-	-	115,255.78
	09/01/2027	491,000.00	5.000%	2.000%	126.315	-	-	-	129,206.65
	09/01/2028	516,000.00	5.000%	2.110%	125.214 C	2.323%	09/01/2027	100.000	130,104.24
	09/01/2029	546,300.00	5.000%	2.170%	124.618 C	2.552%	09/01/2027	100.000	134,488.13
	09/01/2030	570,000.00	4.000%	2.440%	113.392 C	2.743%	09/01/2027	100.000	76,334.40
	09/01/2031	590,000.00	4.000%	2.530%	112.564 C	2.883%	09/01/2027	100.000	74,127.60
	09/01/2032	615,000.00	4.000%	2.620%	111.743 C	3.005%	09/01/2027	100.000	72,219.45
	09/01/2033	640,000.00	4.000%	2.710%	110.930 C	3.114%	09/01/2027	100.000	69,952.00
	09/01/2034	670,000.00	4.000%	2.790%	110.212 C	3.205%	09/01/2027	100.000	68,420.40
	09/01/2035	695,000.00	4.000%	2.870%	109.500 C	3.287%	09/01/2027	100.000	66,025.00
	09/01/2036	720,000.00	3.000%	3.106%	98.500	-	-	-	(10,800.00)
	09/01/2037	740,000.00	3.000%	3.154%	97.750	-	-	-	(16,650.00)
	09/01/2038	765,000.00	3.000%	3.190%	97.135	-	-	-	(21,917.25)
	09/01/2039	790,000.00	3.125%	3.221%	98.500	-	-	-	(11,850.00)
	09/01/2040	815,000.00	3.125%	3.250%	98.000	-	-	-	(16,300.00)
		<u>12,515,275.00</u>							<u>1,277,439.92</u>
Bond Component #2:									
	09/01/2041	840,000.00	3.250%	3.300%	99.156	-	-	-	(7,089.60)
	09/01/2042	865,000.00	3.250%	3.300%	99.156	-	-	-	(7,300.60)
		<u>1,705,000.00</u>							<u>(14,390.20)</u>
Bond Component #3:									
	09/01/2043	895,000.00	3.250%	3.321%	98.750	-	-	-	(11,187.50)
	09/01/2044	925,000.00	3.250%	3.321%	98.750	-	-	-	(11,562.50)
		<u>1,820,000.00</u>							<u>(22,750.00)</u>
Bond Component #4:									
	09/01/2045	955,000.00	3.250%	3.350%	98.124	-	-	-	(17,915.80)
	09/01/2046	985,000.00	3.250%	3.350%	98.124	-	-	-	(18,478.60)
	09/01/2047	1,020,000.00	3.250%	3.350%	98.124	-	-	-	(19,135.20)
		<u>2,960,000.00</u>							<u>(55,529.60)</u>
		<u>19,000,275.00</u>							<u>1,184,770.12</u>

Dated Date	12/21/2017	
Delivery Date	12/21/2017	
First Coupon	09/01/2018	
Par Amount	19,000,275.00	
Premium	1,184,770.12	
Production	20,185,045.12	106.235542%
Underwriter's Discount	(102,279.62)	(0.538306%)
Purchase Price	20,082,765.50	105.697236%
Accrued Interest	-	
Net Proceeds	20,082,765.50	

BOND DEBT SERVICE

City of Newton, Massachusetts
Fire Station #3/ HQ Reconstruction (I)

Dated Date 12/21/2017
Delivery Date 12/21/2017

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
09/01/2018	90,000.00	5.000%	55,625.00	145,625.00	-
03/01/2019	-	-	37,800.00	37,800.00	-
06/30/2019	-	-	-	-	183,425.00
09/01/2019	90,000.00	5.000%	37,800.00	127,800.00	-
03/01/2020	-	-	35,550.00	35,550.00	-
06/30/2020	-	-	-	-	163,350.00
09/01/2020	90,000.00	5.000%	35,550.00	125,550.00	-
03/01/2021	-	-	33,300.00	33,300.00	-
06/30/2021	-	-	-	-	158,850.00
09/01/2021	90,000.00	5.000%	33,300.00	123,300.00	-
03/01/2022	-	-	31,050.00	31,050.00	-
06/30/2022	-	-	-	-	154,350.00
09/01/2022	90,000.00	5.000%	31,050.00	121,050.00	-
03/01/2023	-	-	28,800.00	28,800.00	-
06/30/2023	-	-	-	-	149,850.00
09/01/2023	90,000.00	5.000%	28,800.00	118,800.00	-
03/01/2024	-	-	26,550.00	26,550.00	-
06/30/2024	-	-	-	-	145,350.00
09/01/2024	90,000.00	5.000%	26,550.00	116,550.00	-
03/01/2025	-	-	24,300.00	24,300.00	-
06/30/2025	-	-	-	-	140,850.00
09/01/2025	90,000.00	5.000%	24,300.00	114,300.00	-
03/01/2026	-	-	22,050.00	22,050.00	-
06/30/2026	-	-	-	-	136,350.00
09/01/2026	90,000.00	5.000%	22,050.00	112,050.00	-
03/01/2027	-	-	19,800.00	19,800.00	-
06/30/2027	-	-	-	-	131,850.00
09/01/2027	90,000.00	5.000%	19,800.00	109,800.00	-
03/01/2028	-	-	17,550.00	17,550.00	-
06/30/2028	-	-	-	-	127,350.00
09/01/2028	90,000.00	5.000%	17,550.00	107,550.00	-
03/01/2029	-	-	15,300.00	15,300.00	-
06/30/2029	-	-	-	-	122,850.00
09/01/2029	90,000.00	5.000%	15,300.00	105,300.00	-
03/01/2030	-	-	13,050.00	13,050.00	-
06/30/2030	-	-	-	-	118,350.00
09/01/2030	90,000.00	4.000%	13,050.00	103,050.00	-
03/01/2031	-	-	11,250.00	11,250.00	-
06/30/2031	-	-	-	-	114,300.00
09/01/2031	90,000.00	4.000%	11,250.00	101,250.00	-
03/01/2032	-	-	9,450.00	9,450.00	-
06/30/2032	-	-	-	-	110,700.00
09/01/2032	90,000.00	4.000%	9,450.00	99,450.00	-
03/01/2033	-	-	7,650.00	7,650.00	-
06/30/2033	-	-	-	-	107,100.00
09/01/2033	85,000.00	4.000%	7,650.00	92,650.00	-
03/01/2034	-	-	5,950.00	5,950.00	-
06/30/2034	-	-	-	-	98,600.00
09/01/2034	85,000.00	4.000%	5,950.00	90,950.00	-
03/01/2035	-	-	4,250.00	4,250.00	-
06/30/2035	-	-	-	-	95,200.00
09/01/2035	85,000.00	4.000%	4,250.00	89,250.00	-
03/01/2036	-	-	2,550.00	2,550.00	-
06/30/2036	-	-	-	-	91,800.00
09/01/2036	85,000.00	3.000%	2,550.00	87,550.00	-
03/01/2037	-	-	1,275.00	1,275.00	-
06/30/2037	-	-	-	-	88,825.00
09/01/2037	85,000.00	3.000%	1,275.00	86,275.00	-
06/30/2038	-	-	-	-	86,275.00
	1,775,000.00		750,575.00	2,525,575.00	2,525,575.00

BOND PRICING

City of Newton, Massachusetts
Fire Station #3/ HQ Reconstruction (I)

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)
Bond Component:									
	09/01/2018	90,000.00	5.000%	1.190%	102.625	-	-	-	2,362.50
	09/01/2019	90,000.00	5.000%	1.430%	105.953	-	-	-	5,357.70
	09/01/2020	90,000.00	5.000%	1.490%	109.234	-	-	-	8,310.60
	09/01/2021	90,000.00	5.000%	1.540%	112.377	-	-	-	11,139.30
	09/01/2022	90,000.00	5.000%	1.620%	115.217	-	-	-	13,695.30
	09/01/2023	90,000.00	5.000%	1.710%	117.776	-	-	-	15,998.40
	09/01/2024	90,000.00	5.000%	1.780%	120.234	-	-	-	18,210.60
	09/01/2025	90,000.00	5.000%	1.830%	122.652	-	-	-	20,386.80
	09/01/2026	90,000.00	5.000%	1.900%	124.733	-	-	-	22,259.70
	09/01/2027	90,000.00	5.000%	2.000%	126.315	-	-	-	23,683.50
	09/01/2028	90,000.00	5.000%	2.110%	125.214 C	2.323%	09/01/2027	100.000	22,692.60
	09/01/2029	90,000.00	5.000%	2.170%	124.618 C	2.552%	09/01/2027	100.000	22,156.20
	09/01/2030	90,000.00	4.000%	2.440%	113.392 C	2.743%	09/01/2027	100.000	12,052.80
	09/01/2031	90,000.00	4.000%	2.530%	112.564 C	2.883%	09/01/2027	100.000	11,307.60
	09/01/2032	90,000.00	4.000%	2.620%	111.743 C	3.005%	09/01/2027	100.000	10,568.70
	09/01/2033	85,000.00	4.000%	2.710%	110.930 C	3.114%	09/01/2027	100.000	9,290.50
	09/01/2034	85,000.00	4.000%	2.790%	110.212 C	3.205%	09/01/2027	100.000	8,680.20
	09/01/2035	85,000.00	4.000%	2.870%	109.500 C	3.287%	09/01/2027	100.000	8,075.00
	09/01/2036	85,000.00	3.000%	3.106%	98.500	-	-	-	(1,275.00)
	09/01/2037	85,000.00	3.000%	3.154%	97.750	-	-	-	(1,912.50)
		1,775,000.00							243,040.50

Dated Date	12/21/2017	
Delivery Date	12/21/2017	
First Coupon	09/01/2018	
Par Amount	1,775,000.00	
Premium	243,040.50	
Production	2,018,040.50	113.692423%
Underwriter's Discount	(9,554.93)	(0.538306%)
Purchase Price	2,008,485.57	113.154117%
Accrued Interest	-	
Net Proceeds	2,008,485.57	

BOND DEBT SERVICE

City of Newton, Massachusetts
Traffic Signal Upgrades & Pedestrian Improvements (I)

Dated Date 12/21/2017
Delivery Date 12/21/2017

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
09/01/2018	85,225.00	5.000%	40,528.65	125,753.65	-
03/01/2019	-	-	27,050.00	27,050.00	-
06/30/2019	-	-	-	-	152,803.65
09/01/2019	85,000.00	5.000%	27,050.00	112,050.00	-
03/01/2020	-	-	24,925.00	24,925.00	-
06/30/2020	-	-	-	-	136,975.00
09/01/2020	85,000.00	5.000%	24,925.00	109,925.00	-
03/01/2021	-	-	22,800.00	22,800.00	-
06/30/2021	-	-	-	-	132,725.00
09/01/2021	80,000.00	5.000%	22,800.00	102,800.00	-
03/01/2022	-	-	20,800.00	20,800.00	-
06/30/2022	-	-	-	-	123,600.00
09/01/2022	80,000.00	5.000%	20,800.00	100,800.00	-
03/01/2023	-	-	18,800.00	18,800.00	-
06/30/2023	-	-	-	-	119,600.00
09/01/2023	80,000.00	5.000%	18,800.00	98,800.00	-
03/01/2024	-	-	16,800.00	16,800.00	-
06/30/2024	-	-	-	-	115,600.00
09/01/2024	80,000.00	5.000%	16,800.00	96,800.00	-
03/01/2025	-	-	14,800.00	14,800.00	-
06/30/2025	-	-	-	-	111,600.00
09/01/2025	80,000.00	5.000%	14,800.00	94,800.00	-
03/01/2026	-	-	12,800.00	12,800.00	-
06/30/2026	-	-	-	-	107,600.00
09/01/2026	80,000.00	5.000%	12,800.00	92,800.00	-
03/01/2027	-	-	10,800.00	10,800.00	-
06/30/2027	-	-	-	-	103,600.00
09/01/2027	80,000.00	5.000%	10,800.00	90,800.00	-
03/01/2028	-	-	8,800.00	8,800.00	-
06/30/2028	-	-	-	-	99,600.00
09/01/2028	80,000.00	5.000%	8,800.00	88,800.00	-
03/01/2029	-	-	6,800.00	6,800.00	-
06/30/2029	-	-	-	-	95,600.00
09/01/2029	80,000.00	5.000%	6,800.00	86,800.00	-
03/01/2030	-	-	4,800.00	4,800.00	-
06/30/2030	-	-	-	-	91,600.00
09/01/2030	80,000.00	4.000%	4,800.00	84,800.00	-
03/01/2031	-	-	3,200.00	3,200.00	-
06/30/2031	-	-	-	-	88,000.00
09/01/2031	80,000.00	4.000%	3,200.00	83,200.00	-
03/01/2032	-	-	1,600.00	1,600.00	-
06/30/2032	-	-	-	-	84,800.00
09/01/2032	80,000.00	4.000%	1,600.00	81,600.00	-
06/30/2033	-	-	-	-	81,600.00
	1,215,225.00		430,078.65	1,645,303.65	1,645,303.65

BOND PRICING

City of Newton, Massachusetts
Traffic Signal Upgrades & Pedestrian Improvements (I)

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)
Bond Component:									
	09/01/2018	85,225.00	5.000%	1.190%	102.625	-	-	-	2,237.16
	09/01/2019	85,000.00	5.000%	1.430%	105.953	-	-	-	5,060.05
	09/01/2020	85,000.00	5.000%	1.490%	109.234	-	-	-	7,848.90
	09/01/2021	80,000.00	5.000%	1.540%	112.377	-	-	-	9,901.60
	09/01/2022	80,000.00	5.000%	1.620%	115.217	-	-	-	12,173.60
	09/01/2023	80,000.00	5.000%	1.710%	117.776	-	-	-	14,220.80
	09/01/2024	80,000.00	5.000%	1.780%	120.234	-	-	-	16,187.20
	09/01/2025	80,000.00	5.000%	1.830%	122.652	-	-	-	18,121.60
	09/01/2026	80,000.00	5.000%	1.900%	124.733	-	-	-	19,786.40
	09/01/2027	80,000.00	5.000%	2.000%	126.315	-	-	-	21,052.00
	09/01/2028	80,000.00	5.000%	2.110%	125.214 C	2.323%	09/01/2027	100.000	20,171.20
	09/01/2029	80,000.00	5.000%	2.170%	124.618 C	2.552%	09/01/2027	100.000	19,694.40
	09/01/2030	80,000.00	4.000%	2.440%	113.392 C	2.743%	09/01/2027	100.000	10,713.60
	09/01/2031	80,000.00	4.000%	2.530%	112.564 C	2.883%	09/01/2027	100.000	10,051.20
	09/01/2032	80,000.00	4.000%	2.620%	111.743 C	3.005%	09/01/2027	100.000	9,394.40
		1,215,225.00							196,614.11

Dated Date	12/21/2017	
Delivery Date	12/21/2017	
First Coupon	09/01/2018	
Par Amount	1,215,225.00	
Premium	196,614.11	
Production	1,411,839.11	116.179235%
Underwriter's Discount	(6,541.63)	(0.538306%)
Purchase Price	1,405,297.48	115.640929%
Accrued Interest	-	
Net Proceeds	1,405,297.48	

BOND DEBT SERVICE

City of Newton, Massachusetts
Intersection Improvements (I)

Dated Date 12/21/2017
Delivery Date 12/21/2017

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
09/01/2018	30,000.00	5.000%	13,083.33	43,083.33	-
03/01/2019	-	-	8,670.00	8,670.00	-
06/30/2019	-	-	-	-	51,753.33
09/01/2019	29,500.00	5.000%	8,670.00	38,170.00	-
03/01/2020	-	-	7,932.50	7,932.50	-
06/30/2020	-	-	-	-	46,102.50
09/01/2020	28,650.00	5.000%	7,932.50	36,582.50	-
03/01/2021	-	-	7,216.25	7,216.25	-
06/30/2021	-	-	-	-	43,798.75
09/01/2021	28,650.00	5.000%	7,216.25	35,866.25	-
03/01/2022	-	-	6,500.00	6,500.00	-
06/30/2022	-	-	-	-	42,366.25
09/01/2022	25,000.00	5.000%	6,500.00	31,500.00	-
03/01/2023	-	-	5,875.00	5,875.00	-
06/30/2023	-	-	-	-	37,375.00
09/01/2023	25,000.00	5.000%	5,875.00	30,875.00	-
03/01/2024	-	-	5,250.00	5,250.00	-
06/30/2024	-	-	-	-	36,125.00
09/01/2024	25,000.00	5.000%	5,250.00	30,250.00	-
03/01/2025	-	-	4,625.00	4,625.00	-
06/30/2025	-	-	-	-	34,875.00
09/01/2025	25,000.00	5.000%	4,625.00	29,625.00	-
03/01/2026	-	-	4,000.00	4,000.00	-
06/30/2026	-	-	-	-	33,625.00
09/01/2026	25,000.00	5.000%	4,000.00	29,000.00	-
03/01/2027	-	-	3,375.00	3,375.00	-
06/30/2027	-	-	-	-	32,375.00
09/01/2027	25,000.00	5.000%	3,375.00	28,375.00	-
03/01/2028	-	-	2,750.00	2,750.00	-
06/30/2028	-	-	-	-	31,125.00
09/01/2028	25,000.00	5.000%	2,750.00	27,750.00	-
03/01/2029	-	-	2,125.00	2,125.00	-
06/30/2029	-	-	-	-	29,875.00
09/01/2029	25,000.00	5.000%	2,125.00	27,125.00	-
03/01/2030	-	-	1,500.00	1,500.00	-
06/30/2030	-	-	-	-	28,625.00
09/01/2030	25,000.00	4.000%	1,500.00	26,500.00	-
03/01/2031	-	-	1,000.00	1,000.00	-
06/30/2031	-	-	-	-	27,500.00
09/01/2031	25,000.00	4.000%	1,000.00	26,000.00	-
03/01/2032	-	-	500.00	500.00	-
06/30/2032	-	-	-	-	26,500.00
09/01/2032	25,000.00	4.000%	500.00	25,500.00	-
06/30/2033	-	-	-	-	25,500.00
	391,800.00		135,720.83	527,520.83	527,520.83

BOND PRICING

City of Newton, Massachusetts
Intersection Improvements (I)

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)	
Bond Component:										
	09/01/2018	30,000.00	5.000%	1.190%	102.625	-	-	-	787.50	
	09/01/2019	29,500.00	5.000%	1.430%	105.953	-	-	-	1,756.14	
	09/01/2020	28,650.00	5.000%	1.490%	109.234	-	-	-	2,645.54	
	09/01/2021	28,650.00	5.000%	1.540%	112.377	-	-	-	3,546.01	
	09/01/2022	25,000.00	5.000%	1.620%	115.217	-	-	-	3,804.25	
	09/01/2023	25,000.00	5.000%	1.710%	117.776	-	-	-	4,444.00	
	09/01/2024	25,000.00	5.000%	1.780%	120.234	-	-	-	5,058.50	
	09/01/2025	25,000.00	5.000%	1.830%	122.652	-	-	-	5,663.00	
	09/01/2026	25,000.00	5.000%	1.900%	124.733	-	-	-	6,183.25	
	09/01/2027	25,000.00	5.000%	2.000%	126.315	-	-	-	6,578.75	
	09/01/2028	25,000.00	5.000%	2.110%	125.214 C	2.323%	09/01/2027	100.000	6,303.50	
	09/01/2029	25,000.00	5.000%	2.170%	124.618 C	2.552%	09/01/2027	100.000	6,154.50	
	09/01/2030	25,000.00	4.000%	2.440%	113.392 C	2.743%	09/01/2027	100.000	3,348.00	
	09/01/2031	25,000.00	4.000%	2.530%	112.564 C	2.883%	09/01/2027	100.000	3,141.00	
	09/01/2032	25,000.00	4.000%	2.620%	111.743 C	3.005%	09/01/2027	100.000	2,935.75	
		391,800.00								62,349.69

Dated Date	12/21/2017	
Delivery Date	12/21/2017	
First Coupon	09/01/2018	
Par Amount	391,800.00	
Premium	62,349.69	
Production	454,149.69	115.913652%
Underwriter's Discount	(2,109.08)	(0.538305%)
Purchase Price	452,040.61	115.375347%
Accrued Interest	-	
Net Proceeds	452,040.61	

BOND DEBT SERVICE

City of Newton, Massachusetts
Laundry Brook Culvert (I)

Dated Date 12/21/2017
Delivery Date 12/21/2017

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
09/01/2018	120,000.00	5.000%	72,222.22	192,222.22	-
03/01/2019	-	-	49,000.00	49,000.00	-
06/30/2019	-	-	-	-	241,222.22
09/01/2019	120,000.00	5.000%	49,000.00	169,000.00	-
03/01/2020	-	-	46,000.00	46,000.00	-
06/30/2020	-	-	-	-	215,000.00
09/01/2020	115,000.00	5.000%	46,000.00	161,000.00	-
03/01/2021	-	-	43,125.00	43,125.00	-
06/30/2021	-	-	-	-	204,125.00
09/01/2021	115,000.00	5.000%	43,125.00	158,125.00	-
03/01/2022	-	-	40,250.00	40,250.00	-
06/30/2022	-	-	-	-	198,375.00
09/01/2022	115,000.00	5.000%	40,250.00	155,250.00	-
03/01/2023	-	-	37,375.00	37,375.00	-
06/30/2023	-	-	-	-	192,625.00
09/01/2023	115,000.00	5.000%	37,375.00	152,375.00	-
03/01/2024	-	-	34,500.00	34,500.00	-
06/30/2024	-	-	-	-	186,875.00
09/01/2024	115,000.00	5.000%	34,500.00	149,500.00	-
03/01/2025	-	-	31,625.00	31,625.00	-
06/30/2025	-	-	-	-	181,125.00
09/01/2025	115,000.00	5.000%	31,625.00	146,625.00	-
03/01/2026	-	-	28,750.00	28,750.00	-
06/30/2026	-	-	-	-	175,375.00
09/01/2026	115,000.00	5.000%	28,750.00	143,750.00	-
03/01/2027	-	-	25,875.00	25,875.00	-
06/30/2027	-	-	-	-	169,625.00
09/01/2027	115,000.00	5.000%	25,875.00	140,875.00	-
03/01/2028	-	-	23,000.00	23,000.00	-
06/30/2028	-	-	-	-	163,875.00
09/01/2028	115,000.00	5.000%	23,000.00	138,000.00	-
03/01/2029	-	-	20,125.00	20,125.00	-
06/30/2029	-	-	-	-	158,125.00
09/01/2029	115,000.00	5.000%	20,125.00	135,125.00	-
03/01/2030	-	-	17,250.00	17,250.00	-
06/30/2030	-	-	-	-	152,375.00
09/01/2030	115,000.00	4.000%	17,250.00	132,250.00	-
03/01/2031	-	-	14,950.00	14,950.00	-
06/30/2031	-	-	-	-	147,200.00
09/01/2031	115,000.00	4.000%	14,950.00	129,950.00	-
03/01/2032	-	-	12,650.00	12,650.00	-
06/30/2032	-	-	-	-	142,600.00
09/01/2032	115,000.00	4.000%	12,650.00	127,650.00	-
03/01/2033	-	-	10,350.00	10,350.00	-
06/30/2033	-	-	-	-	138,000.00
09/01/2033	115,000.00	4.000%	10,350.00	125,350.00	-
03/01/2034	-	-	8,050.00	8,050.00	-
06/30/2034	-	-	-	-	133,400.00
09/01/2034	115,000.00	4.000%	8,050.00	123,050.00	-
03/01/2035	-	-	5,750.00	5,750.00	-
06/30/2035	-	-	-	-	128,800.00
09/01/2035	115,000.00	4.000%	5,750.00	120,750.00	-
03/01/2036	-	-	3,450.00	3,450.00	-
06/30/2036	-	-	-	-	124,200.00
09/01/2036	115,000.00	3.000%	3,450.00	118,450.00	-
03/01/2037	-	-	1,725.00	1,725.00	-
06/30/2037	-	-	-	-	120,175.00
09/01/2037	115,000.00	3.000%	1,725.00	116,725.00	-
06/30/2038	-	-	-	-	116,725.00
	2,310,000.00		979,822.22	3,289,822.22	3,289,822.22

BOND PRICING

City of Newton, Massachusetts
Laundry Brook Culvert (I)

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)
Bond Component:									
	09/01/2018	120,000.00	5.000%	1.190%	102.625	-	-	-	3,150.00
	09/01/2019	120,000.00	5.000%	1.430%	105.953	-	-	-	7,143.60
	09/01/2020	115,000.00	5.000%	1.490%	109.234	-	-	-	10,619.10
	09/01/2021	115,000.00	5.000%	1.540%	112.377	-	-	-	14,233.55
	09/01/2022	115,000.00	5.000%	1.620%	115.217	-	-	-	17,499.55
	09/01/2023	115,000.00	5.000%	1.710%	117.776	-	-	-	20,442.40
	09/01/2024	115,000.00	5.000%	1.780%	120.234	-	-	-	23,269.10
	09/01/2025	115,000.00	5.000%	1.830%	122.652	-	-	-	26,049.80
	09/01/2026	115,000.00	5.000%	1.900%	124.733	-	-	-	28,442.95
	09/01/2027	115,000.00	5.000%	2.000%	126.315	-	-	-	30,262.25
	09/01/2028	115,000.00	5.000%	2.110%	125.214 C	2.323%	09/01/2027	100.000	28,996.10
	09/01/2029	115,000.00	5.000%	2.170%	124.618 C	2.552%	09/01/2027	100.000	28,310.70
	09/01/2030	115,000.00	4.000%	2.440%	113.392 C	2.743%	09/01/2027	100.000	15,400.80
	09/01/2031	115,000.00	4.000%	2.530%	112.564 C	2.883%	09/01/2027	100.000	14,448.60
	09/01/2032	115,000.00	4.000%	2.620%	111.743 C	3.005%	09/01/2027	100.000	13,504.45
	09/01/2033	115,000.00	4.000%	2.710%	110.930 C	3.114%	09/01/2027	100.000	12,569.50
	09/01/2034	115,000.00	4.000%	2.790%	110.212 C	3.205%	09/01/2027	100.000	11,743.80
	09/01/2035	115,000.00	4.000%	2.870%	109.500 C	3.287%	09/01/2027	100.000	10,925.00
	09/01/2036	115,000.00	3.000%	3.106%	98.500	-	-	-	(1,725.00)
	09/01/2037	115,000.00	3.000%	3.154%	97.750	-	-	-	(2,587.50)
		2,310,000.00							312,698.75

Dated Date	12/21/2017	
Delivery Date	12/21/2017	
First Coupon	09/01/2018	
Par Amount	2,310,000.00	
Premium	312,698.75	
Production	2,622,698.75	113.536742%
Underwriter's Discount	(12,434.89)	(0.538307%)
Purchase Price	2,610,263.86	112.998435%
Accrued Interest	-	
Net Proceeds	2,610,263.86	

SOURCES AND USES OF FUNDS

City of Newton, Massachusetts
General Obligation Municipal Purpose Loan of 2017 Bonds
Advance Refunding of May 1, 2010 Series A, May 1, 2010 Series B & April 14, 2011
SLGS as of 12/7/2017 (for invested cash contribution)
OMS for bond proceeds escrow
FINAL

					Dated Date 12/21/2017					
					Delivery Date 12/21/2017					
Sources:	Refund May 1, 2010 Series A School (ISQ)	Refund May 1, 2010 Series B Various Sewer System Improvements (I)	Refund May 1, 2010 Series B Modular Classrooms (I)	Refund May 1, 2010 Series B Burr School Windows (I)	Refund May 1, 2010 Series B Fire Station 4 Renovations (I)	Refund May 1, 2010 Series B Fire Station 7 Renovations (I)	Refund May 1, 2010 Series B Energy Conservation (I)	Refund April 14, 2011 School Roof Repairs (I)	Refund April 14, 2011 School Masonry Repairs (I)	Refund April 14, 2011 School Boiler Replacement (I)
Bond Proceeds:										
Par Amount	7,200,350.00	219,000.00	410,000.00	262,225.00	44,000.00	1,921,650.00	1,111,125.00	353,000.00	190,000.00	145,650.00
Net Premium/OID	930,977.92	43,395.22	61,367.16	51,813.09	8,480.84	381,022.76	166,244.24	71,338.50	38,480.32	29,316.93
	8,131,327.92	262,395.22	471,367.16	314,038.09	52,480.84	2,302,672.76	1,277,369.24	424,338.50	228,480.32	174,966.93
Other Sources of Funds:										
cash contribution	158,853.13	5,000.00	9,000.00	6,000.00	1,000.00	44,000.00	24,400.00	7,625.00	4,084.38	3,131.25
	8,290,181.05	267,395.22	480,367.16	320,038.09	53,480.84	2,346,672.76	1,301,769.24	431,963.50	232,564.70	178,098.18
Uses:										
Project Fund Deposits:										
Project Fund	-	-	-	-	-	-	-	-	-	-
Refunding Escrow Deposits:										
cash contribution	158,853.13	5,000.00	9,000.00	6,000.00	1,000.00	44,000.00	24,400.00	7,625.00	4,084.38	3,131.25
Bond Proceeds	8,058,938.59	259,522.76	467,147.49	311,431.66	51,907.61	2,283,832.17	1,266,488.93	420,361.58	225,863.16	173,317.94
	8,217,791.72	264,522.76	476,147.49	317,431.66	52,907.61	2,327,832.17	1,290,888.93	427,986.58	229,947.54	176,449.19
Delivery Date Expenses:										
Cost of Issuance	32,858.72	978.34	1,831.59	1,171.44	196.58	8,584.56	4,963.72	1,726.49	929.27	712.36
Underwriter's Discount	38,759.91	1,178.89	2,207.05	1,411.57	236.85	10,344.36	5,981.25	1,900.22	1,022.78	784.04
	71,618.63	2,157.23	4,038.64	2,583.01	433.43	18,928.92	10,944.97	3,626.71	1,952.05	1,496.40
Other Uses of Funds:										
Additional Proceeds	770.70	715.23	181.03	23.42	139.80	(88.33)	(64.66)	350.21	665.11	152.59
	8,290,181.05	267,395.22	480,367.16	320,038.09	53,480.84	2,346,672.76	1,301,769.24	431,963.50	232,564.70	178,098.18

SOURCES AND USES OF FUNDS

City of Newton, Massachusetts
General Obligation Municipal Purpose Loan of 2017 Bonds
Advance Refunding of May 1, 2010 Series A, May 1, 2010 Series B & April 14, 2011
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Sources:	Refund April 14, 2011 Horace Mann School Windows/Doors (I)	Zervas Elementary School Construction (I)	Newton South HS Mondo Track Replacement (I)	Cabot Elementary School (EXEMPT)(LEVEL) (IE)	Fire Station #3/ HQ Reconstruction (I)	Traffic Signal Upgrades & Pedestrian Improvements (I)	Intersection Improvements (I)	Laundry Brook Culvert (I)	Total
Bond Proceeds:									
Par Amount	221,000.00	1,855,700.00	304,000.00	19,000,275.00	1,775,000.00	1,215,225.00	391,800.00	2,310,000.00	38,930,000.00
Net Premium/OID	44,679.93	162,503.63	49,034.40	1,184,770.12	243,040.50	196,614.11	62,349.69	312,698.75	4,038,128.11
	265,679.93	2,018,203.63	353,034.40	20,185,045.12	2,018,040.50	1,411,839.11	454,149.69	2,622,698.75	42,968,128.11
Other Sources of Funds:									
cash contribution	4,765.63	-	-	-	-	-	-	-	267,859.39
	270,445.56	2,018,203.63	353,034.40	20,185,045.12	2,018,040.50	1,411,839.11	454,149.69	2,622,698.75	43,235,987.50
Uses:									
Project Fund Deposits:									
Project Fund	-	2,000,000.00	350,000.00	20,000,000.00	2,000,000.00	1,400,000.00	450,000.00	2,600,000.00	28,800,000.00
Refunding Escrow Deposits:									
cash contribution	4,765.63	-	-	-	-	-	-	-	267,859.39
Bond Proceeds	263,372.15	-	-	-	-	-	-	-	13,782,184.04
	268,137.78	-	-	-	-	-	-	-	14,050,043.43
Delivery Date Expenses:									
Cost of Issuance	1,080.90	8,056.12	1,319.74	82,485.50	7,705.79	5,275.62	1,700.91	10,028.35	171,606.00
Underwriter's Discount	1,189.66	9,989.34	1,636.45	102,279.62	9,554.93	6,541.63	2,109.08	12,434.89	209,562.52
	2,270.56	18,045.46	2,956.19	184,765.12	17,260.72	11,817.25	3,809.99	22,463.24	381,168.52
Other Uses of Funds:									
Additional Proceeds	37.22	158.17	78.21	280.00	779.78	21.86	339.70	235.51	4,775.55
	270,445.56	2,018,203.63	353,034.40	20,185,045.12	2,018,040.50	1,411,839.11	454,149.69	2,622,698.75	43,235,987.50

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SOURCES AND USES OF FUNDS

City of Newton, Massachusetts
General Obligation Municipal Purpose Loan of 2017 Bonds
Advance Refunding of May 1, 2010 Series A, May 1, 2010 Series B & April 14, 2011
SLGS as of 12/7/2017 (for invested cash contribution)
OMS for bond proceeds escrow
FINAL

Dated Date 12/21/2017
Delivery Date 12/21/2017

Sources:	Advance Refunding May 1, 2010 Series A	Advance Refunding May 1, 2010 Series B	Advance Refunding April 14, 2011	Non-Exempt New Money	Exempt New Money	Total
Bond Proceeds:						
Par Amount	7,200,350.00	3,968,000.00	909,650.00	7,851,725.00	19,000,275.00	38,930,000.00
Net Premium/OID	930,977.92	712,323.31	183,815.68	1,026,241.08	1,184,770.12	4,038,128.11
	<u>8,131,327.92</u>	<u>4,680,323.31</u>	<u>1,093,465.68</u>	<u>8,877,966.08</u>	<u>20,185,045.12</u>	<u>42,968,128.11</u>
Other Sources of Funds:						
cash contribution	158,853.13	89,400.00	19,606.26	-	-	267,859.39
	<u>8,290,181.05</u>	<u>4,769,723.31</u>	<u>1,113,071.94</u>	<u>8,877,966.08</u>	<u>20,185,045.12</u>	<u>43,235,987.50</u>
Uses:						
Project Fund Deposits:						
Project Fund	-	-	-	8,800,000.00	20,000,000.00	28,800,000.00
Refunding Escrow Deposits:						
Cash Deposit	0.13	1,000.00	1.26	-	-	1,001.39
PV cost of cashflows	8,058,938.59	4,640,330.62	1,082,914.83	-	-	13,782,184.04
SLGS Purchases	158,853.00	88,400.00	19,605.00	-	-	266,858.00
	<u>8,217,791.72</u>	<u>4,729,730.62</u>	<u>1,102,521.09</u>	<u>-</u>	<u>-</u>	<u>14,050,043.43</u>
Delivery Date Expenses:						
Cost of Issuance	32,858.72	17,726.23	4,449.02	34,086.53	82,485.50	171,606.00
Underwriter's Discount	38,759.91	21,359.97	4,896.70	42,266.32	102,279.62	209,562.52
	<u>71,618.63</u>	<u>39,086.20</u>	<u>9,345.72</u>	<u>76,352.85</u>	<u>184,765.12</u>	<u>381,168.52</u>
Other Uses of Funds:						
Additional Proceeds	770.70	906.49	1,205.13	1,613.23	280.00	4,775.55
	<u>8,290,181.05</u>	<u>4,769,723.31</u>	<u>1,113,071.94</u>	<u>8,877,966.08</u>	<u>20,185,045.12</u>	<u>43,235,987.50</u>

BOND SUMMARY STATISTICS

City of Newton, Massachusetts
General Obligation Municipal Purpose Loan of 2017 Bonds
Advance Refunding of May 1, 2010 Series A, May 1, 2010 Series B & April 14, 2011
SLGS as of 12/7/2017 (for invested cash contribution)
OMS for bond proceeds escrow
FINAL

Dated Date	12/21/2017
Delivery Date	12/21/2017
First Coupon	09/01/2018
Last Maturity	09/01/2047
Arbitrage Yield	2.764558%
True Interest Cost (TIC)	2.912581%
Net Interest Cost (NIC)	3.056060%
All-In TIC	2.951195%
Average Coupon	3.753609%
Average Life (years)	14.099
Weighted Average Maturity (years)	13.574
Duration of Issue (years)	10.578
Par Amount	38,930,000.00
Bond Proceeds	42,968,128.11
Total Interest	20,602,048.00
Net Interest	16,773,482.41
Total Debt Service	59,532,048.00
Maximum Annual Debt Service	3,199,693.76
Average Annual Debt Service	2,004,821.07
Underwriter's Fees (per \$1000)	
Average Takedown	-
Other Fee	5.383060
Total Underwriter's Discount	5.383060
Bid Price	109.834486

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
Bond Component	32,025,000.00	112.917	4.010%	11.357	27,968.00
Bond Component #2	1,825,000.00	99.156	3.250%	24.201	3,047.75
Bond Component #3	1,940,000.00	98.750	3.250%	26.202	3,395.00
Bond Component #4	3,140,000.00	98.124	3.250%	28.715	5,777.60
	38,930,000.00			14.099	40,188.35

	TIC	All-In TIC	Arbitrage Yield
Par Value	38,930,000.00	38,930,000.00	38,930,000.00
+ Accrued Interest	-	-	-
+ Premium (Discount)	4,038,128.11	4,038,128.11	4,038,128.10
- Underwriter's Discount	(209,562.52)	(209,562.52)	
- Cost of Issuance Expense		(171,606.00)	
- Other Amounts	-	-	-
Target Value	42,758,565.59	42,586,959.59	42,968,128.10
Target Date	12/21/2017	12/21/2017	12/21/2017
Yield	2.912581%	2.951195%	2.764558%

SUMMARY OF REFUNDING RESULTS

City of Newton, Massachusetts
General Obligation Municipal Purpose Loan of 2017 Bonds
Advance Refunding of May 1, 2010 Series A, May 1, 2010 Series B & April 14, 2011
SLGS as of 12/7/2017 (for invested cash contribution)
OMS for bond proceeds escrow
FINAL

	Advance Refunding May 1, 2010 Series A	Advance Refunding May 1, 2010 Series B	Advance Refunding April 14, 2011	Total
Dated Date	12/21/2017	12/21/2017	12/21/2017	12/21/2017
Delivery Date	12/21/2017	12/21/2017	12/21/2017	12/21/2017
Arbitrage Yield	2.764558%	2.764558%	2.764558%	2.764558%
Escrow Yield	1.869969%	1.869969%	1.869969%	1.869969%
Value of Negative Arbitrage	150,878.08	86,533.00	29,762.34	267,173.42
Bond Par Amount	7,200,350.00	3,968,000.00	909,650.00	12,078,000.00
True Interest Cost	2.777068%	1.980164%	2.179937%	2.556529%
Net Interest Cost	2.958729%	2.203660%	2.435979%	2.770808%
All-In TIC	2.820015%	2.049821%	2.239362%	2.606360%
Average Coupon	3.974911%	5.000000%	4.846100%	4.240031%
Average Life	12.194	6.227	8.161	9.930
Weighted Average Maturity	11.879	6.350	8.217	9.730
Par amount of refunded bonds	7,750,000.00	4,470,000.00	1,030,000.00	13,250,000.00
Average coupon of refunded bonds	4.142351%	4.000000%	3.861634%	4.092752%
Average life of refunded bonds	12.662	6.758	8.676	10.361
Remaining weighted average maturity of refunded bonds	12.539	6.704	8.678	10.234
PV of prior debt	8,780,136.23	4,805,740.76	1,108,640.50	14,694,517.49
Net PV Savings	661,543.09	297,384.03	57,624.69	1,016,551.81
Percentage savings of refunded bonds	8.536040%	6.652887%	5.594630%	7.672089%
Percentage savings of refunding bonds	9.187652%	7.494557%	6.334820%	8.416557%

SAVINGS

City of Newton, Massachusetts
General Obligation Municipal Purpose Loan of 2017 Bonds
Advance Refunding of May 1, 2010 Series A, May 1, 2010 Series B & April 14, 2011
SLGS as of 12/7/2017 (for invested cash contribution)
OMS for bond proceeds escrow
FINAL

Date	Prior Debt Service	Cash Contribution	Prior Net Cash Flow	Refunding Debt Service	Non-Called Debt Service	Refunding Net Cash Flow	Savings	Annual Savings
12/21/2017	-	267,859.39	(267,859.39)	-	-	-	(267,859.39)	-
03/01/2018	1,324,153.13	-	1,324,153.13	-	1,075,900.00	1,075,900.00	248,253.13	-
04/01/2018	144,156.26	-	144,156.26	-	124,550.00	124,550.00	19,606.26	-
06/30/2018	-	-	-	-	-	-	-	-
09/01/2018	288,853.13	-	288,853.13	384,062.50	40,600.00	424,662.50	(135,809.37)	-
10/01/2018	26,856.26	-	26,856.26	-	7,250.00	7,250.00	19,606.26	-
03/01/2019	1,303,853.13	-	1,303,853.13	276,525.01	1,055,600.00	1,332,125.01	(28,271.88)	-
04/01/2019	141,856.26	-	141,856.26	-	122,250.00	122,250.00	19,606.26	-
06/30/2019	-	-	-	-	-	-	-	(124,868.73)
09/01/2019	268,553.13	-	268,553.13	276,525.01	20,300.00	296,825.01	(28,271.88)	-
10/01/2019	24,556.26	-	24,556.26	-	4,950.00	4,950.00	19,606.26	-
03/01/2020	1,283,553.13	-	1,283,553.13	276,525.01	1,035,300.00	1,311,825.01	(28,271.88)	-
04/01/2020	134,556.26	-	134,556.26	-	114,950.00	114,950.00	19,606.26	-
06/30/2020	-	-	-	-	-	-	-	(17,331.24)
09/01/2020	248,253.13	-	248,253.13	1,189,875.01	-	1,189,875.01	(941,621.88)	-
10/01/2020	22,081.26	-	22,081.26	-	2,475.00	2,475.00	19,606.26	-
03/01/2021	1,253,253.13	-	1,253,253.13	253,691.25	-	253,691.25	999,561.88	-
04/01/2021	132,081.26	-	132,081.26	-	112,475.00	112,475.00	19,606.26	-
06/30/2021	-	-	-	-	-	-	-	97,152.52
09/01/2021	228,153.13	-	228,153.13	1,257,341.25	-	1,257,341.25	(1,029,188.12)	-
10/01/2021	19,606.26	-	19,606.26	-	-	-	19,606.26	-
03/01/2022	1,233,153.13	-	1,233,153.13	228,600.00	-	228,600.00	1,004,553.13	-
04/01/2022	129,606.26	-	129,606.26	-	-	-	129,606.26	-
06/30/2022	-	-	-	-	-	-	-	124,577.53
09/01/2022	208,053.13	-	208,053.13	1,229,600.00	-	1,229,600.00	(1,021,546.87)	-
10/01/2022	17,612.50	-	17,612.50	-	-	-	17,612.50	-
03/01/2023	1,213,053.13	-	1,213,053.13	203,575.00	-	203,575.00	1,009,478.13	-
04/01/2023	127,612.50	-	127,612.50	-	-	-	127,612.50	-
06/30/2023	-	-	-	-	-	-	-	133,156.26
09/01/2023	187,953.13	-	187,953.13	1,204,575.00	-	1,204,575.00	(1,016,621.87)	-
10/01/2023	15,618.76	-	15,618.76	-	-	-	15,618.76	-
03/01/2024	1,192,953.13	-	1,192,953.13	178,550.00	-	178,550.00	1,014,403.13	-
04/01/2024	125,618.76	-	125,618.76	-	-	-	125,618.76	-
06/30/2024	-	-	-	-	-	-	-	139,018.78
09/01/2024	167,853.13	-	167,853.13	1,177,550.00	-	1,177,550.00	(1,009,696.87)	-
10/01/2024	13,625.00	-	13,625.00	-	-	-	13,625.00	-
03/01/2025	1,167,853.13	-	1,167,853.13	153,575.00	-	153,575.00	1,014,278.13	-
04/01/2025	113,625.00	-	113,625.00	-	-	-	113,625.00	-
06/30/2025	-	-	-	-	-	-	-	131,831.26
09/01/2025	147,853.13	-	147,853.13	848,575.00	-	848,575.00	(700,721.87)	-
10/01/2025	11,812.51	-	11,812.51	-	-	-	11,812.51	-
03/01/2026	817,853.13	-	817,853.13	136,200.00	-	136,200.00	681,653.13	-
04/01/2026	111,812.51	-	111,812.51	-	-	-	111,812.51	-
06/30/2026	-	-	-	-	-	-	-	104,556.28
09/01/2026	134,453.13	-	134,453.13	830,200.00	-	830,200.00	(695,746.87)	-
10/01/2026	10,000.00	-	10,000.00	-	-	-	10,000.00	-
03/01/2027	804,453.13	-	804,453.13	118,850.00	-	118,850.00	685,603.13	-
04/01/2027	110,000.00	-	110,000.00	-	-	-	110,000.00	-
06/30/2027	-	-	-	-	-	-	-	109,856.26
09/01/2027	121,053.13	-	121,053.13	812,850.00	-	812,850.00	(691,796.87)	-
10/01/2027	8,000.00	-	8,000.00	-	-	-	8,000.00	-
03/01/2028	791,053.13	-	791,053.13	101,500.00	-	101,500.00	689,553.13	-
04/01/2028	108,000.00	-	108,000.00	-	-	-	108,000.00	-
06/30/2028	-	-	-	-	-	-	-	113,756.26
09/01/2028	107,653.13	-	107,653.13	795,500.00	-	795,500.00	(687,846.87)	-
10/01/2028	6,000.00	-	6,000.00	-	-	-	6,000.00	-
03/01/2029	777,653.13	-	777,653.13	84,150.00	-	84,150.00	693,503.13	-
04/01/2029	106,000.00	-	106,000.00	-	-	-	106,000.00	-
06/30/2029	-	-	-	-	-	-	-	117,656.26
09/01/2029	94,253.13	-	94,253.13	777,150.00	-	777,150.00	(682,896.87)	-
10/01/2029	4,000.00	-	4,000.00	-	-	-	4,000.00	-
03/01/2030	764,253.13	-	764,253.13	66,825.00	-	66,825.00	697,428.13	-
04/01/2030	104,000.00	-	104,000.00	-	-	-	104,000.00	-
06/30/2030	-	-	-	-	-	-	-	122,531.26
09/01/2030	80,609.38	-	80,609.38	516,825.00	-	516,825.00	(436,215.62)	-
10/01/2030	2,000.00	-	2,000.00	-	-	-	2,000.00	-
03/01/2031	465,609.38	-	465,609.38	57,825.00	-	57,825.00	407,784.38	-
04/01/2031	102,000.00	-	102,000.00	-	-	-	102,000.00	-
06/30/2031	-	-	-	-	-	-	-	75,568.76
09/01/2031	72,668.75	-	72,668.75	417,825.00	-	417,825.00	(345,156.25)	-
03/01/2032	457,668.75	-	457,668.75	50,625.00	-	50,625.00	407,043.75	-
06/30/2032	-	-	-	-	-	-	-	61,887.50
09/01/2032	64,728.13	-	64,728.13	410,625.00	-	410,625.00	(345,896.87)	-
03/01/2033	449,728.13	-	449,728.13	43,425.00	-	43,425.00	406,303.13	-
06/30/2033	-	-	-	-	-	-	-	60,406.26
09/01/2033	56,787.50	-	56,787.50	403,425.00	-	403,425.00	(346,637.50)	-
03/01/2034	441,787.50	-	441,787.50	36,225.00	-	36,225.00	405,562.50	-
06/30/2034	-	-	-	-	-	-	-	58,925.00
09/01/2034	48,846.88	-	48,846.88	396,225.00	-	396,225.00	(347,378.12)	-
03/01/2035	433,846.88	-	433,846.88	29,025.00	-	29,025.00	404,821.88	-
06/30/2035	-	-	-	-	-	-	-	57,443.76
09/01/2035	40,906.25	-	40,906.25	389,025.00	-	389,025.00	(348,118.75)	-
03/01/2036	425,906.25	-	425,906.25	21,825.00	-	21,825.00	404,081.25	-
06/30/2036	-	-	-	-	-	-	-	55,962.50
09/01/2036	32,725.00	-	32,725.00	381,825.00	-	381,825.00	(349,100.00)	-
03/01/2037	417,725.00	-	417,725.00	16,425.00	-	16,425.00	401,300.00	-
06/30/2037	-	-	-	-	-	-	-	52,200.00
09/01/2037	24,543.75	-	24,543.75	376,425.00	-	376,425.00	(351,881.25)	-
03/01/2038	409,543.75	-	409,543.75	11,025.00	-	11,025.00	398,518.75	-
06/30/2038	-	-	-	-	-	-	-	46,637.50
09/01/2038	16,362.50	-	16,362.50	371,025.00	-	371,025.00	(354,662.50)	-
03/01/2039	401,362.50	-	401,362.50	5,625.00	-	5,625.00	395,737.50	-
06/30/2039	-	-	-	-	-	-	-	41,075.00
09/01/2039	8,181.25	-	8,181.25	365,625.00	-	365,625.00	(357,443.75)	-
03/01/2040	393,181.25	-	393,181.25	-	-	-	393,181.25	-
06/30/2040	-	-	-	-	-	-	-	35,737.50
	22,745,440.91	267,859.39	22,477,581.52	17,163,245.04	3,716,600.00	20,879,845.04	1,597,736.48	1,597,736.48

SAVINGS

City of Newton, Massachusetts
General Obligation Municipal Purpose Loan of 2017 Bonds
Advance Refunding of May 1, 2010 Series A, May 1, 2010 Series B & April 14, 2011
SLGS as of 12/7/2017 (for invested cash contribution)
OMS for bond proceeds escrow
FINAL

Savings Summary

Savings PV date	12/21/2017
Savings PV rate	2.951195%
PV of savings from cash flow	1,013,669.50
Plus: Refunding funds on hand	2,882.32
	<hr/>
Net PV Savings	1,016,551.82

BOND PRICING

City of Newton, Massachusetts
General Obligation Municipal Purpose Loan of 2017 Bonds
Advance Refunding of May 1, 2010 Series A, May 1, 2010 Series B & April 14, 2011
SLGS as of 12/7/2017 (for invested cash contribution)
OMS for bond proceeds escrow
FINAL

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)
Bond Component:									
	09/01/2018	600,000.00	5.000%	1.190%	102.625	-	-	-	15,750.00
	09/01/2019	740,000.00	5.000%	1.430%	105.953	-	-	-	44,052.20
	09/01/2020	1,665,000.00	5.000%	1.490%	109.234	-	-	-	153,746.10
	09/01/2021	1,765,000.00	5.000%	1.540%	112.377	-	-	-	218,454.05
	09/01/2022	1,780,000.00	5.000%	1.620%	115.217	-	-	-	270,862.60
	09/01/2023	1,800,000.00	5.000%	1.710%	117.776	-	-	-	319,968.00
	09/01/2024	1,820,000.00	5.000%	1.780%	120.234	-	-	-	368,258.80
	09/01/2025	1,535,000.00	5.000%	1.830%	122.652	-	-	-	347,708.20
	09/01/2026	1,555,000.00	5.000%	1.900%	124.733	-	-	-	384,598.15
	09/01/2027	1,580,000.00	5.000%	2.000%	126.315	-	-	-	415,777.00
	09/01/2028	1,605,000.00	5.000%	2.110%	125.214 C	2.323%	09/01/2027	100.000	404,684.70
	09/01/2029	1,630,000.00	5.000%	2.170%	124.618 C	2.552%	09/01/2027	100.000	401,273.40
	09/01/2030	1,410,000.00	4.000%	2.440%	113.392 C	2.743%	09/01/2027	100.000	188,827.20
	09/01/2031	1,340,000.00	4.000%	2.530%	112.564 C	2.883%	09/01/2027	100.000	168,357.60
	09/01/2032	1,365,000.00	4.000%	2.620%	111.743 C	3.005%	09/01/2027	100.000	160,291.95
	09/01/2033	1,260,000.00	4.000%	2.710%	110.930 C	3.114%	09/01/2027	100.000	137,718.00
	09/01/2034	1,290,000.00	4.000%	2.790%	110.212 C	3.205%	09/01/2027	100.000	131,734.80
	09/01/2035	1,315,000.00	4.000%	2.870%	109.500 C	3.287%	09/01/2027	100.000	124,925.00
	09/01/2036	1,340,000.00	3.000%	3.106%	98.500	-	-	-	(20,100.00)
	09/01/2037	1,360,000.00	3.000%	3.154%	97.750	-	-	-	(30,600.00)
	09/01/2038	1,185,000.00	3.000%	3.190%	97.135	-	-	-	(33,950.25)
	09/01/2039	1,210,000.00	3.125%	3.221%	98.500	-	-	-	(18,150.00)
	09/01/2040	875,000.00	3.125%	3.250%	98.000	-	-	-	(17,500.00)
		<u>32,025,000.00</u>							<u>4,136,687.50</u>
Bond Component #2:									
	09/01/2041	900,000.00	3.250%	3.300%	99.156	-	-	-	(7,596.00)
	09/01/2042	925,000.00	3.250%	3.300%	99.156	-	-	-	(7,807.00)
		<u>1,825,000.00</u>							<u>(15,403.00)</u>
Bond Component #3:									
	09/01/2043	955,000.00	3.250%	3.321%	98.750	-	-	-	(11,937.50)
	09/01/2044	985,000.00	3.250%	3.321%	98.750	-	-	-	(12,312.50)
		<u>1,940,000.00</u>							<u>(24,250.00)</u>
Bond Component #4:									
	09/01/2045	1,015,000.00	3.250%	3.350%	98.124	-	-	-	(19,041.40)
	09/01/2046	1,045,000.00	3.250%	3.350%	98.124	-	-	-	(19,604.20)
	09/01/2047	1,080,000.00	3.250%	3.350%	98.124	-	-	-	(20,260.80)
		<u>3,140,000.00</u>							<u>(58,906.40)</u>
		<u>38,930,000.00</u>							<u>4,038,128.10</u>

Dated Date	12/21/2017	
Delivery Date	12/21/2017	
First Coupon	09/01/2018	
Par Amount	38,930,000.00	
Premium	4,038,128.11	
Production	42,968,128.11	110.372792%
Underwriter's Discount	(209,562.52)	(0.538306%)
Purchase Price	42,758,565.59	109.834486%
Accrued Interest	-	
Net Proceeds	42,758,565.59	

BOND DEBT SERVICE

City of Newton, Massachusetts
General Obligation Municipal Purpose Loan of 2017 Bonds
Advance Refunding of May 1, 2010 Series A, May 1, 2010 Series B & April 14, 2011
SLGS as of 12/7/2017 (for invested cash contribution)
OMS for bond proceeds escrow
FINAL

			Dated Date	12/21/2017		
			Delivery Date	12/21/2017		
Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service	
09/01/2018	600,000.00	5.000%	1,131,297.74	1,731,297.74	-	
03/01/2019	-	-	799,534.39	799,534.39	-	
06/30/2019	-	-	-	-	2,530,832.13	
09/01/2019	740,000.00	5.000%	799,534.39	1,539,534.39	-	
03/01/2020	-	-	781,034.39	781,034.39	-	
06/30/2020	-	-	-	-	2,320,568.78	
09/01/2020	1,665,000.00	5.000%	781,034.39	2,446,034.39	-	
03/01/2021	-	-	739,409.38	739,409.38	-	
06/30/2021	-	-	-	-	3,185,443.77	
09/01/2021	1,765,000.00	5.000%	739,409.38	2,504,409.38	-	
03/01/2022	-	-	695,284.38	695,284.38	-	
06/30/2022	-	-	-	-	3,199,693.76	
09/01/2022	1,780,000.00	5.000%	695,284.38	2,475,284.38	-	
03/01/2023	-	-	650,784.38	650,784.38	-	
06/30/2023	-	-	-	-	3,126,068.76	
09/01/2023	1,800,000.00	5.000%	650,784.38	2,450,784.38	-	
03/01/2024	-	-	605,784.38	605,784.38	-	
06/30/2024	-	-	-	-	3,056,568.76	
09/01/2024	1,820,000.00	5.000%	605,784.38	2,425,784.38	-	
03/01/2025	-	-	560,284.38	560,284.38	-	
06/30/2025	-	-	-	-	2,986,068.76	
09/01/2025	1,535,000.00	5.000%	560,284.38	2,095,284.38	-	
03/01/2026	-	-	521,909.38	521,909.38	-	
06/30/2026	-	-	-	-	2,617,193.76	
09/01/2026	1,555,000.00	5.000%	521,909.38	2,076,909.38	-	
03/01/2027	-	-	483,034.38	483,034.38	-	
06/30/2027	-	-	-	-	2,559,943.76	
09/01/2027	1,580,000.00	5.000%	483,034.38	2,063,034.38	-	
03/01/2028	-	-	443,534.38	443,534.38	-	
06/30/2028	-	-	-	-	2,506,568.76	
09/01/2028	1,605,000.00	5.000%	443,534.38	2,048,534.38	-	
03/01/2029	-	-	403,409.38	403,409.38	-	
06/30/2029	-	-	-	-	2,451,943.76	
09/01/2029	1,630,000.00	5.000%	403,409.38	2,033,409.38	-	
03/01/2030	-	-	362,659.38	362,659.38	-	
06/30/2030	-	-	-	-	2,396,068.76	
09/01/2030	1,410,000.00	4.000%	362,659.38	1,772,659.38	-	
03/01/2031	-	-	334,459.38	334,459.38	-	
06/30/2031	-	-	-	-	2,107,118.76	
09/01/2031	1,340,000.00	4.000%	334,459.38	1,674,459.38	-	
03/01/2032	-	-	307,659.38	307,659.38	-	
06/30/2032	-	-	-	-	1,982,118.76	
09/01/2032	1,365,000.00	4.000%	307,659.38	1,672,659.38	-	
03/01/2033	-	-	280,359.38	280,359.38	-	
06/30/2033	-	-	-	-	1,953,018.76	
09/01/2033	1,260,000.00	4.000%	280,359.38	1,540,359.38	-	
03/01/2034	-	-	255,159.38	255,159.38	-	
06/30/2034	-	-	-	-	1,795,518.76	
09/01/2034	1,290,000.00	4.000%	255,159.38	1,545,159.38	-	
03/01/2035	-	-	229,359.38	229,359.38	-	
06/30/2035	-	-	-	-	1,774,518.76	
09/01/2035	1,315,000.00	4.000%	229,359.38	1,544,359.38	-	
03/01/2036	-	-	203,059.38	203,059.38	-	
06/30/2036	-	-	-	-	1,747,418.76	
09/01/2036	1,340,000.00	3.000%	203,059.38	1,543,059.38	-	
03/01/2037	-	-	182,959.38	182,959.38	-	
06/30/2037	-	-	-	-	1,726,018.76	
09/01/2037	1,360,000.00	3.000%	182,959.38	1,542,959.38	-	
03/01/2038	-	-	162,559.38	162,559.38	-	
06/30/2038	-	-	-	-	1,705,518.76	
09/01/2038	1,185,000.00	3.000%	162,559.38	1,347,559.38	-	
03/01/2039	-	-	144,784.38	144,784.38	-	
06/30/2039	-	-	-	-	1,492,343.76	
09/01/2039	1,210,000.00	3.125%	144,784.38	1,354,784.38	-	
03/01/2040	-	-	125,878.13	125,878.13	-	
06/30/2040	-	-	-	-	1,480,662.51	
09/01/2040	875,000.00	3.125%	125,878.13	1,000,878.13	-	
03/01/2041	-	-	112,206.25	112,206.25	-	
06/30/2041	-	-	-	-	1,113,084.38	
09/01/2041	900,000.00	3.250%	112,206.25	1,012,206.25	-	
03/01/2042	-	-	97,581.25	97,581.25	-	
06/30/2042	-	-	-	-	1,109,787.50	
09/01/2042	925,000.00	3.250%	97,581.25	1,022,581.25	-	
03/01/2043	-	-	82,550.00	82,550.00	-	
06/30/2043	-	-	-	-	1,105,131.25	
09/01/2043	955,000.00	3.250%	82,550.00	1,037,550.00	-	
03/01/2044	-	-	67,031.25	67,031.25	-	
06/30/2044	-	-	-	-	1,104,581.25	
09/01/2044	985,000.00	3.250%	67,031.25	1,052,031.25	-	
03/01/2045	-	-	51,025.00	51,025.00	-	
06/30/2045	-	-	-	-	1,103,056.25	
09/01/2045	1,015,000.00	3.250%	51,025.00	1,066,025.00	-	
03/01/2046	-	-	34,531.25	34,531.25	-	
06/30/2046	-	-	-	-	1,100,556.25	
09/01/2046	1,045,000.00	3.250%	34,531.25	1,079,531.25	-	
03/01/2047	-	-	17,550.00	17,550.00	-	
06/30/2047	-	-	-	-	1,097,081.25	
09/01/2047	1,080,000.00	3.250%	17,550.00	1,097,550.00	-	
06/30/2048	-	-	-	-	1,097,550.00	
	38,930,000.00		20,602,048.00	59,532,048.00	59,532,048.00	

SUMMARY OF BONDS REFUNDED

City of Newton, Massachusetts
General Obligation Municipal Purpose Loan of 2017 Bonds
Advance Refunding of May 1, 2010 Series A, May 1, 2010 Series B & April 14, 2011
SLGS as of 12/7/2017 (for invested cash contribution)
OMS for bond proceeds escrow
FINAL

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
May 1, 2010 Series A School (ISQ), A1:					
Bond Component, BOND	03/01/2021	4.000%	390,000.00	03/01/2020	100.000
	03/01/2022	4.000%	390,000.00	03/01/2020	100.000
	03/01/2023	4.000%	390,000.00	03/01/2020	100.000
	03/01/2024	4.000%	390,000.00	03/01/2020	100.000
	03/01/2025	4.000%	390,000.00	03/01/2020	100.000
	03/01/2026	4.000%	390,000.00	03/01/2020	100.000
	03/01/2027	4.000%	390,000.00	03/01/2020	100.000
Bond Component #2, BOND02	03/01/2028	4.000%	390,000.00	03/01/2020	100.000
	03/01/2029	4.000%	390,000.00	03/01/2020	100.000
Bond Component #3, BOND03	03/01/2030	4.125%	390,000.00	03/01/2020	100.000
	03/01/2031	4.125%	385,000.00	03/01/2020	100.000
	03/01/2032	4.125%	385,000.00	03/01/2020	100.000
	03/01/2033	4.125%	385,000.00	03/01/2020	100.000
	03/01/2034	4.125%	385,000.00	03/01/2020	100.000
	03/01/2035	4.125%	385,000.00	03/01/2020	100.000
Bond Component #4, BOND04	03/01/2036	4.250%	385,000.00	03/01/2020	100.000
	03/01/2037	4.250%	385,000.00	03/01/2020	100.000
	03/01/2038	4.250%	385,000.00	03/01/2020	100.000
	03/01/2039	4.250%	385,000.00	03/01/2020	100.000
	03/01/2040	4.250%	385,000.00	03/01/2020	100.000
			<u>7,750,000.00</u>		
April 14, 2011 School Boiler Replacement (I), A10:					
Bond Component #2, BOND02	04/01/2022	3.625%	20,000.00	04/01/2021	100.000
	04/01/2023	3.625%	20,000.00	04/01/2021	100.000
	04/01/2024	3.625%	20,000.00	04/01/2021	100.000
	04/01/2025	3.625%	15,000.00	04/01/2021	100.000
	04/01/2026	3.625%	15,000.00	04/01/2021	100.000
Bond Component #3, BOND03	04/01/2027	4.000%	15,000.00	04/01/2021	100.000
	04/01/2028	4.000%	15,000.00	04/01/2021	100.000
	04/01/2029	4.000%	15,000.00	04/01/2021	100.000
	04/01/2030	4.000%	15,000.00	04/01/2021	100.000
	04/01/2031	4.000%	15,000.00	04/01/2021	100.000
			<u>165,000.00</u>		
April 14, 2011 Horace Mann School Windows/Doors (I), A11:					
Bond Component #2, BOND02	04/01/2022	3.625%	25,000.00	04/01/2021	100.000
	04/01/2023	3.625%	25,000.00	04/01/2021	100.000
	04/01/2024	3.625%	25,000.00	04/01/2021	100.000
	04/01/2025	3.625%	25,000.00	04/01/2021	100.000
	04/01/2026	3.625%	25,000.00	04/01/2021	100.000
Bond Component #3, BOND03	04/01/2027	4.000%	25,000.00	04/01/2021	100.000
	04/01/2028	4.000%	25,000.00	04/01/2021	100.000
	04/01/2029	4.000%	25,000.00	04/01/2021	100.000
	04/01/2030	4.000%	25,000.00	04/01/2021	100.000
	04/01/2031	4.000%	25,000.00	04/01/2021	100.000
			<u>250,000.00</u>		
May 1, 2010 Series B Various Sewer System Improvements (I), A2:					
Bond Component, BOND	03/01/2021	4.000%	25,000.00	03/01/2020	100.000
	03/01/2022	4.000%	25,000.00	03/01/2020	100.000
	03/01/2023	4.000%	25,000.00	03/01/2020	100.000
	03/01/2024	4.000%	25,000.00	03/01/2020	100.000
	03/01/2025	4.000%	25,000.00	03/01/2020	100.000
	03/01/2026	4.000%	25,000.00	03/01/2020	100.000
	03/01/2027	4.000%	25,000.00	03/01/2020	100.000
	03/01/2028	4.000%	25,000.00	03/01/2020	100.000
	03/01/2029	4.000%	25,000.00	03/01/2020	100.000
	03/01/2030	4.000%	25,000.00	03/01/2020	100.000
			<u>250,000.00</u>		
May 1, 2010 Series B Modular Classrooms (I), A3:					
Bond Component, BOND	03/01/2021	4.000%	90,000.00	03/01/2020	100.000
	03/01/2022	4.000%	90,000.00	03/01/2020	100.000
	03/01/2023	4.000%	90,000.00	03/01/2020	100.000
	03/01/2024	4.000%	90,000.00	03/01/2020	100.000
	03/01/2025	4.000%	90,000.00	03/01/2020	100.000
			<u>450,000.00</u>		
May 1, 2010 Series B Burr School Windows (I), A4:					
Bond Component, BOND	03/01/2021	4.000%	30,000.00	03/01/2020	100.000
	03/01/2022	4.000%	30,000.00	03/01/2020	100.000
	03/01/2023	4.000%	30,000.00	03/01/2020	100.000
	03/01/2024	4.000%	30,000.00	03/01/2020	100.000
	03/01/2025	4.000%	30,000.00	03/01/2020	100.000
	03/01/2026	4.000%	30,000.00	03/01/2020	100.000
	03/01/2027	4.000%	30,000.00	03/01/2020	100.000
	03/01/2028	4.000%	30,000.00	03/01/2020	100.000
	03/01/2029	4.000%	30,000.00	03/01/2020	100.000
	03/01/2030	4.000%	30,000.00	03/01/2020	100.000
			<u>300,000.00</u>		
May 1, 2010 Series B Fire Station 4 Renovations (I), A5:					
Bond Component, BOND	03/01/2021	4.000%	5,000.00	03/01/2020	100.000
	03/01/2022	4.000%	5,000.00	03/01/2020	100.000
	03/01/2023	4.000%	5,000.00	03/01/2020	100.000
	03/01/2024	4.000%	5,000.00	03/01/2020	100.000
	03/01/2025	4.000%	5,000.00	03/01/2020	100.000
	03/01/2026	4.000%	5,000.00	03/01/2020	100.000
	03/01/2027	4.000%	5,000.00	03/01/2020	100.000
	03/01/2028	4.000%	5,000.00	03/01/2020	100.000
	03/01/2029	4.000%	5,000.00	03/01/2020	100.000
	03/01/2030	4.000%	5,000.00	03/01/2020	100.000
			<u>50,000.00</u>		
May 1, 2010 Series B Fire Station 7 Renovations (I), A6:					
Bond Component, BOND	03/01/2021	4.000%	220,000.00	03/01/2020	100.000
	03/01/2022	4.000%	220,000.00	03/01/2020	100.000

SUMMARY OF BONDS REFUNDED

City of Newton, Massachusetts
General Obligation Municipal Purpose Loan of 2017 Bonds
Advance Refunding of May 1, 2010 Series A, May 1, 2010 Series B & April 14, 2011
SLGS as of 12/7/2017 (for invested cash contribution)
OMS for bond proceeds escrow

FINAL

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
May 1, 2010 Series B Fire Station 7 Renovations (I), A6:					
Bond Component, BOND	03/01/2023	4.000%	220,000.00	03/01/2020	100.000
	03/01/2024	4.000%	220,000.00	03/01/2020	100.000
	03/01/2025	4.000%	220,000.00	03/01/2020	100.000
	03/01/2026	4.000%	220,000.00	03/01/2020	100.000
	03/01/2027	4.000%	220,000.00	03/01/2020	100.000
	03/01/2028	4.000%	220,000.00	03/01/2020	100.000
	03/01/2029	4.000%	220,000.00	03/01/2020	100.000
	03/01/2030	4.000%	220,000.00	03/01/2020	100.000
			<u>2,200,000.00</u>		
May 1, 2010 Series B Energy Conservation (I), A7:					
Bond Component, BOND	03/01/2021	4.000%	245,000.00	03/01/2020	100.000
	03/01/2022	4.000%	245,000.00	03/01/2020	100.000
	03/01/2023	4.000%	245,000.00	03/01/2020	100.000
	03/01/2024	4.000%	245,000.00	03/01/2020	100.000
	03/01/2025	4.000%	240,000.00	03/01/2020	100.000
			<u>1,220,000.00</u>		
April 14, 2011 School Roof Repairs (I), A8:					
Bond Component #2, BOND02	04/01/2022	3.625%	40,000.00	04/01/2021	100.000
	04/01/2023	3.625%	40,000.00	04/01/2021	100.000
	04/01/2024	3.625%	40,000.00	04/01/2021	100.000
	04/01/2025	3.625%	40,000.00	04/01/2021	100.000
	04/01/2026	3.625%	40,000.00	04/01/2021	100.000
Bond Component #3, BOND03	04/01/2027	4.000%	40,000.00	04/01/2021	100.000
	04/01/2028	4.000%	40,000.00	04/01/2021	100.000
	04/01/2029	4.000%	40,000.00	04/01/2021	100.000
	04/01/2030	4.000%	40,000.00	04/01/2021	100.000
	04/01/2031	4.000%	40,000.00	04/01/2021	100.000
			<u>400,000.00</u>		
April 14, 2011 School Masonry Repairs (I), A9:					
Bond Component #2, BOND02	04/01/2022	3.625%	25,000.00	04/01/2021	100.000
	04/01/2023	3.625%	25,000.00	04/01/2021	100.000
	04/01/2024	3.625%	25,000.00	04/01/2021	100.000
	04/01/2025	3.625%	20,000.00	04/01/2021	100.000
	04/01/2026	3.625%	20,000.00	04/01/2021	100.000
Bond Component #3, BOND03	04/01/2027	4.000%	20,000.00	04/01/2021	100.000
	04/01/2028	4.000%	20,000.00	04/01/2021	100.000
	04/01/2029	4.000%	20,000.00	04/01/2021	100.000
	04/01/2030	4.000%	20,000.00	04/01/2021	100.000
	04/01/2031	4.000%	20,000.00	04/01/2021	100.000
			<u>215,000.00</u>		
			<u>13,250,000.00</u>		

ESCROW REQUIREMENTS

City of Newton, Massachusetts
General Obligation Municipal Purpose Loan of 2017 Bonds
Advance Refunding of May 1, 2010 Series A, May 1, 2010 Series B & April 14, 2011
SLGS as of 12/7/2017 (for invested cash contribution)
OMS for bond proceeds escrow
FINAL

Dated Date 12/21/2017
Delivery Date 12/21/2017

Period Ending	Interest	Principal Redeemed	Total
03/01/2018	248,253.13	-	248,253.13
04/01/2018	19,606.26	-	19,606.26
09/01/2018	248,253.13	-	248,253.13
10/01/2018	19,606.26	-	19,606.26
03/01/2019	248,253.13	-	248,253.13
04/01/2019	19,606.26	-	19,606.26
09/01/2019	248,253.13	-	248,253.13
10/01/2019	19,606.26	-	19,606.26
03/01/2020	248,253.13	12,220,000.00	12,468,253.13
04/01/2020	19,606.26	-	19,606.26
10/01/2020	19,606.26	-	19,606.26
04/01/2021	19,606.26	1,030,000.00	1,049,606.26
	1,378,509.47	13,250,000.00	14,628,509.47

ESCROW COST DETAIL

City of Newton, Massachusetts
General Obligation Municipal Purpose Loan of 2017 Bonds
Advance Refunding of May 1, 2010 Series A, May 1, 2010 Series B & April 14, 2011
SLGS as of 12/7/2017 (for invested cash contribution)
OMS for bond proceeds escrow
FINAL

Type of Security	Maturity Date	Par Amount	Rate	Yield	Price	Cost	Accrued Interest	Total Cost
Advance Refunding May 1, 2010 Series A, CC:								
SLGS	03/01/2018	158,853.00	1.220%	-	-	-	-	158,853.00
Advance Refunding May 1, 2010 Series B, Prior Debt (PRI), CC:								
SLGS	03/01/2018	5,000.00	1.220%	-	-	-	-	5,000.00
SLGS	03/01/2018	9,000.00	1.220%	-	-	-	-	9,000.00
SLGS	03/01/2018	6,000.00	1.220%	-	-	-	-	6,000.00
SLGS	03/01/2018	44,000.00	1.220%	-	-	-	-	44,000.00
SLGS	03/01/2018	24,400.00	1.220%	-	-	-	-	24,400.00
		<u>88,400.00</u>						<u>88,400.00</u>
Advance Refunding April 14, 2011, Prior Debt (PRI), CC:								
SLGS	04/01/2018	7,625.00	1.280%	-	-	-	-	7,625.00
SLGS	04/01/2018	4,084.00	1.280%	-	-	-	-	4,084.00
SLGS	04/01/2018	3,131.00	1.280%	-	-	-	-	3,131.00
SLGS	04/01/2018	4,765.00	1.280%	-	-	-	-	4,765.00
		<u>19,605.00</u>						<u>19,605.00</u>
Universal Proceeds Escrow:								
TNote	08/31/2018	61,100.00	0.750%	1.628989%	99.39843800	60,732.45	141.78	60,874.23
TNote	09/30/2018	7,700.00	0.750%	1.676974%	99.28906300	7,645.26	13.01	7,658.27
TNote	02/28/2019	160,900.00	1.125%	1.770539%	99.24218700	159,680.68	560.04	160,240.72
TNote	03/31/2019	7,700.00	1.625%	1.798633%	99.78125000	7,683.16	28.19	7,711.35
TNote	08/31/2019	161,800.00	1.625%	1.838982%	99.64453100	161,224.85	813.47	162,038.32
TNote	09/30/2019	7,800.00	1.375%	1.844256%	99.18359400	7,736.32	24.16	7,760.48
TNote	02/29/2020	12,383,100.00	1.375%	1.852687%	98.97840366	12,256,594.70	52,679.49	12,309,274.19
TNote	03/31/2020	7,800.00	1.375%	1.885740%	98.86718900	7,711.64	24.16	7,735.80
TNote	09/30/2020	7,900.00	1.375%	1.941315%	98.47656200	7,779.65	24.47	7,804.12
TNote	03/31/2021	1,037,900.00	2.250%	2.009289%	100.75781300	1,045,765.34	5,260.78	1,051,026.12
		<u>13,843,700.00</u>				<u>13,722,554.05</u>	<u>59,569.55</u>	<u>13,782,123.60</u>
		14,110,558.00				13,722,554.05	59,569.55	14,048,981.60

Escrow	Purchase Date	Cost of Securities	Cash Deposit	Total Escrow Cost	Yield
Advance Refunding May 1, 2010 Series A:					
CC	12/21/2017	158,853.00	0.13	158,853.13	1.205493%
Advance Refunding May 1, 2010 Series B, Prior Debt (PRI):					
CC	12/21/2017	5,000.00	-	5,000.00	1.205642%
CC	12/21/2017	9,000.00	-	9,000.00	1.205642%
CC	12/21/2017	6,000.00	-	6,000.00	1.205642%
CC	12/21/2017	-	1,000.00	1,000.00	-
CC	12/21/2017	44,000.00	-	44,000.00	1.205525%
CC	12/21/2017	24,400.00	-	24,400.00	1.205515%
		<u>88,400.00</u>	<u>1,000.00</u>	<u>89,400.00</u>	
Advance Refunding April 14, 2011, Prior Debt (PRI):					
CC	12/21/2017	7,625.00	-	7,625.00	1.277033%
CC	12/21/2017	4,084.00	0.38	4,084.38	1.277321%
CC	12/21/2017	3,131.00	0.25	3,131.25	1.276926%
CC	12/21/2017	4,765.00	0.63	4,765.63	1.277106%
		<u>19,605.00</u>	<u>1.26</u>	<u>19,606.26</u>	
Universal Proceeds Escrow:					
	12/21/2017	13,782,123.60	60.44	13,782,184.04	1.869969%
		<u>14,048,981.60</u>	<u>1,061.83</u>	<u>14,050,043.43</u>	

ESCROW DESCRIPTIONS

City of Newton, Massachusetts
General Obligation Municipal Purpose Loan of 2017 Bonds
Advance Refunding of May 1, 2010 Series A, May 1, 2010 Series B & April 14, 2011
SLGS as of 12/7/2017 (for invested cash contribution)
OMS for bond proceeds escrow

FINAL

Type of Security	Type of SLGS	Maturity Date	First Int Pmt Date	Par Amount	Rate	Max Rate	Yield	Interest Price	Interest Class	Interest Frequency	Interest Day Basis	Cost	Accrued Interest	Total Cost	
Dec 21, 2017:															
SLGS	Certificate	03/01/2018	03/01/2018	247,253.00	1.220%	1.220%	-	-				-	-	247,253.00	
SLGS	Certificate	04/01/2018	04/01/2018	19,605.00	1.280%	1.280%	-	-				-	-	19,605.00	
TNote		08/31/2018	-	61,100.00	0.750%	-	1.629%	99.398438	Periodic	Semiannual	ACT/ACT	60,732.45	141.78	60,874.23	
TNote		09/30/2018	-	7,700.00	0.750%	-	1.677%	99.289063	Periodic	Semiannual	ACT/ACT	7,645.26	13.01	7,658.27	
TNote		02/28/2019	-	160,900.00	1.125%	-	1.771%	99.242187	Periodic	Semiannual	ACT/ACT	159,680.68	560.04	160,240.72	
TNote		03/31/2019	-	7,700.00	1.625%	-	1.799%	99.781250	Periodic	Semiannual	ACT/ACT	7,683.16	28.19	7,711.35	
TNote		08/31/2019	-	161,800.00	1.625%	-	1.839%	99.644531	Periodic	Semiannual	ACT/ACT	161,224.85	813.47	162,038.32	
TNote		09/30/2019	-	7,800.00	1.375%	-	1.844%	99.183594	Periodic	Semiannual	ACT/ACT	7,736.32	24.16	7,760.48	
TNote		02/29/2020	-	12,383,100.00	1.375%	-	1.853%	98.978404	Periodic	Semiannual	ACT/ACT	12,256,594.70	52,679.49	12,309,274.19	
TNote		03/31/2020	-	7,800.00	1.375%	-	1.886%	98.867189	Periodic	Semiannual	ACT/ACT	7,711.64	24.16	7,735.80	
TNote		09/30/2020	-	7,900.00	1.375%	-	1.941%	98.476562	Periodic	Semiannual	ACT/ACT	7,779.65	24.47	7,804.12	
TNote		03/31/2021	-	1,037,900.00	2.250%	-	2.009%	100.757813	Periodic	Semiannual	ACT/ACT	1,045,765.34	5,260.78	1,051,026.12	
				14,110,558.00									13,722,554.05	59,569.55	14,048,981.60

SLGS Summary

SLGS Rates File 07DEC17
Total Certificates of Indebtedness 266,858.00

ESCROW CASH FLOW

City of Newton, Massachusetts
General Obligation Municipal Purpose Loan of 2017 Bonds
Advance Refunding of May 1, 2010 Series A, May 1, 2010 Series B & April 14, 2011
SLGS as of 12/7/2017 (for invested cash contribution)
OMS for bond proceeds escrow
FINAL

Date	Principal	Interest	Net Escrow Receipts
02/28/2018	-	87,582.63	87,582.63
03/01/2018	247,253.00	578.51	247,831.51
03/31/2018	-	11,929.39	11,929.39
04/01/2018	19,605.00	69.45	19,674.45
08/31/2018	61,100.00	87,582.63	148,682.63
09/30/2018	7,700.00	11,929.39	19,629.39
02/28/2019	160,900.00	87,353.50	248,253.50
03/31/2019	7,700.00	11,900.51	19,600.51
08/31/2019	161,800.00	86,448.44	248,248.44
09/30/2019	7,800.00	11,837.95	19,637.95
02/29/2020	12,383,100.00	85,133.81	12,468,233.81
03/31/2020	7,800.00	11,784.32	19,584.32
09/30/2020	7,900.00	11,730.69	19,630.69
03/31/2021	1,037,900.00	11,676.38	1,049,576.38
	14,110,558.00	517,537.60	14,628,095.60

Escrow Cost Summary

Purchase date	12/21/2017
Purchase cost of securities	14,048,981.60

ESCROW SUFFICIENCY

City of Newton, Massachusetts
 General Obligation Municipal Purpose Loan of 2017 Bonds
 Advance Refunding of May 1, 2010 Series A, May 1, 2010 Series B & April 14, 2011
 SLGS as of 12/7/2017 (for invested cash contribution)
 OMS for bond proceeds escrow
 FINAL

Date	Escrow Requirement	Net Escrow Receipts	Excess Receipts	Excess Balance
12/21/2017	-	1,061.83	1,061.83	1,061.83
02/28/2018	-	87,582.63	87,582.63	88,644.46
03/01/2018	248,253.13	247,831.51	(421.62)	88,222.84
03/31/2018	-	11,929.39	11,929.39	100,152.23
04/01/2018	19,606.26	19,674.45	68.19	100,220.42
08/31/2018	-	148,682.63	148,682.63	248,903.05
09/01/2018	248,253.13	-	(248,253.13)	649.92
09/30/2018	-	19,629.39	19,629.39	20,279.31
10/01/2018	19,606.26	-	(19,606.26)	673.05
02/28/2019	-	248,253.50	248,253.50	248,926.55
03/01/2019	248,253.13	-	(248,253.13)	673.42
03/31/2019	-	19,600.51	19,600.51	20,273.93
04/01/2019	19,606.26	-	(19,606.26)	667.67
08/31/2019	-	248,248.44	248,248.44	248,916.11
09/01/2019	248,253.13	-	(248,253.13)	662.98
09/30/2019	-	19,637.95	19,637.95	20,300.93
10/01/2019	19,606.26	-	(19,606.26)	694.67
02/29/2020	-	12,468,233.81	12,468,233.81	12,468,928.48
03/01/2020	12,468,253.13	-	(12,468,253.13)	675.35
03/31/2020	-	19,584.32	19,584.32	20,259.67
04/01/2020	19,606.26	-	(19,606.26)	653.41
09/30/2020	-	19,630.69	19,630.69	20,284.10
10/01/2020	19,606.26	-	(19,606.26)	677.84
03/31/2021	-	1,049,576.38	1,049,576.38	1,050,254.22
04/01/2021	1,049,606.26	-	(1,049,606.26)	647.96
	14,628,509.47	14,629,157.43	647.96	

ESCROW STATISTICS

City of Newton, Massachusetts
 General Obligation Municipal Purpose Loan of 2017 Bonds
 Advance Refunding of May 1, 2010 Series A, May 1, 2010 Series B & April 14, 2011
 SLGS as of 12/7/2017 (for invested cash contribution)
 OMS for bond proceeds escrow
 FINAL

Escrow	Total Escrow Cost	Modified Duration (years)	Yield to Receipt Date	Yield to Disbursement Date	Perfect Escrow Cost	Value of Negative Arbitrage	Cost of Dead Time
Advance Refunding May 1, 2010 Series A:							
CC	158,853.13	0.193	1.205493%	1.198300%	158,371.97	476.12	5.04
Advance Refunding May 1, 2010 Series B, Prior Debt (PRI):							
CC	5,000.00	0.193	1.205642%	1.198448%	4,984.86	14.98	0.16
CC	9,000.00	0.193	1.205642%	1.198448%	8,972.74	26.97	0.29
CC	6,000.00	0.193	1.205642%	1.198448%	5,981.83	17.98	0.19
CC	1,000.00	-	-	-	994.68	-	5.32
CC	44,000.00	0.193	1.205525%	1.198332%	43,866.73	131.88	1.39
CC	24,400.00	0.193	1.205515%	1.198322%	24,326.09	73.13	0.78
Advance Refunding April 14, 2011, Prior Debt (PRI):							
CC	7,625.00	0.276	1.277033%	1.268970%	7,593.51	31.13	0.36
CC	4,084.38	0.276	1.277321%	1.269255%	4,067.51	16.67	0.20
CC	3,131.25	0.276	1.276926%	1.268864%	3,118.32	12.78	0.15
CC	4,765.63	0.276	1.277106%	1.269042%	4,745.95	19.45	0.23
Universal Proceeds Escrow:							
	13,782,184.04	2.187	1.869969%	1.862622%	13,512,593.19	266,352.33	3,238.52
	14,050,043.43				13,779,617.38	267,173.42	3,252.63

Delivery date 12/21/2017
 Arbitrage yield 2.764558%

PROOF OF COMPOSITE ESCROW YIELD

City of Newton, Massachusetts
General Obligation Municipal Purpose Loan of 2017 Bonds
Advance Refunding of May 1, 2010 Series A, May 1, 2010 Series B & April 14, 2011
SLGS as of 12/7/2017 (for invested cash contribution)
OMS for bond proceeds escrow
FINAL

All restricted escrows funded by bond proceeds

Date	Security Receipts	Present Value to 12/21/2017 @ 1.8699686403%
02/28/2018	87,582.63	87,279.76
03/31/2018	11,929.39	11,867.87
08/31/2018	148,682.63	146,773.19
09/30/2018	19,629.39	19,348.27
02/28/2019	248,253.50	242,832.90
03/31/2019	19,600.51	19,139.85
08/31/2019	248,248.44	240,541.26
09/30/2019	19,637.95	18,999.76
02/29/2020	12,468,233.81	11,970,469.55
03/31/2020	19,584.32	18,771.38
09/30/2020	19,630.69	18,642.49
03/31/2021	1,049,576.38	987,457.31
	14,360,589.64	13,782,123.60

Escrow Cost Summary

Purchase date	12/21/2017
Purchase cost of securities	13,782,123.60
Target for yield calculation	13,782,123.60

PROOF OF ARBITRAGE YIELD

City of Newton, Massachusetts
General Obligation Municipal Purpose Loan of 2017 Bonds
Advance Refunding of May 1, 2010 Series A, May 1, 2010 Series B & April 14, 2011
SLGS as of 12/7/2017 (for invested cash contribution)
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FINAL

Date	Debt Service	Total	Present Value to 12/21/2017 @ 2.7645578733%
09/01/2018	1,731,297.74	1,731,297.74	1,698,600.07
03/01/2019	799,534.39	799,534.39	773,738.98
09/01/2019	1,539,534.39	1,539,534.39	1,469,551.03
03/01/2020	781,034.39	781,034.39	735,365.73
09/01/2020	2,446,034.39	2,446,034.39	2,271,609.82
03/01/2021	739,409.38	739,409.38	677,320.29
09/01/2021	2,504,409.38	2,504,409.38	2,262,832.47
03/01/2022	695,284.38	695,284.38	619,651.50
09/01/2022	2,475,284.38	2,475,284.38	2,175,945.84
03/01/2023	650,784.38	650,784.38	564,284.41
09/01/2023	2,450,784.38	2,450,784.38	2,096,061.33
03/01/2024	605,784.38	605,784.38	511,040.01
09/01/2024	2,425,784.38	2,425,784.38	2,018,491.75
03/01/2025	560,284.38	560,284.38	459,855.36
09/01/2025	2,095,284.38	2,095,284.38	1,696,264.84
03/01/2026	521,909.38	521,909.38	416,757.80
09/01/2026	2,076,909.38	2,076,909.38	1,635,852.47
03/01/2027	483,034.38	483,034.38	375,268.90
09/01/2027	13,278,034.38	13,278,034.38	10,175,043.54
03/01/2028	203,059.38	203,059.38	153,484.14
09/01/2028	203,059.38	203,059.38	151,391.48
03/01/2029	203,059.38	203,059.38	149,327.36
09/01/2029	203,059.38	203,059.38	147,291.39
03/01/2030	203,059.38	203,059.38	145,283.17
09/01/2030	203,059.38	203,059.38	143,302.33
03/01/2031	203,059.38	203,059.38	141,348.50
09/01/2031	203,059.38	203,059.38	139,421.31
03/01/2032	203,059.38	203,059.38	137,520.39
09/01/2032	203,059.38	203,059.38	135,645.39
03/01/2033	203,059.38	203,059.38	133,795.96
09/01/2033	203,059.38	203,059.38	131,971.74
03/01/2034	203,059.38	203,059.38	130,172.40
09/01/2034	203,059.38	203,059.38	128,397.58
03/01/2035	203,059.38	203,059.38	126,646.97
09/01/2035	203,059.38	203,059.38	124,920.22
03/01/2036	203,059.38	203,059.38	123,217.02
09/01/2036	1,543,059.38	1,543,059.38	923,566.64
03/01/2037	182,959.38	182,959.38	108,013.55
09/01/2037	1,542,959.38	1,542,959.38	898,495.68
03/01/2038	162,559.38	162,559.38	93,370.89
09/01/2038	1,347,559.38	1,347,559.38	763,458.29
03/01/2039	144,784.38	144,784.38	80,909.04
09/01/2039	1,354,784.38	1,354,784.38	746,764.19
03/01/2040	125,878.13	125,878.13	68,438.67
09/01/2040	1,000,878.13	1,000,878.13	536,747.96
03/01/2041	112,206.25	112,206.25	59,353.21
09/01/2041	1,012,206.25	1,012,206.25	528,121.83
03/01/2042	97,581.25	97,581.25	50,219.16
09/01/2042	1,022,581.25	1,022,581.25	519,085.42
03/01/2043	82,550.00	82,550.00	41,332.92
09/01/2043	1,037,550.00	1,037,550.00	512,419.85
03/01/2044	67,031.25	67,031.25	32,653.68
09/01/2044	1,052,031.25	1,052,031.25	505,500.34
03/01/2045	51,025.00	51,025.00	24,183.20
09/01/2045	1,066,025.00	1,066,025.00	498,351.88
03/01/2046	34,531.25	34,531.25	15,922.78
09/01/2046	1,079,531.25	1,079,531.25	490,998.12
03/01/2047	17,550.00	17,550.00	7,873.35
09/01/2047	1,097,550.00	1,097,550.00	485,673.97
	57,547,798.00	57,547,798.00	42,968,128.11

Proceeds Summary

Delivery date	12/21/2017
Par Value	38,930,000.00
Premium (Discount)	4,038,128.10
Target for yield calculation	42,968,128.10

PROOF OF ARBITRAGE YIELD

City of Newton, Massachusetts
 General Obligation Municipal Purpose Loan of 2017 Bonds
 Advance Refunding of May 1, 2010 Series A, May 1, 2010 Series B & April 14, 2011
 SLGS as of 12/7/2017 (for invested cash contribution)
 OMS for bond proceeds escrow
 FINAL

Assumed Call/Computation Dates for Premium Bonds

Bond Component	Maturity Date	Rate	Yield	Call Date	Call Price	Yield To Call/Maturity
BOND	09/01/2028	5.000%	2.110%	09/01/2027	100.000000	2.1096564%
BOND	09/01/2029	5.000%	2.170%	09/01/2027	100.000000	2.1696620%
BOND	09/01/2030	4.000%	2.440%	09/01/2027	100.000000	2.4396740%
BOND	09/01/2031	4.000%	2.530%	09/01/2027	100.000000	2.5296754%
BOND	09/01/2032	4.000%	2.620%	09/01/2027	100.000000	2.6196817%
BOND	09/01/2033	4.000%	2.710%	09/01/2027	100.000000	2.7095747%
BOND	09/01/2034	4.000%	2.790%	09/01/2027	100.000000	2.7896057%
BOND	09/01/2035	4.000%	2.870%	09/01/2027	100.000000	2.8695717%

Rejected Call/Computation Dates for Premium Bonds

Bond Component	Maturity Date	Rate	Yield	Call Date	Call Price	Yield To Call/Maturity	Increase to Yield
BOND	09/01/2028	5.000%	2.110%	-	-	2.3229473%	0.2132909%
BOND	09/01/2029	5.000%	2.170%	-	-	2.5511473%	0.3814853%
BOND	09/01/2030	4.000%	2.440%	-	-	2.7429214%	0.3032473%
BOND	09/01/2031	4.000%	2.530%	-	-	2.8824058%	0.3527304%
BOND	09/01/2032	4.000%	2.620%	-	-	3.0049148%	0.3852331%
BOND	09/01/2033	4.000%	2.710%	-	-	3.1136443%	0.4040696%
BOND	09/01/2034	4.000%	2.790%	-	-	3.2047147%	0.4151090%
BOND	09/01/2035	4.000%	2.870%	-	-	3.2869982%	0.4174265%

FORM 8038 STATISTICS

City of Newton, Massachusetts
General Obligation Municipal Purpose Loan of 2017 Bonds
Advance Refunding of May 1, 2010 Series A, May 1, 2010 Series B & April 14, 2011
SLGS as of 12/7/2017 (for invested cash contribution)
OMS for bond proceeds escrow
FINAL

Dated Date 12/21/2017
Delivery Date 12/21/2017

Bond Component	Date	Principal	Coupon	Price	Issue Price	Redemption at Maturity
Bond Component:						
	09/01/2018	600,000.00	5.000%	102.625	615,750.00	600,000.00
	09/01/2019	740,000.00	5.000%	105.953	784,052.20	740,000.00
	09/01/2020	553,000.00	5.000%	109.234	604,064.02	553,000.00
	09/01/2020	1,112,000.00	5.000%	109.234	1,214,682.08	1,112,000.00
	09/01/2021	643,650.00	5.000%	112.377	723,314.56	643,650.00
	09/01/2021	1,121,350.00	5.000%	112.377	1,260,139.49	1,121,350.00
	09/01/2022	641,000.00	5.000%	115.217	738,540.97	641,000.00
	09/01/2022	1,139,000.00	5.000%	115.217	1,312,321.63	1,139,000.00
	09/01/2023	641,000.00	5.000%	117.776	754,944.16	641,000.00
	09/01/2023	1,159,000.00	5.000%	117.776	1,365,023.84	1,159,000.00
	09/01/2024	639,000.00	5.000%	120.234	768,295.26	639,000.00
	09/01/2024	1,181,000.00	5.000%	120.234	1,419,963.54	1,181,000.00
	09/01/2025	335,000.00	5.000%	122.652	410,884.20	335,000.00
	09/01/2025	1,200,000.00	5.000%	122.652	1,471,824.00	1,200,000.00
	09/01/2026	334,000.00	5.000%	124.733	416,608.22	334,000.00
	09/01/2026	1,221,000.00	5.000%	124.733	1,522,989.93	1,221,000.00
	09/01/2027	334,000.00	5.000%	126.315	421,892.10	334,000.00
	09/01/2027	1,246,000.00	5.000%	126.315	1,573,884.90	1,246,000.00
	09/01/2028	334,000.00	5.000%	125.214	418,214.76	334,000.00
	09/01/2028	1,271,000.00	5.000%	125.214	1,591,469.94	1,271,000.00
	09/01/2029	333,000.00	5.000%	124.618	414,977.94	333,000.00
	09/01/2029	1,297,000.00	5.000%	124.618	1,616,295.46	1,297,000.00
	09/01/2030	90,000.00	4.000%	113.392	102,052.80	90,000.00
	09/01/2030	1,320,000.00	4.000%	113.392	1,496,774.40	1,320,000.00
	09/01/2031	1,340,000.00	4.000%	112.564	1,508,357.60	1,340,000.00
	09/01/2032	1,365,000.00	4.000%	111.743	1,525,291.95	1,365,000.00
	09/01/2033	1,260,000.00	4.000%	110.930	1,397,718.00	1,260,000.00
	09/01/2034	1,290,000.00	4.000%	110.212	1,421,734.80	1,290,000.00
	09/01/2035	1,315,000.00	4.000%	109.500	1,439,925.00	1,315,000.00
	09/01/2036	1,340,000.00	3.000%	98.500	1,319,900.00	1,340,000.00
	09/01/2037	1,360,000.00	3.000%	97.750	1,329,400.00	1,360,000.00
	09/01/2038	1,185,000.00	3.000%	97.135	1,151,049.75	1,185,000.00
	09/01/2039	1,210,000.00	3.125%	98.500	1,191,850.00	1,210,000.00
	09/01/2040	875,000.00	3.125%	98.000	857,500.00	875,000.00
Bond Component #2:						
	09/01/2041	900,000.00	3.250%	99.156	892,404.00	900,000.00
	09/01/2042	925,000.00	3.250%	99.156	917,193.00	925,000.00
Bond Component #3:						
	09/01/2043	955,000.00	3.250%	98.750	943,062.50	955,000.00
	09/01/2044	985,000.00	3.250%	98.750	972,687.50	985,000.00
Bond Component #4:						
	09/01/2045	1,015,000.00	3.250%	98.124	995,958.60	1,015,000.00
	09/01/2046	1,045,000.00	3.250%	98.124	1,025,395.80	1,045,000.00
	09/01/2047	1,080,000.00	3.250%	98.124	1,059,739.20	1,080,000.00
		38,930,000.00			42,968,128.10	38,930,000.00

	Maturity Date	Interest Rate	Issue Price	Stated Redemption at Maturity	Weighted Average Maturity	Yield
Final Maturity	09/01/2047	3.250%	1,059,739.20	1,080,000.00	-	-
Entire Issue	-	-	42,968,128.10	38,930,000.00	13.5741	2.7646%

Proceeds used for accrued interest	0.00
Proceeds used for bond issuance costs (including underwriters' discount)	381,168.52
Proceeds used for credit enhancement	0.00
Proceeds allocated to reasonably required reserve or replacement fund	0.00
Proceeds used to currently refund prior issues	0.00
Proceeds used to advance refund prior issues	13,782,184.04
Remaining weighted average maturity of the bonds to be currently refunded	0.0000
Remaining weighted average maturity of the bonds to be advance refunded	10.2337

FORM 8038 STATISTICS

City of Newton, Massachusetts
General Obligation Municipal Purpose Loan of 2017 Bonds
Advance Refunding of May 1, 2010 Series A, May 1, 2010 Series B & April 14, 2011
SLGS as of 12/7/2017 (for invested cash contribution)
OMS for bond proceeds escrow
FINAL

Refunded Bonds

Bond Component	Date	Principal	Coupon	Price	Issue Price
May 1, 2010 Series A School (ISQ):					
BOND	03/01/2021	390,000.00	4.000%	106.518	415,420.20
BOND	03/01/2022	390,000.00	4.000%	105.654	412,050.60
BOND	03/01/2023	390,000.00	4.000%	104.799	408,716.10
BOND	03/01/2024	390,000.00	4.000%	103.951	405,408.90
BOND	03/01/2025	390,000.00	4.000%	103.112	402,136.80
BOND	03/01/2026	390,000.00	4.000%	102.281	398,895.90
BOND	03/01/2027	390,000.00	4.000%	101.212	394,726.80
BOND02	03/01/2028	390,000.00	4.000%	100.000	390,000.00
BOND02	03/01/2029	390,000.00	4.000%	100.000	390,000.00
BOND03	03/01/2030	390,000.00	4.125%	98.845	385,495.50
BOND03	03/01/2031	385,000.00	4.125%	98.845	380,553.25
BOND03	03/01/2032	385,000.00	4.125%	98.845	380,553.25
BOND03	03/01/2033	385,000.00	4.125%	98.845	380,553.25
BOND03	03/01/2034	385,000.00	4.125%	98.845	380,553.25
BOND03	03/01/2035	385,000.00	4.125%	98.845	380,553.25
BOND04	03/01/2036	385,000.00	4.250%	99.158	381,758.30
BOND04	03/01/2037	385,000.00	4.250%	99.158	381,758.30
BOND04	03/01/2038	385,000.00	4.250%	99.158	381,758.30
BOND04	03/01/2039	385,000.00	4.250%	99.158	381,758.30
BOND04	03/01/2040	385,000.00	4.250%	99.158	381,758.30
		<u>7,750,000.00</u>			<u>7,814,408.55</u>
April 14, 2011 School Boiler Replacement (I):					
BOND02	04/01/2022	20,000.00	3.625%	99.142	19,828.40
BOND02	04/01/2023	20,000.00	3.625%	99.142	19,828.40
BOND02	04/01/2024	20,000.00	3.625%	99.142	19,828.40
BOND02	04/01/2025	15,000.00	3.625%	99.142	14,871.30
BOND02	04/01/2026	15,000.00	3.625%	99.142	14,871.30
BOND03	04/01/2027	15,000.00	4.000%	99.318	14,897.70
BOND03	04/01/2028	15,000.00	4.000%	99.318	14,897.70
BOND03	04/01/2029	15,000.00	4.000%	99.318	14,897.70
BOND03	04/01/2030	15,000.00	4.000%	99.318	14,897.70
BOND03	04/01/2031	15,000.00	4.000%	99.318	14,897.70
		<u>165,000.00</u>			<u>163,716.30</u>
April 14, 2011 Horace Mann School Windows/Doors (I):					
BOND02	04/01/2022	25,000.00	3.625%	99.142	24,785.50
BOND02	04/01/2023	25,000.00	3.625%	99.142	24,785.50
BOND02	04/01/2024	25,000.00	3.625%	99.142	24,785.50
BOND02	04/01/2025	25,000.00	3.625%	99.142	24,785.50
BOND02	04/01/2026	25,000.00	3.625%	99.142	24,785.50
BOND03	04/01/2027	25,000.00	4.000%	99.318	24,829.50
BOND03	04/01/2028	25,000.00	4.000%	99.318	24,829.50
BOND03	04/01/2029	25,000.00	4.000%	99.318	24,829.50
BOND03	04/01/2030	25,000.00	4.000%	99.318	24,829.50
BOND03	04/01/2031	25,000.00	4.000%	99.318	24,829.50
		<u>250,000.00</u>			<u>248,075.00</u>
May 1, 2010 Series B Various Sewer System Improvements (I):					
BOND	03/01/2021	25,000.00	4.000%	107.127	26,781.75
BOND	03/01/2022	25,000.00	4.000%	105.999	26,499.75
BOND	03/01/2023	25,000.00	4.000%	105.140	26,285.00
BOND	03/01/2024	25,000.00	4.000%	104.459	26,114.75
BOND	03/01/2025	25,000.00	4.000%	103.531	25,882.75
BOND	03/01/2026	25,000.00	4.000%	102.862	25,715.50
BOND	03/01/2027	25,000.00	4.000%	102.198	25,549.50
BOND	03/01/2028	25,000.00	4.000%	101.539	25,384.75
BOND	03/01/2029	25,000.00	4.000%	100.886	25,221.50
BOND	03/01/2030	25,000.00	4.000%	100.237	25,059.25
		<u>250,000.00</u>			<u>258,494.50</u>
May 1, 2010 Series B Modular Classrooms (I):					
BOND	03/01/2021	90,000.00	4.000%	107.127	96,414.30
BOND	03/01/2022	90,000.00	4.000%	105.999	95,399.10
BOND	03/01/2023	90,000.00	4.000%	105.140	94,626.00
BOND	03/01/2024	90,000.00	4.000%	104.459	94,013.10
BOND	03/01/2025	90,000.00	4.000%	103.531	93,177.90
		<u>450,000.00</u>			<u>473,630.40</u>
May 1, 2010 Series B Burr School Windows (I):					
BOND	03/01/2021	30,000.00	4.000%	107.127	32,138.10
BOND	03/01/2022	30,000.00	4.000%	105.999	31,799.70
BOND	03/01/2023	30,000.00	4.000%	105.140	31,542.00
BOND	03/01/2024	30,000.00	4.000%	104.459	31,337.70
BOND	03/01/2025	30,000.00	4.000%	103.531	31,059.30
BOND	03/01/2026	30,000.00	4.000%	102.862	30,858.60
BOND	03/01/2027	30,000.00	4.000%	102.198	30,659.40
BOND	03/01/2028	30,000.00	4.000%	101.539	30,461.70
BOND	03/01/2029	30,000.00	4.000%	100.886	30,265.80
BOND	03/01/2030	30,000.00	4.000%	100.237	30,071.10
		<u>300,000.00</u>			<u>310,193.40</u>
May 1, 2010 Series B Fire Station 4 Renovations (I):					
BOND	03/01/2021	5,000.00	4.000%	107.127	5,356.35
BOND	03/01/2022	5,000.00	4.000%	105.999	5,299.95
BOND	03/01/2023	5,000.00	4.000%	105.140	5,257.00
BOND	03/01/2024	5,000.00	4.000%	104.459	5,222.95
BOND	03/01/2025	5,000.00	4.000%	103.531	5,176.55
BOND	03/01/2026	5,000.00	4.000%	102.862	5,143.10
BOND	03/01/2027	5,000.00	4.000%	102.198	5,109.90
BOND	03/01/2028	5,000.00	4.000%	101.539	5,076.95
BOND	03/01/2029	5,000.00	4.000%	100.886	5,044.30
BOND	03/01/2030	5,000.00	4.000%	100.237	5,011.85
		<u>50,000.00</u>			<u>51,698.90</u>

FORM 8038 STATISTICS

City of Newton, Massachusetts
General Obligation Municipal Purpose Loan of 2017 Bonds
Advance Refunding of May 1, 2010 Series A, May 1, 2010 Series B & April 14, 2011
SLGS as of 12/7/2017 (for invested cash contribution)
OMS for bond proceeds escrow
FINAL

Refunded Bonds

Bond Component	Date	Principal	Coupon	Price	Issue Price
May 1, 2010 Series B Fire Station 7 Renovations (I):					
BOND	03/01/2021	220,000.00	4.000%	107.127	235,679.40
BOND	03/01/2022	220,000.00	4.000%	105.999	233,197.80
BOND	03/01/2023	220,000.00	4.000%	105.140	231,308.00
BOND	03/01/2024	220,000.00	4.000%	104.459	229,809.80
BOND	03/01/2025	220,000.00	4.000%	103.531	227,768.20
BOND	03/01/2026	220,000.00	4.000%	102.862	226,296.40
BOND	03/01/2027	220,000.00	4.000%	102.198	224,835.60
BOND	03/01/2028	220,000.00	4.000%	101.539	223,385.80
BOND	03/01/2029	220,000.00	4.000%	100.886	221,949.20
BOND	03/01/2030	220,000.00	4.000%	100.237	220,521.40
		<u>2,200,000.00</u>			<u>2,274,751.60</u>
May 1, 2010 Series B Energy Conservation (I):					
BOND	03/01/2021	245,000.00	4.000%	107.127	262,461.15
BOND	03/01/2022	245,000.00	4.000%	105.999	259,697.55
BOND	03/01/2023	245,000.00	4.000%	105.140	257,593.00
BOND	03/01/2024	245,000.00	4.000%	104.459	255,924.55
BOND	03/01/2025	240,000.00	4.000%	103.531	248,474.40
		<u>1,220,000.00</u>			<u>1,284,150.65</u>
April 14, 2011 School Roof Repairs (I):					
BOND02	04/01/2022	40,000.00	3.625%	99.142	39,656.80
BOND02	04/01/2023	40,000.00	3.625%	99.142	39,656.80
BOND02	04/01/2024	40,000.00	3.625%	99.142	39,656.80
BOND02	04/01/2025	40,000.00	3.625%	99.142	39,656.80
BOND02	04/01/2026	40,000.00	3.625%	99.142	39,656.80
BOND03	04/01/2027	40,000.00	4.000%	99.318	39,727.20
BOND03	04/01/2028	40,000.00	4.000%	99.318	39,727.20
BOND03	04/01/2029	40,000.00	4.000%	99.318	39,727.20
BOND03	04/01/2030	40,000.00	4.000%	99.318	39,727.20
BOND03	04/01/2031	40,000.00	4.000%	99.318	39,727.20
		<u>400,000.00</u>			<u>396,920.00</u>
April 14, 2011 School Masonry Repairs (I):					
BOND02	04/01/2022	25,000.00	3.625%	99.142	24,785.50
BOND02	04/01/2023	25,000.00	3.625%	99.142	24,785.50
BOND02	04/01/2024	25,000.00	3.625%	99.142	24,785.50
BOND02	04/01/2025	20,000.00	3.625%	99.142	19,828.40
BOND02	04/01/2026	20,000.00	3.625%	99.142	19,828.40
BOND03	04/01/2027	20,000.00	4.000%	99.318	19,863.60
BOND03	04/01/2028	20,000.00	4.000%	99.318	19,863.60
BOND03	04/01/2029	20,000.00	4.000%	99.318	19,863.60
BOND03	04/01/2030	20,000.00	4.000%	99.318	19,863.60
BOND03	04/01/2031	20,000.00	4.000%	99.318	19,863.60
		<u>215,000.00</u>			<u>213,331.30</u>
		<u>13,250,000.00</u>			<u>13,489,370.60</u>

	Last Call Date	Issue Date	Remaining Weighted Average Maturity
May 1, 2010 Series A School (ISQ)	03/01/2020	05/06/2010	12.5386
April 14, 2011 School Boiler Replacement (I)	04/01/2021	04/14/2011	8.4619
April 14, 2011 Horace Mann School Windows/Doors (I)	04/01/2021	04/14/2011	8.7800
May 1, 2010 Series B Various Sewer System Improvements (I)	03/01/2020	05/06/2010	7.6348
May 1, 2010 Series B Modular Classrooms (I)	03/01/2020	05/06/2010	5.1779
May 1, 2010 Series B Burr School Windows (I)	03/01/2020	05/06/2010	7.6348
May 1, 2010 Series B Fire Station 4 Renovations (I)	03/01/2020	05/06/2010	7.6348
May 1, 2010 Series B Fire Station 7 Renovations (I)	03/01/2020	05/06/2010	7.6348
May 1, 2010 Series B Energy Conservation (I)	03/01/2020	05/06/2010	5.1697
April 14, 2011 School Roof Repairs (I)	04/01/2021	04/14/2011	8.7800
April 14, 2011 School Masonry Repairs (I)	04/01/2021	04/14/2011	8.5359
All Refunded Issues	04/01/2021	-	10.2337

SAVINGS

City of Newton, Massachusetts
Advance Refunding May 1, 2010 Series A

Date	Prior Debt Service	Cash Contribution	Prior Net Cash Flow	Refunding Debt Service	Non-Called Debt Service	Refunding Net Cash Flow	Savings	Annual Savings
12/21/2017	-	158,853.13	(158,853.13)	-	-	-	(158,853.13)	-
03/01/2018	572,253.13	-	572,253.13	-	413,400.00	413,400.00	158,853.13	-
06/30/2018	-	-	-	-	-	-	-	-
09/01/2018	174,453.13	-	174,453.13	215,324.65	15,600.00	230,924.65	(56,471.52)	-
03/01/2019	564,453.13	-	564,453.13	155,033.75	405,600.00	560,633.75	3,819.38	-
06/30/2019	-	-	-	-	-	-	-	(52,652.14)
09/01/2019	166,653.13	-	166,653.13	155,033.75	7,800.00	162,833.75	3,819.38	-
03/01/2020	556,653.13	-	556,653.13	155,033.75	397,800.00	552,833.75	3,819.38	-
06/30/2020	-	-	-	-	-	-	-	7,638.76
09/01/2020	158,853.13	-	158,853.13	515,383.75	-	515,383.75	(356,530.62)	-
03/01/2021	548,853.13	-	548,853.13	146,025.00	-	146,025.00	402,828.13	-
06/30/2021	-	-	-	-	-	-	-	46,297.51
09/01/2021	151,053.13	-	151,053.13	506,025.00	-	506,025.00	(354,971.87)	-
03/01/2022	541,053.13	-	541,053.13	137,025.00	-	137,025.00	404,028.13	-
06/30/2022	-	-	-	-	-	-	-	49,056.26
09/01/2022	143,253.13	-	143,253.13	497,025.00	-	497,025.00	(353,771.87)	-
03/01/2023	533,253.13	-	533,253.13	128,025.00	-	128,025.00	405,228.13	-
06/30/2023	-	-	-	-	-	-	-	51,456.26
09/01/2023	135,453.13	-	135,453.13	488,025.00	-	488,025.00	(352,571.87)	-
03/01/2024	525,453.13	-	525,453.13	119,025.00	-	119,025.00	406,428.13	-
06/30/2024	-	-	-	-	-	-	-	53,856.26
09/01/2024	127,653.13	-	127,653.13	479,025.00	-	479,025.00	(351,371.87)	-
03/01/2025	517,653.13	-	517,653.13	110,025.00	-	110,025.00	407,628.13	-
06/30/2025	-	-	-	-	-	-	-	56,256.26
09/01/2025	119,853.13	-	119,853.13	470,025.00	-	470,025.00	(350,171.87)	-
03/01/2026	509,853.13	-	509,853.13	101,025.00	-	101,025.00	408,828.13	-
06/30/2026	-	-	-	-	-	-	-	58,656.26
09/01/2026	112,053.13	-	112,053.13	461,025.00	-	461,025.00	(348,971.87)	-
03/01/2027	502,053.13	-	502,053.13	92,025.00	-	92,025.00	410,028.13	-
06/30/2027	-	-	-	-	-	-	-	61,056.26
09/01/2027	104,253.13	-	104,253.13	452,025.00	-	452,025.00	(347,771.87)	-
03/01/2028	494,253.13	-	494,253.13	83,025.00	-	83,025.00	411,228.13	-
06/30/2028	-	-	-	-	-	-	-	63,456.26
09/01/2028	96,453.13	-	96,453.13	443,025.00	-	443,025.00	(346,571.87)	-
03/01/2029	486,453.13	-	486,453.13	74,025.00	-	74,025.00	412,428.13	-
06/30/2029	-	-	-	-	-	-	-	65,856.26
09/01/2029	88,653.13	-	88,653.13	434,025.00	-	434,025.00	(345,371.87)	-
03/01/2030	478,653.13	-	478,653.13	65,025.00	-	65,025.00	413,628.13	-
06/30/2030	-	-	-	-	-	-	-	68,256.26
09/01/2030	80,609.38	-	80,609.38	425,025.00	-	425,025.00	(344,415.62)	-
03/01/2031	465,609.38	-	465,609.38	57,825.00	-	57,825.00	407,784.38	-
06/30/2031	-	-	-	-	-	-	-	63,368.76
09/01/2031	72,668.75	-	72,668.75	417,825.00	-	417,825.00	(345,156.25)	-
03/01/2032	457,668.75	-	457,668.75	50,625.00	-	50,625.00	407,043.75	-
06/30/2032	-	-	-	-	-	-	-	61,887.50
09/01/2032	64,728.13	-	64,728.13	410,625.00	-	410,625.00	(345,896.87)	-
03/01/2033	449,728.13	-	449,728.13	43,425.00	-	43,425.00	406,303.13	-
06/30/2033	-	-	-	-	-	-	-	60,406.26
09/01/2033	56,787.50	-	56,787.50	403,425.00	-	403,425.00	(346,637.50)	-
03/01/2034	441,787.50	-	441,787.50	36,225.00	-	36,225.00	405,562.50	-
06/30/2034	-	-	-	-	-	-	-	58,925.00
09/01/2034	48,846.88	-	48,846.88	396,225.00	-	396,225.00	(347,378.12)	-
03/01/2035	433,846.88	-	433,846.88	29,025.00	-	29,025.00	404,821.88	-
06/30/2035	-	-	-	-	-	-	-	57,443.76
09/01/2035	40,906.25	-	40,906.25	389,025.00	-	389,025.00	(348,118.75)	-
03/01/2036	425,906.25	-	425,906.25	21,825.00	-	21,825.00	404,081.25	-
06/30/2036	-	-	-	-	-	-	-	55,962.50
09/01/2036	32,725.00	-	32,725.00	381,825.00	-	381,825.00	(349,100.00)	-
03/01/2037	417,725.00	-	417,725.00	16,425.00	-	16,425.00	401,300.00	-
06/30/2037	-	-	-	-	-	-	-	52,200.00
09/01/2037	24,543.75	-	24,543.75	376,425.00	-	376,425.00	(351,881.25)	-
03/01/2038	409,543.75	-	409,543.75	11,025.00	-	11,025.00	398,518.75	-
06/30/2038	-	-	-	-	-	-	-	46,637.50
09/01/2038	16,362.50	-	16,362.50	371,025.00	-	371,025.00	(354,662.50)	-
03/01/2039	401,362.50	-	401,362.50	5,625.00	-	5,625.00	395,737.50	-
06/30/2039	-	-	-	-	-	-	-	41,075.00
09/01/2039	8,181.25	-	8,181.25	365,625.00	-	365,625.00	(357,443.75)	-
03/01/2040	393,181.25	-	393,181.25	-	-	-	393,181.25	-
06/30/2040	-	-	-	-	-	-	-	35,737.50
	13,152,247.03	158,853.13	12,993,393.90	10,690,359.65	1,240,200.00	11,930,559.65	1,062,834.25	1,062,834.25

Savings Summary

Savings PV date	12/21/2017
Savings PV rate	2.951195%
PV of savings from cash flow	660,772.39
Plus: Refunding funds on hand	770.70
Net PV Savings	661,543.09

BOND PRICING

City of Newton, Massachusetts
Advance Refunding May 1, 2010 Series A

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)
Bond Component:									
	09/01/2020	360,350.00	5.000%	1.490%	109.234	-	-	-	33,274.72
	09/01/2021	360,000.00	5.000%	1.540%	112.377	-	-	-	44,557.20
	09/01/2022	360,000.00	5.000%	1.620%	115.217	-	-	-	54,781.20
	09/01/2023	360,000.00	5.000%	1.710%	117.776	-	-	-	63,993.60
	09/01/2024	360,000.00	5.000%	1.780%	120.234	-	-	-	72,842.40
	09/01/2025	360,000.00	5.000%	1.830%	122.652	-	-	-	81,547.20
	09/01/2026	360,000.00	5.000%	1.900%	124.733	-	-	-	89,038.80
	09/01/2027	360,000.00	5.000%	2.000%	126.315	-	-	-	94,734.00
	09/01/2028	360,000.00	5.000%	2.110%	125.214 C	2.323%	09/01/2027	100.000	90,770.40
	09/01/2029	360,000.00	5.000%	2.170%	124.618 C	2.552%	09/01/2027	100.000	88,624.80
	09/01/2030	360,000.00	4.000%	2.440%	113.392 C	2.743%	09/01/2027	100.000	48,211.20
	09/01/2031	360,000.00	4.000%	2.530%	112.564 C	2.883%	09/01/2027	100.000	45,230.40
	09/01/2032	360,000.00	4.000%	2.620%	111.743 C	3.005%	09/01/2027	100.000	42,274.80
	09/01/2033	360,000.00	4.000%	2.710%	110.930 C	3.114%	09/01/2027	100.000	39,348.00
	09/01/2034	360,000.00	4.000%	2.790%	110.212 C	3.205%	09/01/2027	100.000	36,763.20
	09/01/2035	360,000.00	4.000%	2.870%	109.500 C	3.287%	09/01/2027	100.000	34,200.00
	09/01/2036	360,000.00	3.000%	3.106%	98.500	-	-	-	(5,400.00)
	09/01/2037	360,000.00	3.000%	3.154%	97.750	-	-	-	(8,100.00)
	09/01/2038	360,000.00	3.000%	3.190%	97.135	-	-	-	(10,314.00)
	09/01/2039	360,000.00	3.125%	3.221%	98.500	-	-	-	(5,400.00)
		7,200,350.00							930,977.92

Dated Date	12/21/2017	
Delivery Date	12/21/2017	
First Coupon	09/01/2018	
Par Amount	7,200,350.00	
Premium	930,977.92	
Production	8,131,327.92	112.929620%
Underwriter's Discount	(38,759.91)	(0.538306%)
Purchase Price	8,092,568.01	112.391314%
Accrued Interest	-	
Net Proceeds	8,092,568.01	

SAVINGS

City of Newton, Massachusetts
Advance Refunding May 1, 2010 Series B

Date	Prior Debt Service	Cash Contribution	Prior Net Cash Flow	Refunding Debt Service	Non-Called Debt Service	Refunding Net Cash Flow	Savings	Annual Savings
12/21/2017	-	89,400.00	(89,400.00)	-	-	-	(89,400.00)	-
03/01/2018	751,900.00	-	751,900.00	-	662,500.00	662,500.00	89,400.00	-
06/30/2018	-	-	-	-	-	-	-	-
09/01/2018	114,400.00	-	114,400.00	137,777.78	25,000.00	162,777.78	(48,377.78)	-
03/01/2019	739,400.00	-	739,400.00	99,200.01	650,000.00	749,200.01	(9,800.01)	-
06/30/2019	-	-	-	-	-	-	-	(58,177.79)
09/01/2019	101,900.00	-	101,900.00	99,200.01	12,500.00	111,700.01	(9,800.01)	-
03/01/2020	726,900.00	-	726,900.00	99,200.01	637,500.00	736,700.01	(9,800.01)	-
06/30/2020	-	-	-	-	-	-	-	(19,600.02)
09/01/2020	89,400.00	-	89,400.00	652,200.01	-	652,200.01	(562,800.01)	-
03/01/2021	704,400.00	-	704,400.00	85,375.00	-	85,375.00	619,025.00	-
06/30/2021	-	-	-	-	-	-	-	56,224.99
09/01/2021	77,100.00	-	77,100.00	635,375.00	-	635,375.00	(558,275.00)	-
03/01/2022	692,100.00	-	692,100.00	71,625.00	-	71,625.00	620,475.00	-
06/30/2022	-	-	-	-	-	-	-	62,200.00
09/01/2022	64,800.00	-	64,800.00	620,625.00	-	620,625.00	(555,825.00)	-
03/01/2023	679,800.00	-	679,800.00	57,900.00	-	57,900.00	621,900.00	-
06/30/2023	-	-	-	-	-	-	-	66,075.00
09/01/2023	52,500.00	-	52,500.00	606,900.00	-	606,900.00	(554,400.00)	-
03/01/2024	667,500.00	-	667,500.00	44,175.00	-	44,175.00	623,325.00	-
06/30/2024	-	-	-	-	-	-	-	68,925.00
09/01/2024	40,200.00	-	40,200.00	592,175.00	-	592,175.00	(551,975.00)	-
03/01/2025	650,200.00	-	650,200.00	30,475.00	-	30,475.00	619,725.00	-
06/30/2025	-	-	-	-	-	-	-	67,750.00
09/01/2025	28,000.00	-	28,000.00	274,475.00	-	274,475.00	(246,475.00)	-
03/01/2026	308,000.00	-	308,000.00	24,375.00	-	24,375.00	283,625.00	-
06/30/2026	-	-	-	-	-	-	-	37,150.00
09/01/2026	22,400.00	-	22,400.00	268,375.00	-	268,375.00	(245,975.00)	-
03/01/2027	302,400.00	-	302,400.00	18,275.00	-	18,275.00	284,125.00	-
06/30/2027	-	-	-	-	-	-	-	38,150.00
09/01/2027	16,800.00	-	16,800.00	262,275.00	-	262,275.00	(245,475.00)	-
03/01/2028	296,800.00	-	296,800.00	12,175.00	-	12,175.00	284,625.00	-
06/30/2028	-	-	-	-	-	-	-	39,150.00
09/01/2028	11,200.00	-	11,200.00	256,175.00	-	256,175.00	(244,975.00)	-
03/01/2029	291,200.00	-	291,200.00	6,075.00	-	6,075.00	285,125.00	-
06/30/2029	-	-	-	-	-	-	-	40,150.00
09/01/2029	5,600.00	-	5,600.00	249,075.00	-	249,075.00	(243,475.00)	-
03/01/2030	285,600.00	-	285,600.00	-	-	-	285,600.00	-
06/30/2030	-	-	-	-	-	-	-	42,125.00
	7,720,500.00	89,400.00	7,631,100.00	5,203,477.82	1,987,500.00	7,190,977.82	440,122.18	440,122.18

Savings Summary

Savings PV date	12/21/2017
Savings PV rate	2.951195%
PV of savings from cash flow	296,477.54
Plus: Refunding funds on hand	906.49
Net PV Savings	297,384.03

BOND PRICING

City of Newton, Massachusetts
Advance Refunding May 1, 2010 Series B

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)
Bond Component:									
	09/01/2020	553,000.00	5.000%	1.490%	109.234	-	-	-	51,064.02
	09/01/2021	550,000.00	5.000%	1.540%	112.377	-	-	-	68,073.50
	09/01/2022	549,000.00	5.000%	1.620%	115.217	-	-	-	83,541.33
	09/01/2023	549,000.00	5.000%	1.710%	117.776	-	-	-	97,590.24
	09/01/2024	548,000.00	5.000%	1.780%	120.234	-	-	-	110,882.32
	09/01/2025	244,000.00	5.000%	1.830%	122.652	-	-	-	55,270.88
	09/01/2026	244,000.00	5.000%	1.900%	124.733	-	-	-	60,348.52
	09/01/2027	244,000.00	5.000%	2.000%	126.315	-	-	-	64,208.60
	09/01/2028	244,000.00	5.000%	2.110%	125.214 C	2.323%	09/01/2027	100.000	61,522.16
	09/01/2029	243,000.00	5.000%	2.170%	124.618 C	2.552%	09/01/2027	100.000	59,821.74
		3,968,000.00							712,323.31

Dated Date	12/21/2017	
Delivery Date	12/21/2017	
First Coupon	09/01/2018	
Par Amount	3,968,000.00	
Premium	712,323.31	
Production	4,680,323.31	117.951696%
Underwriter's Discount	(21,359.97)	(0.538306%)
Purchase Price	4,658,963.34	117.413391%
Accrued Interest	-	
Net Proceeds	4,658,963.34	

SAVINGS

City of Newton, Massachusetts
Advance Refunding April 14, 2011

Date	Prior Debt Service	Cash Contribution	Prior Net Cash Flow	Refunding Debt Service	Non-Called Debt Service	Refunding Net Cash Flow	Savings	Annual Savings
12/21/2017	-	19,606.26	(19,606.26)	-	-	-	(19,606.26)	-
04/01/2018	144,156.26	-	144,156.26	-	124,550.00	124,550.00	19,606.26	-
06/30/2018	-	-	-	-	-	-	-	-
09/01/2018	-	-	-	30,960.07	-	30,960.07	(30,960.07)	-
10/01/2018	26,856.26	-	26,856.26	-	7,250.00	7,250.00	19,606.26	-
03/01/2019	-	-	-	22,291.25	-	22,291.25	(22,291.25)	-
04/01/2019	141,856.26	-	141,856.26	-	122,250.00	122,250.00	19,606.26	-
06/30/2019	-	-	-	-	-	-	-	(14,038.80)
09/01/2019	-	-	-	22,291.25	-	22,291.25	(22,291.25)	-
10/01/2019	24,556.26	-	24,556.26	-	4,950.00	4,950.00	19,606.26	-
03/01/2020	-	-	-	22,291.25	-	22,291.25	(22,291.25)	-
04/01/2020	134,556.26	-	134,556.26	-	114,950.00	114,950.00	19,606.26	-
06/30/2020	-	-	-	-	-	-	-	(5,369.98)
09/01/2020	-	-	-	22,291.25	-	22,291.25	(22,291.25)	-
10/01/2020	22,081.26	-	22,081.26	-	2,475.00	2,475.00	19,606.26	-
03/01/2021	-	-	-	22,291.25	-	22,291.25	(22,291.25)	-
04/01/2021	132,081.26	-	132,081.26	-	112,475.00	112,475.00	19,606.26	-
06/30/2021	-	-	-	-	-	-	-	(5,369.98)
09/01/2021	-	-	-	115,941.25	-	115,941.25	(115,941.25)	-
10/01/2021	19,606.26	-	19,606.26	-	-	-	19,606.26	-
03/01/2022	-	-	-	19,950.00	-	19,950.00	(19,950.00)	-
04/01/2022	129,606.26	-	129,606.26	-	-	-	129,606.26	-
06/30/2022	-	-	-	-	-	-	-	13,321.27
09/01/2022	-	-	-	111,950.00	-	111,950.00	(111,950.00)	-
10/01/2022	17,612.50	-	17,612.50	-	-	-	17,612.50	-
03/01/2023	-	-	-	17,650.00	-	17,650.00	(17,650.00)	-
04/01/2023	127,612.50	-	127,612.50	-	-	-	127,612.50	-
06/30/2023	-	-	-	-	-	-	-	15,625.00
09/01/2023	-	-	-	109,650.00	-	109,650.00	(109,650.00)	-
10/01/2023	15,618.76	-	15,618.76	-	-	-	15,618.76	-
03/01/2024	-	-	-	15,350.00	-	15,350.00	(15,350.00)	-
04/01/2024	125,618.76	-	125,618.76	-	-	-	125,618.76	-
06/30/2024	-	-	-	-	-	-	-	16,237.52
09/01/2024	-	-	-	106,350.00	-	106,350.00	(106,350.00)	-
10/01/2024	13,625.00	-	13,625.00	-	-	-	13,625.00	-
03/01/2025	-	-	-	13,075.00	-	13,075.00	(13,075.00)	-
04/01/2025	113,625.00	-	113,625.00	-	-	-	113,625.00	-
06/30/2025	-	-	-	-	-	-	-	7,825.00
09/01/2025	-	-	-	104,075.00	-	104,075.00	(104,075.00)	-
10/01/2025	11,812.51	-	11,812.51	-	-	-	11,812.51	-
03/01/2026	-	-	-	10,800.00	-	10,800.00	(10,800.00)	-
04/01/2026	111,812.51	-	111,812.51	-	-	-	111,812.51	-
06/30/2026	-	-	-	-	-	-	-	8,750.02
09/01/2026	-	-	-	100,800.00	-	100,800.00	(100,800.00)	-
10/01/2026	10,000.00	-	10,000.00	-	-	-	10,000.00	-
03/01/2027	-	-	-	8,550.00	-	8,550.00	(8,550.00)	-
04/01/2027	110,000.00	-	110,000.00	-	-	-	110,000.00	-
06/30/2027	-	-	-	-	-	-	-	10,650.00
09/01/2027	-	-	-	98,550.00	-	98,550.00	(98,550.00)	-
10/01/2027	8,000.00	-	8,000.00	-	-	-	8,000.00	-
03/01/2028	-	-	-	6,300.00	-	6,300.00	(6,300.00)	-
04/01/2028	108,000.00	-	108,000.00	-	-	-	108,000.00	-
06/30/2028	-	-	-	-	-	-	-	11,150.00
09/01/2028	-	-	-	96,300.00	-	96,300.00	(96,300.00)	-
10/01/2028	6,000.00	-	6,000.00	-	-	-	6,000.00	-
03/01/2029	-	-	-	4,050.00	-	4,050.00	(4,050.00)	-
04/01/2029	106,000.00	-	106,000.00	-	-	-	106,000.00	-
06/30/2029	-	-	-	-	-	-	-	11,650.00
09/01/2029	-	-	-	94,050.00	-	94,050.00	(94,050.00)	-
10/01/2029	4,000.00	-	4,000.00	-	-	-	4,000.00	-
03/01/2030	-	-	-	1,800.00	-	1,800.00	(1,800.00)	-
04/01/2030	104,000.00	-	104,000.00	-	-	-	104,000.00	-
06/30/2030	-	-	-	-	-	-	-	12,150.00
09/01/2030	-	-	-	91,800.00	-	91,800.00	(91,800.00)	-
10/01/2030	2,000.00	-	2,000.00	-	-	-	2,000.00	-
04/01/2031	102,000.00	-	102,000.00	-	-	-	102,000.00	-
06/30/2031	-	-	-	-	-	-	-	12,200.00
	1,872,693.88	19,606.26	1,853,087.62	1,269,407.57	488,900.00	1,758,307.57	94,780.05	94,780.05

Savings Summary

Savings PV date	12/21/2017
Savings PV rate	2.951195%
PV of savings from cash flow	56,419.56
Plus: Refunding funds on hand	1,205.13
Net PV Savings	57,624.69

BOND PRICING

City of Newton, Massachusetts
Advance Refunding April 14, 2011

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)	
Bond Component:										
	09/01/2021	93,650.00	5.000%	1.540%	112.377	-	-	-	11,591.06	
	09/01/2022	92,000.00	5.000%	1.620%	115.217	-	-	-	13,999.64	
	09/01/2023	92,000.00	5.000%	1.710%	117.776	-	-	-	16,353.92	
	09/01/2024	91,000.00	5.000%	1.780%	120.234	-	-	-	18,412.94	
	09/01/2025	91,000.00	5.000%	1.830%	122.652	-	-	-	20,613.32	
	09/01/2026	90,000.00	5.000%	1.900%	124.733	-	-	-	22,259.70	
	09/01/2027	90,000.00	5.000%	2.000%	126.315	-	-	-	23,683.50	
	09/01/2028	90,000.00	5.000%	2.110%	125.214 C	2.323%	09/01/2027	100.000	22,692.60	
	09/01/2029	90,000.00	5.000%	2.170%	124.618 C	2.552%	09/01/2027	100.000	22,156.20	
	09/01/2030	90,000.00	4.000%	2.440%	113.392 C	2.743%	09/01/2027	100.000	12,052.80	
		909,650.00								183,815.68

Dated Date	12/21/2017	
Delivery Date	12/21/2017	
First Coupon	09/01/2018	
Par Amount	909,650.00	
Premium	183,815.68	
Production	1,093,465.68	120.207297%
Underwriter's Discount	(4,896.70)	(0.538306%)
Purchase Price	1,088,568.98	119.668991%
Accrued Interest	-	
Net Proceeds	1,088,568.98	

BOND PRICING

City of Newton, Massachusetts
Non-Exempt New Money

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)
Bond Component:									
	09/01/2018	414,225.00	5.000%	1.190%	102.625	-	-	-	10,873.41
	09/01/2019	409,500.00	5.000%	1.430%	105.953	-	-	-	24,377.54
	09/01/2020	403,650.00	5.000%	1.490%	109.234	-	-	-	37,273.04
	09/01/2021	398,650.00	5.000%	1.540%	112.377	-	-	-	49,340.91
	09/01/2022	395,000.00	5.000%	1.620%	115.217	-	-	-	60,107.15
	09/01/2023	395,000.00	5.000%	1.710%	117.776	-	-	-	70,215.20
	09/01/2024	395,000.00	5.000%	1.780%	120.234	-	-	-	79,924.30
	09/01/2025	395,000.00	5.000%	1.830%	122.652	-	-	-	89,475.40
	09/01/2026	395,000.00	5.000%	1.900%	124.733	-	-	-	97,695.35
	09/01/2027	395,000.00	5.000%	2.000%	126.315	-	-	-	103,944.25
	09/01/2028	395,000.00	5.000%	2.110%	125.214 C	2.323%	09/01/2027	100.000	99,595.30
	09/01/2029	390,700.00	5.000%	2.170%	124.618 C	2.552%	09/01/2027	100.000	96,182.53
	09/01/2030	390,000.00	4.000%	2.440%	113.392 C	2.743%	09/01/2027	100.000	52,228.80
	09/01/2031	390,000.00	4.000%	2.530%	112.564 C	2.883%	09/01/2027	100.000	48,999.60
	09/01/2032	390,000.00	4.000%	2.620%	111.743 C	3.005%	09/01/2027	100.000	45,797.70
	09/01/2033	260,000.00	4.000%	2.710%	110.930 C	3.114%	09/01/2027	100.000	28,418.00
	09/01/2034	260,000.00	4.000%	2.790%	110.212 C	3.205%	09/01/2027	100.000	26,551.20
	09/01/2035	260,000.00	4.000%	2.870%	109.500 C	3.287%	09/01/2027	100.000	24,700.00
	09/01/2036	260,000.00	3.000%	3.106%	98.500	-	-	-	(3,900.00)
	09/01/2037	260,000.00	3.000%	3.154%	97.750	-	-	-	(5,850.00)
	09/01/2038	60,000.00	3.000%	3.190%	97.135	-	-	-	(1,719.00)
	09/01/2039	60,000.00	3.125%	3.221%	98.500	-	-	-	(900.00)
	09/01/2040	60,000.00	3.125%	3.250%	98.000	-	-	-	(1,200.00)
		<u>7,431,725.00</u>							<u>1,032,130.67</u>
Bond Component #2:									
	09/01/2041	60,000.00	3.250%	3.300%	99.156	-	-	-	(506.40)
	09/01/2042	60,000.00	3.250%	3.300%	99.156	-	-	-	(506.40)
		<u>120,000.00</u>							<u>(1,012.80)</u>
Bond Component #3:									
	09/01/2043	60,000.00	3.250%	3.321%	98.750	-	-	-	(750.00)
	09/01/2044	60,000.00	3.250%	3.321%	98.750	-	-	-	(750.00)
		<u>120,000.00</u>							<u>(1,500.00)</u>
Bond Component #4:									
	09/01/2045	60,000.00	3.250%	3.350%	98.124	-	-	-	(1,125.60)
	09/01/2046	60,000.00	3.250%	3.350%	98.124	-	-	-	(1,125.60)
	09/01/2047	60,000.00	3.250%	3.350%	98.124	-	-	-	(1,125.60)
		<u>180,000.00</u>							<u>(3,376.80)</u>
		<u>7,851,725.00</u>							<u>1,026,241.07</u>

Dated Date	12/21/2017	
Delivery Date	12/21/2017	
First Coupon	09/01/2018	
Par Amount	7,851,725.00	
Premium	1,026,241.08	
Production	8,877,966.08	113.070263%
Underwriter's Discount	(42,266.32)	(0.538306%)
Purchase Price	8,835,699.76	112.531956%
Accrued Interest	-	
Net Proceeds	8,835,699.76	

BOND PRICING

City of Newton, Massachusetts
Exempt New Money

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)
Bond Component:									
	09/01/2018	185,775.00	5.000%	1.190%	102.625	-	-	-	4,876.59
	09/01/2019	330,500.00	5.000%	1.430%	105.953	-	-	-	19,674.67
	09/01/2020	348,000.00	5.000%	1.490%	109.234	-	-	-	32,134.32
	09/01/2021	362,700.00	5.000%	1.540%	112.377	-	-	-	44,891.38
	09/01/2022	384,000.00	5.000%	1.620%	115.217	-	-	-	58,433.28
	09/01/2023	404,000.00	5.000%	1.710%	117.776	-	-	-	71,815.04
	09/01/2024	426,000.00	5.000%	1.780%	120.234	-	-	-	86,196.84
	09/01/2025	445,000.00	5.000%	1.830%	122.652	-	-	-	100,801.40
	09/01/2026	466,000.00	5.000%	1.900%	124.733	-	-	-	115,255.78
	09/01/2027	491,000.00	5.000%	2.000%	126.315	-	-	-	129,206.65
	09/01/2028	516,000.00	5.000%	2.110%	125.214 C	2.323%	09/01/2027	100.000	130,104.24
	09/01/2029	546,300.00	5.000%	2.170%	124.618 C	2.552%	09/01/2027	100.000	134,488.13
	09/01/2030	570,000.00	4.000%	2.440%	113.392 C	2.743%	09/01/2027	100.000	76,334.40
	09/01/2031	590,000.00	4.000%	2.530%	112.564 C	2.883%	09/01/2027	100.000	74,127.60
	09/01/2032	615,000.00	4.000%	2.620%	111.743 C	3.005%	09/01/2027	100.000	72,219.45
	09/01/2033	640,000.00	4.000%	2.710%	110.930 C	3.114%	09/01/2027	100.000	69,952.00
	09/01/2034	670,000.00	4.000%	2.790%	110.212 C	3.205%	09/01/2027	100.000	68,420.40
	09/01/2035	695,000.00	4.000%	2.870%	109.500 C	3.287%	09/01/2027	100.000	66,025.00
	09/01/2036	720,000.00	3.000%	3.106%	98.500	-	-	-	(10,800.00)
	09/01/2037	740,000.00	3.000%	3.154%	97.750	-	-	-	(16,650.00)
	09/01/2038	765,000.00	3.000%	3.190%	97.135	-	-	-	(21,917.25)
	09/01/2039	790,000.00	3.125%	3.221%	98.500	-	-	-	(11,850.00)
	09/01/2040	815,000.00	3.125%	3.250%	98.000	-	-	-	(16,300.00)
		<u>12,515,275.00</u>							<u>1,277,439.92</u>
Bond Component #2:									
	09/01/2041	840,000.00	3.250%	3.300%	99.156	-	-	-	(7,089.60)
	09/01/2042	865,000.00	3.250%	3.300%	99.156	-	-	-	(7,300.60)
		<u>1,705,000.00</u>							<u>(14,390.20)</u>
Bond Component #3:									
	09/01/2043	895,000.00	3.250%	3.321%	98.750	-	-	-	(11,187.50)
	09/01/2044	925,000.00	3.250%	3.321%	98.750	-	-	-	(11,562.50)
		<u>1,820,000.00</u>							<u>(22,750.00)</u>
Bond Component #4:									
	09/01/2045	955,000.00	3.250%	3.350%	98.124	-	-	-	(17,915.80)
	09/01/2046	985,000.00	3.250%	3.350%	98.124	-	-	-	(18,478.60)
	09/01/2047	1,020,000.00	3.250%	3.350%	98.124	-	-	-	(19,135.20)
		<u>2,960,000.00</u>							<u>(55,529.60)</u>
		<u>19,000,275.00</u>							<u>1,184,770.12</u>

Dated Date	12/21/2017	
Delivery Date	12/21/2017	
First Coupon	09/01/2018	
Par Amount	19,000,275.00	
Premium	1,184,770.12	
Production	20,185,045.12	106.235542%
Underwriter's Discount	(102,279.62)	(0.538306%)
Purchase Price	20,082,765.50	105.697236%
Accrued Interest	-	
Net Proceeds	20,082,765.50	

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SAVINGS

City of Newton, Massachusetts
Refund May 1, 2010 Series A School (ISQ)

Date	Prior Debt Service	Cash Contribution	Prior Net Cash Flow	Refunding Debt Service	Non-Called Debt Service	Refunding Net Cash Flow	Savings	Annual Savings
12/21/2017	-	158,853.13	(158,853.13)	-	-	-	(158,853.13)	-
03/01/2018	572,253.13	-	572,253.13	-	413,400.00	413,400.00	158,853.13	-
06/30/2018	-	-	-	-	-	-	-	-
09/01/2018	174,453.13	-	174,453.13	215,324.65	15,600.00	230,924.65	(56,471.52)	-
03/01/2019	564,453.13	-	564,453.13	155,033.75	405,600.00	560,633.75	3,819.38	-
06/30/2019	-	-	-	-	-	-	-	(52,652.14)
09/01/2019	166,653.13	-	166,653.13	155,033.75	7,800.00	162,833.75	3,819.38	-
03/01/2020	556,653.13	-	556,653.13	155,033.75	397,800.00	552,833.75	3,819.38	-
06/30/2020	-	-	-	-	-	-	-	7,638.76
09/01/2020	158,853.13	-	158,853.13	515,383.75	-	515,383.75	(356,530.62)	-
03/01/2021	548,853.13	-	548,853.13	146,025.00	-	146,025.00	402,828.13	-
06/30/2021	-	-	-	-	-	-	-	46,297.51
09/01/2021	151,053.13	-	151,053.13	506,025.00	-	506,025.00	(354,971.87)	-
03/01/2022	541,053.13	-	541,053.13	137,025.00	-	137,025.00	404,028.13	-
06/30/2022	-	-	-	-	-	-	-	49,056.26
09/01/2022	143,253.13	-	143,253.13	497,025.00	-	497,025.00	(353,771.87)	-
03/01/2023	533,253.13	-	533,253.13	128,025.00	-	128,025.00	405,228.13	-
06/30/2023	-	-	-	-	-	-	-	51,456.26
09/01/2023	135,453.13	-	135,453.13	488,025.00	-	488,025.00	(352,571.87)	-
03/01/2024	525,453.13	-	525,453.13	119,025.00	-	119,025.00	406,428.13	-
06/30/2024	-	-	-	-	-	-	-	53,856.26
09/01/2024	127,653.13	-	127,653.13	479,025.00	-	479,025.00	(351,371.87)	-
03/01/2025	517,653.13	-	517,653.13	110,025.00	-	110,025.00	407,628.13	-
06/30/2025	-	-	-	-	-	-	-	56,256.26
09/01/2025	119,853.13	-	119,853.13	470,025.00	-	470,025.00	(350,171.87)	-
03/01/2026	509,853.13	-	509,853.13	101,025.00	-	101,025.00	408,828.13	-
06/30/2026	-	-	-	-	-	-	-	58,656.26
09/01/2026	112,053.13	-	112,053.13	461,025.00	-	461,025.00	(348,971.87)	-
03/01/2027	502,053.13	-	502,053.13	92,025.00	-	92,025.00	410,028.13	-
06/30/2027	-	-	-	-	-	-	-	61,056.26
09/01/2027	104,253.13	-	104,253.13	452,025.00	-	452,025.00	(347,771.87)	-
03/01/2028	494,253.13	-	494,253.13	83,025.00	-	83,025.00	411,228.13	-
06/30/2028	-	-	-	-	-	-	-	63,456.26
09/01/2028	96,453.13	-	96,453.13	443,025.00	-	443,025.00	(346,571.87)	-
03/01/2029	486,453.13	-	486,453.13	74,025.00	-	74,025.00	412,428.13	-
06/30/2029	-	-	-	-	-	-	-	65,856.26
09/01/2029	88,653.13	-	88,653.13	434,025.00	-	434,025.00	(345,371.87)	-
03/01/2030	478,653.13	-	478,653.13	65,025.00	-	65,025.00	413,628.13	-
06/30/2030	-	-	-	-	-	-	-	68,256.26
09/01/2030	80,609.38	-	80,609.38	425,025.00	-	425,025.00	(344,415.62)	-
03/01/2031	465,609.38	-	465,609.38	57,825.00	-	57,825.00	407,784.38	-
06/30/2031	-	-	-	-	-	-	-	63,368.76
09/01/2031	72,668.75	-	72,668.75	417,825.00	-	417,825.00	(345,156.25)	-
03/01/2032	457,668.75	-	457,668.75	50,625.00	-	50,625.00	407,043.75	-
06/30/2032	-	-	-	-	-	-	-	61,887.50
09/01/2032	64,728.13	-	64,728.13	410,625.00	-	410,625.00	(345,896.87)	-
03/01/2033	449,728.13	-	449,728.13	43,425.00	-	43,425.00	406,303.13	-
06/30/2033	-	-	-	-	-	-	-	60,406.26
09/01/2033	56,787.50	-	56,787.50	403,425.00	-	403,425.00	(346,637.50)	-
03/01/2034	441,787.50	-	441,787.50	36,225.00	-	36,225.00	405,562.50	-
06/30/2034	-	-	-	-	-	-	-	58,925.00
09/01/2034	48,846.88	-	48,846.88	396,225.00	-	396,225.00	(347,378.12)	-
03/01/2035	433,846.88	-	433,846.88	29,025.00	-	29,025.00	404,821.88	-
06/30/2035	-	-	-	-	-	-	-	57,443.76
09/01/2035	40,906.25	-	40,906.25	389,025.00	-	389,025.00	(348,118.75)	-
03/01/2036	425,906.25	-	425,906.25	21,825.00	-	21,825.00	404,081.25	-
06/30/2036	-	-	-	-	-	-	-	55,962.50
09/01/2036	32,725.00	-	32,725.00	381,825.00	-	381,825.00	(349,100.00)	-
03/01/2037	417,725.00	-	417,725.00	16,425.00	-	16,425.00	401,300.00	-
06/30/2037	-	-	-	-	-	-	-	52,200.00
09/01/2037	24,543.75	-	24,543.75	376,425.00	-	376,425.00	(351,881.25)	-
03/01/2038	409,543.75	-	409,543.75	11,025.00	-	11,025.00	398,518.75	-
06/30/2038	-	-	-	-	-	-	-	46,637.50
09/01/2038	16,362.50	-	16,362.50	371,025.00	-	371,025.00	(354,662.50)	-
03/01/2039	401,362.50	-	401,362.50	5,625.00	-	5,625.00	395,737.50	-
06/30/2039	-	-	-	-	-	-	-	41,075.00
09/01/2039	8,181.25	-	8,181.25	365,625.00	-	365,625.00	(357,443.75)	-
03/01/2040	393,181.25	-	393,181.25	-	-	-	393,181.25	-
06/30/2040	-	-	-	-	-	-	-	35,737.50
	13,152,247.03	158,853.13	12,993,393.90	10,690,359.65	1,240,200.00	11,930,559.65	1,062,834.25	1,062,834.25

Savings Summary

Savings PV date	12/21/2017
Savings PV rate	2.951195%
PV of savings from cash flow	660,772.39
Plus: Refunding funds on hand	770.70
Net PV Savings	661,543.09

SAVINGS

City of Newton, Massachusetts
Refund May 1, 2010 Series B Various Sewer System Improvements (I)

Date	Prior Debt Service	Cash Contribution	Prior Net Cash Flow	Refunding Debt Service	Non-Called Debt Service	Refunding Net Cash Flow	Savings	Annual Savings
12/21/2017	-	5,000.00	(5,000.00)	-	-	-	(5,000.00)	-
03/01/2018	31,500.00	-	31,500.00	-	26,500.00	26,500.00	5,000.00	-
06/30/2018	-	-	-	-	-	-	-	-
09/01/2018	6,000.00	-	6,000.00	7,604.17	1,000.00	8,604.17	(2,604.17)	-
03/01/2019	31,000.00	-	31,000.00	5,475.00	26,000.00	31,475.00	(475.00)	-
06/30/2019	-	-	-	-	-	-	-	(3,079.17)
09/01/2019	5,500.00	-	5,500.00	5,475.00	500.00	5,975.00	(475.00)	-
03/01/2020	30,500.00	-	30,500.00	5,475.00	25,500.00	30,975.00	(475.00)	-
06/30/2020	-	-	-	-	-	-	-	(950.00)
09/01/2020	5,000.00	-	5,000.00	27,475.00	-	27,475.00	(22,475.00)	-
03/01/2021	30,000.00	-	30,000.00	4,925.00	-	4,925.00	25,075.00	-
06/30/2021	-	-	-	-	-	-	-	2,600.00
09/01/2021	4,500.00	-	4,500.00	26,925.00	-	26,925.00	(22,425.00)	-
03/01/2022	29,500.00	-	29,500.00	4,375.00	-	4,375.00	25,125.00	-
06/30/2022	-	-	-	-	-	-	-	2,700.00
09/01/2022	4,000.00	-	4,000.00	26,375.00	-	26,375.00	(22,375.00)	-
03/01/2023	29,000.00	-	29,000.00	3,825.00	-	3,825.00	25,175.00	-
06/30/2023	-	-	-	-	-	-	-	2,800.00
09/01/2023	3,500.00	-	3,500.00	25,825.00	-	25,825.00	(22,325.00)	-
03/01/2024	28,500.00	-	28,500.00	3,275.00	-	3,275.00	25,225.00	-
06/30/2024	-	-	-	-	-	-	-	2,900.00
09/01/2024	3,000.00	-	3,000.00	25,275.00	-	25,275.00	(22,275.00)	-
03/01/2025	28,000.00	-	28,000.00	2,725.00	-	2,725.00	25,275.00	-
06/30/2025	-	-	-	-	-	-	-	3,000.00
09/01/2025	2,500.00	-	2,500.00	24,725.00	-	24,725.00	(22,225.00)	-
03/01/2026	27,500.00	-	27,500.00	2,175.00	-	2,175.00	25,325.00	-
06/30/2026	-	-	-	-	-	-	-	3,100.00
09/01/2026	2,000.00	-	2,000.00	24,175.00	-	24,175.00	(22,175.00)	-
03/01/2027	27,000.00	-	27,000.00	1,625.00	-	1,625.00	25,375.00	-
06/30/2027	-	-	-	-	-	-	-	3,200.00
09/01/2027	1,500.00	-	1,500.00	23,625.00	-	23,625.00	(22,125.00)	-
03/01/2028	26,500.00	-	26,500.00	1,075.00	-	1,075.00	25,425.00	-
06/30/2028	-	-	-	-	-	-	-	3,300.00
09/01/2028	1,000.00	-	1,000.00	23,075.00	-	23,075.00	(22,075.00)	-
03/01/2029	26,000.00	-	26,000.00	525.00	-	525.00	25,475.00	-
06/30/2029	-	-	-	-	-	-	-	3,400.00
09/01/2029	500.00	-	500.00	21,525.00	-	21,525.00	(21,025.00)	-
03/01/2030	25,500.00	-	25,500.00	-	-	-	25,500.00	-
06/30/2030	-	-	-	-	-	-	-	4,475.00
	409,500.00	5,000.00	404,500.00	297,554.17	79,500.00	377,054.17	27,445.83	27,445.83

Savings Summary

Savings PV date	12/21/2017
Savings PV rate	2.951195%
PV of savings from cash flow	18,362.41
Plus: Refunding funds on hand	715.23
Net PV Savings	19,077.64

SAVINGS

City of Newton, Massachusetts
Refund May 1, 2010 Series B Modular Classrooms (I)

Date	Prior Debt Service	Cash Contribution	Prior Net Cash Flow	Refunding Debt Service	Non-Called Debt Service	Refunding Net Cash Flow	Savings	Annual Savings
12/21/2017	-	9,000.00	(9,000.00)	-	-	-	(9,000.00)	-
03/01/2018	109,700.00	-	109,700.00	-	100,700.00	100,700.00	9,000.00	-
06/30/2018	-	-	-	-	-	-	-	-
09/01/2018	12,800.00	-	12,800.00	14,236.11	3,800.00	18,036.11	(5,236.11)	-
03/01/2019	107,800.00	-	107,800.00	10,250.00	98,800.00	109,050.00	(1,250.00)	-
06/30/2019	-	-	-	-	-	-	-	(6,486.11)
09/01/2019	10,900.00	-	10,900.00	10,250.00	1,900.00	12,150.00	(1,250.00)	-
03/01/2020	105,900.00	-	105,900.00	10,250.00	96,900.00	107,150.00	(1,250.00)	-
06/30/2020	-	-	-	-	-	-	-	(2,500.00)
09/01/2020	9,000.00	-	9,000.00	92,250.00	-	92,250.00	(83,250.00)	-
03/01/2021	99,000.00	-	99,000.00	8,200.00	-	8,200.00	90,800.00	-
06/30/2021	-	-	-	-	-	-	-	7,550.00
09/01/2021	7,200.00	-	7,200.00	90,200.00	-	90,200.00	(83,000.00)	-
03/01/2022	97,200.00	-	97,200.00	6,150.00	-	6,150.00	91,050.00	-
06/30/2022	-	-	-	-	-	-	-	8,050.00
09/01/2022	5,400.00	-	5,400.00	88,150.00	-	88,150.00	(82,750.00)	-
03/01/2023	95,400.00	-	95,400.00	4,100.00	-	4,100.00	91,300.00	-
06/30/2023	-	-	-	-	-	-	-	8,550.00
09/01/2023	3,600.00	-	3,600.00	86,100.00	-	86,100.00	(82,500.00)	-
03/01/2024	93,600.00	-	93,600.00	2,050.00	-	2,050.00	91,550.00	-
06/30/2024	-	-	-	-	-	-	-	9,050.00
09/01/2024	1,800.00	-	1,800.00	84,050.00	-	84,050.00	(82,250.00)	-
03/01/2025	91,800.00	-	91,800.00	-	-	-	91,800.00	-
06/30/2025	-	-	-	-	-	-	-	9,550.00
	851,100.00	9,000.00	842,100.00	506,236.11	302,100.00	808,336.11	33,763.89	33,763.89

Savings Summary

Savings PV date	12/21/2017
Savings PV rate	2.951195%
PV of savings from cash flow	22,621.57
Plus: Refunding funds on hand	181.03
Net PV Savings	22,802.60

SAVINGS

City of Newton, Massachusetts
Refund May 1, 2010 Series B Burr School Windows (I)

Date	Prior Debt Service	Cash Contribution	Prior Net Cash Flow	Refunding Debt Service	Non-Called Debt Service	Refunding Net Cash Flow	Savings	Annual Savings
12/21/2017	-	6,000.00	(6,000.00)	-	-	-	(6,000.00)	-
03/01/2018	43,100.00	-	43,100.00	-	37,100.00	37,100.00	6,000.00	-
06/30/2018	-	-	-	-	-	-	-	-
09/01/2018	7,400.00	-	7,400.00	9,105.03	1,400.00	10,505.03	(3,105.03)	-
03/01/2019	42,400.00	-	42,400.00	6,555.63	36,400.00	42,955.63	(555.63)	-
06/30/2019	-	-	-	-	-	-	-	(3,660.66)
09/01/2019	6,700.00	-	6,700.00	6,555.63	700.00	7,255.63	(555.63)	-
03/01/2020	41,700.00	-	41,700.00	6,555.63	35,700.00	42,255.63	(555.63)	-
06/30/2020	-	-	-	-	-	-	-	(1,111.26)
09/01/2020	6,000.00	-	6,000.00	33,780.63	-	33,780.63	(27,780.63)	-
03/01/2021	36,000.00	-	36,000.00	5,875.00	-	5,875.00	30,125.00	-
06/30/2021	-	-	-	-	-	-	-	2,344.37
09/01/2021	5,400.00	-	5,400.00	32,875.00	-	32,875.00	(27,475.00)	-
03/01/2022	35,400.00	-	35,400.00	5,200.00	-	5,200.00	30,200.00	-
06/30/2022	-	-	-	-	-	-	-	2,725.00
09/01/2022	4,800.00	-	4,800.00	31,200.00	-	31,200.00	(26,400.00)	-
03/01/2023	34,800.00	-	34,800.00	4,550.00	-	4,550.00	30,250.00	-
06/30/2023	-	-	-	-	-	-	-	3,850.00
09/01/2023	4,200.00	-	4,200.00	30,550.00	-	30,550.00	(26,350.00)	-
03/01/2024	34,200.00	-	34,200.00	3,900.00	-	3,900.00	30,300.00	-
06/30/2024	-	-	-	-	-	-	-	3,950.00
09/01/2024	3,600.00	-	3,600.00	29,900.00	-	29,900.00	(26,300.00)	-
03/01/2025	33,600.00	-	33,600.00	3,250.00	-	3,250.00	30,350.00	-
06/30/2025	-	-	-	-	-	-	-	4,050.00
09/01/2025	3,000.00	-	3,000.00	29,250.00	-	29,250.00	(26,250.00)	-
03/01/2026	33,000.00	-	33,000.00	2,600.00	-	2,600.00	30,400.00	-
06/30/2026	-	-	-	-	-	-	-	4,150.00
09/01/2026	2,400.00	-	2,400.00	28,600.00	-	28,600.00	(26,200.00)	-
03/01/2027	32,400.00	-	32,400.00	1,950.00	-	1,950.00	30,450.00	-
06/30/2027	-	-	-	-	-	-	-	4,250.00
09/01/2027	1,800.00	-	1,800.00	27,950.00	-	27,950.00	(26,150.00)	-
03/01/2028	31,800.00	-	31,800.00	1,300.00	-	1,300.00	30,500.00	-
06/30/2028	-	-	-	-	-	-	-	4,350.00
09/01/2028	1,200.00	-	1,200.00	27,300.00	-	27,300.00	(26,100.00)	-
03/01/2029	31,200.00	-	31,200.00	650.00	-	650.00	30,550.00	-
06/30/2029	-	-	-	-	-	-	-	4,450.00
09/01/2029	600.00	-	600.00	26,650.00	-	26,650.00	(26,050.00)	-
03/01/2030	30,600.00	-	30,600.00	-	-	-	30,600.00	-
06/30/2030	-	-	-	-	-	-	-	4,550.00
	507,300.00	6,000.00	501,300.00	356,102.55	111,300.00	467,402.55	33,897.45	33,897.45

Savings Summary

Savings PV date	12/21/2017
Savings PV rate	2.951195%
PV of savings from cash flow	22,752.16
Plus: Refunding funds on hand	23.42
Net PV Savings	<u>22,775.58</u>

SAVINGS

City of Newton, Massachusetts
Refund May 1, 2010 Series B Fire Station 4 Renovations (I)

Date	Prior Debt Service	Cash Contribution	Prior Net Cash Flow	Refunding Debt Service	Non-Called Debt Service	Refunding Net Cash Flow	Savings	Annual Savings
12/21/2017	-	1,000.00	(1,000.00)	-	-	-	(1,000.00)	-
03/01/2018	6,300.00	-	6,300.00	-	5,300.00	5,300.00	1,000.00	-
06/30/2018	-	-	-	-	-	-	-	-
09/01/2018	1,200.00	-	1,200.00	1,527.78	200.00	1,727.78	(527.78)	-
03/01/2019	6,200.00	-	6,200.00	1,100.00	5,200.00	6,300.00	(100.00)	-
06/30/2019	-	-	-	-	-	-	-	(627.78)
09/01/2019	1,100.00	-	1,100.00	1,100.00	100.00	1,200.00	(100.00)	-
03/01/2020	6,100.00	-	6,100.00	1,100.00	5,100.00	6,200.00	(100.00)	-
06/30/2020	-	-	-	-	-	-	-	(200.00)
09/01/2020	1,000.00	-	1,000.00	6,100.00	-	6,100.00	(5,100.00)	-
03/01/2021	6,000.00	-	6,000.00	975.00	-	975.00	5,025.00	-
06/30/2021	-	-	-	-	-	-	-	(75.00)
09/01/2021	900.00	-	900.00	5,975.00	-	5,975.00	(5,075.00)	-
03/01/2022	5,900.00	-	5,900.00	850.00	-	850.00	5,050.00	-
06/30/2022	-	-	-	-	-	-	-	(25.00)
09/01/2022	800.00	-	800.00	5,850.00	-	5,850.00	(5,050.00)	-
03/01/2023	5,800.00	-	5,800.00	725.00	-	725.00	5,075.00	-
06/30/2023	-	-	-	-	-	-	-	25.00
09/01/2023	700.00	-	700.00	5,725.00	-	5,725.00	(5,025.00)	-
03/01/2024	5,700.00	-	5,700.00	600.00	-	600.00	5,100.00	-
06/30/2024	-	-	-	-	-	-	-	75.00
09/01/2024	600.00	-	600.00	4,600.00	-	4,600.00	(4,000.00)	-
03/01/2025	5,600.00	-	5,600.00	500.00	-	500.00	5,100.00	-
06/30/2025	-	-	-	-	-	-	-	1,100.00
09/01/2025	500.00	-	500.00	4,500.00	-	4,500.00	(4,000.00)	-
03/01/2026	5,500.00	-	5,500.00	400.00	-	400.00	5,100.00	-
06/30/2026	-	-	-	-	-	-	-	1,100.00
09/01/2026	400.00	-	400.00	4,400.00	-	4,400.00	(4,000.00)	-
03/01/2027	5,400.00	-	5,400.00	300.00	-	300.00	5,100.00	-
06/30/2027	-	-	-	-	-	-	-	1,100.00
09/01/2027	300.00	-	300.00	4,300.00	-	4,300.00	(4,000.00)	-
03/01/2028	5,300.00	-	5,300.00	200.00	-	200.00	5,100.00	-
06/30/2028	-	-	-	-	-	-	-	1,100.00
09/01/2028	200.00	-	200.00	4,200.00	-	4,200.00	(4,000.00)	-
03/01/2029	5,200.00	-	5,200.00	100.00	-	100.00	5,100.00	-
06/30/2029	-	-	-	-	-	-	-	1,100.00
09/01/2029	100.00	-	100.00	4,100.00	-	4,100.00	(4,000.00)	-
03/01/2030	5,100.00	-	5,100.00	-	-	-	5,100.00	-
06/30/2030	-	-	-	-	-	-	-	1,100.00
	81,900.00	1,000.00	80,900.00	59,227.78	15,900.00	75,127.78	5,772.22	5,772.22

Savings Summary

Savings PV date	12/21/2017
Savings PV rate	2.951195%
PV of savings from cash flow	3,632.20
Plus: Refunding funds on hand	139.80
Net PV Savings	<u>3,772.00</u>

SAVINGS

City of Newton, Massachusetts
Refund May 1, 2010 Series B Fire Station 7 Renovations (I)

Date	Prior Debt Service	Cash Contribution	Prior Net Cash Flow	Refunding Debt Service	Non-Called Debt Service	Refunding Net Cash Flow	Savings	Annual Savings
12/21/2017	-	44,000.00	(44,000.00)	-	-	-	(44,000.00)	-
03/01/2018	277,200.00	-	277,200.00	-	233,200.00	233,200.00	44,000.00	-
06/30/2018	-	-	-	-	-	-	-	-
09/01/2018	52,800.00	-	52,800.00	66,723.96	8,800.00	75,523.96	(22,723.96)	-
03/01/2019	272,800.00	-	272,800.00	48,041.25	228,800.00	276,841.25	(4,041.25)	-
06/30/2019	-	-	-	-	-	-	-	(26,765.21)
09/01/2019	48,400.00	-	48,400.00	48,041.25	4,400.00	52,441.25	(4,041.25)	-
03/01/2020	268,400.00	-	268,400.00	48,041.25	224,400.00	272,441.25	(4,041.25)	-
06/30/2020	-	-	-	-	-	-	-	(8,082.50)
09/01/2020	44,000.00	-	44,000.00	241,691.25	-	241,691.25	(197,691.25)	-
03/01/2021	264,000.00	-	264,000.00	43,200.00	-	43,200.00	220,800.00	-
06/30/2021	-	-	-	-	-	-	-	23,108.75
09/01/2021	39,600.00	-	39,600.00	235,200.00	-	235,200.00	(195,600.00)	-
03/01/2022	259,600.00	-	259,600.00	38,400.00	-	38,400.00	221,200.00	-
06/30/2022	-	-	-	-	-	-	-	25,600.00
09/01/2022	35,200.00	-	35,200.00	230,400.00	-	230,400.00	(195,200.00)	-
03/01/2023	255,200.00	-	255,200.00	33,600.00	-	33,600.00	221,600.00	-
06/30/2023	-	-	-	-	-	-	-	26,400.00
09/01/2023	30,800.00	-	30,800.00	225,600.00	-	225,600.00	(194,800.00)	-
03/01/2024	250,800.00	-	250,800.00	28,800.00	-	28,800.00	222,000.00	-
06/30/2024	-	-	-	-	-	-	-	27,200.00
09/01/2024	26,400.00	-	26,400.00	220,800.00	-	220,800.00	(194,400.00)	-
03/01/2025	246,400.00	-	246,400.00	24,000.00	-	24,000.00	222,400.00	-
06/30/2025	-	-	-	-	-	-	-	28,000.00
09/01/2025	22,000.00	-	22,000.00	216,000.00	-	216,000.00	(194,000.00)	-
03/01/2026	242,000.00	-	242,000.00	19,200.00	-	19,200.00	222,800.00	-
06/30/2026	-	-	-	-	-	-	-	28,800.00
09/01/2026	17,600.00	-	17,600.00	211,200.00	-	211,200.00	(193,600.00)	-
03/01/2027	237,600.00	-	237,600.00	14,400.00	-	14,400.00	223,200.00	-
06/30/2027	-	-	-	-	-	-	-	29,600.00
09/01/2027	13,200.00	-	13,200.00	206,400.00	-	206,400.00	(193,200.00)	-
03/01/2028	233,200.00	-	233,200.00	9,600.00	-	9,600.00	223,600.00	-
06/30/2028	-	-	-	-	-	-	-	30,400.00
09/01/2028	8,800.00	-	8,800.00	201,600.00	-	201,600.00	(192,800.00)	-
03/01/2029	228,800.00	-	228,800.00	4,800.00	-	4,800.00	224,000.00	-
06/30/2029	-	-	-	-	-	-	-	31,200.00
09/01/2029	4,400.00	-	4,400.00	196,800.00	-	196,800.00	(192,400.00)	-
03/01/2030	224,400.00	-	224,400.00	-	-	-	224,400.00	-
06/30/2030	-	-	-	-	-	-	-	32,000.00
	3,603,600.00	44,000.00	3,559,600.00	2,612,538.96	699,600.00	3,312,138.96	247,461.04	247,461.04

Savings Summary

Savings PV date	12/21/2017
Savings PV rate	2.951195%
PV of savings from cash flow	167,358.61
Plus: Refunding funds on hand	(88.33)
Net PV Savings	167,270.28

SAVINGS

City of Newton, Massachusetts
Refund May 1, 2010 Series B Energy Conservation (I)

Date	Prior Debt Service	Cash Contribution	Prior Net Cash Flow	Refunding Debt Service	Non-Called Debt Service	Refunding Net Cash Flow	Savings	Annual Savings
12/21/2017	-	24,400.00	(24,400.00)	-	-	-	(24,400.00)	-
03/01/2018	284,100.00	-	284,100.00	-	259,700.00	259,700.00	24,400.00	-
06/30/2018	-	-	-	-	-	-	-	-
09/01/2018	34,200.00	-	34,200.00	38,580.73	9,800.00	48,380.73	(14,180.73)	-
03/01/2019	279,200.00	-	279,200.00	27,778.13	254,800.00	282,578.13	(3,378.13)	-
06/30/2019	-	-	-	-	-	-	-	(17,558.86)
09/01/2019	29,300.00	-	29,300.00	27,778.13	4,900.00	32,678.13	(3,378.13)	-
03/01/2020	274,300.00	-	274,300.00	27,778.13	249,900.00	277,678.13	(3,378.13)	-
06/30/2020	-	-	-	-	-	-	-	(6,756.26)
09/01/2020	24,400.00	-	24,400.00	250,903.13	-	250,903.13	(226,503.13)	-
03/01/2021	269,400.00	-	269,400.00	22,200.00	-	22,200.00	247,200.00	-
06/30/2021	-	-	-	-	-	-	-	20,696.87
09/01/2021	19,500.00	-	19,500.00	244,200.00	-	244,200.00	(224,700.00)	-
03/01/2022	264,500.00	-	264,500.00	16,650.00	-	16,650.00	247,850.00	-
06/30/2022	-	-	-	-	-	-	-	23,150.00
09/01/2022	14,600.00	-	14,600.00	238,650.00	-	238,650.00	(224,050.00)	-
03/01/2023	259,600.00	-	259,600.00	11,100.00	-	11,100.00	248,500.00	-
06/30/2023	-	-	-	-	-	-	-	24,450.00
09/01/2023	9,700.00	-	9,700.00	233,100.00	-	233,100.00	(223,400.00)	-
03/01/2024	254,700.00	-	254,700.00	5,550.00	-	5,550.00	249,150.00	-
06/30/2024	-	-	-	-	-	-	-	25,750.00
09/01/2024	4,800.00	-	4,800.00	227,550.00	-	227,550.00	(222,750.00)	-
03/01/2025	244,800.00	-	244,800.00	-	-	-	244,800.00	-
06/30/2025	-	-	-	-	-	-	-	22,050.00
	2,267,100.00	24,400.00	2,242,700.00	1,371,818.25	779,100.00	2,150,918.25	91,781.75	91,781.75

Savings Summary

Savings PV date	12/21/2017
Savings PV rate	2.951195%
PV of savings from cash flow	61,750.59
Plus: Refunding funds on hand	(64.66)
Net PV Savings	61,685.93

SAVINGS

City of Newton, Massachusetts
Refund April 14, 2011 School Roof Repairs (I)

Date	Prior Debt Service	Cash Contribution	Prior Net Cash Flow	Refunding Debt Service	Non-Called Debt Service	Refunding Net Cash Flow	Savings	Annual Savings
12/21/2017	-	7,625.00	(7,625.00)	-	-	-	(7,625.00)	-
04/01/2018	56,225.00	-	56,225.00	-	48,600.00	48,600.00	7,625.00	-
06/30/2018	-	-	-	-	-	-	-	-
09/01/2018	-	-	-	12,013.89	-	12,013.89	(12,013.89)	-
10/01/2018	10,325.00	-	10,325.00	-	2,700.00	2,700.00	7,625.00	-
03/01/2019	-	-	-	8,650.00	-	8,650.00	(8,650.00)	-
04/01/2019	55,325.00	-	55,325.00	-	47,700.00	47,700.00	7,625.00	-
06/30/2019	-	-	-	-	-	-	-	(5,413.89)
09/01/2019	-	-	-	8,650.00	-	8,650.00	(8,650.00)	-
10/01/2019	9,425.00	-	9,425.00	-	1,800.00	1,800.00	7,625.00	-
03/01/2020	-	-	-	8,650.00	-	8,650.00	(8,650.00)	-
04/01/2020	49,425.00	-	49,425.00	-	41,800.00	41,800.00	7,625.00	-
06/30/2020	-	-	-	-	-	-	-	(2,050.00)
09/01/2020	-	-	-	8,650.00	-	8,650.00	(8,650.00)	-
10/01/2020	8,525.00	-	8,525.00	-	900.00	900.00	7,625.00	-
03/01/2021	-	-	-	8,650.00	-	8,650.00	(8,650.00)	-
04/01/2021	48,525.00	-	48,525.00	-	40,900.00	40,900.00	7,625.00	-
06/30/2021	-	-	-	-	-	-	-	(2,050.00)
09/01/2021	-	-	-	44,650.00	-	44,650.00	(44,650.00)	-
10/01/2021	7,625.00	-	7,625.00	-	-	-	7,625.00	-
03/01/2022	-	-	-	7,750.00	-	7,750.00	(7,750.00)	-
04/01/2022	47,625.00	-	47,625.00	-	-	-	47,625.00	-
06/30/2022	-	-	-	-	-	-	-	2,850.00
09/01/2022	-	-	-	43,750.00	-	43,750.00	(43,750.00)	-
10/01/2022	6,900.00	-	6,900.00	-	-	-	6,900.00	-
03/01/2023	-	-	-	6,850.00	-	6,850.00	(6,850.00)	-
04/01/2023	46,900.00	-	46,900.00	-	-	-	46,900.00	-
06/30/2023	-	-	-	-	-	-	-	3,200.00
09/01/2023	-	-	-	42,850.00	-	42,850.00	(42,850.00)	-
10/01/2023	6,175.00	-	6,175.00	-	-	-	6,175.00	-
03/01/2024	-	-	-	5,950.00	-	5,950.00	(5,950.00)	-
04/01/2024	46,175.00	-	46,175.00	-	-	-	46,175.00	-
06/30/2024	-	-	-	-	-	-	-	3,550.00
09/01/2024	-	-	-	40,950.00	-	40,950.00	(40,950.00)	-
10/01/2024	5,450.00	-	5,450.00	-	-	-	5,450.00	-
03/01/2025	-	-	-	5,075.00	-	5,075.00	(5,075.00)	-
04/01/2025	45,450.00	-	45,450.00	-	-	-	45,450.00	-
06/30/2025	-	-	-	-	-	-	-	4,875.00
09/01/2025	-	-	-	40,075.00	-	40,075.00	(40,075.00)	-
10/01/2025	4,725.00	-	4,725.00	-	-	-	4,725.00	-
03/01/2026	-	-	-	4,200.00	-	4,200.00	(4,200.00)	-
04/01/2026	44,725.00	-	44,725.00	-	-	-	44,725.00	-
06/30/2026	-	-	-	-	-	-	-	5,175.00
09/01/2026	-	-	-	39,200.00	-	39,200.00	(39,200.00)	-
10/01/2026	4,000.00	-	4,000.00	-	-	-	4,000.00	-
03/01/2027	-	-	-	3,325.00	-	3,325.00	(3,325.00)	-
04/01/2027	44,000.00	-	44,000.00	-	-	-	44,000.00	-
06/30/2027	-	-	-	-	-	-	-	5,475.00
09/01/2027	-	-	-	38,325.00	-	38,325.00	(38,325.00)	-
10/01/2027	3,200.00	-	3,200.00	-	-	-	3,200.00	-
03/01/2028	-	-	-	2,450.00	-	2,450.00	(2,450.00)	-
04/01/2028	43,200.00	-	43,200.00	-	-	-	43,200.00	-
06/30/2028	-	-	-	-	-	-	-	5,625.00
09/01/2028	-	-	-	37,450.00	-	37,450.00	(37,450.00)	-
10/01/2028	2,400.00	-	2,400.00	-	-	-	2,400.00	-
03/01/2029	-	-	-	1,575.00	-	1,575.00	(1,575.00)	-
04/01/2029	42,400.00	-	42,400.00	-	-	-	42,400.00	-
06/30/2029	-	-	-	-	-	-	-	5,775.00
09/01/2029	-	-	-	36,575.00	-	36,575.00	(36,575.00)	-
10/01/2029	1,600.00	-	1,600.00	-	-	-	1,600.00	-
03/01/2030	-	-	-	700.00	-	700.00	(700.00)	-
04/01/2030	41,600.00	-	41,600.00	-	-	-	41,600.00	-
06/30/2030	-	-	-	-	-	-	-	5,925.00
09/01/2030	-	-	-	35,700.00	-	35,700.00	(35,700.00)	-
10/01/2030	800.00	-	800.00	-	-	-	800.00	-
04/01/2031	40,800.00	-	40,800.00	-	-	-	40,800.00	-
06/30/2031	-	-	-	-	-	-	-	5,900.00
	723,525.00	7,625.00	715,900.00	492,663.89	184,400.00	677,063.89	38,836.11	38,836.11

Savings Summary

Savings PV date	12/21/2017
Savings PV rate	2.951195%
PV of savings from cash flow	22,612.29
Plus: Refunding funds on hand	350.21
Net PV Savings	22,962.50

SAVINGS

City of Newton, Massachusetts
Refund April 14, 2011 School Masonry Repairs (I)

Date	Prior Debt Service	Cash Contribution	Prior Net Cash Flow	Refunding Debt Service	Non-Called Debt Service	Refunding Net Cash Flow	Savings	Annual Savings
12/21/2017	-	4,084.38	(4,084.38)	-	-	-	(4,084.38)	-
04/01/2018	31,209.38	-	31,209.38	-	27,125.00	27,125.00	4,084.38	-
06/30/2018	-	-	-	-	-	-	-	-
09/01/2018	-	-	-	6,465.28	-	6,465.28	(6,465.28)	-
10/01/2018	5,709.38	-	5,709.38	-	1,625.00	1,625.00	4,084.38	-
03/01/2019	-	-	-	4,655.00	-	4,655.00	(4,655.00)	-
04/01/2019	30,709.38	-	30,709.38	-	26,625.00	26,625.00	4,084.38	-
06/30/2019	-	-	-	-	-	-	-	(2,951.52)
09/01/2019	-	-	-	4,655.00	-	4,655.00	(4,655.00)	-
10/01/2019	5,209.38	-	5,209.38	-	1,125.00	1,125.00	4,084.38	-
03/01/2020	-	-	-	4,655.00	-	4,655.00	(4,655.00)	-
04/01/2020	30,209.38	-	30,209.38	-	26,125.00	26,125.00	4,084.38	-
06/30/2020	-	-	-	-	-	-	-	(1,141.24)
09/01/2020	-	-	-	4,655.00	-	4,655.00	(4,655.00)	-
10/01/2020	4,646.88	-	4,646.88	-	562.50	562.50	4,084.38	-
03/01/2021	-	-	-	4,655.00	-	4,655.00	(4,655.00)	-
04/01/2021	29,646.88	-	29,646.88	-	25,562.50	25,562.50	4,084.38	-
06/30/2021	-	-	-	-	-	-	-	(1,141.24)
09/01/2021	-	-	-	23,655.00	-	23,655.00	(23,655.00)	-
10/01/2021	4,084.38	-	4,084.38	-	-	-	4,084.38	-
03/01/2022	-	-	-	4,180.00	-	4,180.00	(4,180.00)	-
04/01/2022	29,084.38	-	29,084.38	-	-	-	29,084.38	-
06/30/2022	-	-	-	-	-	-	-	5,333.76
09/01/2022	-	-	-	23,180.00	-	23,180.00	(23,180.00)	-
10/01/2022	3,631.25	-	3,631.25	-	-	-	3,631.25	-
03/01/2023	-	-	-	3,705.00	-	3,705.00	(3,705.00)	-
04/01/2023	28,631.25	-	28,631.25	-	-	-	28,631.25	-
06/30/2023	-	-	-	-	-	-	-	5,377.50
09/01/2023	-	-	-	22,705.00	-	22,705.00	(22,705.00)	-
10/01/2023	3,178.13	-	3,178.13	-	-	-	3,178.13	-
03/01/2024	-	-	-	3,230.00	-	3,230.00	(3,230.00)	-
04/01/2024	28,178.13	-	28,178.13	-	-	-	28,178.13	-
06/30/2024	-	-	-	-	-	-	-	5,421.26
09/01/2024	-	-	-	22,230.00	-	22,230.00	(22,230.00)	-
10/01/2024	2,725.00	-	2,725.00	-	-	-	2,725.00	-
03/01/2025	-	-	-	2,755.00	-	2,755.00	(2,755.00)	-
04/01/2025	22,725.00	-	22,725.00	-	-	-	22,725.00	-
06/30/2025	-	-	-	-	-	-	-	465.00
09/01/2025	-	-	-	21,755.00	-	21,755.00	(21,755.00)	-
10/01/2025	2,362.50	-	2,362.50	-	-	-	2,362.50	-
03/01/2026	-	-	-	2,280.00	-	2,280.00	(2,280.00)	-
04/01/2026	22,362.50	-	22,362.50	-	-	-	22,362.50	-
06/30/2026	-	-	-	-	-	-	-	690.00
09/01/2026	-	-	-	21,280.00	-	21,280.00	(21,280.00)	-
10/01/2026	2,000.00	-	2,000.00	-	-	-	2,000.00	-
03/01/2027	-	-	-	1,805.00	-	1,805.00	(1,805.00)	-
04/01/2027	22,000.00	-	22,000.00	-	-	-	22,000.00	-
06/30/2027	-	-	-	-	-	-	-	915.00
09/01/2027	-	-	-	20,805.00	-	20,805.00	(20,805.00)	-
10/01/2027	1,600.00	-	1,600.00	-	-	-	1,600.00	-
03/01/2028	-	-	-	1,330.00	-	1,330.00	(1,330.00)	-
04/01/2028	21,600.00	-	21,600.00	-	-	-	21,600.00	-
06/30/2028	-	-	-	-	-	-	-	1,065.00
09/01/2028	-	-	-	20,330.00	-	20,330.00	(20,330.00)	-
10/01/2028	1,200.00	-	1,200.00	-	-	-	1,200.00	-
03/01/2029	-	-	-	855.00	-	855.00	(855.00)	-
04/01/2029	21,200.00	-	21,200.00	-	-	-	21,200.00	-
06/30/2029	-	-	-	-	-	-	-	1,215.00
09/01/2029	-	-	-	19,855.00	-	19,855.00	(19,855.00)	-
10/01/2029	800.00	-	800.00	-	-	-	800.00	-
03/01/2030	-	-	-	380.00	-	380.00	(380.00)	-
04/01/2030	20,800.00	-	20,800.00	-	-	-	20,800.00	-
06/30/2030	-	-	-	-	-	-	-	1,365.00
09/01/2030	-	-	-	19,380.00	-	19,380.00	(19,380.00)	-
10/01/2030	400.00	-	400.00	-	-	-	400.00	-
04/01/2031	20,400.00	-	20,400.00	-	-	-	20,400.00	-
06/30/2031	-	-	-	-	-	-	-	1,420.00
	396,303.18	4,084.38	392,218.80	265,435.28	108,750.00	374,185.28	18,033.52	18,033.52

Savings Summary

Savings PV date	12/21/2017
Savings PV rate	2.951195%
PV of savings from cash flow	11,243.67
Plus: Refunding funds on hand	665.11
Net PV Savings	11,908.78

SAVINGS

City of Newton, Massachusetts
Refund April 14, 2011 School Boiler Replacement (I)

Date	Prior Debt Service	Cash Contribution	Prior Net Cash Flow	Refunding Debt Service	Non-Called Debt Service	Refunding Net Cash Flow	Savings	Annual Savings
12/21/2017	-	3,131.25	(3,131.25)	-	-	-	(3,131.25)	-
04/01/2018	24,831.25	-	24,831.25	-	21,700.00	21,700.00	3,131.25	-
06/30/2018	-	-	-	-	-	-	-	-
09/01/2018	-	-	-	4,960.07	-	4,960.07	(4,960.07)	-
10/01/2018	4,431.25	-	4,431.25	-	1,300.00	1,300.00	3,131.25	-
03/01/2019	-	-	-	3,571.25	-	3,571.25	(3,571.25)	-
04/01/2019	24,431.25	-	24,431.25	-	21,300.00	21,300.00	3,131.25	-
06/30/2019	-	-	-	-	-	-	-	(2,268.82)
09/01/2019	-	-	-	3,571.25	-	3,571.25	(3,571.25)	-
10/01/2019	4,031.25	-	4,031.25	-	900.00	900.00	3,131.25	-
03/01/2020	-	-	-	3,571.25	-	3,571.25	(3,571.25)	-
04/01/2020	24,031.25	-	24,031.25	-	20,900.00	20,900.00	3,131.25	-
06/30/2020	-	-	-	-	-	-	-	(880.00)
09/01/2020	-	-	-	3,571.25	-	3,571.25	(3,571.25)	-
10/01/2020	3,581.25	-	3,581.25	-	450.00	450.00	3,131.25	-
03/01/2021	-	-	-	3,571.25	-	3,571.25	(3,571.25)	-
04/01/2021	23,581.25	-	23,581.25	-	20,450.00	20,450.00	3,131.25	-
06/30/2021	-	-	-	-	-	-	-	(880.00)
09/01/2021	-	-	-	19,221.25	-	19,221.25	(19,221.25)	-
10/01/2021	3,131.25	-	3,131.25	-	-	-	3,131.25	-
03/01/2022	-	-	-	3,180.00	-	3,180.00	(3,180.00)	-
04/01/2022	23,131.25	-	23,131.25	-	-	-	23,131.25	-
06/30/2022	-	-	-	-	-	-	-	3,861.25
09/01/2022	-	-	-	18,180.00	-	18,180.00	(18,180.00)	-
10/01/2022	2,768.75	-	2,768.75	-	-	-	2,768.75	-
03/01/2023	-	-	-	2,805.00	-	2,805.00	(2,805.00)	-
04/01/2023	22,768.75	-	22,768.75	-	-	-	22,768.75	-
06/30/2023	-	-	-	-	-	-	-	4,552.50
09/01/2023	-	-	-	17,805.00	-	17,805.00	(17,805.00)	-
10/01/2023	2,406.25	-	2,406.25	-	-	-	2,406.25	-
03/01/2024	-	-	-	2,430.00	-	2,430.00	(2,430.00)	-
04/01/2024	22,406.25	-	22,406.25	-	-	-	22,406.25	-
06/30/2024	-	-	-	-	-	-	-	4,577.50
09/01/2024	-	-	-	17,430.00	-	17,430.00	(17,430.00)	-
10/01/2024	2,043.75	-	2,043.75	-	-	-	2,043.75	-
03/01/2025	-	-	-	2,055.00	-	2,055.00	(2,055.00)	-
04/01/2025	17,043.75	-	17,043.75	-	-	-	17,043.75	-
06/30/2025	-	-	-	-	-	-	-	(397.50)
09/01/2025	-	-	-	17,055.00	-	17,055.00	(17,055.00)	-
10/01/2025	1,771.88	-	1,771.88	-	-	-	1,771.88	-
03/01/2026	-	-	-	1,680.00	-	1,680.00	(1,680.00)	-
04/01/2026	16,771.88	-	16,771.88	-	-	-	16,771.88	-
06/30/2026	-	-	-	-	-	-	-	(191.24)
09/01/2026	-	-	-	15,680.00	-	15,680.00	(15,680.00)	-
10/01/2026	1,500.00	-	1,500.00	-	-	-	1,500.00	-
03/01/2027	-	-	-	1,330.00	-	1,330.00	(1,330.00)	-
04/01/2027	16,500.00	-	16,500.00	-	-	-	16,500.00	-
06/30/2027	-	-	-	-	-	-	-	990.00
09/01/2027	-	-	-	15,330.00	-	15,330.00	(15,330.00)	-
10/01/2027	1,200.00	-	1,200.00	-	-	-	1,200.00	-
03/01/2028	-	-	-	980.00	-	980.00	(980.00)	-
04/01/2028	16,200.00	-	16,200.00	-	-	-	16,200.00	-
06/30/2028	-	-	-	-	-	-	-	1,090.00
09/01/2028	-	-	-	14,980.00	-	14,980.00	(14,980.00)	-
10/01/2028	900.00	-	900.00	-	-	-	900.00	-
03/01/2029	-	-	-	630.00	-	630.00	(630.00)	-
04/01/2029	15,900.00	-	15,900.00	-	-	-	15,900.00	-
06/30/2029	-	-	-	-	-	-	-	1,190.00
09/01/2029	-	-	-	14,630.00	-	14,630.00	(14,630.00)	-
10/01/2029	600.00	-	600.00	-	-	-	600.00	-
03/01/2030	-	-	-	280.00	-	280.00	(280.00)	-
04/01/2030	15,600.00	-	15,600.00	-	-	-	15,600.00	-
06/30/2030	-	-	-	-	-	-	-	1,290.00
09/01/2030	-	-	-	14,280.00	-	14,280.00	(14,280.00)	-
10/01/2030	300.00	-	300.00	-	-	-	300.00	-
04/01/2031	15,300.00	-	15,300.00	-	-	-	15,300.00	-
06/30/2031	-	-	-	-	-	-	-	1,320.00
	307,162.51	3,131.25	304,031.26	202,777.57	87,000.00	289,777.57	14,253.69	14,253.69

Savings Summary

Savings PV date	12/21/2017
Savings PV rate	2.951195%
PV of savings from cash flow	8,879.75
Plus: Refunding funds on hand	152.59
Net PV Savings	9,032.34

SAVINGS

City of Newton, Massachusetts
Refund April 14, 2011 Horace Mann School Windows/Doors (I)

Date	Prior Debt Service	Cash Contribution	Prior Net Cash Flow	Refunding Debt Service	Non-Called Debt Service	Refunding Net Cash Flow	Savings	Annual Savings
12/21/2017	-	4,765.63	(4,765.63)	-	-	-	(4,765.63)	-
04/01/2018	31,890.63	-	31,890.63	-	27,125.00	27,125.00	4,765.63	-
06/30/2018	-	-	-	-	-	-	-	-
09/01/2018	-	-	-	7,520.83	-	7,520.83	(7,520.83)	-
10/01/2018	6,390.63	-	6,390.63	-	1,625.00	1,625.00	4,765.63	-
03/01/2019	-	-	-	5,415.00	-	5,415.00	(5,415.00)	-
04/01/2019	31,390.63	-	31,390.63	-	26,625.00	26,625.00	4,765.63	-
06/30/2019	-	-	-	-	-	-	-	(3,404.57)
09/01/2019	-	-	-	5,415.00	-	5,415.00	(5,415.00)	-
10/01/2019	5,890.63	-	5,890.63	-	1,125.00	1,125.00	4,765.63	-
03/01/2020	-	-	-	5,415.00	-	5,415.00	(5,415.00)	-
04/01/2020	30,890.63	-	30,890.63	-	26,125.00	26,125.00	4,765.63	-
06/30/2020	-	-	-	-	-	-	-	(1,298.74)
09/01/2020	-	-	-	5,415.00	-	5,415.00	(5,415.00)	-
10/01/2020	5,328.13	-	5,328.13	-	562.50	562.50	4,765.63	-
03/01/2021	-	-	-	5,415.00	-	5,415.00	(5,415.00)	-
04/01/2021	30,328.13	-	30,328.13	-	25,562.50	25,562.50	4,765.63	-
06/30/2021	-	-	-	-	-	-	-	(1,298.74)
09/01/2021	-	-	-	28,415.00	-	28,415.00	(28,415.00)	-
10/01/2021	4,765.63	-	4,765.63	-	-	-	4,765.63	-
03/01/2022	-	-	-	4,840.00	-	4,840.00	(4,840.00)	-
04/01/2022	29,765.63	-	29,765.63	-	-	-	29,765.63	-
06/30/2022	-	-	-	-	-	-	-	1,276.26
09/01/2022	-	-	-	26,840.00	-	26,840.00	(26,840.00)	-
10/01/2022	4,312.50	-	4,312.50	-	-	-	4,312.50	-
03/01/2023	-	-	-	4,290.00	-	4,290.00	(4,290.00)	-
04/01/2023	29,312.50	-	29,312.50	-	-	-	29,312.50	-
06/30/2023	-	-	-	-	-	-	-	2,495.00
09/01/2023	-	-	-	26,290.00	-	26,290.00	(26,290.00)	-
10/01/2023	3,859.38	-	3,859.38	-	-	-	3,859.38	-
03/01/2024	-	-	-	3,740.00	-	3,740.00	(3,740.00)	-
04/01/2024	28,859.38	-	28,859.38	-	-	-	28,859.38	-
06/30/2024	-	-	-	-	-	-	-	2,688.76
09/01/2024	-	-	-	25,740.00	-	25,740.00	(25,740.00)	-
10/01/2024	3,406.25	-	3,406.25	-	-	-	3,406.25	-
03/01/2025	-	-	-	3,190.00	-	3,190.00	(3,190.00)	-
04/01/2025	28,406.25	-	28,406.25	-	-	-	28,406.25	-
06/30/2025	-	-	-	-	-	-	-	2,882.50
09/01/2025	-	-	-	25,190.00	-	25,190.00	(25,190.00)	-
10/01/2025	2,953.13	-	2,953.13	-	-	-	2,953.13	-
03/01/2026	-	-	-	2,640.00	-	2,640.00	(2,640.00)	-
04/01/2026	27,953.13	-	27,953.13	-	-	-	27,953.13	-
06/30/2026	-	-	-	-	-	-	-	3,076.26
09/01/2026	-	-	-	24,640.00	-	24,640.00	(24,640.00)	-
10/01/2026	2,500.00	-	2,500.00	-	-	-	2,500.00	-
03/01/2027	-	-	-	2,090.00	-	2,090.00	(2,090.00)	-
04/01/2027	27,500.00	-	27,500.00	-	-	-	27,500.00	-
06/30/2027	-	-	-	-	-	-	-	3,270.00
09/01/2027	-	-	-	24,090.00	-	24,090.00	(24,090.00)	-
10/01/2027	2,000.00	-	2,000.00	-	-	-	2,000.00	-
03/01/2028	-	-	-	1,540.00	-	1,540.00	(1,540.00)	-
04/01/2028	27,000.00	-	27,000.00	-	-	-	27,000.00	-
06/30/2028	-	-	-	-	-	-	-	3,370.00
09/01/2028	-	-	-	23,540.00	-	23,540.00	(23,540.00)	-
10/01/2028	1,500.00	-	1,500.00	-	-	-	1,500.00	-
03/01/2029	-	-	-	990.00	-	990.00	(990.00)	-
04/01/2029	26,500.00	-	26,500.00	-	-	-	26,500.00	-
06/30/2029	-	-	-	-	-	-	-	3,470.00
09/01/2029	-	-	-	22,990.00	-	22,990.00	(22,990.00)	-
10/01/2029	1,000.00	-	1,000.00	-	-	-	1,000.00	-
03/01/2030	-	-	-	440.00	-	440.00	(440.00)	-
04/01/2030	26,000.00	-	26,000.00	-	-	-	26,000.00	-
06/30/2030	-	-	-	-	-	-	-	3,570.00
09/01/2030	-	-	-	22,440.00	-	22,440.00	(22,440.00)	-
10/01/2030	500.00	-	500.00	-	-	-	500.00	-
04/01/2031	25,500.00	-	25,500.00	-	-	-	25,500.00	-
06/30/2031	-	-	-	-	-	-	-	3,560.00
	445,703.19	4,765.63	440,937.56	308,530.83	108,750.00	417,280.83	23,656.73	23,656.73

Savings Summary

Savings PV date	12/21/2017
Savings PV rate	2.951195%
PV of savings from cash flow	13,683.85
Plus: Refunding funds on hand	37.22
Net PV Savings	13,721.07

Issuer: **City of Newton, Massachusetts**
 Principal Amount: **\$7,200,350**
 Issue: **General Obligation Municipal Purpose Loan of 2017 Bonds - Refunding General Obligation Bonds of May 15, 2010 Series A**
 Dated Date: **21-Dec-17**
 Date of Delivery: **21-Dec-17**
 Final Maturity: **1-Sep-47**
 Purchaser: **Morgan Stanley & Co, LLC**

Date	Refunding Bonds of 2017					General Obligation Bonds of May 15, 2010 Series A					Fiscal Year Savings	
	Principal Payment	Coupon	Interest Payment	Principal & Interest	Fiscal Year Debt Service	Date	Principal Payment	Coupon	Interest Payment	Principal & Interest		Fiscal Year Debt Service
12/21/17	(1)	-	158,853.13	158,853.13		12/21/17	-	-	-	-		
3/1/18	FY 2018	-	-	-	158,853.13	3/1/18	-	-	158,853.13	158,853.13	158,853.13	-
9/1/18		-	215,324.65	215,324.65		9/1/18	-	-	158,853.13	158,853.13		
3/1/19	FY 2019	-	155,033.75	155,033.75	370,358.40	3/1/19	-	-	158,853.13	158,853.13	317,706.26	(52,652.14)
9/1/19		-	155,033.75	155,033.75		9/1/19	-	-	158,853.13	158,853.13		
3/1/20	FY 2020	-	155,033.75	155,033.75	310,067.50	3/1/20	-	-	158,853.13	158,853.13	317,706.26	7,638.76
9/1/20		360,350.00	5.000%	155,033.75	515,383.75	9/1/20	-	-	158,853.13	158,853.13		
3/1/21	FY 2021	-	146,025.00	146,025.00	661,408.75	3/1/21	390,000.00	4.000%	158,853.13	548,853.13	707,706.26	46,297.51
9/1/21		360,000.00	5.000%	146,025.00	506,025.00	9/1/21	-	-	151,053.13	151,053.13		
3/1/22	FY 2022	-	137,025.00	137,025.00	643,050.00	3/1/22	390,000.00	4.000%	151,053.13	541,053.13	692,106.26	49,056.26
9/1/22		360,000.00	5.000%	137,025.00	497,025.00	9/1/22	-	-	143,253.13	143,253.13		
3/1/23	FY 2023	-	128,025.00	128,025.00	625,050.00	3/1/23	390,000.00	4.000%	143,253.13	533,253.13	676,506.26	51,456.26
9/1/23		360,000.00	5.000%	128,025.00	488,025.00	9/1/23	-	-	135,453.13	135,453.13		
3/1/24	FY 2024	-	119,025.00	119,025.00	607,050.00	3/1/24	390,000.00	4.000%	135,453.13	525,453.13	660,906.26	53,856.26
9/1/24		360,000.00	5.000%	119,025.00	479,025.00	9/1/24	-	-	127,653.13	127,653.13		
3/1/25	FY 2025	-	110,025.00	110,025.00	589,050.00	3/1/25	390,000.00	4.000%	127,653.13	517,653.13	645,306.26	56,256.26
9/1/25		360,000.00	5.000%	110,025.00	470,025.00	9/1/25	-	-	119,853.13	119,853.13		
3/1/26	FY 2026	-	101,025.00	101,025.00	571,050.00	3/1/26	390,000.00	4.000%	119,853.13	509,853.13	629,706.26	58,656.26
9/1/26		360,000.00	5.000%	101,025.00	461,025.00	9/1/26	-	-	112,053.13	112,053.13		
3/1/27	FY 2027	-	92,025.00	92,025.00	553,050.00	3/1/27	390,000.00	4.000%	112,053.13	502,053.13	614,106.26	61,056.26
9/1/27		360,000.00	5.000%	92,025.00	452,025.00	9/1/27	-	-	104,253.13	104,253.13		
3/1/28	FY 2028	-	83,025.00	83,025.00	535,050.00	3/1/28	390,000.00	4.000%	104,253.13	494,253.13	598,506.26	63,456.26
9/1/28		360,000.00	5.000%	83,025.00	443,025.00	9/1/28	-	-	96,453.13	96,453.13		
3/1/29	FY 2029	-	74,025.00	74,025.00	517,050.00	3/1/29	390,000.00	4.000%	96,453.13	486,453.13	582,906.26	65,856.26
9/1/29		360,000.00	5.000%	74,025.00	434,025.00	9/1/29	-	-	88,653.13	88,653.13		
3/1/30	FY 2030	-	65,025.00	65,025.00	499,050.00	3/1/30	390,000.00	4.125%	88,653.13	478,653.13	567,306.26	68,256.26
9/1/30		360,000.00	4.000%	65,025.00	425,025.00	9/1/30	-	-	80,609.38	80,609.38		
3/1/31	FY 2031	-	57,825.00	57,825.00	482,850.00	3/1/31	385,000.00	4.125%	80,609.38	465,609.38	546,218.76	63,368.76
9/1/31		360,000.00	4.000%	57,825.00	417,825.00	9/1/31	-	-	72,668.75	72,668.75		
3/1/32	FY 2032	-	50,625.00	50,625.00	468,450.00	3/1/32	385,000.00	4.125%	72,668.75	457,668.75	530,337.50	61,887.50
9/1/32		360,000.00	4.000%	50,625.00	410,625.00	9/1/32	-	-	64,728.13	64,728.13		
3/1/33	FY 2033	-	43,425.00	43,425.00	454,050.00	3/1/33	385,000.00	4.125%	64,728.13	449,728.13	514,456.26	60,406.26
9/1/33		360,000.00	4.000%	43,425.00	403,425.00	9/1/33	-	-	56,787.50	56,787.50		
3/1/34	FY 2034	-	36,225.00	36,225.00	439,650.00	3/1/34	385,000.00	4.125%	56,787.50	441,787.50	498,575.00	58,925.00
9/1/34		360,000.00	4.000%	36,225.00	396,225.00	9/1/34	-	-	48,846.88	48,846.88		
3/1/35	FY 2035	-	29,025.00	29,025.00	425,250.00	3/1/35	385,000.00	4.125%	48,846.88	433,846.88	482,693.76	57,443.76
9/1/35		360,000.00	4.000%	29,025.00	389,025.00	9/1/35	-	-	40,906.25	40,906.25		
3/1/36	FY 2036	-	21,825.00	21,825.00	410,850.00	3/1/36	385,000.00	4.250%	40,906.25	425,906.25	466,812.50	55,962.50
9/1/36		360,000.00	3.000%	21,825.00	381,825.00	9/1/36	-	-	32,725.00	32,725.00		
3/1/37	FY 2037	-	16,425.00	16,425.00	398,250.00	3/1/37	385,000.00	4.250%	32,725.00	417,725.00	450,450.00	52,200.00
9/1/37		360,000.00	3.000%	16,425.00	376,425.00	9/1/37	-	-	24,543.75	24,543.75		
3/1/38	FY 2038	-	11,025.00	11,025.00	387,450.00	3/1/38	385,000.00	4.250%	24,543.75	409,543.75	434,087.50	46,637.50
9/1/38		360,000.00	3.000%	11,025.00	371,025.00	9/1/38	-	-	16,362.50	16,362.50		
3/1/39	FY 2039	-	5,625.00	5,625.00	376,650.00	3/1/39	385,000.00	4.250%	16,362.50	401,362.50	417,725.00	41,075.00
9/1/39		360,000.00	3.125%	5,625.00	365,625.00	9/1/39	-	-	8,181.25	8,181.25		
3/1/40	FY 2040	-	-	-	365,625.00	3/1/40	385,000.00	4.250%	8,181.25	393,181.25	401,362.50	35,737.50
TOTAL		7,200,350.00		3,648,862.78	10,849,212.78		7,750,000.00		4,162,047.03	11,912,047.03		1,062,834.25

(1) Reflects escrow cash contribution from FY2018 debt service appropriation.

City of Newton, Massachusetts

General Obligation Municipal Purpose Loan of 2017 Bonds - Refunding General Obligation Bonds of May 15, 2010 Series A

Date	A General Obligation Bonds of May 15, 2010 Series A (Non-Callable/Uncalled Debt Service)		B General Obligation Bonds of May 15, 2010 Series A Advance Refunded Debt Service (1)		Date	C Refunding Bonds of 2017		D Debt Service Subsequent to Refunding Issue		TOTAL	
	Principal Payment	Interest Payment	Principal Payment	Interest Payment		Principal Payment	Interest Payment	Principal Payment	Interest Payment	Fiscal Year Debt Service Subsequent to Refunding Issue	
12/21/17	-	-	-	-	12/21/17	-	158,853.13	-	158,853.13		
3/1/18	FY 2018	390,000.00	23,400.00	-	158,853.13	3/1/18	-	-	390,000.00	23,400.00	572,253.13
9/1/18		-	15,600.00	-	158,853.13	9/1/18	-	215,324.65	-	230,924.65	
3/1/19	FY 2019	390,000.00	15,600.00	-	158,853.13	3/1/19	-	155,033.75	390,000.00	170,633.75	791,558.40
9/1/19		-	7,800.00	-	158,853.13	9/1/19	-	155,033.75	-	162,833.75	
3/1/20	FY 2020	390,000.00	7,800.00	-	158,853.13	3/1/20	-	155,033.75	390,000.00	162,833.75	715,667.50
9/1/20		-	-	-	158,853.13	9/1/20	360,350.00	155,033.75	360,350.00	155,033.75	
3/1/21	FY 2021	-	-	390,000.00	158,853.13	3/1/21	-	146,025.00	-	146,025.00	661,408.75
9/1/21		-	-	-	151,053.13	9/1/21	360,000.00	146,025.00	360,000.00	146,025.00	
3/1/22	FY 2022	-	-	390,000.00	151,053.13	3/1/22	-	137,025.00	-	137,025.00	643,050.00
9/1/22		-	-	-	143,253.13	9/1/22	360,000.00	137,025.00	360,000.00	137,025.00	
3/1/23	FY 2023	-	-	390,000.00	143,253.13	3/1/23	-	128,025.00	-	128,025.00	625,050.00
9/1/23		-	-	-	135,453.13	9/1/23	360,000.00	128,025.00	360,000.00	128,025.00	
3/1/24	FY 2024	-	-	390,000.00	135,453.13	3/1/24	-	119,025.00	-	119,025.00	607,050.00
9/1/24		-	-	-	127,653.13	9/1/24	360,000.00	119,025.00	360,000.00	119,025.00	
3/1/25	FY 2025	-	-	390,000.00	127,653.13	3/1/25	-	110,025.00	-	110,025.00	589,050.00
9/1/25		-	-	-	119,853.13	9/1/25	360,000.00	110,025.00	360,000.00	110,025.00	
3/1/26	FY 2026	-	-	390,000.00	119,853.13	3/1/26	-	101,025.00	-	101,025.00	571,050.00
9/1/26		-	-	-	112,053.13	9/1/26	360,000.00	101,025.00	360,000.00	101,025.00	
3/1/27	FY 2027	-	-	390,000.00	112,053.13	3/1/27	-	92,025.00	-	92,025.00	553,050.00
9/1/27		-	-	-	104,253.13	9/1/27	360,000.00	92,025.00	360,000.00	92,025.00	
3/1/28	FY 2028	-	-	390,000.00	104,253.13	3/1/28	-	83,025.00	-	83,025.00	535,050.00
9/1/28		-	-	-	96,453.13	9/1/28	360,000.00	83,025.00	360,000.00	83,025.00	
3/1/29	FY 2029	-	-	390,000.00	96,453.13	3/1/29	-	74,025.00	-	74,025.00	517,050.00
9/1/29		-	-	-	88,653.13	9/1/29	360,000.00	74,025.00	360,000.00	74,025.00	
3/1/30	FY 2030	-	-	390,000.00	88,653.13	3/1/30	-	65,025.00	-	65,025.00	499,050.00
9/1/30		-	-	-	80,609.38	9/1/30	360,000.00	65,025.00	360,000.00	65,025.00	
3/1/31	FY 2031	-	-	385,000.00	80,609.38	3/1/31	-	57,825.00	-	57,825.00	482,850.00
9/1/31		-	-	-	72,668.75	9/1/31	360,000.00	57,825.00	360,000.00	57,825.00	
3/1/32	FY 2032	-	-	385,000.00	72,668.75	3/1/32	-	50,625.00	-	50,625.00	468,450.00
9/1/32		-	-	-	64,728.13	9/1/32	360,000.00	50,625.00	360,000.00	50,625.00	
3/1/33	FY 2033	-	-	385,000.00	64,728.13	3/1/33	-	43,425.00	-	43,425.00	454,050.00
9/1/33		-	-	-	56,787.50	9/1/33	360,000.00	43,425.00	360,000.00	43,425.00	
3/1/34	FY 2034	-	-	385,000.00	56,787.50	3/1/34	-	36,225.00	-	36,225.00	439,650.00
9/1/34		-	-	-	48,846.88	9/1/34	360,000.00	36,225.00	360,000.00	36,225.00	
3/1/35	FY 2035	-	-	385,000.00	48,846.88	3/1/35	-	29,025.00	-	29,025.00	425,250.00
9/1/35		-	-	-	40,906.25	9/1/35	360,000.00	29,025.00	360,000.00	29,025.00	
3/1/36	FY 2036	-	-	385,000.00	40,906.25	3/1/36	-	21,825.00	-	21,825.00	410,850.00
9/1/36		-	-	-	32,725.00	9/1/36	360,000.00	21,825.00	360,000.00	21,825.00	
3/1/37	FY 2037	-	-	385,000.00	32,725.00	3/1/37	-	16,425.00	-	16,425.00	398,250.00
9/1/37		-	-	-	24,543.75	9/1/37	360,000.00	16,425.00	360,000.00	16,425.00	
3/1/38	FY 2038	-	-	385,000.00	24,543.75	3/1/38	-	11,025.00	-	11,025.00	387,450.00
9/1/38		-	-	-	16,362.50	9/1/38	360,000.00	11,025.00	360,000.00	11,025.00	
3/1/39	FY 2039	-	-	385,000.00	16,362.50	3/1/39	-	5,625.00	-	5,625.00	376,650.00
9/1/39		-	-	-	8,181.25	9/1/39	360,000.00	5,625.00	360,000.00	5,625.00	
3/1/40	FY 2040	-	-	385,000.00	8,181.25	3/1/40	-	-	-	-	365,625.00
		1,170,000.00	70,200.00	7,750,000.00	4,162,047.03		7,200,350.00	3,648,862.78	8,370,350.00	3,719,062.78	12,089,412.78

(1) Payable from proceeds of the Refunding Bond Issue of 2017.

(2) Reflects escrow cash contribution from FY2018 debt service appropriation.

Breakdown of Bonds Refunded
By Purpose

Date	General Obligation Bonds of May 15, 2010 Series A					School (ISQ)			
	Principal Payment	Coupon	Interest Payment	Principal & Interest	Fiscal Year Debt Service	Principal Payment	Interest Payment	Principal & Interest	Fiscal Year Debt Service
12/21/17	-	-	-	-	-	-	-	-	-
3/1/18	FY 2018	-	158,853.13	158,853.13	158,853.13	-	158,853.13	158,853.13	158,853.13
9/1/18		-	158,853.13	158,853.13	-	-	158,853.13	158,853.13	-
3/1/19	FY 2019	-	158,853.13	158,853.13	317,706.26	-	158,853.13	158,853.13	317,706.26
9/1/19		-	158,853.13	158,853.13	-	-	158,853.13	158,853.13	-
3/1/20	FY 2020	-	158,853.13	158,853.13	317,706.26	-	158,853.13	158,853.13	317,706.26
9/1/20		-	158,853.13	158,853.13	-	-	158,853.13	158,853.13	-
3/1/21	FY 2021	390,000.00	4.000%	158,853.13	548,853.13	707,706.26	390,000.00	158,853.13	548,853.13
9/1/21		-	-	151,053.13	151,053.13	-	-	151,053.13	-
3/1/22	FY 2022	390,000.00	4.000%	151,053.13	541,053.13	692,106.26	390,000.00	151,053.13	541,053.13
9/1/22		-	-	143,253.13	143,253.13	-	-	143,253.13	-
3/1/23	FY 2023	390,000.00	4.000%	143,253.13	533,253.13	676,506.26	390,000.00	143,253.13	533,253.13
9/1/23		-	-	135,453.13	135,453.13	-	-	135,453.13	-
3/1/24	FY 2024	390,000.00	4.000%	135,453.13	525,453.13	660,906.26	390,000.00	135,453.13	525,453.13
9/1/24		-	-	127,653.13	127,653.13	-	-	127,653.13	-
3/1/25	FY 2025	390,000.00	4.000%	127,653.13	517,653.13	645,306.26	390,000.00	127,653.13	517,653.13
9/1/25		-	-	119,853.13	119,853.13	-	-	119,853.13	-
3/1/26	FY 2026	390,000.00	4.000%	119,853.13	509,853.13	629,706.26	390,000.00	119,853.13	509,853.13
9/1/26		-	-	112,053.13	112,053.13	-	-	112,053.13	-
3/1/27	FY 2027	390,000.00	4.000%	112,053.13	502,053.13	614,106.26	390,000.00	112,053.13	502,053.13
9/1/27		-	-	104,253.13	104,253.13	-	-	104,253.13	-
3/1/28	FY 2028	390,000.00	4.000%	104,253.13	494,253.13	598,506.26	390,000.00	104,253.13	494,253.13
9/1/28		-	-	96,453.13	96,453.13	-	-	96,453.13	-
3/1/29	FY 2029	390,000.00	4.000%	96,453.13	486,453.13	582,906.26	390,000.00	96,453.13	486,453.13
9/1/29		-	-	88,653.13	88,653.13	-	-	88,653.13	-
3/1/30	FY 2030	390,000.00	4.125%	88,653.13	478,653.13	567,306.26	390,000.00	88,653.13	478,653.13
9/1/30		-	-	80,609.38	80,609.38	-	-	80,609.38	-
3/1/31	FY 2031	385,000.00	4.125%	80,609.38	465,609.38	546,218.76	385,000.00	80,609.38	465,609.38
9/1/31		-	-	72,668.75	72,668.75	-	-	72,668.75	-
3/1/32	FY 2032	385,000.00	4.125%	72,668.75	457,668.75	530,337.50	385,000.00	72,668.75	457,668.75
9/1/32		-	-	64,728.13	64,728.13	-	-	64,728.13	-
3/1/33	FY 2033	385,000.00	4.125%	64,728.13	449,728.13	514,456.26	385,000.00	64,728.13	449,728.13
9/1/33		-	-	56,787.50	56,787.50	-	-	56,787.50	-
3/1/34	FY 2034	385,000.00	4.125%	56,787.50	441,787.50	498,575.00	385,000.00	56,787.50	441,787.50
9/1/34		-	-	48,846.88	48,846.88	-	-	48,846.88	-
3/1/35	FY 2035	385,000.00	4.125%	48,846.88	433,846.88	482,693.76	385,000.00	48,846.88	433,846.88
9/1/35		-	-	40,906.25	40,906.25	-	-	40,906.25	-
3/1/36	FY 2036	385,000.00	4.250%	40,906.25	425,906.25	466,812.50	385,000.00	40,906.25	425,906.25
9/1/36		-	-	32,725.00	32,725.00	-	-	32,725.00	-
3/1/37	FY 2037	385,000.00	4.250%	32,725.00	417,725.00	450,450.00	385,000.00	32,725.00	417,725.00
9/1/37		-	-	24,543.75	24,543.75	-	-	24,543.75	-
3/1/38	FY 2038	385,000.00	4.250%	24,543.75	409,543.75	434,087.50	385,000.00	24,543.75	409,543.75
9/1/38		-	-	16,362.50	16,362.50	-	-	16,362.50	-
3/1/39	FY 2039	385,000.00	4.250%	16,362.50	401,362.50	417,725.00	385,000.00	16,362.50	401,362.50
9/1/39		-	-	8,181.25	8,181.25	-	-	8,181.25	-
3/1/40	FY 2040	385,000.00	4.250%	8,181.25	393,181.25	401,362.50	385,000.00	8,181.25	393,181.25
TOTAL		7,750,000.00		4,162,047.03	11,912,047.03	7,750,000.00	4,162,047.03	11,912,047.03	

Prepared by FirstSouthwest, a Division of Hilltop Securities Inc.

School (ISQ)

Date	A		B		C		D		E	F	G	
	Non-Callable/Uncalled Debt Service		Advance Refunded Debt Service (1)		Refunding Bonds of 2017		Debt Service Subsequent to Refunding Issue		Outstanding Prior to Refunding Issue (A+B)	Debt Service Subsequent to Refunding Issue (A+C)	Savings/(Cost) (E-F)	
	Principal Payment	Interest Payment	Principal Payment	Interest Payment	Principal Payment	Interest Payment	Principal Payment	Interest Payment				
12/21/17 (2)	-	-	-	-	-	158,853.13	-	158,853.13	-	158,853.13	-	
3/1/18	FY 2018	390,000.00	23,400.00	-	158,853.13	-	-	390,000.00	23,400.00	572,253.13	413,400.00	
9/1/18		-	15,600.00	-	158,853.13	-	215,324.65	-	230,924.65	174,453.13	230,924.65	
3/1/19	FY 2019	390,000.00	15,600.00	-	158,853.13	-	155,033.75	390,000.00	170,633.75	564,453.13	560,633.75	
9/1/19		-	7,800.00	-	158,853.13	-	155,033.75	-	166,653.13	162,833.75	162,833.75	
3/1/20	FY 2020	390,000.00	7,800.00	-	158,853.13	-	155,033.75	390,000.00	162,833.75	556,653.13	552,833.75	
9/1/20		-	-	-	158,853.13	360,350.00	155,033.75	360,350.00	155,033.75	158,853.13	515,383.75	
3/1/21	FY 2021	-	-	390,000.00	158,853.13	-	146,025.00	-	146,025.00	548,853.13	146,025.00	
9/1/21		-	-	-	151,053.13	360,000.00	146,025.00	360,000.00	146,025.00	151,053.13	506,025.00	
3/1/22	FY 2022	-	-	390,000.00	151,053.13	-	137,025.00	-	137,025.00	541,053.13	137,025.00	
9/1/22		-	-	-	143,253.13	360,000.00	137,025.00	360,000.00	137,025.00	143,253.13	497,025.00	
3/1/23	FY 2023	-	-	390,000.00	143,253.13	-	128,025.00	-	128,025.00	533,253.13	128,025.00	
9/1/23		-	-	-	135,453.13	360,000.00	128,025.00	360,000.00	128,025.00	135,453.13	488,025.00	
3/1/24	FY 2024	-	-	390,000.00	135,453.13	-	119,025.00	-	119,025.00	525,453.13	119,025.00	
9/1/24		-	-	-	127,653.13	360,000.00	119,025.00	360,000.00	119,025.00	127,653.13	479,025.00	
3/1/25	FY 2025	-	-	390,000.00	127,653.13	-	110,025.00	-	110,025.00	517,653.13	110,025.00	
9/1/25		-	-	-	119,853.13	360,000.00	110,025.00	360,000.00	110,025.00	119,853.13	470,025.00	
3/1/26	FY 2026	-	-	390,000.00	119,853.13	-	101,025.00	-	101,025.00	509,853.13	101,025.00	
9/1/26		-	-	-	112,053.13	360,000.00	101,025.00	360,000.00	101,025.00	112,053.13	461,025.00	
3/1/27	FY 2027	-	-	390,000.00	112,053.13	-	92,025.00	-	92,025.00	502,053.13	92,025.00	
9/1/27		-	-	-	104,253.13	360,000.00	92,025.00	360,000.00	92,025.00	104,253.13	452,025.00	
3/1/28	FY 2028	-	-	390,000.00	104,253.13	-	83,025.00	-	83,025.00	494,253.13	83,025.00	
9/1/28		-	-	-	96,453.13	360,000.00	83,025.00	360,000.00	83,025.00	96,453.13	443,025.00	
3/1/29	FY 2029	-	-	390,000.00	96,453.13	-	74,025.00	-	74,025.00	486,453.13	74,025.00	
9/1/29		-	-	-	88,653.13	360,000.00	74,025.00	360,000.00	74,025.00	88,653.13	434,025.00	
3/1/30	FY 2030	-	-	390,000.00	88,653.13	-	65,025.00	-	65,025.00	478,653.13	65,025.00	
9/1/30		-	-	-	80,609.38	360,000.00	65,025.00	360,000.00	65,025.00	80,609.38	425,025.00	
3/1/31	FY 2031	-	-	385,000.00	80,609.38	-	57,825.00	-	57,825.00	465,609.38	57,825.00	
9/1/31		-	-	-	72,668.75	360,000.00	57,825.00	360,000.00	57,825.00	72,668.75	417,825.00	
3/1/32	FY 2032	-	-	385,000.00	72,668.75	-	50,625.00	-	50,625.00	457,668.75	50,625.00	
9/1/32		-	-	-	64,728.13	360,000.00	50,625.00	360,000.00	50,625.00	64,728.13	410,625.00	
3/1/33	FY 2033	-	-	385,000.00	64,728.13	-	43,425.00	-	43,425.00	449,728.13	43,425.00	
9/1/33		-	-	-	56,787.50	360,000.00	43,425.00	360,000.00	43,425.00	56,787.50	403,425.00	
3/1/34	FY 2034	-	-	385,000.00	56,787.50	-	36,225.00	-	36,225.00	441,787.50	36,225.00	
9/1/34		-	-	-	48,846.88	360,000.00	36,225.00	360,000.00	36,225.00	48,846.88	396,225.00	
3/1/35	FY 2035	-	-	385,000.00	48,846.88	-	29,025.00	-	29,025.00	433,846.88	29,025.00	
9/1/35		-	-	-	40,906.25	360,000.00	29,025.00	360,000.00	29,025.00	40,906.25	389,025.00	
3/1/36	FY 2036	-	-	385,000.00	40,906.25	-	21,825.00	-	21,825.00	425,906.25	21,825.00	
9/1/36		-	-	-	32,725.00	360,000.00	21,825.00	360,000.00	21,825.00	32,725.00	381,825.00	
3/1/37	FY 2037	-	-	385,000.00	32,725.00	-	16,425.00	-	16,425.00	417,725.00	16,425.00	
9/1/37		-	-	-	24,543.75	360,000.00	16,425.00	360,000.00	16,425.00	24,543.75	376,425.00	
3/1/38	FY 2038	-	-	385,000.00	24,543.75	-	11,025.00	-	11,025.00	409,543.75	11,025.00	
9/1/38		-	-	-	16,362.50	360,000.00	11,025.00	360,000.00	11,025.00	16,362.50	371,025.00	
3/1/39	FY 2039	-	-	385,000.00	16,362.50	-	5,625.00	-	5,625.00	401,362.50	5,625.00	
9/1/39		-	-	-	8,181.25	360,000.00	5,625.00	360,000.00	5,625.00	8,181.25	365,625.00	
3/1/40	FY 2040	-	-	385,000.00	8,181.25	-	-	-	-	393,181.25	-	
		1,170,000.00	70,200.00	7,750,000.00	4,162,047.03	7,200,350.00	3,648,862.78	8,370,350.00	3,719,062.78	13,152,247.03	12,089,412.78	1,062,834.25

(1) Payable from proceeds of the Refunding Bond Issue of 2017.

(2) Reflects escrow cash contribution from FY2018 debt service appropriation.

Issuer: **City of Newton, Massachusetts**
 Principal Amount: **\$3,968,000**
 Issue: **General Obligation Municipal Purpose Loan of 2017 Bonds - Refunding General Obligation Bonds of May 15, 2010 Series B**
 Dated Date: **21-Dec-17**
 Date of Delivery: **21-Dec-17**
 Final Maturity: **1-Sep-47**
 Purchaser: **Morgan Stanley & Co, LLC**

Refunding Bonds of 2017						General Obligation Bonds of May 15, 2010 Series B							
Date		Principal Payment	Coupon	Interest Payment	Principal & Interest	Fiscal Year Debt Service	Date	Principal Payment	Coupon	Interest Payment	Principal & Interest	Fiscal Year Debt Service	Fiscal Year Savings
12/21/17	(1)	-		89,400.00	89,400.00		12/21/17	-		-	-		
3/1/18	FY 2018	-		-	-	89,400.00	3/1/18	-		89,400.00	89,400.00	89,400.00	-
9/1/18		-		137,777.78	137,777.78		9/1/18	-		89,400.00	89,400.00		
3/1/19	FY 2019	-		99,200.01	99,200.01	236,977.79	3/1/19	-		89,400.00	89,400.00	178,800.00	(58,177.79)
9/1/19		-		99,200.01	99,200.01		9/1/19	-		89,400.00	89,400.00		
3/1/20	FY 2020	-		99,200.01	99,200.01	198,400.02	3/1/20	-		89,400.00	89,400.00	178,800.00	(19,600.02)
9/1/20		553,000.00	5.000%	99,200.01	652,200.01		9/1/20	-		89,400.00	89,400.00		
3/1/21	FY 2021	-		85,375.00	85,375.00	737,575.01	3/1/21	615,000.00	4.000%	89,400.00	704,400.00	793,800.00	56,224.99
9/1/21		550,000.00	5.000%	85,375.00	635,375.00		9/1/21	-		77,100.00	77,100.00		
3/1/22	FY 2022	-		71,625.00	71,625.00	707,000.00	3/1/22	615,000.00	4.000%	77,100.00	692,100.00	769,200.00	62,200.00
9/1/22		549,000.00	5.000%	71,625.00	620,625.00		9/1/22	-		64,800.00	64,800.00		
3/1/23	FY 2023	-		57,900.00	57,900.00	678,525.00	3/1/23	615,000.00	4.000%	64,800.00	679,800.00	744,600.00	66,075.00
9/1/23		549,000.00	5.000%	57,900.00	606,900.00		9/1/23	-		52,500.00	52,500.00		
3/1/24	FY 2024	-		44,175.00	44,175.00	651,075.00	3/1/24	615,000.00	4.000%	52,500.00	667,500.00	720,000.00	68,925.00
9/1/24		548,000.00	5.000%	44,175.00	592,175.00		9/1/24	-		40,200.00	40,200.00		
3/1/25	FY 2025	-		30,475.00	30,475.00	622,650.00	3/1/25	610,000.00	4.000%	40,200.00	650,200.00	690,400.00	67,750.00
9/1/25		244,000.00	5.000%	30,475.00	274,475.00		9/1/25	-		28,000.00	28,000.00		
3/1/26	FY 2026	-		24,375.00	24,375.00	298,850.00	3/1/26	280,000.00	4.000%	28,000.00	308,000.00	336,000.00	37,150.00
9/1/26		244,000.00	5.000%	24,375.00	268,375.00		9/1/26	-		22,400.00	22,400.00		
3/1/27	FY 2027	-		18,275.00	18,275.00	286,650.00	3/1/27	280,000.00	4.000%	22,400.00	302,400.00	324,800.00	38,150.00
9/1/27		244,000.00	5.000%	18,275.00	262,275.00		9/1/27	-		16,800.00	16,800.00		
3/1/28	FY 2028	-		12,175.00	12,175.00	274,450.00	3/1/28	280,000.00	4.000%	16,800.00	296,800.00	313,600.00	39,150.00
9/1/28		244,000.00	5.000%	12,175.00	256,175.00		9/1/28	-		11,200.00	11,200.00		
3/1/29	FY 2029	-		6,075.00	6,075.00	262,250.00	3/1/29	280,000.00	4.000%	11,200.00	291,200.00	302,400.00	40,150.00
9/1/29		243,000.00	5.000%	6,075.00	249,075.00		9/1/29	-		5,600.00	5,600.00		
3/1/30	FY 2030	-		-	-	249,075.00	3/1/30	280,000.00	4.000%	5,600.00	285,600.00	291,200.00	42,125.00
TOTAL		3,968,000.00		1,324,877.82	5,292,877.82			4,470,000.00		1,263,000.00	5,733,000.00		440,122.18

(1) Reflects escrow cash contribution from FY2018 debt service appropriation.

City of Newton, Massachusetts

General Obligation Municipal Purpose Loan of 2017 Bonds - Refunding General Obligation Bonds of May 15, 2010 Series B

Date	A General Obligation Bonds of May 15, 2010 Series B (Non-Callable/Uncalled Debt Service)		B General Obligation Bonds of May 15, 2010 Series B Advance Refunded Debt Service (1)		Date	C Refunding Bonds of 2017		D Debt Service Subsequent to Refunding Issue		TOTAL Fiscal Year Debt Service Subsequent to Refunding Issue
	Principal Payment	Interest Payment	Principal Payment	Interest Payment		Principal Payment	Interest Payment	Principal Payment	Interest Payment	
12/21/17	-	-	-	-	12/21/17	-	89,400.00	-	89,400.00	
3/1/18	FY 2018	985,000.00	59,100.00	-	89,400.00	3/1/18	-	985,000.00	59,100.00	1,133,500.00
9/1/18		-	39,400.00	-	89,400.00	9/1/18	-	-	177,177.78	
3/1/19	FY 2019	985,000.00	39,400.00	-	89,400.00	3/1/19	-	985,000.00	138,600.01	1,300,777.79
9/1/19		-	19,700.00	-	89,400.00	9/1/19	-	-	118,900.01	
3/1/20	FY 2020	985,000.00	19,700.00	-	89,400.00	3/1/20	-	985,000.00	118,900.01	1,222,800.02
9/1/20		-	-	-	89,400.00	9/1/20	553,000.00	553,000.00	99,200.01	
3/1/21	FY 2021	-	-	615,000.00	89,400.00	3/1/21	-	-	85,375.00	737,575.01
9/1/21		-	-	-	77,100.00	9/1/21	550,000.00	550,000.00	85,375.00	
3/1/22	FY 2022	-	-	615,000.00	77,100.00	3/1/22	-	-	71,625.00	707,000.00
9/1/22		-	-	-	64,800.00	9/1/22	549,000.00	549,000.00	71,625.00	
3/1/23	FY 2023	-	-	615,000.00	64,800.00	3/1/23	-	-	57,900.00	678,525.00
9/1/23		-	-	-	52,500.00	9/1/23	549,000.00	549,000.00	57,900.00	
3/1/24	FY 2024	-	-	615,000.00	52,500.00	3/1/24	-	-	44,175.00	651,075.00
9/1/24		-	-	-	40,200.00	9/1/24	548,000.00	548,000.00	44,175.00	
3/1/25	FY 2025	-	-	610,000.00	40,200.00	3/1/25	-	-	30,475.00	622,650.00
9/1/25		-	-	-	28,000.00	9/1/25	244,000.00	244,000.00	30,475.00	
3/1/26	FY 2026	-	-	280,000.00	28,000.00	3/1/26	-	-	24,375.00	298,850.00
9/1/26		-	-	-	22,400.00	9/1/26	244,000.00	244,000.00	24,375.00	
3/1/27	FY 2027	-	-	280,000.00	22,400.00	3/1/27	-	-	18,275.00	286,650.00
9/1/27		-	-	-	16,800.00	9/1/27	244,000.00	244,000.00	18,275.00	
3/1/28	FY 2028	-	-	280,000.00	16,800.00	3/1/28	-	-	12,175.00	274,450.00
9/1/28		-	-	-	11,200.00	9/1/28	244,000.00	244,000.00	12,175.00	
3/1/29	FY 2029	-	-	280,000.00	11,200.00	3/1/29	-	-	6,075.00	262,250.00
9/1/29		-	-	-	5,600.00	9/1/29	243,000.00	243,000.00	6,075.00	
3/1/30	FY 2030	-	-	280,000.00	5,600.00	3/1/30	-	-	-	249,075.00
		2,955,000.00	177,300.00	4,470,000.00	1,263,000.00		3,968,000.00	6,923,000.00	1,502,177.82	8,425,177.82

(1) Payable from proceeds of the Refunding Bond Issue of 2017.

(2) Reflects escrow cash contribution from FY2018 debt service appropriation.

Prepared by FirstSouthwest, a Division of Hilltop Securities Inc.

Breakdown of Bonds Refunded
By Purpose

Date	General Obligation Bonds of May 15, 2010 Series B					Sewer System Improvements (I)				Modular Classrooms (I)				Burr School Windows (I)			
	Principal Payment	Coupon	Interest Payment	Principal & Interest	Fiscal Year Debt Service	Principal Payment	Interest Payment	Principal & Interest	Fiscal Year Debt Service	Principal Payment	Interest Payment	Principal & Interest	Fiscal Year Debt Service	Principal Payment	Interest Payment	Principal & Interest	Fiscal Year Debt Service
12/21/17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3/1/18	FY 2018	-	-	89,400.00	89,400.00	89,400.00	-	5,000.00	5,000.00	5,000.00	-	9,000.00	9,000.00	9,000.00	-	6,000.00	6,000.00
9/1/18	-	-	-	89,400.00	89,400.00	-	-	5,000.00	5,000.00	-	-	9,000.00	9,000.00	-	-	6,000.00	6,000.00
3/1/19	FY 2019	-	-	89,400.00	89,400.00	178,800.00	-	5,000.00	5,000.00	10,000.00	-	9,000.00	9,000.00	18,000.00	-	6,000.00	6,000.00
9/1/19	-	-	-	89,400.00	89,400.00	-	-	5,000.00	5,000.00	-	-	9,000.00	9,000.00	-	-	6,000.00	6,000.00
3/1/20	FY 2020	-	-	89,400.00	89,400.00	178,800.00	-	5,000.00	5,000.00	10,000.00	-	9,000.00	9,000.00	18,000.00	-	6,000.00	6,000.00
9/1/20	-	-	-	89,400.00	89,400.00	-	-	5,000.00	5,000.00	-	-	9,000.00	9,000.00	-	-	6,000.00	6,000.00
3/1/21	FY 2021	615,000.00	4.000%	89,400.00	704,400.00	793,800.00	25,000.00	5,000.00	30,000.00	35,000.00	90,000.00	9,000.00	99,000.00	108,000.00	30,000.00	6,000.00	36,000.00
9/1/21	-	-	-	77,100.00	77,100.00	-	-	4,500.00	4,500.00	-	-	7,200.00	7,200.00	-	-	5,400.00	5,400.00
3/1/22	FY 2022	615,000.00	4.000%	77,100.00	692,100.00	769,200.00	25,000.00	4,500.00	29,500.00	34,000.00	90,000.00	7,200.00	97,200.00	104,400.00	30,000.00	5,400.00	35,400.00
9/1/22	-	-	-	64,800.00	64,800.00	-	-	4,000.00	4,000.00	-	-	5,400.00	5,400.00	-	-	4,800.00	4,800.00
3/1/23	FY 2023	615,000.00	4.000%	64,800.00	679,800.00	744,600.00	25,000.00	4,000.00	29,000.00	33,000.00	90,000.00	5,400.00	95,400.00	100,800.00	30,000.00	4,800.00	34,800.00
9/1/23	-	-	-	52,500.00	52,500.00	-	-	3,500.00	3,500.00	-	-	3,600.00	3,600.00	-	-	4,200.00	4,200.00
3/1/24	FY 2024	615,000.00	4.000%	52,500.00	667,500.00	720,000.00	25,000.00	3,500.00	28,500.00	32,000.00	90,000.00	3,600.00	93,600.00	97,200.00	30,000.00	4,200.00	34,200.00
9/1/24	-	-	-	40,200.00	40,200.00	-	-	3,000.00	3,000.00	-	-	1,800.00	1,800.00	-	-	3,600.00	3,600.00
3/1/25	FY 2025	610,000.00	4.000%	40,200.00	650,200.00	690,400.00	25,000.00	3,000.00	28,000.00	31,000.00	90,000.00	1,800.00	91,800.00	93,600.00	30,000.00	3,600.00	33,600.00
9/1/25	-	-	-	28,000.00	28,000.00	-	-	2,500.00	2,500.00	-	-	-	-	-	-	3,000.00	3,000.00
3/1/26	FY 2026	280,000.00	4.000%	28,000.00	308,000.00	336,000.00	25,000.00	2,500.00	27,500.00	30,000.00	-	-	-	-	30,000.00	3,000.00	33,000.00
9/1/26	-	-	-	22,400.00	22,400.00	-	-	2,000.00	2,000.00	-	-	-	-	-	-	2,400.00	2,400.00
3/1/27	FY 2027	280,000.00	4.000%	22,400.00	302,400.00	324,800.00	25,000.00	2,000.00	27,000.00	29,000.00	-	-	-	-	30,000.00	2,400.00	32,400.00
9/1/27	-	-	-	16,800.00	16,800.00	-	-	1,500.00	1,500.00	-	-	-	-	-	-	1,800.00	1,800.00
3/1/28	FY 2028	280,000.00	4.000%	16,800.00	296,800.00	313,600.00	25,000.00	1,500.00	26,500.00	28,000.00	-	-	-	-	30,000.00	1,800.00	31,800.00
9/1/28	-	-	-	11,200.00	11,200.00	-	-	1,000.00	1,000.00	-	-	-	-	-	-	1,200.00	1,200.00
3/1/29	FY 2029	280,000.00	4.000%	11,200.00	291,200.00	302,400.00	25,000.00	1,000.00	26,000.00	27,000.00	-	-	-	-	30,000.00	1,200.00	31,200.00
9/1/29	-	-	-	5,600.00	5,600.00	-	-	500.00	500.00	-	-	-	-	-	-	600.00	600.00
3/1/30	FY 2030	280,000.00	4.000%	5,600.00	285,600.00	291,200.00	25,000.00	500.00	25,500.00	26,000.00	-	-	-	-	30,000.00	600.00	30,600.00
TOTAL		4,470,000.00		1,263,000.00	5,733,000.00		250,000.00	80,000.00	330,000.00		450,000.00	99,000.00	549,000.00		300,000.00	96,000.00	396,000.00

Breakdown of Bonds Refunded
By Purpose

Date	Fire Station 4 Renovations (I)				Fire Station 7 Renovations (I)				Energy Conservation (I)			
	Principal Payment	Interest Payment	Principal & Interest	Fiscal Year Debt Service	Principal Payment	Interest Payment	Principal & Interest	Fiscal Year Debt Service	Principal Payment	Interest Payment	Principal & Interest	Fiscal Year Debt Service
12/21/17	-	-	-	-	-	-	-	-	-	-	-	-
3/1/18	-	1,000.00	1,000.00	1,000.00	-	44,000.00	44,000.00	44,000.00	-	24,400.00	24,400.00	24,400.00
9/1/18	-	1,000.00	1,000.00	1,000.00	-	44,000.00	44,000.00	44,000.00	-	24,400.00	24,400.00	24,400.00
3/1/19	-	1,000.00	1,000.00	2,000.00	-	44,000.00	44,000.00	88,000.00	-	24,400.00	24,400.00	48,800.00
9/1/19	-	1,000.00	1,000.00	1,000.00	-	44,000.00	44,000.00	44,000.00	-	24,400.00	24,400.00	24,400.00
3/1/20	-	1,000.00	1,000.00	2,000.00	-	44,000.00	44,000.00	88,000.00	-	24,400.00	24,400.00	48,800.00
9/1/20	-	1,000.00	1,000.00	1,000.00	-	44,000.00	44,000.00	44,000.00	-	24,400.00	24,400.00	24,400.00
3/1/21	5,000.00	1,000.00	6,000.00	7,000.00	220,000.00	44,000.00	264,000.00	308,000.00	245,000.00	24,400.00	269,400.00	293,800.00
9/1/21	-	900.00	900.00	900.00	-	39,600.00	39,600.00	39,600.00	-	19,500.00	19,500.00	19,500.00
3/1/22	5,000.00	900.00	5,900.00	6,800.00	220,000.00	39,600.00	259,600.00	299,200.00	245,000.00	19,500.00	264,500.00	284,000.00
9/1/22	-	800.00	800.00	800.00	-	35,200.00	35,200.00	35,200.00	-	14,600.00	14,600.00	14,600.00
3/1/23	5,000.00	800.00	5,800.00	6,600.00	220,000.00	35,200.00	255,200.00	290,400.00	245,000.00	14,600.00	259,600.00	274,200.00
9/1/23	-	700.00	700.00	700.00	-	30,800.00	30,800.00	30,800.00	-	9,700.00	9,700.00	9,700.00
3/1/24	5,000.00	700.00	5,700.00	6,400.00	220,000.00	30,800.00	250,800.00	281,600.00	245,000.00	9,700.00	254,700.00	264,400.00
9/1/24	-	600.00	600.00	600.00	-	26,400.00	26,400.00	26,400.00	-	4,800.00	4,800.00	4,800.00
3/1/25	5,000.00	600.00	5,600.00	6,200.00	220,000.00	26,400.00	246,400.00	272,800.00	240,000.00	4,800.00	244,800.00	249,600.00
9/1/25	-	500.00	500.00	500.00	-	22,000.00	22,000.00	22,000.00	-	-	-	-
3/1/26	5,000.00	500.00	5,500.00	6,000.00	220,000.00	22,000.00	242,000.00	264,000.00	-	-	-	-
9/1/26	-	400.00	400.00	400.00	-	17,600.00	17,600.00	17,600.00	-	-	-	-
3/1/27	5,000.00	400.00	5,400.00	5,800.00	220,000.00	17,600.00	237,600.00	255,200.00	-	-	-	-
9/1/27	-	300.00	300.00	300.00	-	13,200.00	13,200.00	13,200.00	-	-	-	-
3/1/28	5,000.00	300.00	5,300.00	5,600.00	220,000.00	13,200.00	233,200.00	246,400.00	-	-	-	-
9/1/28	-	200.00	200.00	200.00	-	8,800.00	8,800.00	8,800.00	-	-	-	-
3/1/29	5,000.00	200.00	5,200.00	5,400.00	220,000.00	8,800.00	228,800.00	237,600.00	-	-	-	-
9/1/29	-	100.00	100.00	100.00	-	4,400.00	4,400.00	4,400.00	-	-	-	-
3/1/30	5,000.00	100.00	5,100.00	5,200.00	220,000.00	4,400.00	224,400.00	228,800.00	-	-	-	-
TOTAL	50,000.00	16,000.00	66,000.00		2,200,000.00	704,000.00	2,904,000.00		1,220,000.00	268,000.00	1,488,000.00	

Prepared by FirstSouthwest, a Division of Hilltop Securities Inc.

Sewer System Improvements (I)

Date	A		B		C		D		E	F	G
	Non-Callable/Uncalled Debt Service		Advance Refunded Debt Service (1)		Refunding Bonds of 2017		Debt Service Subsequent to Refunding Issue		Outstanding Prior to Refunding Issue	Debt Service Subsequent to Refunding Issue	Savings/(Cost)
	Principal Payment	Interest Payment	Principal Payment	Interest Payment	Principal Payment	Interest Payment	Principal Payment	Interest Payment	(A+B)	(A+C)	(E-F)
12/21/17 (2)	-	-	-	-	-	5,000.00	-	5,000.00	-	5,000.00	-
3/1/18	25,000.00	1,500.00	-	5,000.00	-	-	25,000.00	1,500.00	31,500.00	26,500.00	-
9/1/18	-	1,000.00	-	5,000.00	-	7,604.17	-	8,604.17	6,000.00	8,604.17	-
3/1/19	25,000.00	1,000.00	-	5,000.00	-	5,475.00	25,000.00	6,475.00	31,000.00	31,475.00	(3,079.17)
9/1/19	-	500.00	-	5,000.00	-	5,475.00	-	5,975.00	5,500.00	5,975.00	-
3/1/20	25,000.00	500.00	-	5,000.00	-	5,475.00	25,000.00	5,975.00	30,500.00	30,975.00	(950.00)
9/1/20	-	-	-	5,000.00	22,000.00	5,475.00	22,000.00	5,475.00	5,000.00	27,475.00	-
3/1/21	-	-	25,000.00	5,000.00	-	4,925.00	-	4,925.00	30,000.00	4,925.00	2,600.00
9/1/21	-	-	-	4,500.00	22,000.00	4,925.00	22,000.00	4,925.00	4,500.00	26,925.00	-
3/1/22	-	-	25,000.00	4,500.00	-	4,375.00	-	4,375.00	29,500.00	4,375.00	2,700.00
9/1/22	-	-	-	4,000.00	22,000.00	4,375.00	22,000.00	4,375.00	4,000.00	26,375.00	-
3/1/23	-	-	25,000.00	4,000.00	-	3,825.00	-	3,825.00	29,000.00	3,825.00	2,800.00
9/1/23	-	-	-	3,500.00	22,000.00	3,825.00	22,000.00	3,825.00	3,500.00	25,825.00	-
3/1/24	-	-	25,000.00	3,500.00	-	3,275.00	-	3,275.00	28,500.00	3,275.00	2,900.00
9/1/24	-	-	-	3,000.00	22,000.00	3,275.00	22,000.00	3,275.00	3,000.00	25,275.00	-
3/1/25	-	-	25,000.00	3,000.00	-	2,725.00	-	2,725.00	28,000.00	2,725.00	3,000.00
9/1/25	-	-	-	2,500.00	22,000.00	2,725.00	22,000.00	2,725.00	2,500.00	24,725.00	-
3/1/26	-	-	25,000.00	2,500.00	-	2,175.00	-	2,175.00	27,500.00	2,175.00	3,100.00
9/1/26	-	-	-	2,000.00	22,000.00	2,175.00	22,000.00	2,175.00	2,000.00	24,175.00	-
3/1/27	-	-	25,000.00	2,000.00	-	1,625.00	-	1,625.00	27,000.00	1,625.00	3,200.00
9/1/27	-	-	-	1,500.00	22,000.00	1,625.00	22,000.00	1,625.00	1,500.00	23,625.00	-
3/1/28	-	-	25,000.00	1,500.00	-	1,075.00	-	1,075.00	26,500.00	1,075.00	3,300.00
9/1/28	-	-	-	1,000.00	22,000.00	1,075.00	22,000.00	1,075.00	1,000.00	23,075.00	-
3/1/29	-	-	25,000.00	1,000.00	-	525.00	-	525.00	26,000.00	525.00	3,400.00
9/1/29	-	-	-	500.00	21,000.00	525.00	21,000.00	525.00	500.00	21,525.00	-
3/1/30	-	-	25,000.00	500.00	-	-	-	-	25,500.00	-	4,475.00
	75,000.00	4,500.00	250,000.00	80,000.00	219,000.00	83,554.17	294,000.00	88,054.17	409,500.00	382,054.17	27,445.83

(1) Payable from proceeds of the Refunding Bond Issue of 2017.
(2) Reflects escrow cash contribution from FY2018 debt service appropriation.

Prepared by FirstSouthwest, a Division of Hilltop Securities Inc.

Modular Classrooms (I)

Date	A		B		C		D		E	F	G
	Non-Callable/Uncalled Debt Service		Advance Refunded Debt Service (1)		Refunding Bonds of 2017		Debt Service Subsequent to Refunding Issue		Outstanding Prior to Refunding Issue (A+B)	Debt Service Subsequent to Refunding Issue (A+C)	Savings/(Cost) (E-F)
	Principal Payment	Interest Payment	Principal Payment	Interest Payment	Principal Payment	Interest Payment	Principal Payment	Interest Payment			
12/21/17 (2)	-	-	-	-	-	9,000.00	-	9,000.00	-	9,000.00	-
3/1/18	FY 2018	95,000.00	5,700.00	-	9,000.00	-	-	95,000.00	5,700.00	109,700.00	100,700.00
9/1/18		-	3,800.00	-	9,000.00	-	14,236.11	-	18,036.11	12,800.00	18,036.11
3/1/19	FY 2019	95,000.00	3,800.00	-	9,000.00	-	10,250.00	95,000.00	14,050.00	107,800.00	109,050.00
9/1/19		-	1,900.00	-	9,000.00	-	10,250.00	-	12,150.00	10,900.00	12,150.00
3/1/20	FY 2020	95,000.00	1,900.00	-	9,000.00	-	10,250.00	95,000.00	12,150.00	105,900.00	107,150.00
9/1/20		-	-	-	9,000.00	82,000.00	10,250.00	82,000.00	10,250.00	9,000.00	92,250.00
3/1/21	FY 2021	-	-	90,000.00	9,000.00	-	8,200.00	-	8,200.00	99,000.00	8,200.00
9/1/21		-	-	-	7,200.00	82,000.00	8,200.00	82,000.00	8,200.00	7,200.00	90,200.00
3/1/22	FY 2022	-	-	90,000.00	7,200.00	-	6,150.00	-	6,150.00	97,200.00	6,150.00
9/1/22		-	-	-	5,400.00	82,000.00	6,150.00	82,000.00	6,150.00	5,400.00	88,150.00
3/1/23	FY 2023	-	-	90,000.00	5,400.00	-	4,100.00	-	4,100.00	95,400.00	4,100.00
9/1/23		-	-	-	3,600.00	82,000.00	4,100.00	82,000.00	4,100.00	3,600.00	86,100.00
3/1/24	FY 2024	-	-	90,000.00	3,600.00	-	2,050.00	-	2,050.00	93,600.00	2,050.00
9/1/24		-	-	-	1,800.00	82,000.00	2,050.00	82,000.00	2,050.00	1,800.00	84,050.00
3/1/25	FY 2025	-	-	90,000.00	1,800.00	-	-	-	-	91,800.00	-
		285,000.00	17,100.00	450,000.00	99,000.00	410,000.00	105,236.11	695,000.00	122,336.11	851,100.00	817,336.11
											33,763.89

(1) Payable from proceeds of the Refunding Bond Issue of 2017.

(2) Reflects escrow cash contribution from FY2018 debt service appropriation.

Burr School Windows (I)

Date	A		B		C		D		E	F	G
	Non-Callable/Uncalled Debt Service		Advance Refunded Debt Service (1)		Refunding Bonds of 2017		Debt Service Subsequent to Refunding Issue		Outstanding Prior to Refunding Issue	Debt Service Subsequent to Refunding Issue	Savings/(Cost)
	Principal Payment	Interest Payment	Principal Payment	Interest Payment	Principal Payment	Interest Payment	Principal Payment	Interest Payment	(A+B)	(A+C)	(E-F)
12/21/17 (2)	-	-	-	-	-	6,000.00	-	6,000.00	-	6,000.00	-
3/1/18	35,000.00	2,100.00	-	6,000.00	-	-	35,000.00	2,100.00	43,100.00	37,100.00	-
9/1/18	-	1,400.00	-	6,000.00	-	9,105.03	-	10,505.03	7,400.00	10,505.03	-
3/1/19	35,000.00	1,400.00	-	6,000.00	-	6,555.63	35,000.00	7,955.63	42,400.00	42,955.63	(3,660.66)
9/1/19	-	700.00	-	6,000.00	-	6,555.63	-	7,255.63	6,700.00	7,255.63	-
3/1/20	35,000.00	700.00	-	6,000.00	-	6,555.63	35,000.00	7,255.63	41,700.00	42,255.63	(1,111.26)
9/1/20	-	-	-	6,000.00	27,225.00	6,555.63	27,225.00	6,555.63	6,000.00	33,780.63	-
3/1/21	-	-	30,000.00	6,000.00	-	5,875.00	-	5,875.00	36,000.00	5,875.00	2,344.37
9/1/21	-	-	-	5,400.00	27,000.00	5,875.00	27,000.00	5,875.00	5,400.00	32,875.00	-
3/1/22	-	-	30,000.00	5,400.00	-	5,200.00	-	5,200.00	35,400.00	5,200.00	2,725.00
9/1/22	-	-	-	4,800.00	26,000.00	5,200.00	26,000.00	5,200.00	4,800.00	31,200.00	-
3/1/23	-	-	30,000.00	4,800.00	-	4,550.00	-	4,550.00	34,800.00	4,550.00	3,850.00
9/1/23	-	-	-	4,200.00	26,000.00	4,550.00	26,000.00	4,550.00	4,200.00	30,550.00	-
3/1/24	-	-	30,000.00	4,200.00	-	3,900.00	-	3,900.00	34,200.00	3,900.00	3,950.00
9/1/24	-	-	-	3,600.00	26,000.00	3,900.00	26,000.00	3,900.00	3,600.00	29,900.00	-
3/1/25	-	-	30,000.00	3,600.00	-	3,250.00	-	3,250.00	33,600.00	3,250.00	4,050.00
9/1/25	-	-	-	3,000.00	26,000.00	3,250.00	26,000.00	3,250.00	3,000.00	29,250.00	-
3/1/26	-	-	30,000.00	3,000.00	-	2,600.00	-	2,600.00	33,000.00	2,600.00	4,150.00
9/1/26	-	-	-	2,400.00	26,000.00	2,600.00	26,000.00	2,600.00	2,400.00	28,600.00	-
3/1/27	-	-	30,000.00	2,400.00	-	1,950.00	-	1,950.00	32,400.00	1,950.00	4,250.00
9/1/27	-	-	-	1,800.00	26,000.00	1,950.00	26,000.00	1,950.00	1,800.00	27,950.00	-
3/1/28	-	-	30,000.00	1,800.00	-	1,300.00	-	1,300.00	31,800.00	1,300.00	4,350.00
9/1/28	-	-	-	1,200.00	26,000.00	1,300.00	26,000.00	1,300.00	1,200.00	27,300.00	-
3/1/29	-	-	30,000.00	1,200.00	-	650.00	-	650.00	31,200.00	650.00	4,450.00
9/1/29	-	-	-	600.00	26,000.00	650.00	26,000.00	650.00	600.00	26,650.00	-
3/1/30	-	-	30,000.00	600.00	-	-	-	-	30,600.00	-	4,550.00
	105,000.00	6,300.00	300,000.00	96,000.00	262,225.00	99,877.55	367,225.00	106,177.55	507,300.00	473,402.55	33,897.45

(1) Payable from proceeds of the Refunding Bond Issue of 2017.

(2) Reflects escrow cash contribution from FY2018 debt service appropriation.

Prepared by FirstSouthwest, a Division of Hilltop Securities Inc.

Fire Station 4 Renovations (I)

Date	A		B		C		D		E	F	G
	Non-Callable/Uncalled Debt Service		Advance Refunded Debt Service (1)		Refunding Bonds of 2017		Debt Service Subsequent to Refunding Issue		Outstanding Prior to Refunding Issue	Debt Service Subsequent to Refunding Issue	Savings/(Cost)
	Principal Payment	Interest Payment	Principal Payment	Interest Payment	Principal Payment	Interest Payment	Principal Payment	Interest Payment	(A+B)	(A+C)	(E-F)
12/21/17 (2)	-	-	-	-	-	1,000.00	-	1,000.00	-	1,000.00	-
3/1/18	5,000.00	300.00	-	1,000.00	-	-	5,000.00	300.00	6,300.00	5,300.00	-
9/1/18	-	200.00	-	1,000.00	-	1,527.78	-	1,727.78	1,200.00	1,727.78	-
3/1/19	5,000.00	200.00	-	1,000.00	-	1,100.00	5,000.00	1,300.00	6,200.00	6,300.00	(627.78)
9/1/19	-	100.00	-	1,000.00	-	1,100.00	-	1,200.00	1,100.00	1,200.00	-
3/1/20	5,000.00	100.00	-	1,000.00	-	1,100.00	5,000.00	1,200.00	6,100.00	6,200.00	(200.00)
9/1/20	-	-	-	1,000.00	5,000.00	1,100.00	5,000.00	1,100.00	1,000.00	6,100.00	-
3/1/21	-	-	5,000.00	1,000.00	-	975.00	-	975.00	6,000.00	975.00	(75.00)
9/1/21	-	-	-	900.00	5,000.00	975.00	5,000.00	975.00	900.00	5,975.00	-
3/1/22	-	-	5,000.00	900.00	-	850.00	-	850.00	5,900.00	850.00	(25.00)
9/1/22	-	-	-	800.00	5,000.00	850.00	5,000.00	850.00	800.00	5,850.00	-
3/1/23	-	-	5,000.00	800.00	-	725.00	-	725.00	5,800.00	725.00	25.00
9/1/23	-	-	-	700.00	5,000.00	725.00	5,000.00	725.00	700.00	5,725.00	-
3/1/24	-	-	5,000.00	700.00	-	600.00	-	600.00	5,700.00	600.00	75.00
9/1/24	-	-	-	600.00	4,000.00	600.00	4,000.00	600.00	600.00	4,600.00	-
3/1/25	-	-	5,000.00	600.00	-	500.00	-	500.00	5,600.00	500.00	1,100.00
9/1/25	-	-	-	500.00	4,000.00	500.00	4,000.00	500.00	500.00	4,500.00	-
3/1/26	-	-	5,000.00	500.00	-	400.00	-	400.00	5,500.00	400.00	1,100.00
9/1/26	-	-	-	400.00	4,000.00	400.00	4,000.00	400.00	400.00	4,400.00	-
3/1/27	-	-	5,000.00	400.00	-	300.00	-	300.00	5,400.00	300.00	1,100.00
9/1/27	-	-	-	300.00	4,000.00	300.00	4,000.00	300.00	300.00	4,300.00	-
3/1/28	-	-	5,000.00	300.00	-	200.00	-	200.00	5,300.00	200.00	1,100.00
9/1/28	-	-	-	200.00	4,000.00	200.00	4,000.00	200.00	200.00	4,200.00	-
3/1/29	-	-	5,000.00	200.00	-	100.00	-	100.00	5,200.00	100.00	1,100.00
9/1/29	-	-	-	100.00	4,000.00	100.00	4,000.00	100.00	100.00	4,100.00	-
3/1/30	-	-	5,000.00	100.00	-	-	-	-	5,100.00	-	1,100.00
	15,000.00	900.00	50,000.00	16,000.00	44,000.00	16,227.78	59,000.00	17,127.78	81,900.00	76,127.78	5,772.22

- (1) Payable from proceeds of the Refunding Bond Issue of 2017.
- (2) Reflects escrow cash contribution from FY2018 debt service appropriation.

Prepared by FirstSouthwest, a Division of Hilltop Securities Inc.

Fire Station 7 Renovations (I)

Date	A		B		C		D		E	F	G
	Non-Callable/Uncalled Debt Service		Advance Refunded Debt Service (1)		Refunding Bonds of 2017		Debt Service Subsequent to Refunding Issue		Outstanding Prior to Refunding Issue	Debt Service Subsequent to Refunding Issue	Savings/(Cost)
	Principal Payment	Interest Payment	Principal Payment	Interest Payment	Principal Payment	Interest Payment	Principal Payment	Interest Payment	(A+B)	(A+C)	(E-F)
12/21/17 (2)	-	-	-	-	-	44,000.00	-	44,000.00	-	44,000.00	-
3/1/18	220,000.00	13,200.00	-	44,000.00	-	-	220,000.00	13,200.00	277,200.00	233,200.00	-
9/1/18	-	8,800.00	-	44,000.00	-	66,723.96	-	75,523.96	52,800.00	75,523.96	-
3/1/19	220,000.00	8,800.00	-	44,000.00	-	48,041.25	220,000.00	56,841.25	272,800.00	276,841.25	(26,765.21)
9/1/19	-	4,400.00	-	44,000.00	-	48,041.25	-	52,441.25	48,400.00	52,441.25	-
3/1/20	220,000.00	4,400.00	-	44,000.00	-	48,041.25	220,000.00	52,441.25	268,400.00	272,441.25	(8,082.50)
9/1/20	-	-	-	44,000.00	193,650.00	48,041.25	193,650.00	48,041.25	44,000.00	241,691.25	-
3/1/21	-	-	220,000.00	44,000.00	-	43,200.00	-	43,200.00	264,000.00	43,200.00	23,108.75
9/1/21	-	-	-	39,600.00	192,000.00	43,200.00	192,000.00	43,200.00	39,600.00	235,200.00	-
3/1/22	-	-	220,000.00	39,600.00	-	38,400.00	-	38,400.00	259,600.00	38,400.00	25,600.00
9/1/22	-	-	-	35,200.00	192,000.00	38,400.00	192,000.00	38,400.00	35,200.00	230,400.00	-
3/1/23	-	-	220,000.00	35,200.00	-	33,600.00	-	33,600.00	255,200.00	33,600.00	26,400.00
9/1/23	-	-	-	30,800.00	192,000.00	33,600.00	192,000.00	33,600.00	30,800.00	225,600.00	-
3/1/24	-	-	220,000.00	30,800.00	-	28,800.00	-	28,800.00	250,800.00	28,800.00	27,200.00
9/1/24	-	-	-	26,400.00	192,000.00	28,800.00	192,000.00	28,800.00	26,400.00	220,800.00	-
3/1/25	-	-	220,000.00	26,400.00	-	24,000.00	-	24,000.00	246,400.00	24,000.00	28,000.00
9/1/25	-	-	-	22,000.00	192,000.00	24,000.00	192,000.00	24,000.00	22,000.00	216,000.00	-
3/1/26	-	-	220,000.00	22,000.00	-	19,200.00	-	19,200.00	242,000.00	19,200.00	28,800.00
9/1/26	-	-	-	17,600.00	192,000.00	19,200.00	192,000.00	19,200.00	17,600.00	211,200.00	-
3/1/27	-	-	220,000.00	17,600.00	-	14,400.00	-	14,400.00	237,600.00	14,400.00	29,600.00
9/1/27	-	-	-	13,200.00	192,000.00	14,400.00	192,000.00	14,400.00	13,200.00	206,400.00	-
3/1/28	-	-	220,000.00	13,200.00	-	9,600.00	-	9,600.00	233,200.00	9,600.00	30,400.00
9/1/28	-	-	-	8,800.00	192,000.00	9,600.00	192,000.00	9,600.00	8,800.00	201,600.00	-
3/1/29	-	-	220,000.00	8,800.00	-	4,800.00	-	4,800.00	228,800.00	4,800.00	31,200.00
9/1/29	-	-	-	4,400.00	192,000.00	4,800.00	192,000.00	4,800.00	4,400.00	196,800.00	-
3/1/30	-	-	220,000.00	4,400.00	-	-	-	-	224,400.00	-	32,000.00
	660,000.00	39,600.00	2,200,000.00	704,000.00	1,921,650.00	734,888.96	2,581,650.00	774,488.96	3,603,600.00	3,356,138.96	247,461.04

(1) Payable from proceeds of the Refunding Bond Issue of 2017.

(2) Reflects escrow cash contribution from FY2018 debt service appropriation.

Energy Conservation (I)

Date	A		B		C		D		E	F	G
	Non-Callable/Uncalled Debt Service		Advance Refunded Debt Service (1)		Refunding Bonds of 2017		Debt Service Subsequent to Refunding Issue		Outstanding Prior to Refunding Issue (A+B)	Debt Service Subsequent to Refunding Issue (A+C)	Savings/(Cost) (E-F)
	Principal Payment	Interest Payment	Principal Payment	Interest Payment	Principal Payment	Interest Payment	Principal Payment	Interest Payment			
12/21/17 (2)	-	-	-	-	-	24,400.00	-	24,400.00	-	24,400.00	-
3/1/18	245,000.00	14,700.00	-	24,400.00	-	-	245,000.00	14,700.00	284,100.00	259,700.00	-
9/1/18	-	9,800.00	-	24,400.00	-	38,580.73	-	48,380.73	34,200.00	48,380.73	-
3/1/19	245,000.00	9,800.00	-	24,400.00	-	27,778.13	245,000.00	37,578.13	279,200.00	282,578.13	(17,558.86)
9/1/19	-	4,900.00	-	24,400.00	-	27,778.13	-	32,678.13	29,300.00	32,678.13	-
3/1/20	245,000.00	4,900.00	-	24,400.00	-	27,778.13	245,000.00	32,678.13	274,300.00	277,678.13	(6,756.26)
9/1/20	-	-	-	24,400.00	223,125.00	27,778.13	223,125.00	27,778.13	24,400.00	250,903.13	-
3/1/21	-	-	245,000.00	24,400.00	-	22,200.00	-	22,200.00	269,400.00	22,200.00	20,696.87
9/1/21	-	-	-	19,500.00	222,000.00	22,200.00	222,000.00	22,200.00	19,500.00	244,200.00	-
3/1/22	-	-	245,000.00	19,500.00	-	16,650.00	-	16,650.00	264,500.00	16,650.00	23,150.00
9/1/22	-	-	-	14,600.00	222,000.00	16,650.00	222,000.00	16,650.00	14,600.00	238,650.00	-
3/1/23	-	-	245,000.00	14,600.00	-	11,100.00	-	11,100.00	259,600.00	11,100.00	24,450.00
9/1/23	-	-	-	9,700.00	222,000.00	11,100.00	222,000.00	11,100.00	9,700.00	233,100.00	-
3/1/24	-	-	245,000.00	9,700.00	-	5,550.00	-	5,550.00	254,700.00	5,550.00	25,750.00
9/1/24	-	-	-	4,800.00	222,000.00	5,550.00	222,000.00	5,550.00	4,800.00	227,550.00	-
3/1/25	-	-	240,000.00	4,800.00	-	-	-	-	244,800.00	-	22,050.00
	735,000.00	44,100.00	1,220,000.00	268,000.00	1,111,125.00	285,093.25	1,846,125.00	329,193.25	2,267,100.00	2,175,318.25	91,781.75

(1) Payable from proceeds of the Refunding Bond Issue of 2017.

(2) Reflects escrow cash contribution from FY2018 debt service appropriation.

Prepared by FirstSouthwest, a Division of Hilltop Securities Inc.

Angier School Boiler Replacement (I) (non-callable)

Date	A		B		C		D		E	F	G	
	Non-Callable/Uncalled Debt Service		Advance Refunded Debt Service		Refunding Bonds of 2017		Debt Service Subsequent to Refunding Issue		Outstanding Prior to Refunding Issue	Debt Service Subsequent to Refunding Issue	Savings/(Cost)	
	Principal Payment	Interest Payment	Principal Payment	Interest Payment	Principal Payment	Interest Payment	Principal Payment	Interest Payment	(A+B)	(A+C)	(E-F)	
12/21/17	-	-	-	-	-	-	-	-	-	-	-	
3/1/18	FY 2018	20,000.00	1,200.00	-	-	-	-	20,000.00	1,200.00	21,200.00	21,200.00	-
9/1/18		-	800.00	-	-	-	-	-	800.00	800.00	800.00	-
3/1/19	FY 2019	20,000.00	800.00	-	-	-	-	20,000.00	800.00	20,800.00	20,800.00	-
9/1/19		-	400.00	-	-	-	-	-	400.00	400.00	400.00	-
3/1/20	FY 2020	20,000.00	400.00	-	-	-	-	20,000.00	400.00	20,400.00	20,400.00	-
		60,000.00	3,600.00	-	-	-	-	60,000.00	3,600.00	63,600.00	63,600.00	-

Prepared by FirstSouthwest, a Division of Hilltop Securities Inc.

School Education Center Generator (I) (non-callable)

Date	A		B		C		D		E	F	G	
	Non-Callable/Uncalled Debt Service		Advance Refunded Debt Service		Refunding Bonds of 2017		Debt Service Subsequent to Refunding Issue		Outstanding Prior to Refunding Issue	Debt Service Subsequent to Refunding Issue	Savings/(Cost)	
	Principal Payment	Interest Payment	Principal Payment	Interest Payment	Principal Payment	Interest Payment	Principal Payment	Interest Payment	(A+B)	(A+C)	(E-F)	
12/21/17	-	-	-	-	-	-	-	-	-	-	-	
3/1/18	FY 2018	20,000.00	1,200.00	-	-	-	-	20,000.00	1,200.00	21,200.00	21,200.00	-
9/1/18		-	800.00	-	-	-	-	-	800.00	800.00	800.00	-
3/1/19	FY 2019	20,000.00	800.00	-	-	-	-	20,000.00	800.00	20,800.00	20,800.00	-
9/1/19		-	400.00	-	-	-	-	-	400.00	400.00	400.00	-
3/1/20	FY 2020	20,000.00	400.00	-	-	-	-	20,000.00	400.00	20,400.00	20,400.00	-
		60,000.00	3,600.00	-	-	-	-	60,000.00	3,600.00	63,600.00	63,600.00	-

Prepared by FirstSouthwest, a Division of Hilltop Securities Inc.

Williams Elementary Boiler (I) (non-callable)

Date	A		B		C		D		E	F	G	
	Non-Callable/Uncalled Debt Service		Advance Refunded Debt Service		Refunding Bonds of 2017		Debt Service Subsequent to Refunding Issue		Outstanding Prior to Refunding Issue	Debt Service Subsequent to Refunding Issue	Savings/(Cost)	
	Principal Payment	Interest Payment	Principal Payment	Interest Payment	Principal Payment	Interest Payment	Principal Payment	Interest Payment	(A+B)	(A+C)	(E-F)	
12/21/17	-	-	-	-	-	-	-	-	-	-	-	
3/1/18	FY 2018	20,000.00	1,200.00	-	-	-	-	20,000.00	1,200.00	21,200.00	21,200.00	-
9/1/18		-	800.00	-	-	-	-	-	800.00	800.00	800.00	-
3/1/19	FY 2019	20,000.00	800.00	-	-	-	-	20,000.00	800.00	20,800.00	20,800.00	-
9/1/19		-	400.00	-	-	-	-	-	400.00	400.00	400.00	-
3/1/20	FY 2020	20,000.00	400.00	-	-	-	-	20,000.00	400.00	20,400.00	20,400.00	-
		60,000.00	3,600.00	-	-	-	-	60,000.00	3,600.00	63,600.00	63,600.00	-

Prepared by FirstSouthwest, a Division of Hilltop Securities Inc.

Countryside Elementary Elevator Lift (I) (non-callable)

Date	A		B		C		D		E	F	G	
	Non-Callable/Uncalled Debt Service		Advance Refunded Debt Service		Refunding Bonds of 2017		Debt Service Subsequent to Refunding Issue		Outstanding Prior to Refunding Issue	Debt Service Subsequent to Refunding Issue	Savings/(Cost)	
	Principal Payment	Interest Payment	Principal Payment	Interest Payment	Principal Payment	Interest Payment	Principal Payment	Interest Payment	(A+B)	(A+C)	(E-F)	
12/21/17	-	-	-	-	-	-	-	-	-	-	-	
3/1/18	FY 2018	15,000.00	900.00	-	-	-	-	15,000.00	900.00	15,900.00	15,900.00	-
9/1/18		-	600.00	-	-	-	-	-	600.00	600.00	600.00	-
3/1/19	FY 2019	15,000.00	600.00	-	-	-	-	15,000.00	600.00	15,600.00	15,600.00	-
9/1/19		-	300.00	-	-	-	-	-	300.00	300.00	300.00	-
3/1/20	FY 2020	15,000.00	300.00	-	-	-	-	15,000.00	300.00	15,300.00	15,300.00	-
		45,000.00	2,700.00	-	-	-	-	45,000.00	2,700.00	47,700.00	47,700.00	-

Prepared by FirstSouthwest, a Division of Hilltop Securities Inc.

Craft Street DPW Yard Fuel Tank Replacement (I) (non-callable)

Date	A		B		C		D		E	F	G	
	Non-Callable/Uncalled Debt Service		Advance Refunded Debt Service		Refunding Bonds of 2017		Debt Service Subsequent to Refunding Issue		Outstanding Prior to Refunding Issue	Debt Service Subsequent to Refunding Issue	Savings/(Cost)	
	Principal Payment	Interest Payment	Principal Payment	Interest Payment	Principal Payment	Interest Payment	Principal Payment	Interest Payment	(A+B)	(A+C)	(E-F)	
12/21/17	-	-	-	-	-	-	-	-	-	-	-	
3/1/18	FY 2018	45,000.00	2,700.00	-	-	-	-	45,000.00	2,700.00	47,700.00	47,700.00	-
9/1/18		-	1,800.00	-	-	-	-	-	1,800.00	1,800.00	1,800.00	-
3/1/19	FY 2019	45,000.00	1,800.00	-	-	-	-	45,000.00	1,800.00	46,800.00	46,800.00	-
9/1/19		-	900.00	-	-	-	-	-	900.00	900.00	900.00	-
3/1/20	FY 2020	45,000.00	900.00	-	-	-	-	45,000.00	900.00	45,900.00	45,900.00	-
		135,000.00	8,100.00	-	-	-	-	135,000.00	8,100.00	143,100.00	143,100.00	-

Prepared by FirstSouthwest, a Division of Hilltop Securities Inc.

Fire Engine Replacement (I) (non-callable)

Date	A		B		C		D		E	F	G	
	Non-Callable/Uncalled Debt Service		Advance Refunded Debt Service		Refunding Bonds of 2017		Debt Service Subsequent to Refunding Issue		Outstanding Prior to Refunding Issue (A+B)	Debt Service Subsequent to Refunding Issue (A+C)	Savings/(Cost) (E-F)	
	Principal Payment	Interest Payment	Principal Payment	Interest Payment	Principal Payment	Interest Payment	Principal Payment	Interest Payment				
12/21/17	-	-	-	-	-	-	-	-	-	-	-	
3/1/18	FY 2018	50,000.00	3,000.00	-	-	-	-	50,000.00	3,000.00	53,000.00	53,000.00	-
9/1/18		-	2,000.00	-	-	-	-	-	2,000.00	2,000.00	2,000.00	-
3/1/19	FY 2019	50,000.00	2,000.00	-	-	-	-	50,000.00	2,000.00	52,000.00	52,000.00	-
9/1/19		-	1,000.00	-	-	-	-	-	1,000.00	1,000.00	1,000.00	-
3/1/20	FY 2020	50,000.00	1,000.00	-	-	-	-	50,000.00	1,000.00	51,000.00	51,000.00	-
		150,000.00	9,000.00	-	-	-	-	150,000.00	9,000.00	159,000.00	159,000.00	-

Prepared by FirstSouthwest, a Division of Hilltop Securities Inc.

Trash/Recycling Receptacles (I) (non-callable)

Date	A		B		C		D		E	F	G
	Non-Callable/Uncalled Debt Service		Advance Refunded Debt Service		Refunding Bonds of 2017		Debt Service Subsequent to Refunding Issue		Outstanding Prior to Refunding Issue	Debt Service Subsequent to Refunding Issue	Savings/(Cost)
	Principal Payment	Interest Payment	Principal Payment	Interest Payment	Principal Payment	Interest Payment	Principal Payment	Interest Payment	(A+B)	(A+C)	(E-F)
12/21/17	-	-	-	-	-	-	-	-	-	-	-
3/1/18	190,000.00	11,400.00	-	-	-	-	190,000.00	11,400.00	201,400.00	201,400.00	-
9/1/18	-	7,600.00	-	-	-	-	-	7,600.00	7,600.00	7,600.00	-
3/1/19	190,000.00	7,600.00	-	-	-	-	190,000.00	7,600.00	197,600.00	197,600.00	-
9/1/19	-	3,800.00	-	-	-	-	-	3,800.00	3,800.00	3,800.00	-
3/1/20	190,000.00	3,800.00	-	-	-	-	190,000.00	3,800.00	193,800.00	193,800.00	-
	570,000.00	34,200.00	-	-	-	-	570,000.00	34,200.00	604,200.00	604,200.00	-

Prepared by FirstSouthwest, a Division of Hilltop Securities Inc.

Issuer: City of Newton, Massachusetts
 Principal Amount: \$909,650
 Issue: General Obligation Municipal Purpose Loan of 2017 Bonds - Refunding General Obligation Bonds of April 14, 2011
 Dated Date: 21-Dec-17
 Date of Delivery: 21-Dec-17
 Final Maturity: 1-Sep-47
 Purchaser: Morgan Stanley & Co, LLC

Date	Refunding Bonds of 2017					General Obligation Bonds of April 14, 2011					Fiscal Year Savings	
	Principal Payment	Coupon	Interest Payment	Principal & Interest	Fiscal Year Debt Service	Date	Principal Payment	Coupon	Interest Payment	Principal & Interest		Fiscal Year Debt Service
12/21/17	(1)	-	19,606.26	19,606.26		12/21/17	-	-	-	-		
4/1/18	FY 2018	-	-	-	19,606.26	4/1/18	-	-	19,606.26	19,606.26	19,606.26	-
9/1/18		-	30,960.07	30,960.07		9/1/18	-	-	-	-		
10/1/18		-	-	-		10/1/18	-	-	19,606.26	19,606.26		
3/1/19		-	22,291.25	22,291.25		3/1/19	-	-	-	-		
4/1/19	FY 2019	-	-	-	53,251.32	4/1/19	-	-	19,606.26	19,606.26	39,212.52	(14,038.80)
9/1/20		-	22,291.25	22,291.25		9/1/20	-	-	-	-		
10/1/19		-	-	-		10/1/19	-	-	19,606.26	19,606.26		
3/1/20		-	22,291.25	22,291.25		3/1/20	-	-	-	-		
4/1/20	FY 2020	-	-	-	44,582.50	4/1/20	-	-	19,606.26	19,606.26	39,212.52	(5,369.98)
9/1/20		-	22,291.25	22,291.25		9/1/20	-	-	-	-		
10/1/20		-	-	-		10/1/20	-	-	19,606.26	19,606.26		
3/1/21		-	22,291.25	22,291.25		3/1/21	-	-	-	-		
4/1/21	FY 2021	-	-	-	44,582.50	4/1/21	-	-	19,606.26	19,606.26	39,212.52	(5,369.98)
9/1/21		93,650.00	5.000%	22,291.25	115,941.25	9/1/21	-	-	-	-		
10/1/21		-	-	-		10/1/21	-	-	19,606.26	19,606.26		
3/1/22		-	19,950.00	19,950.00		3/1/22	-	-	-	-		
4/1/22	FY 2022	-	-	-	135,891.25	4/1/22	110,000.00	3.625%	19,606.26	129,606.26	149,212.52	13,321.27
9/1/22		92,000.00	5.000%	19,950.00	111,950.00	9/1/22	-	-	-	-		
10/1/22		-	-	-		10/1/22	-	-	17,612.50	17,612.50		
3/1/23		-	17,650.00	17,650.00		3/1/23	-	-	-	-		
4/1/23	FY 2023	-	-	-	129,600.00	4/1/23	110,000.00	3.625%	17,612.50	127,612.50	145,225.00	15,625.00
9/1/23		92,000.00	5.000%	17,650.00	109,650.00	9/1/23	-	-	-	-		
10/1/23		-	-	-		10/1/23	-	-	15,618.76	15,618.76		
3/1/24		-	15,350.00	15,350.00		3/1/24	-	-	-	-		
4/1/24	FY 2024	-	-	-	125,000.00	4/1/24	110,000.00	3.625%	15,618.76	125,618.76	141,237.52	16,237.52
9/1/24		91,000.00	5.000%	15,350.00	106,350.00	9/1/24	-	-	-	-		
10/1/24		-	-	-		10/1/24	-	-	13,625.00	13,625.00		
3/1/25		-	13,075.00	13,075.00		3/1/25	-	-	-	-		
4/1/25	FY 2025	-	-	-	119,425.00	4/1/25	100,000.00	3.625%	13,625.00	113,625.00	127,250.00	7,825.00
9/1/25		91,000.00	5.000%	13,075.00	104,075.00	9/1/25	-	-	-	-		
10/1/25		-	-	-		10/1/25	-	-	11,812.51	11,812.51		
3/1/26		-	10,800.00	10,800.00		3/1/26	-	-	-	-		
4/1/26	FY 2026	-	-	-	114,875.00	4/1/26	100,000.00	3.625%	11,812.51	111,812.51	123,625.02	8,750.02
9/1/26		90,000.00	5.000%	10,800.00	100,800.00	9/1/26	-	-	-	-		
10/1/26		-	-	-		10/1/26	-	-	10,000.00	10,000.00		
3/1/27		-	8,550.00	8,550.00		3/1/27	-	-	-	-		
4/1/27	FY 2027	-	-	-	109,350.00	4/1/27	100,000.00	4.000%	10,000.00	110,000.00	120,000.00	10,650.00
9/1/27		90,000.00	5.000%	8,550.00	98,550.00	9/1/27	-	-	-	-		
10/1/27		-	-	-		10/1/27	-	-	8,000.00	8,000.00		
3/1/28		-	6,300.00	6,300.00		3/1/28	-	-	-	-		
4/1/28	FY 2028	-	-	-	104,850.00	4/1/28	100,000.00	4.000%	8,000.00	108,000.00	116,000.00	11,150.00
9/1/28		90,000.00	5.000%	6,300.00	96,300.00	9/1/28	-	-	-	-		
10/1/28		-	-	-		10/1/28	-	-	6,000.00	6,000.00		
3/1/29		-	4,050.00	4,050.00		3/1/29	-	-	-	-		
4/1/29	FY 2029	-	-	-	100,350.00	4/1/29	100,000.00	4.000%	6,000.00	106,000.00	112,000.00	11,650.00
9/1/29		90,000.00	5.00%	4,050.00	94,050.00	9/1/29	-	-	-	-		
10/1/29		-	-	-		10/1/29	-	-	4,000.00	4,000.00		
3/1/30		-	1,800.00	1,800.00		3/1/30	-	-	-	-		
4/1/30	FY 2030	-	-	-	95,850.00	4/1/30	100,000.00	4.000%	4,000.00	104,000.00	108,000.00	12,150.00
9/1/30		90,000.00	4.000%	1,800.00	91,800.00	9/1/30	-	-	-	-		
10/1/30		-	-	-		10/1/30	-	-	2,000.00	2,000.00		
3/1/31		-	-	-		3/1/31	-	-	-	-		
4/1/31	FY 2031	-	-	-	91,800.00	4/1/31	100,000.00	4.000%	2,000.00	102,000.00	104,000.00	12,200.00
TOTAL		909,650.00		379,363.83	1,289,013.83		1,030,000.00		353,793.88	1,383,793.88		94,780.05

(1) Reflects escrow cash contribution from FY2018 debt service appropriation.

City of Newton, Massachusetts

General Obligation Municipal Purpose Loan of 2017 Bonds - Refunding General Obligation Bonds of April 14, 2011

Date	A General Obligation Bonds of April 14, 2011 (Non-Callable/Uncalled Debt Service)		B General Obligation Bonds of April 14, 2011 Advance Refunded Debt Service (1)		Date	C Refunding Bonds of 2017		D Debt Service Subsequent to Refunding Issue		TOTAL	
	Principal Payment	Interest Payment	Principal Payment	Interest Payment		Principal Payment	Interest Payment	Principal Payment	Interest Payment	Fiscal Year Debt Service Subsequent to Refunding Issue	
12/21/17	-	-	-	-	12/21/17	-	19,606.26	-	19,606.26		
4/1/18	FY 2018	450,000.00	38,025.00	-	19,606.26	4/1/18	-	450,000.00	38,025.00	507,631.26	
9/1/18		-	-	-	-	9/1/18	-	30,960.07	30,960.07		
10/1/18		-	29,025.00	-	19,606.26	10/1/18	-	-	29,025.00		
3/1/19		-	-	-	-	3/1/19	-	22,291.25	22,291.25		
4/1/19	FY 2019	450,000.00	29,025.00	-	19,606.26	4/1/19	-	450,000.00	29,025.00	561,301.32	
9/1/20		-	-	-	-	9/1/20	-	22,291.25	22,291.25		
10/1/19		-	20,025.00	-	19,606.26	10/1/19	-	-	20,025.00		
3/1/20		-	-	-	-	3/1/20	-	22,291.25	22,291.25		
4/1/20	FY 2020	445,000.00	20,025.00	-	19,606.26	4/1/20	-	445,000.00	20,025.00	529,632.50	
9/1/20		-	-	-	-	9/1/20	-	22,291.25	22,291.25		
10/1/20		-	10,012.50	-	19,606.26	10/1/20	-	-	10,012.50		
3/1/21		-	-	-	-	3/1/21	-	22,291.25	22,291.25		
4/1/21	FY 2021	445,000.00	10,012.50	-	19,606.26	4/1/21	-	445,000.00	10,012.50	509,607.50	
9/1/21		-	-	-	-	9/1/21	93,650.00	22,291.25	93,650.00	22,291.25	
10/1/21		-	-	-	19,606.26	10/1/21	-	-	-		
3/1/22		-	-	-	-	3/1/22	-	19,950.00	19,950.00		
4/1/22	FY 2022	-	-	110,000.00	19,606.26	4/1/22	-	-	-	135,891.25	
9/1/22		-	-	-	-	9/1/22	92,000.00	19,950.00	92,000.00	19,950.00	
10/1/22		-	-	-	17,612.50	10/1/22	-	-	-		
3/1/23		-	-	-	-	3/1/23	-	17,650.00	17,650.00		
4/1/23	FY 2023	-	-	110,000.00	17,612.50	4/1/23	-	-	-	129,600.00	
9/1/23		-	-	-	-	9/1/23	92,000.00	17,650.00	92,000.00	17,650.00	
10/1/23		-	-	-	15,618.76	10/1/23	-	-	-		
3/1/24		-	-	-	-	3/1/24	-	15,350.00	15,350.00		
4/1/24	FY 2024	-	-	110,000.00	15,618.76	4/1/24	-	-	-	125,000.00	
9/1/24		-	-	-	-	9/1/24	91,000.00	15,350.00	91,000.00	15,350.00	
10/1/24		-	-	-	13,625.00	10/1/24	-	-	-		
3/1/25		-	-	-	-	3/1/25	-	13,075.00	13,075.00		
4/1/25	FY 2025	-	-	100,000.00	13,625.00	4/1/25	-	-	-	119,425.00	
9/1/25		-	-	-	-	9/1/25	91,000.00	13,075.00	91,000.00	13,075.00	
10/1/25		-	-	-	11,812.51	10/1/25	-	-	-		
3/1/26		-	-	-	-	3/1/26	-	10,800.00	10,800.00		
4/1/26	FY 2026	-	-	100,000.00	11,812.51	4/1/26	-	-	-	114,875.00	
9/1/26		-	-	-	-	9/1/26	90,000.00	10,800.00	90,000.00	10,800.00	
10/1/26		-	-	-	10,000.00	10/1/26	-	-	-		
3/1/27		-	-	-	-	3/1/27	-	8,550.00	8,550.00		
4/1/27	FY 2027	-	-	100,000.00	10,000.00	4/1/27	-	-	-	109,350.00	
9/1/27		-	-	-	-	9/1/27	90,000.00	8,550.00	90,000.00	8,550.00	
10/1/27		-	-	-	8,000.00	10/1/27	-	-	-		
3/1/28		-	-	-	-	3/1/28	-	6,300.00	6,300.00		
4/1/28	FY 2028	-	-	100,000.00	8,000.00	4/1/28	-	-	-	104,850.00	
9/1/28		-	-	-	-	9/1/28	90,000.00	6,300.00	90,000.00	6,300.00	
10/1/28		-	-	-	6,000.00	10/1/28	-	-	-		
3/1/29		-	-	-	-	3/1/29	-	4,050.00	4,050.00		
4/1/29	FY 2029	-	-	100,000.00	6,000.00	4/1/29	-	-	-	100,350.00	
9/1/29		-	-	-	-	9/1/29	90,000.00	4,050.00	90,000.00	4,050.00	
10/1/29		-	-	-	4,000.00	10/1/29	-	-	-		
3/1/30		-	-	-	-	3/1/30	-	1,800.00	1,800.00		
4/1/30	FY 2030	-	-	100,000.00	4,000.00	4/1/30	-	-	-	95,850.00	
9/1/30		-	-	-	-	9/1/30	90,000.00	1,800.00	90,000.00	1,800.00	
10/1/30		-	-	-	2,000.00	10/1/30	-	-	-		
3/1/31		-	-	-	-	3/1/31	-	-	-		
4/1/31	FY 2031	-	-	100,000.00	2,000.00	4/1/31	-	-	-	91,800.00	
		1,790,000.00	156,150.00	1,030,000.00	353,793.88		909,650.00	379,363.83	2,699,650.00	535,513.83	3,235,163.83

(1) Payable from proceeds of the Refunding Bond Issue of 2017.

(2) Reflects escrow cash contribution from FY2018 debt service appropriation.

Breakdown of Bonds Refunded
By Purpose

Date	General Obligation Bonds of April 14, 2011					School Roof Repairs (I)				School Masonry Repairs (I)				
	Principal Payment	Coupon	Interest Payment	Principal & Interest	Fiscal Year Debt Service	Principal Payment	Interest Payment	Principal & Interest	Fiscal Year Debt Service	Principal Payment	Interest Payment	Principal & Interest	Fiscal Year Debt Service	
12/21/17	-	-	-	-	-	-	-	-	-	-	-	-	-	
4/1/18	FY 2018	-	19,606.26	19,606.26	19,606.26	-	7,625.00	7,625.00	7,625.00	-	4,084.38	4,084.38	4,084.38	
9/1/18	-	-	-	-	-	-	-	-	-	-	-	-	-	
10/1/18	-	-	19,606.26	19,606.26	-	-	7,625.00	7,625.00	-	-	4,084.38	4,084.38	-	
3/1/19	-	-	-	-	-	-	-	-	-	-	-	-	-	
4/1/19	FY 2019	-	19,606.26	19,606.26	39,212.52	-	7,625.00	7,625.00	15,250.00	-	4,084.38	4,084.38	8,168.76	
9/1/20	-	-	-	-	-	-	-	-	-	-	-	-	-	
10/1/19	-	-	19,606.26	19,606.26	-	-	7,625.00	7,625.00	-	-	4,084.38	4,084.38	-	
3/1/20	-	-	-	-	-	-	-	-	-	-	-	-	-	
4/1/20	FY 2020	-	19,606.26	19,606.26	39,212.52	-	7,625.00	7,625.00	15,250.00	-	4,084.38	4,084.38	8,168.76	
9/1/20	-	-	-	-	-	-	-	-	-	-	-	-	-	
10/1/20	-	-	19,606.26	19,606.26	-	-	7,625.00	7,625.00	-	-	4,084.38	4,084.38	-	
3/1/21	-	-	-	-	-	-	-	-	-	-	-	-	-	
4/1/21	FY 2021	-	19,606.26	19,606.26	39,212.52	-	7,625.00	7,625.00	15,250.00	-	4,084.38	4,084.38	8,168.76	
9/1/21	-	-	-	-	-	-	-	-	-	-	-	-	-	
10/1/21	-	-	19,606.26	19,606.26	-	-	7,625.00	7,625.00	-	-	4,084.38	4,084.38	-	
3/1/22	-	-	-	-	-	-	-	-	-	-	-	-	-	
4/1/22	FY 2022	110,000.00	3.625%	19,606.26	129,606.26	149,212.52	40,000.00	7,625.00	47,625.00	55,250.00	25,000.00	4,084.38	29,084.38	33,168.76
9/1/22	-	-	-	-	-	-	-	-	-	-	-	-	-	
10/1/22	-	-	17,612.50	17,612.50	-	-	6,900.00	6,900.00	-	-	3,631.25	3,631.25	-	
3/1/23	-	-	-	-	-	-	-	-	-	-	-	-	-	
4/1/23	FY 2023	110,000.00	3.625%	17,612.50	127,612.50	145,225.00	40,000.00	6,900.00	46,900.00	53,800.00	25,000.00	3,631.25	28,631.25	32,262.50
9/1/23	-	-	-	-	-	-	-	-	-	-	-	-	-	
10/1/23	-	-	15,618.76	15,618.76	-	-	6,175.00	6,175.00	-	-	3,178.13	3,178.13	-	
3/1/24	-	-	-	-	-	-	-	-	-	-	-	-	-	
4/1/24	FY 2024	110,000.00	3.625%	15,618.76	125,618.76	141,237.52	40,000.00	6,175.00	46,175.00	52,350.00	25,000.00	3,178.13	28,178.13	31,356.26
9/1/24	-	-	-	-	-	-	-	-	-	-	-	-	-	
10/1/24	-	-	13,625.00	13,625.00	-	-	5,450.00	5,450.00	-	-	2,725.00	2,725.00	-	
3/1/25	-	-	-	-	-	-	-	-	-	-	-	-	-	
4/1/25	FY 2025	100,000.00	3.625%	13,625.00	113,625.00	127,250.00	40,000.00	5,450.00	45,450.00	50,900.00	20,000.00	2,725.00	22,725.00	25,450.00
9/1/25	-	-	-	-	-	-	-	-	-	-	-	-	-	
10/1/25	-	-	11,812.51	11,812.51	-	-	4,725.00	4,725.00	-	-	2,362.50	2,362.50	-	
3/1/26	-	-	-	-	-	-	-	-	-	-	-	-	-	
4/1/26	FY 2026	100,000.00	3.625%	11,812.51	111,812.51	123,625.02	40,000.00	4,725.00	44,725.00	49,450.00	20,000.00	2,362.50	22,362.50	24,725.00
9/1/26	-	-	-	-	-	-	-	-	-	-	-	-	-	
10/1/26	-	-	10,000.00	10,000.00	-	-	4,000.00	4,000.00	-	-	2,000.00	2,000.00	-	
3/1/27	-	-	-	-	-	-	-	-	-	-	-	-	-	
4/1/27	FY 2027	100,000.00	4.000%	10,000.00	110,000.00	120,000.00	40,000.00	4,000.00	44,000.00	48,000.00	20,000.00	2,000.00	22,000.00	24,000.00
9/1/27	-	-	-	-	-	-	-	-	-	-	-	-	-	
10/1/27	-	-	8,000.00	8,000.00	-	-	3,200.00	3,200.00	-	-	1,600.00	1,600.00	-	
3/1/28	-	-	-	-	-	-	-	-	-	-	-	-	-	
4/1/28	FY 2028	100,000.00	4.000%	8,000.00	108,000.00	116,000.00	40,000.00	3,200.00	43,200.00	46,400.00	20,000.00	1,600.00	21,600.00	23,200.00
9/1/28	-	-	-	-	-	-	-	-	-	-	-	-	-	
10/1/28	-	-	6,000.00	6,000.00	-	-	2,400.00	2,400.00	-	-	1,200.00	1,200.00	-	
3/1/29	-	-	-	-	-	-	-	-	-	-	-	-	-	
4/1/29	FY 2029	100,000.00	4.000%	6,000.00	106,000.00	112,000.00	40,000.00	2,400.00	42,400.00	44,800.00	20,000.00	1,200.00	21,200.00	22,400.00
9/1/29	-	-	-	-	-	-	-	-	-	-	-	-	-	
10/1/29	-	-	4,000.00	4,000.00	-	-	1,600.00	1,600.00	-	-	800.00	800.00	-	
3/1/30	-	-	-	-	-	-	-	-	-	-	-	-	-	
4/1/30	FY 2030	100,000.00	4.000%	4,000.00	104,000.00	108,000.00	40,000.00	1,600.00	41,600.00	43,200.00	20,000.00	800.00	20,800.00	21,600.00
9/1/30	-	-	-	-	-	-	-	-	-	-	-	-	-	
10/1/30	-	-	2,000.00	2,000.00	-	-	800.00	800.00	-	-	400.00	400.00	-	
3/1/31	-	-	-	-	-	-	-	-	-	-	-	-	-	
4/1/31	FY 2031	100,000.00	4.000%	2,000.00	102,000.00	104,000.00	40,000.00	800.00	40,800.00	41,600.00	20,000.00	400.00	20,400.00	20,800.00
TOTAL		1,030,000.00		353,793.88	1,383,793.88		400,000.00	139,125.00	539,125.00		215,000.00	72,553.18	287,553.18	

Breakdown of Bonds Refunded
By Purpose

Date	School Boiler Replacement (I)				Horace Mann School Windows/Doors (I)			
	Principal Payment	Interest Payment	Principal & Interest	Fiscal Year Debt Service	Principal Payment	Interest Payment	Principal & Interest	Fiscal Year Debt Service
12/21/17	-	-	-	-	-	-	-	-
4/1/18	-	3,131.25	3,131.25	3,131.25	-	4,765.63	4,765.63	4,765.63
9/1/18	-	-	-	-	-	-	-	-
10/1/18	-	3,131.25	3,131.25	-	-	4,765.63	4,765.63	-
3/1/19	-	-	-	-	-	-	-	-
4/1/19	-	3,131.25	3,131.25	6,262.50	-	4,765.63	4,765.63	9,531.26
9/1/20	-	-	-	-	-	-	-	-
10/1/19	-	3,131.25	3,131.25	-	-	4,765.63	4,765.63	-
3/1/20	-	-	-	-	-	-	-	-
4/1/20	-	3,131.25	3,131.25	6,262.50	-	4,765.63	4,765.63	9,531.26
9/1/20	-	-	-	-	-	-	-	-
10/1/20	-	3,131.25	3,131.25	-	-	4,765.63	4,765.63	-
3/1/21	-	-	-	-	-	-	-	-
4/1/21	-	3,131.25	3,131.25	6,262.50	-	4,765.63	4,765.63	9,531.26
9/1/21	-	-	-	-	-	-	-	-
10/1/21	-	3,131.25	3,131.25	-	-	4,765.63	4,765.63	-
3/1/22	-	-	-	-	-	-	-	-
4/1/22	20,000.00	3,131.25	23,131.25	26,262.50	25,000.00	4,765.63	29,765.63	34,531.26
9/1/22	-	-	-	-	-	-	-	-
10/1/22	-	2,768.75	2,768.75	-	-	4,312.50	4,312.50	-
3/1/23	-	-	-	-	-	-	-	-
4/1/23	20,000.00	2,768.75	22,768.75	25,537.50	25,000.00	4,312.50	29,312.50	33,625.00
9/1/23	-	-	-	-	-	-	-	-
10/1/23	-	2,406.25	2,406.25	-	-	3,859.38	3,859.38	-
3/1/24	-	-	-	-	-	-	-	-
4/1/24	20,000.00	2,406.25	22,406.25	24,812.50	25,000.00	3,859.38	28,859.38	32,718.76
9/1/24	-	-	-	-	-	-	-	-
10/1/24	-	2,043.75	2,043.75	-	-	3,406.25	3,406.25	-
3/1/25	-	-	-	-	-	-	-	-
4/1/25	15,000.00	2,043.75	17,043.75	19,087.50	25,000.00	3,406.25	28,406.25	31,812.50
9/1/25	-	-	-	-	-	-	-	-
10/1/25	-	1,771.88	1,771.88	-	-	2,953.13	2,953.13	-
3/1/26	-	-	-	-	-	-	-	-
4/1/26	15,000.00	1,771.88	16,771.88	18,543.76	25,000.00	2,953.13	27,953.13	30,906.26
9/1/26	-	-	-	-	-	-	-	-
10/1/26	-	1,500.00	1,500.00	-	-	2,500.00	2,500.00	-
3/1/27	-	-	-	-	-	-	-	-
4/1/27	15,000.00	1,500.00	16,500.00	18,000.00	25,000.00	2,500.00	27,500.00	30,000.00
9/1/27	-	-	-	-	-	-	-	-
10/1/27	-	1,200.00	1,200.00	-	-	2,000.00	2,000.00	-
3/1/28	-	-	-	-	-	-	-	-
4/1/28	15,000.00	1,200.00	16,200.00	17,400.00	25,000.00	2,000.00	27,000.00	29,000.00
9/1/28	-	-	-	-	-	-	-	-
10/1/28	-	900.00	900.00	-	-	1,500.00	1,500.00	-
3/1/29	-	-	-	-	-	-	-	-
4/1/29	15,000.00	900.00	15,900.00	16,800.00	25,000.00	1,500.00	26,500.00	28,000.00
9/1/29	-	-	-	-	-	-	-	-
10/1/29	-	600.00	600.00	-	-	1,000.00	1,000.00	-
3/1/30	-	-	-	-	-	-	-	-
4/1/30	15,000.00	600.00	15,600.00	16,200.00	25,000.00	1,000.00	26,000.00	27,000.00
9/1/30	-	-	-	-	-	-	-	-
10/1/30	-	300.00	300.00	-	-	500.00	500.00	-
3/1/31	-	-	-	-	-	-	-	-
4/1/31	15,000.00	300.00	15,300.00	15,600.00	25,000.00	500.00	25,500.00	26,000.00
TOTAL	165,000.00	55,162.51	220,162.51		250,000.00	86,953.19	336,953.19	

School Roof Repairs (I)

Date	A		B		C		D		E	F	G
	Non-Callable/Uncalled Debt Service		Advance Refunded Debt Service (1)		Refunding Bonds of 2017		Debt Service Subsequent to Refunding Issue		Outstanding Prior to Refunding Issue (A+B)	Debt Service Subsequent to Refunding Issue (A+C)	Savings/(Cost) (E-F)
	Principal Payment	Interest Payment	Principal Payment	Interest Payment	Principal Payment	Interest Payment	Principal Payment	Interest Payment			
12/21/17 (2)	-	-	-	-	-	7,625.00	-	7,625.00	-	7,625.00	-
4/1/18	45,000.00	3,600.00	-	7,625.00	-	-	45,000.00	3,600.00	56,225.00	48,600.00	-
9/1/18	-	-	-	-	-	12,013.89	-	12,013.89	-	12,013.89	-
10/1/18	-	2,700.00	-	7,625.00	-	-	-	2,700.00	10,325.00	2,700.00	-
3/1/19	-	-	-	-	-	8,650.00	-	8,650.00	-	8,650.00	-
4/1/19	45,000.00	2,700.00	-	7,625.00	-	-	45,000.00	2,700.00	55,325.00	47,700.00	(5,413.89)
9/1/20	-	-	-	-	-	8,650.00	-	8,650.00	-	8,650.00	-
10/1/19	-	1,800.00	-	7,625.00	-	-	-	1,800.00	9,425.00	1,800.00	-
3/1/20	-	-	-	-	-	8,650.00	-	8,650.00	-	8,650.00	-
4/1/20	40,000.00	1,800.00	-	7,625.00	-	-	40,000.00	1,800.00	49,425.00	41,800.00	(2,050.00)
9/1/20	-	-	-	-	-	8,650.00	-	8,650.00	-	8,650.00	-
10/1/20	-	900.00	-	7,625.00	-	-	-	900.00	8,525.00	900.00	-
3/1/21	-	-	-	-	-	8,650.00	-	8,650.00	-	8,650.00	-
4/1/21	40,000.00	900.00	-	7,625.00	-	-	40,000.00	900.00	48,525.00	40,900.00	(2,050.00)
9/1/21	-	-	-	-	36,000.00	8,650.00	36,000.00	8,650.00	-	44,650.00	-
10/1/21	-	-	-	7,625.00	-	-	-	-	7,625.00	-	-
3/1/22	-	-	-	-	-	7,750.00	-	7,750.00	-	7,750.00	-
4/1/22	-	-	40,000.00	7,625.00	-	-	-	-	47,625.00	-	2,850.00
9/1/22	-	-	-	-	36,000.00	7,750.00	36,000.00	7,750.00	-	43,750.00	-
10/1/22	-	-	-	6,900.00	-	-	-	-	6,900.00	-	-
3/1/23	-	-	-	-	-	6,850.00	-	6,850.00	-	6,850.00	-
4/1/23	-	-	40,000.00	6,900.00	-	-	-	-	46,900.00	-	3,200.00
9/1/23	-	-	-	-	36,000.00	6,850.00	36,000.00	6,850.00	-	42,850.00	-
10/1/23	-	-	-	6,175.00	-	-	-	-	6,175.00	-	-
3/1/24	-	-	-	-	-	5,950.00	-	5,950.00	-	5,950.00	-
4/1/24	-	-	40,000.00	6,175.00	-	-	-	-	46,175.00	-	3,550.00
9/1/24	-	-	-	-	35,000.00	5,950.00	35,000.00	5,950.00	-	40,950.00	-
10/1/24	-	-	-	5,450.00	-	-	-	-	5,450.00	-	-
3/1/25	-	-	-	-	-	5,075.00	-	5,075.00	-	5,075.00	-
4/1/25	-	-	40,000.00	5,450.00	-	-	-	-	45,450.00	-	4,875.00
9/1/25	-	-	-	-	35,000.00	5,075.00	35,000.00	5,075.00	-	40,075.00	-
10/1/25	-	-	-	4,725.00	-	-	-	-	4,725.00	-	-
3/1/26	-	-	-	-	-	4,200.00	-	4,200.00	-	4,200.00	-
4/1/26	-	-	40,000.00	4,725.00	-	-	-	-	44,725.00	-	5,175.00
9/1/26	-	-	-	-	35,000.00	4,200.00	35,000.00	4,200.00	-	39,200.00	-
10/1/26	-	-	-	4,000.00	-	-	-	-	4,000.00	-	-
3/1/27	-	-	-	-	-	3,325.00	-	3,325.00	-	3,325.00	-
4/1/27	-	-	40,000.00	4,000.00	-	-	-	-	44,000.00	-	5,475.00
9/1/27	-	-	-	-	35,000.00	3,325.00	35,000.00	3,325.00	-	38,325.00	-
10/1/27	-	-	-	3,200.00	-	-	-	-	3,200.00	-	-
3/1/28	-	-	-	-	-	2,450.00	-	2,450.00	-	2,450.00	-
4/1/28	-	-	40,000.00	3,200.00	-	-	-	-	43,200.00	-	5,625.00
9/1/28	-	-	-	-	35,000.00	2,450.00	35,000.00	2,450.00	-	37,450.00	-
10/1/28	-	-	-	2,400.00	-	-	-	-	2,400.00	-	-
3/1/29	-	-	-	-	-	1,575.00	-	1,575.00	-	1,575.00	-
4/1/29	-	-	40,000.00	2,400.00	-	-	-	-	42,400.00	-	5,775.00
9/1/29	-	-	-	-	35,000.00	1,575.00	35,000.00	1,575.00	-	36,575.00	-
10/1/29	-	-	-	1,600.00	-	-	-	-	1,600.00	-	-
3/1/30	-	-	-	-	-	700.00	-	700.00	-	700.00	-
4/1/30	-	-	40,000.00	1,600.00	-	-	-	-	41,600.00	-	5,925.00
9/1/30	-	-	-	-	35,000.00	700.00	35,000.00	700.00	-	35,700.00	-
10/1/30	-	-	-	800.00	-	-	-	-	800.00	-	-
3/1/31	-	-	-	-	-	-	-	-	-	-	-
4/1/31	-	-	40,000.00	800.00	-	-	-	-	40,800.00	-	5,900.00
	170,000.00	14,400.00	400,000.00	139,125.00	353,000.00	147,288.89	523,000.00	161,688.89	723,525.00	684,688.89	38,836.11

(1) Payable from proceeds of the Refunding Bond Issue of 2017.

(2) Reflects escrow cash contribution from FY2018 debt service appropriation.

School Masonry Repairs (I)

Date	A		B		C		D		E	F	G
	Non-Callable/Uncalled Debt Service		Advance Refunded Debt Service (1)		Refunding Bonds of 2017		Debt Service Subsequent to Refunding Issue		Outstanding Prior to Refunding Issue (A+B)	Debt Service Subsequent to Refunding Issue (A+C)	Savings/(Cost) (E-F)
	Principal Payment	Interest Payment	Principal Payment	Interest Payment	Principal Payment	Interest Payment	Principal Payment	Interest Payment			
12/21/17 (2)	-	-	-	-	-	4,084.38	-	4,084.38	-	4,084.38	-
4/1/18	25,000.00	2,125.00	-	4,084.38	-	-	25,000.00	2,125.00	31,209.38	27,125.00	-
9/1/18	-	-	-	-	-	6,465.28	-	6,465.28	-	6,465.28	-
10/1/18	-	1,625.00	-	4,084.38	-	-	-	1,625.00	5,709.38	1,625.00	-
3/1/19	-	-	-	-	-	4,655.00	-	4,655.00	-	4,655.00	-
4/1/19	25,000.00	1,625.00	-	4,084.38	-	-	25,000.00	1,625.00	30,709.38	26,625.00	(2,951.52)
9/1/20	-	-	-	-	-	4,655.00	-	4,655.00	-	4,655.00	-
10/1/19	-	1,125.00	-	4,084.38	-	-	-	1,125.00	5,209.38	1,125.00	-
3/1/20	-	-	-	-	-	4,655.00	-	4,655.00	-	4,655.00	-
4/1/20	25,000.00	1,125.00	-	4,084.38	-	-	25,000.00	1,125.00	30,209.38	26,125.00	(1,141.24)
9/1/20	-	-	-	-	-	4,655.00	-	4,655.00	-	4,655.00	-
10/1/20	-	562.50	-	4,084.38	-	-	-	562.50	4,646.88	562.50	-
3/1/21	-	-	-	-	-	4,655.00	-	4,655.00	-	4,655.00	-
4/1/21	25,000.00	562.50	-	4,084.38	-	-	25,000.00	562.50	29,646.88	25,562.50	(1,141.24)
9/1/21	-	-	-	-	19,000.00	4,655.00	19,000.00	4,655.00	-	23,655.00	-
10/1/21	-	-	-	4,084.38	-	-	-	-	4,084.38	-	-
3/1/22	-	-	-	-	-	4,180.00	-	4,180.00	-	4,180.00	-
4/1/22	-	-	25,000.00	4,084.38	-	-	-	-	29,084.38	-	5,333.76
9/1/22	-	-	-	-	19,000.00	4,180.00	19,000.00	4,180.00	-	23,180.00	-
10/1/22	-	-	-	3,631.25	-	-	-	-	3,631.25	-	-
3/1/23	-	-	-	-	-	3,705.00	-	3,705.00	-	3,705.00	-
4/1/23	-	-	25,000.00	3,631.25	-	-	-	-	28,631.25	-	5,377.50
9/1/23	-	-	-	-	19,000.00	3,705.00	19,000.00	3,705.00	-	22,705.00	-
10/1/23	-	-	-	3,178.13	-	-	-	-	3,178.13	-	-
3/1/24	-	-	-	-	-	3,230.00	-	3,230.00	-	3,230.00	-
4/1/24	-	-	25,000.00	3,178.13	-	-	-	-	28,178.13	-	5,421.26
9/1/24	-	-	-	-	19,000.00	3,230.00	19,000.00	3,230.00	-	22,230.00	-
10/1/24	-	-	-	2,725.00	-	-	-	-	2,725.00	-	-
3/1/25	-	-	-	-	-	2,755.00	-	2,755.00	-	2,755.00	-
4/1/25	-	-	20,000.00	2,725.00	-	-	-	-	22,725.00	-	465.00
9/1/25	-	-	-	-	19,000.00	2,755.00	19,000.00	2,755.00	-	21,755.00	-
10/1/25	-	-	-	2,362.50	-	-	-	-	2,362.50	-	-
3/1/26	-	-	-	-	-	2,280.00	-	2,280.00	-	2,280.00	-
4/1/26	-	-	20,000.00	2,362.50	-	-	-	-	22,362.50	-	690.00
9/1/26	-	-	-	-	19,000.00	2,280.00	19,000.00	2,280.00	-	21,280.00	-
10/1/26	-	-	-	2,000.00	-	-	-	-	2,000.00	-	-
3/1/27	-	-	-	-	-	1,805.00	-	1,805.00	-	1,805.00	-
4/1/27	-	-	20,000.00	2,000.00	-	-	-	-	22,000.00	-	915.00
9/1/27	-	-	-	-	19,000.00	1,805.00	19,000.00	1,805.00	-	20,805.00	-
10/1/27	-	-	-	1,600.00	-	-	-	-	1,600.00	-	-
3/1/28	-	-	-	-	-	1,330.00	-	1,330.00	-	1,330.00	-
4/1/28	-	-	20,000.00	1,600.00	-	-	-	-	21,600.00	-	1,065.00
9/1/28	-	-	-	-	19,000.00	1,330.00	19,000.00	1,330.00	-	20,330.00	-
10/1/28	-	-	-	1,200.00	-	-	-	-	1,200.00	-	-
3/1/29	-	-	-	-	-	855.00	-	855.00	-	855.00	-
4/1/29	-	-	20,000.00	1,200.00	-	-	-	-	21,200.00	-	1,215.00
9/1/29	-	-	-	-	19,000.00	855.00	19,000.00	855.00	-	19,855.00	-
10/1/29	-	-	-	800.00	-	-	-	-	800.00	-	-
3/1/30	-	-	-	-	-	380.00	-	380.00	-	380.00	-
4/1/30	-	-	20,000.00	800.00	-	-	-	-	20,800.00	-	1,365.00
9/1/30	-	-	-	-	19,000.00	380.00	19,000.00	380.00	-	19,380.00	-
10/1/30	-	-	-	400.00	-	-	-	-	400.00	-	-
3/1/31	-	-	-	-	-	-	-	-	-	-	-
4/1/31	-	-	20,000.00	400.00	-	-	-	-	20,400.00	-	1,420.00
	100,000.00	8,750.00	215,000.00	72,553.18	190,000.00	79,519.66	290,000.00	88,269.66	396,303.18	378,269.66	18,033.52

(1) Payable from proceeds of the Refunding Bond Issue of 2017.

(2) Reflects escrow cash contribution from FY2018 debt service appropriation.

School Boiler Replacement (I)

Date	A		B		C		D		E	F	G
	Non-Callable/Uncalled Debt Service		Advance Refunded Debt Service (1)		Refunding Bonds of 2017		Debt Service Subsequent to Refunding Issue		Outstanding Prior to Refunding Issue (A+B)	Debt Service Subsequent to Refunding Issue (A+C)	Savings/(Cost) (E-F)
	Principal Payment	Interest Payment	Principal Payment	Interest Payment	Principal Payment	Interest Payment	Principal Payment	Interest Payment			
12/21/17 (2)	-	-	-	-	-	3,131.25	-	3,131.25	-	3,131.25	-
4/1/18	20,000.00	1,700.00	-	3,131.25	-	-	20,000.00	1,700.00	24,831.25	21,700.00	-
9/1/18	-	-	-	-	-	4,960.07	-	4,960.07	-	4,960.07	-
10/1/18	-	1,300.00	-	3,131.25	-	-	-	1,300.00	4,431.25	1,300.00	-
3/1/19	-	-	-	-	-	3,571.25	-	3,571.25	-	3,571.25	-
4/1/19	20,000.00	1,300.00	-	3,131.25	-	-	20,000.00	1,300.00	24,431.25	21,300.00	(2,268.82)
9/1/20	-	-	-	-	-	3,571.25	-	3,571.25	-	3,571.25	-
10/1/19	-	900.00	-	3,131.25	-	-	-	900.00	4,031.25	900.00	-
3/1/20	-	-	-	-	-	3,571.25	-	3,571.25	-	3,571.25	-
4/1/20	20,000.00	900.00	-	3,131.25	-	-	20,000.00	900.00	24,031.25	20,900.00	(880.00)
9/1/20	-	-	-	-	-	3,571.25	-	3,571.25	-	3,571.25	-
10/1/20	-	450.00	-	3,131.25	-	-	-	450.00	3,581.25	450.00	-
3/1/21	-	-	-	-	-	3,571.25	-	3,571.25	-	3,571.25	-
4/1/21	20,000.00	450.00	-	3,131.25	-	-	20,000.00	450.00	23,581.25	20,450.00	(880.00)
9/1/21	-	-	-	-	15,650.00	3,571.25	15,650.00	3,571.25	-	19,221.25	-
10/1/21	-	-	-	3,131.25	-	-	-	-	3,131.25	-	-
3/1/22	-	-	-	-	-	3,180.00	-	3,180.00	-	3,180.00	-
4/1/22	-	-	20,000.00	3,131.25	-	-	-	-	23,131.25	-	3,861.25
9/1/22	-	-	-	-	15,000.00	3,180.00	15,000.00	3,180.00	-	18,180.00	-
10/1/22	-	-	-	2,768.75	-	-	-	-	2,768.75	-	-
3/1/23	-	-	-	-	-	2,805.00	-	2,805.00	-	2,805.00	-
4/1/23	-	-	20,000.00	2,768.75	-	-	-	-	22,768.75	-	4,552.50
9/1/23	-	-	-	-	15,000.00	2,805.00	15,000.00	2,805.00	-	17,805.00	-
10/1/23	-	-	-	2,406.25	-	-	-	-	2,406.25	-	-
3/1/24	-	-	-	-	-	2,430.00	-	2,430.00	-	2,430.00	-
4/1/24	-	-	20,000.00	2,406.25	-	-	-	-	22,406.25	-	4,577.50
9/1/24	-	-	-	-	15,000.00	2,430.00	15,000.00	2,430.00	-	17,430.00	-
10/1/24	-	-	-	2,043.75	-	-	-	-	2,043.75	-	-
3/1/25	-	-	-	-	-	2,055.00	-	2,055.00	-	2,055.00	-
4/1/25	-	-	15,000.00	2,043.75	-	-	-	-	17,043.75	-	(397.50)
9/1/25	-	-	-	-	15,000.00	2,055.00	15,000.00	2,055.00	-	17,055.00	-
10/1/25	-	-	-	1,771.88	-	-	-	-	1,771.88	-	-
3/1/26	-	-	-	-	-	1,680.00	-	1,680.00	-	1,680.00	-
4/1/26	-	-	15,000.00	1,771.88	-	-	-	-	16,771.88	-	(191.24)
9/1/26	-	-	-	-	14,000.00	1,680.00	14,000.00	1,680.00	-	15,680.00	-
10/1/26	-	-	-	1,500.00	-	-	-	-	1,500.00	-	-
3/1/27	-	-	-	-	-	1,330.00	-	1,330.00	-	1,330.00	-
4/1/27	-	-	15,000.00	1,500.00	-	-	-	-	16,500.00	-	990.00
9/1/27	-	-	-	-	14,000.00	1,330.00	14,000.00	1,330.00	-	15,330.00	-
10/1/27	-	-	-	1,200.00	-	-	-	-	1,200.00	-	-
3/1/28	-	-	-	-	-	980.00	-	980.00	-	980.00	-
4/1/28	-	-	15,000.00	1,200.00	-	-	-	-	16,200.00	-	1,090.00
9/1/28	-	-	-	-	14,000.00	980.00	14,000.00	980.00	-	14,980.00	-
10/1/28	-	-	-	900.00	-	-	-	-	900.00	-	-
3/1/29	-	-	-	-	-	630.00	-	630.00	-	630.00	-
4/1/29	-	-	15,000.00	900.00	-	-	-	-	15,900.00	-	1,190.00
9/1/29	-	-	-	-	14,000.00	630.00	14,000.00	630.00	-	14,630.00	-
10/1/29	-	-	-	600.00	-	-	-	-	600.00	-	-
3/1/30	-	-	-	-	-	280.00	-	280.00	-	280.00	-
4/1/30	-	-	15,000.00	600.00	-	-	-	-	15,600.00	-	1,290.00
9/1/30	-	-	-	-	14,000.00	280.00	14,000.00	280.00	-	14,280.00	-
10/1/30	-	-	-	300.00	-	-	-	-	300.00	-	-
3/1/31	-	-	-	-	-	-	-	-	-	-	-
4/1/31	-	-	15,000.00	300.00	-	-	-	-	15,300.00	-	1,320.00
	80,000.00	7,000.00	165,000.00	55,162.51	145,650.00	60,258.82	225,650.00	67,258.82	307,162.51	292,908.82	14,253.69

(1) Payable from proceeds of the Refunding Bond Issue of 2017.

(2) Reflects escrow cash contribution from FY2018 debt service appropriation.

Horace Mann School Windows/Doors (I)

Date	A		B		C		D		E	F	G
	Non-Callable/Uncalled Debt Service		Advance Refunded Debt Service (1)		Refunding Bonds of 2017		Debt Service Subsequent to Refunding Issue		Outstanding Prior to Refunding Issue (A+B)	Debt Service Subsequent to Refunding Issue (A+C)	Savings/(Cost) (E-F)
	Principal Payment	Interest Payment	Principal Payment	Interest Payment	Principal Payment	Interest Payment	Principal Payment	Interest Payment			
12/21/17 (2)	-	-	-	-	-	4,765.63	-	4,765.63	-	4,765.63	-
4/1/18	25,000.00	2,125.00	-	4,765.63	-	-	25,000.00	2,125.00	31,890.63	27,125.00	-
9/1/18	-	-	-	-	-	7,520.83	-	7,520.83	-	7,520.83	-
10/1/18	-	1,625.00	-	4,765.63	-	-	-	1,625.00	6,390.63	1,625.00	-
3/1/19	-	-	-	-	-	5,415.00	-	5,415.00	-	5,415.00	-
4/1/19	25,000.00	1,625.00	-	4,765.63	-	-	25,000.00	1,625.00	31,390.63	26,625.00	(3,404.57)
9/1/20	-	-	-	-	-	5,415.00	-	5,415.00	-	5,415.00	-
10/1/19	-	1,125.00	-	4,765.63	-	-	-	1,125.00	5,890.63	1,125.00	-
3/1/20	-	-	-	-	-	5,415.00	-	5,415.00	-	5,415.00	-
4/1/20	25,000.00	1,125.00	-	4,765.63	-	-	25,000.00	1,125.00	30,890.63	26,125.00	(1,298.74)
9/1/20	-	-	-	-	-	5,415.00	-	5,415.00	-	5,415.00	-
10/1/20	-	562.50	-	4,765.63	-	-	-	562.50	5,328.13	562.50	-
3/1/21	-	-	-	-	-	5,415.00	-	5,415.00	-	5,415.00	-
4/1/21	25,000.00	562.50	-	4,765.63	-	-	25,000.00	562.50	30,328.13	25,562.50	(1,298.74)
9/1/21	-	-	-	-	23,000.00	5,415.00	23,000.00	5,415.00	-	28,415.00	-
10/1/21	-	-	-	4,765.63	-	-	-	-	4,765.63	-	-
3/1/22	-	-	-	-	-	4,840.00	-	4,840.00	-	4,840.00	-
4/1/22	-	-	25,000.00	4,765.63	-	-	-	-	29,765.63	-	1,276.26
9/1/22	-	-	-	-	22,000.00	4,840.00	22,000.00	4,840.00	-	26,840.00	-
10/1/22	-	-	-	4,312.50	-	-	-	-	4,312.50	-	-
3/1/23	-	-	-	-	-	4,290.00	-	4,290.00	-	4,290.00	-
4/1/23	-	-	25,000.00	4,312.50	-	-	-	-	29,312.50	-	2,495.00
9/1/23	-	-	-	-	22,000.00	4,290.00	22,000.00	4,290.00	-	26,290.00	-
10/1/23	-	-	-	3,859.38	-	-	-	-	3,859.38	-	-
3/1/24	-	-	-	-	-	3,740.00	-	3,740.00	-	3,740.00	-
4/1/24	-	-	25,000.00	3,859.38	-	-	-	-	28,859.38	-	2,688.76
9/1/24	-	-	-	-	22,000.00	3,740.00	22,000.00	3,740.00	-	25,740.00	-
10/1/24	-	-	-	3,406.25	-	-	-	-	3,406.25	-	-
3/1/25	-	-	-	-	-	3,190.00	-	3,190.00	-	3,190.00	-
4/1/25	-	-	25,000.00	3,406.25	-	-	-	-	28,406.25	-	2,882.50
9/1/25	-	-	-	-	22,000.00	3,190.00	22,000.00	3,190.00	-	25,190.00	-
10/1/25	-	-	-	2,953.13	-	-	-	-	2,953.13	-	-
3/1/26	-	-	-	-	-	2,640.00	-	2,640.00	-	2,640.00	-
4/1/26	-	-	25,000.00	2,953.13	-	-	-	-	27,953.13	-	3,076.26
9/1/26	-	-	-	-	22,000.00	2,640.00	22,000.00	2,640.00	-	24,640.00	-
10/1/26	-	-	-	2,500.00	-	-	-	-	2,500.00	-	-
3/1/27	-	-	-	-	-	2,090.00	-	2,090.00	-	2,090.00	-
4/1/27	-	-	25,000.00	2,500.00	-	-	-	-	27,500.00	-	3,270.00
9/1/27	-	-	-	-	22,000.00	2,090.00	22,000.00	2,090.00	-	24,090.00	-
10/1/27	-	-	-	2,000.00	-	-	-	-	2,000.00	-	-
3/1/28	-	-	-	-	-	1,540.00	-	1,540.00	-	1,540.00	-
4/1/28	-	-	25,000.00	2,000.00	-	-	-	-	27,000.00	-	3,370.00
9/1/28	-	-	-	-	22,000.00	1,540.00	22,000.00	1,540.00	-	23,540.00	-
10/1/28	-	-	-	1,500.00	-	-	-	-	1,500.00	-	-
3/1/29	-	-	-	-	-	990.00	-	990.00	-	990.00	-
4/1/29	-	-	25,000.00	1,500.00	-	-	-	-	26,500.00	-	3,470.00
9/1/29	-	-	-	-	22,000.00	990.00	22,000.00	990.00	-	22,990.00	-
10/1/29	-	-	-	1,000.00	-	-	-	-	1,000.00	-	-
3/1/30	-	-	-	-	-	440.00	-	440.00	-	440.00	-
4/1/30	-	-	25,000.00	1,000.00	-	-	-	-	26,000.00	-	3,570.00
9/1/30	-	-	-	-	22,000.00	440.00	22,000.00	440.00	-	22,440.00	-
10/1/30	-	-	-	500.00	-	-	-	-	500.00	-	-
3/1/31	-	-	-	-	-	-	-	-	-	-	-
4/1/31	-	-	25,000.00	500.00	-	-	-	-	25,500.00	-	3,560.00
	100,000.00	8,750.00	250,000.00	86,953.19	221,000.00	92,296.46	321,000.00	101,046.46	445,703.19	422,046.46	23,656.73

(1) Payable from proceeds of the Refunding Bond Issue of 2017.

(2) Reflects escrow cash contribution from FY2018 debt service appropriation.

Water Meter Replacement (O) (non-callable)

Date	A		B		C		D		E	F	G	
	Non-Callable/Uncalled Debt Service		Advance Refunded Debt Service		Refunding Bonds of 2017		Debt Service Subsequent to Refunding Issue		Outstanding Prior to Refunding Issue (A+B)	Debt Service Subsequent to Refunding Issue (A+C)	Savings/(Cost) (E-F)	
	Principal Payment	Interest Payment	Principal Payment	Interest Payment	Principal Payment	Interest Payment	Principal Payment	Interest Payment				
12/21/17	-	-	-	-	-	-	-	-	-	-	-	
4/1/18	FY 2018	300,000.00	25,500.00	-	-	-	-	300,000.00	25,500.00	325,500.00	325,500.00	-
9/1/18		-	-	-	-	-	-	-	-	-	-	
10/1/18		-	19,500.00	-	-	-	-	19,500.00	19,500.00	19,500.00	19,500.00	
3/1/19		-	-	-	-	-	-	-	-	-	-	
4/1/19	FY 2019	300,000.00	19,500.00	-	-	-	-	300,000.00	19,500.00	319,500.00	319,500.00	-
9/1/20		-	-	-	-	-	-	-	-	-	-	
10/1/19		-	13,500.00	-	-	-	-	13,500.00	13,500.00	13,500.00	13,500.00	
3/1/20		-	-	-	-	-	-	-	-	-	-	
4/1/20	FY 2020	300,000.00	13,500.00	-	-	-	-	300,000.00	13,500.00	313,500.00	313,500.00	-
9/1/20		-	-	-	-	-	-	-	-	-	-	
10/1/20		-	6,750.00	-	-	-	-	6,750.00	6,750.00	6,750.00	6,750.00	
3/1/21		-	-	-	-	-	-	-	-	-	-	
4/1/21	FY 2021	300,000.00	6,750.00	-	-	-	-	300,000.00	6,750.00	306,750.00	306,750.00	-
		1,200,000.00	105,000.00	-	-	-	-	1,200,000.00	105,000.00	1,305,000.00	1,305,000.00	-

Prepared by FirstSouthwest, a Division of Hilltop Securities Inc.

School Roof Top Exhaust Units (I) (non-callable)

Date	A		B		C		D		E	F	G	
	Non-Callable/Uncalled Debt Service		Advance Refunded Debt Service		Refunding Bonds of 2017		Debt Service Subsequent to Refunding Issue		Outstanding Prior to Refunding Issue (A+B)	Debt Service Subsequent to Refunding Issue (A+C)	Savings/(Cost) (E-F)	
	Principal Payment	Interest Payment	Principal Payment	Interest Payment	Principal Payment	Interest Payment	Principal Payment	Interest Payment				
12/21/17	-	-	-	-	-	-	-	-	-	-	-	
4/1/18	FY 2018	10,000.00	850.00	-	-	-	-	10,000.00	850.00	10,850.00	10,850.00	-
9/1/18		-	-	-	-	-	-	-	-	-	-	-
10/1/18		-	650.00	-	-	-	-	650.00	650.00	650.00	650.00	-
3/1/19		-	-	-	-	-	-	-	-	-	-	-
4/1/19	FY 2019	10,000.00	650.00	-	-	-	-	10,000.00	650.00	10,650.00	10,650.00	-
9/1/20		-	-	-	-	-	-	-	-	-	-	-
10/1/19		-	450.00	-	-	-	-	450.00	450.00	450.00	450.00	-
3/1/20		-	-	-	-	-	-	-	-	-	-	-
4/1/20	FY 2020	10,000.00	450.00	-	-	-	-	10,000.00	450.00	10,450.00	10,450.00	-
9/1/20		-	-	-	-	-	-	-	-	-	-	-
10/1/20		-	225.00	-	-	-	-	225.00	225.00	225.00	225.00	-
3/1/21		-	-	-	-	-	-	-	-	-	-	-
4/1/21	FY 2021	10,000.00	225.00	-	-	-	-	10,000.00	225.00	10,225.00	10,225.00	-
		40,000.00	3,500.00	-	-	-	-	40,000.00	3,500.00	43,500.00	43,500.00	-

Prepared by FirstSouthwest, a Division of Hilltop Securities Inc.

Trommel Screen Purchase (I) (non-callable)

Date	A		B		C		D		E	F	G	
	Non-Callable/Uncalled Debt Service		Advance Refunded Debt Service		Refunding Bonds of 2017		Debt Service Subsequent to Refunding Issue		Outstanding Prior to Refunding Issue (A+B)	Debt Service Subsequent to Refunding Issue (A+C)	Savings/(Cost) (E-F)	
	Principal Payment	Interest Payment	Principal Payment	Interest Payment	Principal Payment	Interest Payment	Principal Payment	Interest Payment				
12/21/17	-	-	-	-	-	-	-	-	-	-	-	
4/1/18	FY 2018	15,000.00	1,275.00	-	-	-	-	15,000.00	1,275.00	16,275.00	16,275.00	-
9/1/18		-	-	-	-	-	-	-	-	-	-	-
10/1/18		-	975.00	-	-	-	-	975.00	975.00	975.00	975.00	-
3/1/19		-	-	-	-	-	-	-	-	-	-	-
4/1/19	FY 2019	15,000.00	975.00	-	-	-	-	15,000.00	975.00	15,975.00	15,975.00	-
9/1/20		-	-	-	-	-	-	-	-	-	-	-
10/1/19		-	675.00	-	-	-	-	675.00	675.00	675.00	675.00	-
3/1/20		-	-	-	-	-	-	-	-	-	-	-
4/1/20	FY 2020	15,000.00	675.00	-	-	-	-	15,000.00	675.00	15,675.00	15,675.00	-
9/1/20		-	-	-	-	-	-	-	-	-	-	-
10/1/20		-	337.50	-	-	-	-	337.50	337.50	337.50	337.50	-
3/1/21		-	-	-	-	-	-	-	-	-	-	-
4/1/21	FY 2021	15,000.00	337.50	-	-	-	-	15,000.00	337.50	15,337.50	15,337.50	-
		60,000.00	5,250.00	-	-	-	-	60,000.00	5,250.00	65,250.00	65,250.00	-

Prepared by FirstSouthwest, a Division of Hilltop Securities Inc.

City Hall Window Repairs (I) (non-callable)

Date	A		B		C		D		E	F	G	
	Non-Callable/Uncalled Debt Service		Advance Refunded Debt Service		Refunding Bonds of 2017		Debt Service Subsequent to Refunding Issue		Outstanding Prior to Refunding Issue (A+B)	Debt Service Subsequent to Refunding Issue (A+C)	Savings/(Cost) (E-F)	
	Principal Payment	Interest Payment	Principal Payment	Interest Payment	Principal Payment	Interest Payment	Principal Payment	Interest Payment				
12/21/17	-	-	-	-	-	-	-	-	-	-	-	
4/1/18	FY 2018	10,000.00	850.00	-	-	-	-	10,000.00	850.00	10,850.00	10,850.00	-
9/1/18		-	-	-	-	-	-	-	-	-	-	-
10/1/18		-	650.00	-	-	-	-	-	650.00	650.00	650.00	-
3/1/19		-	-	-	-	-	-	-	-	-	-	-
4/1/19	FY 2019	10,000.00	650.00	-	-	-	-	10,000.00	650.00	10,650.00	10,650.00	-
9/1/20		-	-	-	-	-	-	-	-	-	-	-
10/1/19		-	450.00	-	-	-	-	-	450.00	450.00	450.00	-
3/1/20		-	-	-	-	-	-	-	-	-	-	-
4/1/20	FY 2020	10,000.00	450.00	-	-	-	-	10,000.00	450.00	10,450.00	10,450.00	-
9/1/20		-	-	-	-	-	-	-	-	-	-	-
10/1/20		-	225.00	-	-	-	-	-	225.00	225.00	225.00	-
3/1/21		-	-	-	-	-	-	-	-	-	-	-
4/1/21	FY 2021	10,000.00	225.00	-	-	-	-	10,000.00	225.00	10,225.00	10,225.00	-
		40,000.00	3,500.00	-	-	-	-	40,000.00	3,500.00	43,500.00	43,500.00	-

Prepared by FirstSouthwest, a Division of Hilltop Securities Inc.

4

CERTIFICATE OF BIDDING AGENT

Hilltop Securities Inc. (“Agent”) acted as bidding agent in connection with the purchase of United States Treasury obligations (the “Eligible Securities”) with proceeds of the General Obligation Municipal Purpose Loan of 2017 Bonds (the “Bonds”) issued by the City of Newton, MA (the “Issuer”). In connection therewith, Agent hereby certifies and represents that:

1. Agent made a bona fide solicitation for the purchase of the Eligible Securities by distributing to prospective bidders a copy of the Request for Bids attached hereto as **Exhibit A**. Such Request for Bids was in writing.

2. The Request for Bids includes all material terms of the bid. The terms of the Request for Bids are commercially reasonable (i.e., there is a legitimate business purpose for each term of the Request for Bids other than to increase the purchase price or reduce the yield of the investment) and take into account the Issuer’s reasonably expected deposit and drawdown schedule for the amounts to be invested. The Request for Bids includes a statement notifying potential providers that submission of a bid is a representation that the potential provider did not consult with any other potential provider about its bid, that the bid was determined without regard to any other formal or informal agreement that the potential provider has with the Issuer or any other person (whether or not in connection with the Bonds), and that the bid is not being submitted solely as a courtesy to the Issuer or any other person for purposes of satisfying the requirements of Section 1.148-5(d)(6)(iii) of the Treasury regulations.

3. Pursuant to the Request for Bid, Agent received bids from two (2) providers, of which none had a material financial interest (including through related parties) in the Bonds. Both bidders are reasonably competitive providers of Eligible Securities of the type described in the Request for Bids. All bidders had an equal opportunity to bid, and no bidder was given an opportunity to review other bids (i.e., a “last look”) before bidding. Agent did not bid on the provision of the Eligible Securities. A listing of each bidder and its submitted bid is attached hereto as **Exhibit B**.

4. The Issuer awarded the bid to PNC Capital Markets, whose bid was the highest yielding / lowest cost bona fide bid (determined net of Agent’s fees) complying with the terms and specifications of the Issuer’s bid request. Trade confirmations and screenshots of market data at the time of the bid are attached hereto as **Exhibit C**.

5. At the time offers were required to be submitted by the terms of the Request for Bid, United States Treasury Obligations - State and Local Government Series were not available for purchase by the Issuer.

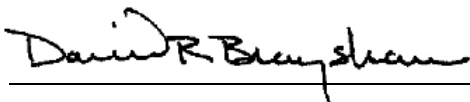
6. In connection with the sale of the Eligible Securities, Agent will be paid a brokerage fee of \$4,000. Agent will receive no other fee in connection with the sale of the Eligible Securities. The amount of the brokerage fee does not exceed the lesser of (A) \$39,000 or (B) 0.2% of the amount of gross proceeds reasonably expected to be deposited in the portfolio over the term of the contract.

7. Agent understands the statements made herein will be relied upon by the Issuer in its efforts to comply with the conditions imposed by the Internal Revenue Code of 1986, as amended, and by Bond Counsel for purposes of its opinion on the excludability of interest on the Bonds from the gross income of their owners.

8. We have no reason to believe that any potential provider that submitted a bid: (a) submitted other than a bona fide bid; (b) consulted with any other potential provider about its bid; (c) determined such bid with regard to any other formal or informal agreement that the potential provider has with the Issuer or any other person (whether or not in connection with the issuance of the Bonds); or (d) submitted the bid solely as a courtesy to the Issuer or any other person for purposes of satisfying the requirements of Section 1.148-5(d)(6)(iii) of the Treasury regulations.

IN WITNESS WHEREOF, I have hereunto subscribed my signature this 20th day of December, 2017.

HILLTOP SECURITIES INC.

By: 

Title: Managing Director

EXHIBIT A

Request for Bids

TO: Escrow Securities Providers
FROM: Jordan Lee 214-953-4020
RE: Invitation to Offer Escrow Securities to City of Newton, Massachusetts in connection with its General Obligation Municipal Purpose Loan of 2017 Bonds
DATE: December 12, 2017

Offer Submittal: Must be received by **11:30 AM EASTERN Time** on **December 12, 2017** to Hilltop Securities Inc., Attention: Jordan Lee at 214-953-4020 or jordan.lee@hilltopsecurities.com. Notification to each responding provider of securities (an “**Offeror**”) is anticipated as soon as practicable after facsimile or electronic mail receipt of the attached Escrow Securities Competitive Offering Form. **Written offerings are required and should be sent via fax to 214-954-4339** or scanned and e-mailed to jordan.lee@hilltopsecurities.com (see attached **Exhibit C: “Escrow Securities Competitive Offering Form”**).

Issuer Name: City of Newton, Massachusetts (the “**City**”)

Bond Issue: \$39,680,000†† General Obligation Municipal Purpose Loan of 2017 Bonds (the “**Bonds**”)

Bid Objective: The City is issuing the above referenced Bonds to provide for the refunding of a portion of the City’s currently outstanding debt. Hilltop Securities Inc. (the “**Bidding Agent**”), on behalf of the City, is soliciting eligible providers to offer to sell securities for the funding of the Escrow Requirements detailed below. The Escrow Requirements must be funded by the winning Offeror (the “**Provider**”) with Eligible Securities, as further described below. The Eligible Securities provided by the Provider (the “**Escrow Securities**”) must provide cash flow sufficient to satisfy the Escrow Requirements. The Provider will be obligated to deliver the Escrow Securities on the Settlement Date.

Basis of Award: In accordance with Treasury Regulations, it is anticipated that the Escrow Securities will be purchased by the Town from the Provider offering the lowest cost portfolio of Eligible Securities that produces cash flow sufficient to satisfy the Escrow Requirements.

Eligible Securities: Direct, non-callable obligations of the United States of America.

Escrow Requirements: See “**Exhibit A: Escrow Requirements.**”

Settlement Date: Settlement date for the purchase of the Escrow Securities will be December 21, 2017.

Identified Escrow: By 12:30 PM Eastern on December 12, 2017, the Provider must detail the securities which will be delivered on the Settlement Date. The portfolio details and duplicate trade confirmations shall be provided to the Bidding Agent, the Escrow Agent, and the Verification Agent.

Substitution: Substitution of Escrow Securities with Eligible Securities is permitted until the Provider identifies and confirms the Escrow Securities for purchase (the “**Purchased Securities**”) to the Bidding Agent; provided that the Provider must pay any costs associated with the substitution of Escrow Securities with Eligible Securities (including, without limitation, any costs of the Verification Agent and bond counsel) and in no event may the purchase price bid to the City be changed after the time for submission of bids. Once identified and confirmed as being the Purchased Securities, substitution of the Purchased Securities will not be allowed. The Purchased Securities must be confirmed by the Provider via delivery of trade confirmations to the Bidding Agent no later than 5 business days prior to the Settlement Date. In the event the Provider cannot deliver the Purchased Securities by 11:00 AM Eastern time on the Settlement Date, the Provider will be required to deliver the necessary amount of cash (in immediately available funds), not later than 11:15 AM Eastern time on the Settlement Date, to satisfy the Escrow Requirements until such time as the Purchased Securities sufficient to satisfy the Escrow Requirements can be provided by the Provider. In the event of non-performance on the part of the Provider, the Provider shall be liable to the City and the Escrow Agent, on behalf of the City, for any and all actual and incidental damages, including without limitation, any costs of the Verification Agent and bond counsel.

Escrow Agent: U.S. Bank, National Association

Verification Agent: Grant Thornton LLP

Delivery: By submitting an offer, the Provider guarantees delivery of the Purchased Securities to the **Escrow Agent** on or before 11:00 AM Eastern time on the Settlement Date. If the Provider fails to deliver any of the Purchased Securities by 11:00 AM Eastern time on the Settlement Date, it must wire by 11:15 AM Eastern time an amount in cash equal to (a) the total cash flows from the security that the Provider failed to deliver minus (b) the cost of that security as specified in the confirmation. The Provider must pay any additional costs of the Verification Agent and bond counsel. The Provider will have the right to deliver the Escrow Securities that it initially failed to deliver if the following conditions are met: (a) delivery is made within 15 days of the initial failed delivery; and (b) the Provider pays any additional Verification Agent and bond counsel costs. The City will then refund the amount the Provider paid in cash for its initial failure to deliver the Purchased Securities, less any accrued interest for the intervening period.

Delivery Instructions

TBD

Provider

Non-Performance:

In the event of non-performance on the part of the Provider, the Provider shall be liable to the City and the Escrow Agent, on behalf of the City, for any and all actual and incidental damages.

Contingency:

Although the City is expected to close the Bonds on the Settlement Date, neither the City nor any other member of the financing team will have any liability whatsoever for any loss resulting from a delay in the issuance of the Bonds or a failure to close the Bonds. The Provider recognizes that the City and the Escrow Agent will not purchase the Escrow Securities if the Bonds are not issued on the Settlement Date.

Disclosures:

This Invitation to Offer Escrow Securities and the submission of an offer to provide securities by any party does not obligate the City in any manner whatsoever.

The Provider shall sign a certificate substantially the same as the attached **Exhibit B: "Certificate of Provider as to Market Price Rule"** attached hereto.

The City reserves the right to amend, modify or withdraw this Invitation to Offer Escrow Securities; to waive or revise any requirement of this Invitation to Offer Escrow Securities; to acquire any supplemental information from any responding party; to accept or reject any or all offers; and to negotiate or hold discussions with any responding party in the preparation of its offer.

The Bidding Agent makes no representations or warranties as to the ability of the City or any other party to the financing to meet their respective obligations. The information provided herein has been furnished solely by the City; the Bidding Agent does not guarantee its accuracy or completeness.

Any Offeror submitting an offer acknowledges the following: (a) the submission of an offer is a representation that the Offeror did not consult with any other Offeror about its offer; (b) the offer was determined without regard to any other formal or informal agreement that the Offeror has with the City or any other person (whether or not in connection with the Bonds); (c) the offer is not being submitted solely as a courtesy to the City or any other person for purposes of satisfying the requirements of obtaining at least three offers; (d) the terms of the offer specifications are commercially reasonable in accordance with Treasury Regulations; (e) the terms of the offer take into account the City's reasonably expected deposit and drawdown schedule for the amounts to be invested, as set forth in Exhibit A hereto; and (f) the Offeror did not

have the opportunity to review other offers (i.e. last look) before providing an offer.

Fee:

A brokerage fee of \$4,000 will be paid to the Bidding Agent by the Provider within two business days of the Settlement Date.

Exhibit A: Escrow Requirements

\$39,680,000††
City of Newton, Massachusetts
General Obligation Municipal Purpose Loan of 2017 Bonds

Escrow Requirements

Date	Amount
9/1/2018	\$ 248,253.13
10/1/2018	19,606.26
3/1/2019	248,253.13
4/1/2019	19,606.26
9/1/2019	248,253.13
10/1/2019	19,606.26
3/1/2020	12,468,253.13
4/1/2020	19,606.26
10/1/2020	19,606.26
4/1/2021	1,049,606.26
Total:	\$ 14,360,650.08

Exhibit B: Certificate of Provider as to Market Price Rule

TO: City of Newton, Massachusetts
RE: \$39,680,000†† General Obligation Municipal Purpose Loan of 2017 Bonds
Escrow Fund Open Market Securities Purchase

CERTIFICATE OF PROVIDER AS TO MARKET PRICE RULE

The undersigned, _____ (the "Provider"), hereby certifies that we acted as principal in selling, on an arm's length basis, the securities described in the bid specifications (the "Securities") to the City of Newton, Massachusetts (the "City") relating to the City's General Obligation Municipal Purpose Loan of 2017 Bonds dated December 28, 2017 (the "Bonds"). On December 21, 2017, we will deliver the Securities, at the prices specified in the Identified Escrow (as defined in the Invitation to Offer dated December 12, 2017) (the "Sale Price"), to U.S. Bank, National Association, as escrow agent (the "Escrow Agent"), in connection with the Escrow Agreement between the City and the Escrow Agent. We further certify that, in our opinion:

1. The Provider is an active participant in an established market that exists for the regular purchase and sale of the type of securities which includes the Securities (disregarding, for this purpose, any markets especially established to provide securities to issuers of governmental obligations).
2. The Provider is not related to the financial advisor or bidding agent for the City soliciting offers for the Securities, and the Provider is not acting as a municipal advisor or in any other fiduciary capacity to the City in connection with the sale of the Securities.
3. The Provider acknowledges the following: (a) the submission of a bid is a representation that the Provider did not consult with any other responding provider of securities (an "Offeror") about its bid; (b) the bid was determined without regard to any other formal or informal agreement that the Provider has with the City or any other person (whether or not in connection with the Bonds); (c) the bid was not submitted solely as a courtesy to the City or any other person for purposes of satisfying the requirements of obtaining at least three bids; (d) the terms of the bid specifications are commercially reasonable in accordance with Treasury Regulations; (e) the terms of the bid take into account the City's reasonably expected deposit and drawdown schedule for the amounts to be invested; and (f) the Provider did not have the opportunity to review other bids (i.e. last look) before providing a bid.
4. The Sale Price (i) has been determined without regard to any formal or informal arrangement (whether or not connected with the Bonds) with the City or any other person; (ii) represents, to the best of our knowledge, the fair market value of the Securities at the time the offer was submitted on December 12, 2017 for delivery on December 21, 2017; and (iii) was determined on an arm's length basis without regard to any payment of any amount in order to reduce or increase the yield on the Securities.
5. The Sale Price is neither greater nor less than it would have been in an arm's length transaction in the open market between parties not involved in the transactions relating to the issuance of the Bonds. The Provider does not have a material financial interest in the Bonds.
6. The Provider has not paid or incurred administrative costs in connection with the purchase and sale of the Securities, such as brokerage and selling commissions, other than \$4,000 paid to Hilltop Securities Inc. as a brokerage fee.

We understand that the City and Bond Counsel will rely upon this Certificate, among other things, in reaching a conclusion that the yield on the Securities can be computed on the basis of the price paid for the Securities and that the Bonds do not constitute "arbitrage bonds" within the meaning of Sections 148 and 149(d) of the Internal Revenue Code of 1986, as amended.

IN WITNESS WHEREOF, the Provider has signed this Certificate this _____ day of _____, 20_____.

BY: _____
NAME: _____
TITLE: _____
FOR: _____

Exhibit C: Escrow Securities Competitive Offering Form

\$39,680,000††
City of Newton, Massachusetts
General Obligation Municipal Purpose Loan of 2017 Bonds

ESCROW SECURITIES COMPETITIVE OFFERING FORM

Offers must be received on December 12, 2017 by or about 11:30 AM EASTERN Time to Jordan Lee at 214-953-4020 or jordan.lee@hilltopsecurities.com with facsimile or electronic mail confirmation immediately thereafter to 214-954-4339 or jordan.lee@hilltopsecurities.com. Award is expected as soon as practicable after receipt of this offering form.

Cost to the City to satisfy the Escrow Requirements outlined in the "Invitation to Offer Escrow Securities" for settlement on December 21, 2017:

Final Maturity Value: \$ _____ (If applicable)

Principal Cost: \$ _____

Accrued: \$ _____ (If applicable)

Total Securities Cost: \$ _____

Cash Deposit: \$ _____ (If applicable)

Total Escrow Cost: \$ _____

Provider: _____

Contact: _____

Phone: _____

The offers submitted conform to the specifications set forth in the "Invitation to Offer Escrow Securities" dated December 12, 2017. The City reserves the right to reject any and all offers, to waive irregularities, and to change the time that offers are due. Offerors agree to hold the City and its consultants and agents harmless in the submission of an offer. The Offerors are responsible for any and all costs associated with the submission of an offer. By submitting this offer form, the Offeror acknowledges the following: (a) the Offeror did not consult with any other Offeror about its offer; (b) the offer was determined without regard to any other formal or informal agreement that the Offeror has with the City or any other person (whether or not in connection with the Bonds); (c) the offer is not being submitted solely as a courtesy to the City or any other person for purposes of satisfying the requirements of obtaining at least three offers; (d) the terms of the offer specifications are commercially reasonable in accordance with Treasury Regulations; (e) the terms of the offer take into account the City's reasonably expected deposit and drawdown schedule for the amounts to be invested; and (f) the Offeror did not have the opportunity to review other offers (i.e. last look) before providing an offer.

Signed: _____ Dated: _____

Title: _____

EXHIBIT B

Copies of All Bids Received

Exhibit C: Escrow Securities Competitive Offering Form

\$39,680,000††
City of Newton, Massachusetts
General Obligation Municipal Purpose Loan of 2017 Bonds

ESCROW SECURITIES COMPETITIVE OFFERING FORM

Offers must be received on December 12, 2017 by or about 11:30 AM EASTERN Time to Jordan Lee at 214-953-4020 or jordan.lee@hilltopsecurities.com with facsimile or electronic mail confirmation immediately thereafter to 214-954-4339 or jordan.lee@hilltopsecurities.com. Award is expected as soon as practicable after receipt of this offering form.

Cost to the City to satisfy the Escrow Requirements outlined in the "Invitation to Offer Escrow Securities" for settlement on December 21, 2017:

Final Maturity Value: \$ _____ (If applicable)
Principal Cost: \$ _____
Accrued: \$ _____ (If applicable)
Total Securities Cost: \$ _____
Cash Deposit: \$ _____ (If applicable)
Total Escrow Cost: \$ 13,782,184.04

Provider: PNCCM
Contact: FELI BIBLER
Phone: 412-579-7450

The offers submitted conform to the specifications set forth in the "Invitation to Offer Escrow Securities" dated December 12, 2017. The City reserves the right to reject any and all offers, to waive irregularities, and to change the time that offers are due. Offerors agree to hold the City and its consultants and agents harmless in the submission of an offer. The Offerors are responsible for any and all costs associated with the submission of an offer. By submitting this offer form, the Offeror acknowledges the following: (a) the Offeror did not consult with any other Offeror about its offer; (b) the offer was determined without regard to any other formal or informal agreement that the Offeror has with the City or any other person (whether or not in connection with the Bonds); (c) the offer is not being submitted solely as a courtesy to the City or any other person for purposes of satisfying the requirements of obtaining at least three offers; (d) the terms of the offer specifications are commercially reasonable in accordance with Treasury Regulations; (e) the terms of the offer take into account the City's reasonably expected deposit and drawdown schedule for the amounts to be invested; and (f) the Offeror did not have the opportunity to review other offers (i.e. last look) before providing an offer.

Signed: [Signature] Dated: 12/12/17
Title: Associate

Exhibit C: Escrow Securities Competitive Offering Form

\$39,680,000††
City of Newton, Massachusetts
General Obligation Municipal Purpose Loan of 2017 Bonds

ESCROW SECURITIES COMPETITIVE OFFERING FORM

Offers must be received on December 12, 2017 by or about 11:30 AM EASTERN Time to Jordan Lee at 214-953-4020 or jordan.lee@hilltopsecurities.com with facsimile or electronic mail confirmation immediately thereafter to 214-954-4339 or jordan.lee@hilltopsecurities.com. Award is expected as soon as practicable after receipt of this offering form.

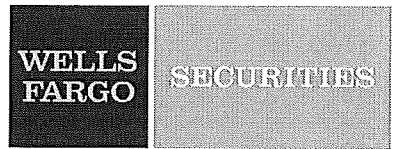
Cost to the City to satisfy the Escrow Requirements outlined in the "Invitation to Offer Escrow Securities" for settlement on December 21, 2017:

Final Maturity Value: \$ _____ (If applicable)
Principal Cost: \$ _____
Accrued: \$ _____ (If applicable)
Total Securities Cost: \$ _____
Cash Deposit: \$ _____ (If applicable)
Total Escrow Cost: \$ 13,788,274.39

Provider: Wells Fargo Securities, LLC
Contact: Scott Dorsey
Phone: 212-214-8749

The offers submitted conform to the specifications set forth in the "Invitation to Offer Escrow Securities" dated December 12, 2017. The City reserves the right to reject any and all offers, to waive irregularities, and to change the time that offers are due. Offerors agree to hold the City and its consultants and agents harmless in the submission of an offer. The Offerors are responsible for any and all costs associated with the submission of an offer. By submitting this offer form, the Offeror acknowledges the following: (a) the Offeror did not consult with any other Offeror about its offer; (b) the offer was determined without regard to any other formal or informal agreement that the Offeror has with the City or any other person (whether or not in connection with the Bonds); (c) the offer is not being submitted solely as a courtesy to the City or any other person for purposes of satisfying the requirements of obtaining at least three offers; (d) the terms of the offer specifications are commercially reasonable in accordance with Treasury Regulations; (e) the terms of the offer take into account the City's reasonably expected deposit and drawdown schedule for the amounts to be invested; and (f) the Offeror did not have the opportunity to review other offers (i.e. last look) before providing an offer.

Signed: Edward David Edward David Dated: December 12, 2017
Title: Director



RFP/RFQ Required Disclosure Statement

This proposal is submitted in response to your Request for [Proposals/Qualifications/Bids] dated December 12, 2017. The contents of this proposal and any subsequent discussions between us, including any and all information, recommendations, opinions, indicative pricing, quotations and analysis with respect to any municipal financial product or issuance of municipal securities, are provided to you in reliance upon the exemption provided for responses to requests for proposals or qualifications under the municipal advisor rules (the "Muni Advisor Rules") of the Securities and Exchange Commission (the "SEC")(the "Municipal Advisor Rule").¹

The Staff of the SEC's Office of Municipal Securities has issued guidance which provides that, in order for a request for proposals to be consistent with this exemption, it must (a) identify a particular objective, (b) be open for not more than a reasonable period of time (up to six months being generally considered as reasonable), and (c) involve a competitive process by (such as by being provided to at least three reasonably competitive service providers or by being publicly posted to your official website). In submitting this proposal, we have relied upon your compliance with this guidance.

In submitting this proposal (a) Wells Fargo Securities is not acting as your Municipal Advisor, providing you with municipal advisory services and does not owe a fiduciary duty to you pursuant to Section 15B of the Securities Exchange Act of 1934 to you with respect to the information and material contained in this proposal in the event you are a municipal entity; (b) Wells Fargo Securities is acting for its own interests; and (c) you should discuss any information and material contained in this proposal with any and all internal or external advisors and experts that you deem appropriate before acting on this information or material.

¹ 240 CFR 15Ba1-1 et seq..

Wells Fargo Securities is the trade name for the capital markets and investment banking services of Wells Fargo & Company and its subsidiaries, including but not limited to Wells Fargo Securities, LLC, a member of NYSE, FINRA, NFA and SIPC, Wells Fargo Prime Services, LLC, a member of FINRA, NFA and SIPC, and Wells Fargo Bank, N.A. Wells Fargo Securities, LLC and Wells Fargo Prime Services, LLC are distinct entities from affiliated banks and thrifts.

EXHIBIT C

Trade Confirmations and Market Data



PNC Capital Markets LLC
Member FINRA/SIPC

Important - Please notify us immediately in writing if this does not agree with your records. This confirmation and advice is subject to the terms and conditions stated on the reverse side. Please retain for Income Tax purposes. It is the only copy you will receive.

PNC CAPITAL MARKETS LLC
P8-YB35-02-8, OPS DEPT.
116 ALLEGHENY CENTER MALL
PHONE: (855) 403-5915
PITTSBURGH, PA 15212

Contact Jonathon E Bibler

Subject to Federal Income Tax

CITY OF NEWTON
C/O HILLTOP SECURITIES
1201 ELM STREET
DALLAS, TX 75270

Book Entry

Currency: USD

Confirmation Number	Date Entered	Order Time	Account Number	Trade Date	Settlement Date
993139986	12/19/2017	16:29:24	1012000019	12/12/2017	12/21/2017

As Principal We Have Sold To You

Par Amount	Basis	Yield	Price
12,383,100.00	98.97840366	1.853	98.9784036

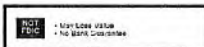
T 1.375 2/29/20
BND GOVT
Coupon Rate: 1.3750000
Maturity Date: 02/29/2020
Issue Date: 02/28/2015
Cusip: 912828J50
Accrued Interest From 08/31/17 To 12/21/17
Next Interest Date: 02/28/2018 Amount: 85,133.81
Interest Dates: 2/28 85,133.81 | 8/31 85,133.81
Priced to Maturity
Subject to Federal Income Tax

Principal Amount: 12,256,594.70
Accrued Interest: 52,679.49
Total Amount: 12,309,274.19

Moody: Govt
S & P: AA+

----PAYMENT INSTRUCTIONS-----
FEDERAL FUNDS - CPD
----DELIVERY INSTRUCTIONS-----
042000013 1050
A/C 234210000

----MISC. INFORMATION-----
-41659 1 615





PNC Capital Markets LLC
Member FINRA/SIPC

Important - Please notify us immediately in writing if this does not agree with your records. This confirmation and advice is subject to the terms and conditions stated on the reverse side. Please retain for Income Tax purposes. It is the only copy you will receive.

PNC CAPITAL MARKETS LLC
P8-YB35-02-8, OPS DEPT.
116 ALLEGHENY CENTER MALL
PHONE: (855) 403-5915
PITTSBURGH, PA 15212
Contact Jonathon E Bibler

Subject to Federal Income Tax

CITY OF NEWTON
C/O HILLTOP SECURITIES
1201 ELM STREET
DALLAS, TX 75270

Book Entry

Currency: USD

Confirmation Number	Date Entered	Order Time	Account Number	Trade Date	Settlement Date
993139987	12/19/2017	16:24:50	1012000019	12/12/2017	12/21/2017

As Principal We Have Sold To You

Par Amount	Basis	Yield	Price
61,100.00	99.39843750	1.629	99.3984375

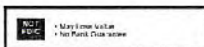
T .75 08/31/18
BND GOVT
Coupon Rate: .7500000
Maturity Date: 08/31/2018
Issue Date: 08/31/2016
Cusip: 9128282C3
Accrued Interest From 08/31/17 To 12/21/17
Next Interest Date: 02/28/2018 Amount: 229.13
Interest Dates: 2/28 229.13 | 8/31 229.13
Priced to Maturity
Subject to Federal Income Tax

Principal Amount:	60,732.45
Accrued Interest:	141.78
Total Amount:	60,874.23

Moody: Govt
S & P: AA+

----PAYMENT INSTRUCTIONS-----
FEDERAL FUNDS - CPD
----DELIVERY INSTRUCTIONS-----
042000013 1050
A/C 234210000

----MISC. INFORMATION-----
-41660 1 615





PNC Capital Markets LLC
Member FINRA/SIPC

Important - Please notify us immediately in writing if this does not agree with your records. This confirmation and advice is subject to the terms and conditions stated on the reverse side. Please retain for Income Tax purposes. It is the only copy you will receive.

PNC CAPITAL MARKETS LLC
P8-YB35-02-8, OPS DEPT.
116 ALLEGHENY CENTER MALL
PHONE: (855) 403-5915
PITTSBURGH, PA 15212
Contact Jonathon E Bibler

Subject to Federal Income Tax

CITY OF NEWTON
C/O HILLTOP SECURITIES
1201 ELM STREET
DALLAS, TX 75270

Book Entry

Currency: USD

Confirmation Number	Date Entered	Order Time	Account Number	Trade Date	Settlement Date
993139988	12/19/2017	16:25:45	1012000019	12/12/2017	12/21/2017

As Principal We Have Sold To You

Par Amount	Basis	Yield	Price
7,700.00	99.28906250	1.677	99.2890625

T .75 9/30/18
BND GOVT
Coupon Rate: .750000
Maturity Date: 09/30/2018
Issue Date: 09/30/2016
Cusip: 912828T42

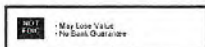
Principal Amount:	7,645.26
Accrued Interest:	13.01
Total Amount:	7,658.27

Accrued Interest From 09/30/17 To 12/21/17
Next Interest Date: 03/31/2018 Amount: 28.88
Interest Dates: 3/31 28.88 | 9/30 28.88
Priced to Maturity
Subject to Federal Income Tax

Moody: Govt
S & P: AA+

----PAYMENT INSTRUCTIONS-----
FEDERAL FUNDS - CPD
----DELIVERY INSTRUCTIONS-----
042000013 1050
A/C 234210000

----MISC. INFORMATION-----
-41661 1 615





PNC Capital Markets LLC
Member FINRA/SIPC

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PNC CAPITAL MARKETS LLC
P8-YB35-02-8, OPS DEPT.
116 ALLEGHENY CENTER MALL
PHONE: (855) 403-5915
PITTSBURGH, PA 15212

Contact Jonathon E Bibler

Subject to Federal Income Tax

Book Entry

CITY OF NEWTON
C/O HILLTOP SECURITIES
1201 ELM STREET
DALLAS, TX 75270

Currency: USD

Confirmation Number	Date Entered	Order Time	Account Number	Trade Date	Settlement Date
993139989	12/19/2017	16:28:39	1012000019	12/12/2017	12/21/2017

As Principal We Have Sold To You

Par Amount	Basis	Yield	Price
7,800.00	99.18359375	1.844	99.1835937

T 1.375 09/30/19
BND GOVT
Coupon Rate: 1.3750000
Maturity Date: 09/30/2019
Issue Date: 09/30/2017
Cusip: 9128282X7
Accrued Interest From 09/30/17 To 12/21/17
Next Interest Date: 03/31/2018 Amount: 53.63
Interest Dates: 3/31 53.63 | 9/30 53.63
Priced to Maturity
Subject to Federal Income Tax

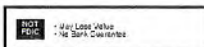
Principal Amount: 7,736.32
Accrued Interest: 24.16
Total Amount: 7,760.48

Moody: Govt
S & P: AA+

----PAYMENT INSTRUCTIONS-----
FEDERAL FUNDS - CPD
----DELIVERY INSTRUCTIONS-----
042000013 1050
A/C 234210000

----MISC. INFORMATION-----
-41663 1 615

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CITY OF NEWTON
C/O HILLTOP SECURITIES
1201 ELM STREET
DALLAS, TX 75270

Book Entry

Currency: USD

Confirmation Number	Date Entered	Order Time	Account Number	Trade Date	Settlement Date
993139992	12/19/2017	16:26:20	1012000019	12/12/2017	12/21/2017

As Principal We Have Sold To You

Par Amount	Basis	Yield	Price
160,900.00	99.24218750	1.771	99.2421875

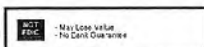
T 1.125 2/28/19
BND GOVT
Coupon Rate: 1.1250000
Maturity Date: 02/28/2019
Issue Date: 02/28/2017
Cusip: 912828W30
Accrued Interest From 08/31/17 To 12/21/17
Next Interest Date: 02/28/2018 Amount: 905.06
Interest Dates: 2/28 905.06 | 8/31 905.06
Priced to Maturity
Subject to Federal Income Tax

Principal Amount: 159,680.68
Accrued Interest: 560.04
Total Amount: 160,240.72

Moody: Govt
S & P: AA+

----PAYMENT INSTRUCTIONS-----
FEDERAL FUNDS - CPD
----DELIVERY INSTRUCTIONS-----
042000013 1050
A/C 234210000

----MISC. INFORMATION-----
-41662 1 615





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116 ALLEGHENY CENTER MALL
PHONE: (855) 403-5915
PITTSBURGH, PA 15212
Contact: Jonathon E Bibler

Subject to Federal Income Tax

CITY OF NEWTON
C/O HILLTOP SECURITIES
1201 ELM STREET
DALLAS, TX 75270

Book Entry

Currency: USD

Confirmation Number	Date Entered	Order Time	Account Number	Trade Date	Settlement Date
993139993	12/19/2017	16:30:55	1012000019	12/12/2017	12/21/2017

As Principal We Have Sold To You

Par Amount	Basis	Yield	Price
7,800.00	98.86718750	1.886	98.8671875

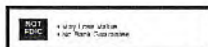
T 1.375 03/31/20
BND GOVT
Coupon Rate: 1.3750000
Maturity Date: 03/31/2020
Issue Date: 03/31/2015
Cusip: 912828J84
Accrued Interest From 09/30/17 To 12/21/17
Next Interest Date: 03/31/2018 Amount: 53.63
Interest Dates: 3/31 53.63 | 9/30 53.63
Priced to Maturity
Subject to Federal Income Tax

Principal Amount: 7,711.64
Accrued Interest: 24.16
Total Amount: 7,735.80

Moody: Govt
S & P: AA+

----PAYMENT INSTRUCTIONS-----
FEDERAL FUNDS - CPD
----DELIVERY INSTRUCTIONS-----
042000013 1050
A/C 234210000

----MISC. INFORMATION-----
-41664 1 615





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F8-YB35-02-8, OPS DEPT.
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PHONE: (855) 403-5915
PITTSBURGH, PA 15212
Contact Jonathon E Bibler

Subject to Federal Income Tax

CITY OF NEWTON
C/O HILLTOP SECURITIES
1201 ELM STREET
DALLAS, TX 75270

Book Entry

Currency: USD

Confirmation Number	Date Entered	Order Time	Account Number	Trade Date	Settlement Date
993139994	12/19/2017	16:31:26	1012000019	12/12/2017	12/21/2017

As Principal We Have Sold To You

Par	Amount	Basis	Yield	Price
7,900.00	98.47656250		1.941	98.4765625

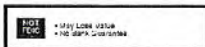
T 1.375 09/30/20
BND GOVT
Coupon Rate: 1.375
Maturity Date: 09/30/2020
Issue Date: 09/30/2015
Cusip: 912828L65
Accrued Interest From 09/30/17 To 12/21/17
Next Interest Date: 03/31/2018 Amount: 54.31
Interest Dates: 3/31 54.31 | 9/30 54.31
Priced to Maturity
Subject to Federal Income Tax

Principal Amount:	7,779.65
Accrued Interest:	24.47
Total Amount:	7,804.12

Moody: Govt
S & P: AA+

----PAYMENT INSTRUCTIONS-----
FEDERAL FUNDS - CPD
----DELIVERY INSTRUCTIONS-----
042000013 1050
A/C 234210000

----MISC. INFORMATION-----
-41665 1 615





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PHONE: (855) 403-5915
PITTSBURGH, PA 15212
Contact Jonathon E Bibler

Subject to Federal Income Tax

CITY OF NEWTON
C/O HILLTOP SECURITIES
1201 ELM STREET
DALLAS, TX 75270

Book Entry

Currency: USD

Confirmation Number	Date Entered	Order Time	Account Number	Trade Date	Settlement Date
993139995	12/19/2017	16:27:27	1012000019	12/12/2017	12/21/2017

As Principal We Have Sold To You

Par	Amount	Basis	Yield	Price
7,700.00	99.78125000		1.799	99.78125

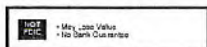
T 1.625 03/31/19
BND GOVT
Coupon Rate: 1.625
Maturity Date: 03/31/2019
Issue Date: 03/31/2014
Cusip: 912828C65
Accrued Interest From 09/30/17 To 12/21/17
Next Interest Date: 03/31/2018 Amount: 62.56
Interest Dates: 3/31 62.56 | 9/30 62.56
Priced to Maturity
Subject to Federal Income Tax

Principal Amount: 7,683.16
Accrued Interest: 28.19
Total Amount: 7,711.35

Moody: Govt
S & P: AA+

----PAYMENT INSTRUCTIONS-----
FEDERAL FUNDS - CPD
----DELIVERY INSTRUCTIONS-----
042000013 1050
A/C 234210000

----MISC. INFORMATION-----
-41666 1 615





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F8-YB35-02-8, OPS DEPT.
116 ALLEGHENY CENTER MALL
PHONE: (855) 403-5915
PITTSBURGH, PA 15212
Contact Jonathon E Bibler

Subject to Federal Income Tax

CITY OF NEWTON
C/O HILLTOP SECURITIES
1201 ELM STREET
DALLAS, TX 75270

Book Entry

Currency: USD

Confirmation Number	Date Entered	Order Time	Account Number	Trade Date	Settlement Date
993139996	12/19/2017	16:27:57	1012000019	12/12/2017	12/21/2017

As Principal We Have Sold To You

Par	Amount	Basis	Yield	Price
161,800.00	99.64453125		1.839	99.6445312

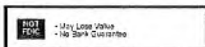
T 1.625 8/31/19
BND GOVT
Coupon Rate: 1.6250000
Maturity Date: 08/31/2019
Issue Date: 08/31/2014
Cusip: 912828D80
Accrued Interest From 08/31/17 To 12/21/17
Next Interest Date: 02/28/2018 Amount: 1,314.63
Interest Dates: 2/28 1,314.63 | 8/31 1,314.63
Priced to Maturity
Subject to Federal Income Tax

Principal Amount: 161,224.85
Accrued Interest: 813.47
Total Amount: 162,038.32

Moody: Govt
S & P: AA+

----PAYMENT INSTRUCTIONS-----
FEDERAL FUNDS - CFD
----DELIVERY INSTRUCTIONS-----
042000013 1050
A/C 234210000

----MISC. INFORMATION-----
-41667 1 615





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PITTSBURGH, PA 15212
Contact Jonathon E Bibler

Subject to Federal Income Tax

CITY OF NEWTON
C/O HILLTOP SECURITIES
1201 ELM STREET
DALLAS, TX 75270

Book Entry

Currency: USD

Confirmation Number	Date Entered	Order Time	Account Number	Trade Date	Settlement Date
993139997	12/19/2017	16:31:57	1012000019	12/12/2017	12/21/2017

As Principal We Have Sold To You

Par Amount	Basis	Yield	Price
1,037,900.00	100.75781250	2.009	100.757812

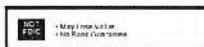
T 2.250 03/31/21
BND GOVT
Coupon Rate: 2.250
Maturity Date: 03/31/2021
Issue Date: 03/31/2014
Cusip: 912828C57
Accrued Interest From 09/30/17 To 12/21/17
Next Interest Date: 03/31/2018 Amount: 11,676.38
Interest Dates: 3/31 11,676.38 | 9/30 11,676.38
Priced to Maturity
Subject to Federal Income Tax

Principal Amount: 1,045,765.34
Accrued Interest: 5,260.78
Total Amount: 1,051,026.12

Moody: Govt
S & P: AA+

----PAYMENT INSTRUCTIONS-----
FEDERAL FUNDS - CPD
----DELIVERY INSTRUCTIONS-----
042000013 1050
A/C 234210000

----MISC. INFORMATION-----
-41668 1 615



AGREEMENT

AS AGREED BY CUSTOMER AND PNC CAPITAL MARKETS LLC (PNCCM) THAT THE TRANSACTION DESCRIBED ON THE FACE HEREOF IS SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS

1. This transaction is subject to (a) the constitution, by-laws, rules, customs, practices and interpretations of the exchange or market (and its clearing house, if any) where executed and of the clearing agency through which delivery or payment or comparison of data respecting the terms of the settlement is effected, (b) the applicable rules of any governmental agency or regulatory authority to which it is subject, and (c) all applicable federal and state laws and regulations.

2. If our capacity is referenced on the face hereof as principal, we bought from or sold to you as dealer for our own account (or, if indicated, for our joint account with another firm or for the account of an underwriting syndicate of which we are a member). Your capacity was for your own account unless you expressly specified otherwise to us in writing and gave us sufficient information in writing prior to the transaction for us to identify and rely upon the credit of another party or your credit in another capacity.

3. If our capacity was as "agent", we acted as broker for the party(s) on the other side of the transaction, which may include affiliates of PNCCM (or, if not indicated, as broker both for yourself and the party(s) on the other side) and not for our own account. Any claims regarding the performance of the other party on the transaction must be resolved between you and such entity with no liability to PNCCM. If PNCCM acted as your agent or as agent for some other person in this transaction, upon written request we will furnish the name of the person with whom the transaction was executed, and such further information as may be required by the rules and regulations of the SEC and any other body having jurisdiction over the transaction.

4. Commission rates are subject to negotiation and any commission charged you in this transaction may be more or less than the commission charged to or by others in similar transactions.

5. If this transaction is a TBA transaction, this transaction and all other TBA transactions have been entered into in consideration of each other. If (x) you or any of your affiliates (collectively, the "Counterparty") shall (i) default in respect of this or other transaction with PNCCM or any of its affiliates (collectively, the "PNCCM affiliate"), (ii) state that any Counterparty will not perform any obligation to any PNCCM affiliate, (iii) apply for, consent to, or be the subject of any application or petition for the appointment of or the taking of possession by a receiver, custodian, trustee, liquidator or similar person of itself or of all or a substantial part of its property or admit in writing its inability to pay its debts as such become due, (iv) become generally unable to pay its debts as such become due, (v) make a general assignment for the benefit of creditors, or (vi) file or be the subject of the filing or entry of (a) a petition or order for relief under Title 11 of the U.S. Bankruptcy Code or any similar law of any jurisdiction regarding reorganization, liquidation, dissolution, insolvency or relief of debtors or (b) an application for a protective decree under Section 5 of the Securities Investor Protection Act of 1970 or any other decree under Section 5 of the Securities Investor Protection Act of 1970, or (vii) any PNCCM affiliate believes that it may not be able to apply without delay property that it or any other PNCCM affiliate is holding or expect to receive from any Counterparty against any obligations to such first PNCCM affiliate, then, in the case of either (x) or (y), each PNCCM affiliate may cancel or otherwise liquidate and exercise all available remedies under this and any other transaction between it and you without prior notice to you, and set off any obligation owing by it to you against any obligations owing by you or any other Counterparty to it or any other PNCCM affiliate. Any grace or notice period required by agreement prior to exercise of such remedies may be shortened or eliminated by any PNCCM affiliate if in its sole discretion determines it is reasonable to do so under the circumstances. You shall be liable to each PNCCM affiliate for all costs and expense, incurred in connection with the enforcement or collection by such PNCCM affiliate of its rights or claims hereunder against any Counterparty.

6. PNCCM may from time to time and without notice to you pledge or repledge, hypothecate or rehypothecate the securities which are the subject of this transaction, either separately or under circumstances which will permit the commingling with securities carried for the account due other customers, to the extent consistent with applicable law.

7. If this transaction is a purchase by you and sufficient funds are not already in your account with PNCCM, it is agreed that you will make the payment for the securities described promptly in accordance with the terms of this confirmation. PNCCM shall not be deemed to have transferred or be required to transfer such securities to you until PNCCM has received full payment, and you shall not sell such securities prior to making such payment. Any confirmation and book entries purporting to evidence or effect such transfer of such securities shall be deemed to be provisional and without effect until such full payment therefor has been received by PNCCM. If this transaction is a sale by you and the securities described on the face hereof are not already held in your account with PNCCM and it is not marked short, then PNCCM is acting upon your representation that you or your principal owns such securities and that you will promptly deliver such securities to PNCCM. If full payment for securities sold or bought for you in this transaction is not received by PNCCM on or before the settlement date or if securities bought from or sold (except short sales) for you in this transaction are not delivered to PNCCM promptly and in proper form you shall be deemed to be in default in respect of this transaction.

8. You hereby grant to each PNCCM affiliate a security interest in all securities, monies or other property and all proceeds of any of the foregoing owned in any PNCCM affiliate's customer account(s) with any PNCCM affiliate or otherwise as collateral security for the payment of any and all obligations and liabilities of you and your affiliates to any PNCCM affiliate. You hereby irrevocably constitute and appoint each PNCCM affiliate your true and lawful agent and attorney in fact with full power to act in your name and on your behalf with respect to the execution of all instruments and the taking of all action necessary or desirable to effectuate the rights and remedies provided hereunder and by applicable law to any PNCCM affiliate.

9. At the time this transaction was executed or subsequent thereto, PNCCM, its affiliates or others acting for the account of any of them may have effected transactions to stabilize or maintain the market price of the securities described on the face hereof or other securities of the same issuer at a level above that which might otherwise prevail in the open market for these securities.

Such stabilization, if commenced, may be discontinued at any time, PNCCM may desire and may continue to make purchases and sales of the securities described on the face hereof (or other securities of the same issuer) for its own account or for the accounts of others, and such transactions, if made, may be discontinued at any time. There may not have been and there may not be in the future any market in such securities other than that made by PNCCM.

10. If this transaction is described on the face hereof as a "When-Issued" or "When Distributed" contract, then this contract shall be subject to the special requirements for such contracts, if any, of the market where executed. This contract shall be settled and payment therefor made only at such time and place and in such manner, and by delivery of such securities and/or other property received by PNCCM, as such market may require, or shall be canceled if the proposal pursuant to which the securities were to be issued or distributed has been abandoned or materially changed or if the securities which are subject to the contract have been materially changed. Pending settlement of this contract, you shall be obligated to deliver to us on demand cash equal to the excess of the contract value of securities sold by us over their market value or the excess of the market value of securities purchased by us over their contract value. In addition, we may demand deposits to secure this transaction in accordance with the requirements of such market, exchange or association and upon your failure to comply, we may close the transaction in accordance with the requirements of such market, exchange or association.

11. This agreement shall inure to the benefit of PNCCM, and its affiliates, and both parties acknowledge that this transaction is a "securities contract" within the meaning of Section 741 of title 11 of the United States Code, as amended.

12. This confirmation shall be deemed to have been accepted and signed by the customer if not objected to by the customer to PNCCM within three (3) days of receipt by the customer. Please address all communications in writing to PNC Capital Markets LLC, 116 Allegheny Center Mall, Mail Stop# PG-YB35-02-4, Pittsburgh, PA 15212. Any oral communications should be re-confirmed in writing to protect the customer's rights, including rights under the Securities Investor Protection Act of 1970. The terms of agreement set forth on the first confirmation of this form delivered to the customer shall be deemed to have been accepted and signed by the customer with respect to each and every transaction in respect of which this form of confirmation is delivered, unless the customer shall have objected in writing to PNCCM WITHIN three (3) days of receipt of such first confirmation.

13. In the event any one or more provisions contained in this confirmation shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this confirmation shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

14. For debt securities and preferred stock, call features may exist in addition to those described on the front of this confirmation. Securities subject to call features or other redemption features, such as sinking funds, may be redeemed in whole or in part before maturity. Such occurrences may affect your yield. Please contact your financial consultant for further information. Actual yield may vary based on prepayment rates. Total amounts due on mortgage backed securities may be subject to change, and additional information will be provided upon written request. Constant Prepayment Rates are calculated based upon historically available information.

15. The actual yield on asset backed securities may vary according to the rate at which the underlying receivables or other financial assets are prepaid. Information concerning the factors that affect yield will be furnished upon written request.

16. If the phrase Prospectus Enclosed or Offering Memorandum or words of similar import appear on the face of this confirmation, this sale is subject to the conditions contained in the prospectus or offering memorandum, a copy of which has been furnished to you. If you have not received a prospectus or offering memorandum and the confirmation states such, please contact us immediately at the number listed on this confirmation, and we will furnish you with a copy under separate cover.

17. The confirmation and transactions described herein shall be governed by the laws of the Commonwealth of Pennsylvania excluding its conflict of law rules.

18. If this transaction involves a Rule 144A Security, you represent that you are a "qualified institutional buyer" as that term is defined under Rule 144A and that this transaction is made in reliance upon such Rule. The customer acknowledges that it is aware that the security may be subject to certain resale restrictions.

19. As an aid to the education and protection of the investing public, the Financial Industry Regulatory Authority ("FINRA") operates a toll-free information hotline and an Internet Website to disseminate information regarding the professional background, registration, license status and disciplinary history of FINRA members and their brokers. Clients who wish to obtain a brochure which includes important information concerning the FINRA Broker Check Program should call the FINRA Broker Check Hotline at 1-800-289-9959 or visit the FINRA website at www.finra.org. PNCCM is registered with the U.S. Securities and Exchange Commission and the Municipal Securities Rulemaking Board. An investor brochure that describes the protections that may be provided by the MSRB rules and how to file a complaint with an appropriate regulatory authority is available at www.MSRB.org.

DISCLOSURE STATEMENT

PNC Capital Markets LLC is a separate, wholly-owned non-bank subsidiary of The PNC Financial Services Group, Inc., a financial holding company. PNCCM is not a bank and is a distinct legal entity from its bank affiliates. Securities sold, offered or recommended by PNCCM, including but not limited to shares issued by an affiliate or of mutual funds that are advised by affiliates, are not deposits, are not insured by the Federal Deposit Insurance Corporation, are not guaranteed by any bank affiliate, and are not otherwise an obligation or responsibility of such affiliate bank, unless such is actually the case.

From time to time, a bank affiliate may lend money to an issuer of securities underwritten by PNCCM. PNCCM may also from time to time participate in primary or secondary distributions of the securities purchased by you or sold to you. PNCCM may act at the same time as broker with respect to your securities transactions, including shares of Mutual Funds that are advised by a PNCCM affiliate.

10:32

4) OTR 5) Shorts 6) 2-30yr 8) Sub 9) MTN 10) Callables 11) Supras

2yr			10yr		
31) T1 ³ / ₄ N19	99-26+ / 99-26 ³ / ₄	1.839 - 1.835	48) T2 ¹ / ₄ N27	98-18 / 98-18+	2.414 - 2.412
32) FHLB 1 ¹ / ₄ 119	-4.75 / -8.25	1.792 - 1.753	49) FNMA 2 ¹ / ₈ 426	13.75 / 11.50	2.551 - 2.527
33) FHLB 1 ³ / ₈ 319	0.25 / -4.00	1.842 - 1.795	50) FNMA 1 ⁷ / ₈ 926	18.50 / 16.50	2.599 - 2.577
34) FHLB 1 ³ / ₈ 519	0.25 / -2.75	1.842 - 1.808	51) FNMA 6 ¹ / ₄ 529	39.00 / 35.00	2.804 - 2.762
35) FNMA 1 ³ / ₄ 919	5.00 / 1.50	1.889 - 1.850	52) FHLMC6 ³ / ₄ 331	43.00 / 39.75	2.844 - 2.809
36) FHLB 1 ¹ / ₂ 019	6.25 / 3.75	1.902 - 1.873	53) FHLMC 6 ¹ / ₄ 732	47.75 / 42.00	2.891 - 2.832
3yr			30yr		
37) T1 ⁷ / ₈ D20	99-24 / 99-24 ¹ / ₄	1.961 - 1.959	54) T2 ³ / ₄ N47	99-00 / 99-00+	2.800 - 2.799
38) FNMA 1 ¹ / ₂ 720	3.75 / 2.25	1.999 - 1.981			
39) FHLB 1 ³ / ₈ 920	5.25 / 3.00	2.014 - 1.989			
40) FHLMC 1 ⁵ / ₈ 920	6.50 / 4.00	2.026 - 1.999			
41) FHLB 1 ³ / ₈ 221	10.00 / 5.75	2.061 - 2.016			
42) FNMA 1 ¹ / ₄ 521	11.25 / 8.00	2.074 - 2.039			
43) FHLB 1 ⁷ / ₈ N21	19.75 / 15.50	2.159 - 2.114			
5yr					
44) T2 N22	99-05 / 99-05 ¹ / ₄	2.180 - 2.178			
45) FNMA 2 122	-0.25 / -3.00	2.178 - 2.149			
46) FHLMC2 ³ / ₈ 122	-0.25 / -4.00	2.178 - 2.139			
47) FNMA 1 ⁷ / ₈ 422	0.75 / -3.25	2.188 - 2.146			

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10:31

4) Actives	5) Bills	6) Notes	7) TIPS	8) Strips	9) Sprds	10) Curves	11) FRN	12) Bfly	13) WI
------------	----------	----------	---------	-----------	----------	------------	---------	----------	--------

Bills				Bonds					
31) 01/04/18		1.173 / 1.165	1.182	+0.027	49) 2 ³ / ₄ 847		98-30 / 30+	2.802	- 14+
32) 03/15/18		1.302 / 1.297	1.320	+0.015	50) 2 ³ / ₄ N47 30YR		99-00 / 00+	2.799	- 14+
33) 06/14/18		1.460 / 1.450	1.481	-0.003	51) WI 30YR		2.805 / 2.795		+0.015
34) 12/06/18		1.648 / 1.640	1.683	+0.012	TIPS				
Notes					52) 0 ¹ / ₈ 422		99-02 / 99-03+	0.332	- 00 ³ / ₄
35) 1 ³ / ₈ 919		99-05+ / 05 ⁷ / ₈	1.839	- 00 ⁷ / ₈	53) 0 ³ / ₈ 727		98-23+ / 98-25+	0.504	- 01 ³ / ₄
36) 1 ¹ / ₂ 019		99-11+ / 11 ⁷ / ₈	1.841	- 01	54) 0 ⁷ / ₈ 247		100-31 ³ / ₄ / 101-03 ¹ / ₄	0.832	- 09
37) 1 ³ / ₄ N19 2YR		99-26+ / 26 ³ / ₄	1.835	- 01	Curve Trades				
38) 1 ⁵ / ₈ 020		99-04 / 04 ¹ / ₄	1.940	- 01	55) 2yr vs 5yr		33.914 / -34.489		+0.549
39) 1 ³ / ₄ N20		99-13+ / 14	1.949	- 01	56) 2yr vs 10yr		57.251 / -57.838		+0.696
40) 1 ⁷ / ₈ D20 3YR		99-24 / 24 ¹ / ₄	1.959	- 01 ¹ / ₄	57) 5yr vs 10yr		23.170 / -23.517		+0.146
41) 1 ⁷ / ₈ 922		98-20 ¹ / ₄ / 20 ³ / ₄	2.173	- 03	Other Markets				
42) 2 022		99-06 / 06+	2.173	- 03 ¹ / ₄	58) US Long(CBT)	10:21 d	152-14		-0-19
43) 2 N22 5YR		99-05 / 05 ¹ / ₄	2.178	- 03 ¹ / ₄	59) 10yr Fut (CBT)	10:21 d	124-03		-0-05+
44) 2 ¹ / ₄ 024		99-18 / 19	2.314	- 04	60) 5Yr Fut(CBT)	10:21 d	116-06+		-0-03 ¹ / ₄
45) 2 ¹ / ₈ N24 7YR		98-23+ / 24	2.320	- 04	61) Dow Jones Ind	10:31	24515.910		+129.881
46) 2 ³ / ₈ 527		99-21+ / 22+	2.410	- 05+	62) S&P 500 Ind	10:16 d	2664.900		+4.910
47) 2 ¹ / ₄ 827		98-17+ / 18	2.417	- 06	63) NYM WTI Crd	10:31	57.430		-0.560
48) 2 ¹ / ₄ N27 10YR		98-18 / 18+	2.412	- 06+	64) Gold	10:31	1237.655		-4.290

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Starting date was reset to Wed Dec 13 2017

US Treasury Actives Curve

5) Export

6) Graph

Forward Curve Analysis

Curve Date 12/12/17

Market Mid

Back Test

12/12/17

«

Curve List



7) Horizon Curve

8) Implied Forwards

Horizon Curve Dates

1 Mo Projected

3 Mo Projected

6 Mo Projected

9 Mo Projected



Tenor	US Government Agency BFV Curve					US Treasury Actives Curve (REF)				
	Spot	1 Mo (P)	3 Mo (P)	6 Mo (P)	9 Mo (P)	Spot	1 Mo (P)	3 Mo (P)	6 Mo (P)	9 Mo (P)
1 Mo	1.45730	1.45964	1.57545	1.69706	1.86946	1.24191	1.37463	1.60947	1.86014	1.89751
2 Mo	1.46159	1.39345	1.57962	1.75598	1.92915	1.30899	1.35292	1.61530	1.87027	1.90946
3 Mo	1.41444	1.45724	1.61786	1.79638	1.94796	1.30864	1.44741	1.62944	1.90542	1.90647
6 Mo	1.51901	1.56378	1.71076	1.87655	1.94303	1.47706	1.57676	1.78030	1.90525	1.93171
9 Mo	1.61119	1.66190	1.78957	1.89387	1.98658	1.61646	1.68780	1.81543	1.92985	1.95497
1 Yr	1.69694	1.74261	1.82633	1.94116	2.03640	1.69014	1.75559	1.85564	1.94483	1.96903
2 Yr	1.90262	1.93690	1.99924	2.08143	2.14753	1.84193	1.88303	1.95253	2.02212	2.05938
3 Yr	2.02828	2.05728	2.10571	2.17377	2.23043	1.95732	1.99309	2.05671	2.13303	2.18653
4 Yr	2.12666	2.15444	2.20043	2.26738	2.32613	2.09758	2.12537	2.17411	2.23109	2.27172
5 Yr	2.23451	2.26034	2.30340	2.36720	2.42391	2.18289	2.20821	2.25254	2.30643	2.34732
7 Yr	2.43333	2.45610	2.49459	2.55196	2.60424	2.32370	2.34172	2.37288	2.41077	2.43896
9 Yr	2.59985	2.61999	2.65322	2.70286	2.74777	2.39113	2.40525	2.43022	2.46048	2.48285
10 Yr	2.66637	2.68405	2.71405	2.75764	2.79667	2.41750	2.43359	2.46347	2.50051	2.53072
12 Yr	2.75807	2.77374	2.80031	2.83961	2.87491	2.51605	2.53008	2.55465	2.58633	2.61204
15 Yr	2.86821	2.88168	2.90429	2.93762	2.96757	2.61344	2.62483	2.64558	2.67177	2.69300
20 Yr	2.98156	2.99275	3.01168	3.03949	3.06447	2.70898	2.71804	2.73461	2.75563	2.77256
30 Yr	3.11861	3.12445	3.13492	3.14897	3.16082	2.80165	2.80855	2.82137	2.83721	2.85003
50 Yr	2.78623	2.78958	2.79581	2.80370	2.80978	2.87061	2.87584	2.88568	2.89775	2.90747

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USD SemiAnnual 30/360 Swap Rates												PCS		CMPN
Tenor	Bid	Ask	Mid	Change	Today	#SD Δ/day	Low	Range	High	Avg	+/-BPS	#SD		
1) 1 YR	1.850 / 1.851		1.850	0.016		█	1.661	—●—●—	1.853	1.766	8.5	1.9		
2) 2 YR	2.033 / 2.035		2.034	0.019		█	1.845	—●—●—	2.061	1.943	9.1	1.9		
3) 3 YR	2.131 / 2.133		2.132	0.022		█	1.946	—●—●—	2.138	2.044	8.9	1.9		
4) 4 YR	2.193 / 2.195		2.194	0.021		█	2.016	—●—●—	2.200	2.109	8.6	1.9		
5) 5 YR	2.242 / 2.245		2.243	0.023		█	2.074	—●—●—	2.250	2.160	8.5	2.0		
6) 6 YR	2.284 / 2.287		2.286	0.024		█	2.129	—●—●—	2.290	2.208	7.9	2.1		
7) 7 YR	2.324 / 2.326		2.326	0.025		█	2.179	—●—●—	2.329	2.253	7.3	2.1		
8) 8 YR	2.360 / 2.363		2.361	0.024		█	2.224	—●—●—	2.364	2.293	7.0	2.1		
9) 9 YR	2.394 / 2.397		2.396	0.024		█	2.265	—●—●—	2.398	2.330	6.7	2.1		
10) 10 YR	2.427 / 2.428		2.427	0.027		█	2.302	—●—●—	2.444	2.364	6.4	2.1		
11) 15 YR	2.536 / 2.539		2.538	0.028		█	2.425	—●—●—	2.549	2.484	5.5	2.0		
12) 20 YR	2.588 / 2.592		2.590	0.027		█	2.483	—●—●—	2.610	2.542	4.9	1.8		
13) 25 YR	2.604 / 2.608		2.606	0.028		█	2.497	—●—●—	2.630	2.561	4.7	1.7		
14) 30 YR	2.604 / 2.608		2.606	0.028		█	2.495	—●—●—	2.632	2.562	4.5	1.6		

Executable quotes for Fixed Income Electronic Trading are in white tenors.

Actions			View		
Ticker	Last	Chg	Ticker	Last	Chg
++UST			++US SWAP		
1M BILL	1.18	+0.03	1M	1.47195	--
3M BILL	1.30	+0.02	3M	1.57352	--
6M BILL	1.48	--	6M	1.74769	--
12M BILL	1.68	+0.01	1y	1.8506	+0.0158
GT2 Govt	1.8353	+0.0164	2Y	2.0339	+0.0190
GT5 GOVT	2.1785	+0.0219	5Y	2.2433	+0.0237
GT10 GOVT	2.4119	+0.0233	10Y	2.4265	+0.0262
GT20 GOVT	2.5802	+0.0275	20Y	2.5893	+0.0263
GT30 GOVT	2.7987	+0.0225	30Y	2.6054	+0.0276
++US EQTY			++WRLD EQTY		
INDU	24518.01	+131.98	NKY d	22866.17	-72.56
SPX d	2664.90	+4.91	UKX d	7494.52	+41.04
CCMP	6883.363	+8.286	DAX d	13153.32	+29.67
TXX d		n.a.	HSI d	28793.88	-171.41

Ticker	Last	Chg
++BMA SWAP		
1Y	1.2075	+0.0090
2Y	1.3655	+0.0135
3Y	1.4710	+0.0165
4Y	1.5690	+0.0195
5Y	1.6500	+0.0190
10Y	1.8915	+0.0175
15Y	2.0275	+0.0185
20Y	2.1110	+0.0185
30Y	2.2090	+0.0235
++MISC INDX		
MUNIPSA	1.00	--
FDFD		n.a.
CRUDE	57.45	-.54
FNCR3060	3.51112	+0.03335

Ticker	Last	Chg
++BMA/LIB		
1Y	65.25%	
2Y	67.14%	
5Y	73.55%	
10Y	77.95%	
20Y	81.53%	
30Y	84.79%	

NW 8: DRB MONITOR



- BN 09:40
- BN 06:43
- BN 09:43
- BN 10:29
- BN 10:24 +
- TST 10:23
- TST 10:23
- BN 10:22 +
- TEL 10:20

U.S. Stocks Mixed, Dollar Advances Before Fed: Markets Wrap
 Bond Traders Offer Prelude to U.S. Inflation Data: Markets Live
 Hedge Funds Flock to Broker That Embraced Bitcoin Futures Early
 Top 20 Countries Generating Travel to the U.S. (Table)
 Glencore Will Double Dividend, Restart Zinc as Metals Rally (1)
 Dow Jumps Triple Digits as Wall Street Eyes Fed Meeting
 Fed's Quarter-Point Rate Hike Wednesday to Cost Consumers, Raise Recession Risk
 Meat Taxes Seen Joining Carbon, Sugar to Help Curb Emissions (2)
 Inflation Jumps to Fresh Five-year High; Mark Carney Forced to Write Letter to Chancellor to Explain R...

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97) Regions			98) Settings				10:30:52			Swaps Markets: United States						
GV Ask/Chg			Swp/Govt		Swap Mid		FNMA	FN/GV		FN/SW		FHLMC	FH/GV		FH/SW	
2Y	1.835	+0.016	19.65	+0.34	2.034	+0.019	1.738	-7.1	-0.3	-12.2	+0.0	1.855	3.4	-0.1	-10.2	-0.1
3Y	1.959	+0.013	16.91	-0.24	2.132	+0.022	1.923	-2.5	-0.3	-12.0	-0.1	1.948	0.2	-0.5	-10.6	-0.3
4Y	2.103	+0.021	12.38	+0.03	2.194	+0.021						1.918	-2.1	-2.0	-13.3	-1.8
5Y	2.178	+0.022	6.40	+0.21	2.243	+0.024	2.148	-1.6	+0.0	-3.4	-0.1	2.086	-7.2	-1.1	-6.6	-1.1
7Y	2.320	+0.020	0.32	+0.47	2.325	+0.025	2.385	8.0	+0.2	8.7	-0.3	2.139	-16.3	+0.2	-4.1	-0.1
10Y	2.412	+0.023	1.40	+0.32	2.427	+0.027	2.577	17.5	+0.9	20.0	+0.5	2.747	36.8	-1.1	31.5	-1.6
30Y	2.799	+0.023	-19.35	+0.40	2.605	+0.027	2.792	1.5	-0.7	32.3	-1.2	2.832	6.2	-1.2	33.4	-1.8

Dow Jones	S&P 500 Index	NASDAQ Composite Index	Bloomberg European 500
DJIA 24518.57 +132.54	S&P 500 2665.07 +5.08	CCMP 6883.96 +8.88	BE500 263.06 +1.65

Cash Market		Active Futures			Swaption 1Y		3Y	5Y	7Y	10Y	Cap/Flr
1M LIBOR	1.47195	5 Year	116-06 ¹ / ₄	-0-03+	1Y	20.390	24.920	25.900	25.700	25.175	15.650
3M LIBOR	1.57352	10 Year	124-02+	-0-06	2Y	24.580	27.500	28.430	26.840	27.050	18.540
6M LIBOR	1.74769	LONG BOND	152-14	-0-19	3Y	28.980	29.510	28.510	27.790	27.240	22.760
1Y LIBOR	2.02825	5Y Swap	99-30 ¹ / ₄	-0-03 ³ / ₄	4Y	31.290	30.420	28.325	28.880	27.280	26.480
Fed Funds	1.16000	10Y Swap	100-11+	-0-08+	5Y	30.150	29.280	29.420	27.580	27.010	29.230
O/N Repo	1.05000	30Y Swap	102-17	-0-13	7Y	27.870	28.390	27.770	27.010	25.310	30.480
1W Repo	1.20000				10Y	28.580	23.915	26.630	23.450	24.735	29.640

30) Economic Releases ECO »												
	Date	Time	C	A	M	R	Event	Period	Surv(M)	Actual	Prior	Revised
31)	12/12	05:00	US				NFIB Small Business Optimism	Nov	104.0	107.5	103.8	--
32)	12/12	07:30	US				PPI Final Demand MoM	Nov	0.3%	0.4%	0.4%	--
33)	12/12	07:30	US				PPI Ex Food and Energy MoM	Nov	0.2%	0.3%	0.4%	--
34)	12/12	07:30	US				PPI Ex Food, Energy, Trade MoM	Nov	0.2%	0.4%	0.2%	--
35)	12/12	07:30	US				PPI Final Demand YoY	Nov	2.9%	3.1%	2.8%	--

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97) Settings

98) Output

200) Show in Launchpad

Page 1/2

ICE Benchmark Administration

Official ICE Libor Fixings (Digital)

Interest Settlement Rates

66) MSG Contributor

10:32:49

Zoom

100%

ICE Benchmark Administration -> Official ICE Libor Fixings (formerly known as BBA LIBOR) -> Daily Fixings -> Official ICE Libor Fixings (Digital)

	USD		GBP		EUR	
1) O/N	1.18250	12/12	0.47314	12/12	-0.43786	12/12
2) 1WK	1.42375	12/12	0.48494	12/12	-0.41929	12/12
3) 1MO	1.47195	12/12	0.49369	12/12	-0.41114	12/12
4) 2MO	1.51217	12/12	0.50294	12/12	-0.39143	12/12
5) 3MO	1.57352	12/12	0.52244	12/12	-0.38643	12/12
6) 6MO	1.74769	12/12	0.57981	12/12	-0.32229	12/12
7) 12MO	2.02825	12/12	0.76713	12/12	-0.25686	12/12
Page Forward For S/N Currencies						

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SN 482395 CST GMT-6:00 G375-67-0 12-Dec-2017 10:32:49

1) Fed Fds | FOMC »

FDFD	1.1600	1.1900
OBFR01	1.16	

US T-Bill

4W	1.18	+0.03	1.17	1.17
3M	1.32	+0.02	1.30	1.30
6M	1.48	+0.00	1.46	1.45
1Y	1.68	+0.01	1.65	1.64

EURO\$DEP

3M	1.3200	1.4000
6M	1.5000	1.5800
1Y	1.6500	1.8000

Reverse (Bid)

0/N	1.07	1.03
1W	1.22	1.18
2W	1.32	1.30
1M	1.44	1.41

Repo (Ask)

Dow Jones

DJIA	24518.14	+132.11
------	----------	---------

S&P 500 mini Future

SPX Future	2668.50	+4.00
------------	---------	-------

NASDAQ Composite Index

CCMP	6883.50	+8.42
------	---------	-------

CRB Commodity Index

CRB	184.55	-0.94
-----	--------	-------

2) US Bonds | FIT »

T 1 ³ / ₄ 11/30/19	1.835	99-26+	99-26 ³ / ₄	- 01
T 1 ⁷ / ₈ 12/15/20	1.959	99-24	99-24 ¹ / ₄	- 01 ¹ / ₄
T 2 11/30/22	2.178	99-05	99-05 ¹ / ₄	- 03 ¹ / ₄
T 2 ¹ / ₈ 11/30/24	2.320	98-23+	98-24	- 04
T 2 ¹ / ₄ 11/15/27	2.412	98-18	98-18+	- 06+
T 2 ³ / ₄ 11/15/47	2.799	99-00	99-00+	- 14+

Comm Paper

15D	1.370
30D	1.420
60D	1.480
90D	1.520
120D	1.560
180D	1.690

90D EUR\$ FUT

DEC	98.3875
JAN	98.2250
FEB	98.0650
MAR	97.9700
APR	97.8700
MAY	97.8150

Funds Future

DEC	98.705
JAN	98.595
FEB	98.595
MAR	98.540
APR	98.430
MAY	98.410

3) LIBOR Fix

0/N	1.18250
1W	1.42375
1M	1.47195
2M	1.51217
3M	1.57352
6M	1.74769
1Y	2.02825

4) Spot FX | FXC »

JPY	113.6695
EUR	1.1725
GBP	1.3323
CHF	0.9917
CAD	1.2875

Key Rates

Prime	4.25
BLR	3.00
FDTR	1.25
Discount	1.75

Swaps

3Y	2.1323
5Y	2.2437
10Y	2.4265
30Y	2.6054

10Y Note Future

CBT	124-02	- 06+
-----	--------	-------













Commodities

NYM WTI	57.43	-0.55
GOLD	1237.56	-4.38

5) 30Y MBS | BBTM »

GNMA II 3	100-20	100-21	- 05
GOLD 3	99-18	99-19	- 05
FNMA 3	99-18	99-19	- 05

30) Economic Releases | ECO »

	Date Time	A	M	R	Event	Period	Surv(M)	Actual	Prior	Revised
31)	12/12 05:00				NFIB Small Business Optimism	Nov	104.0	107.5	103.8	--
32)	12/12 07:30				PPI Final Demand MoM	Nov	0.3%	0.4%	0.4%	--
33)	12/12 07:30				PPI Ex Food and Energy MoM	Nov	0.2%	0.3%	0.4%	--
34)	12/12 07:30				PPI Ex Food, Energy, Trade MoM	Nov	0.2%	0.4%	0.2%	--
35)	12/12 07:30				PPI Final Demand YoY	Nov	2.9%	3.1%	2.8%	--

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**U.S. Treasury Securities
SLGS Time Deposit
Subscription View**

OMB: No: 1535-0092
Date/Time: 12/07/2017 03:44 PM EST
Page: 1 of 2

Issue Information

Treasury Case Number 201702441
Status Complete
Issue Date 12/21/2017
Issue Amount \$266,858.00
Rate Table Date 12/07/2017

Owner

Taxpayer Identification Number 04-6001404
Underlying Bond Issue General Obligation Municipal Purpose Loan of 2017 Bonds dated December 21, 2017
Owner Name City of Newton, Massachusetts
Address Line 1 City Hall
Line 2 1000 Commonwealth Avenue
Line 3
City Newton Centre
State MA
Zip Code 02459
Contact Name James G. Reardon, Treasurer
Telephone 617-796-1330
Fax
E-mail

Trustee

ABA Routing Number 091000022
Bank Reference Number
Bank Name U.S. Bank, National Association
Address Line 1 One Federal Street
Line 2
Line 3
City Boston
State MA
Zip Code 02110
Contact Name Oumar Thiam
Telephone 617-603-6740
Fax 617-603-6667
E-mail oumar.thiam@usbank.com

Funds for Purchase

ABA Routing Number 091000022
Bank Name U.S. Bank, National Association
Contact Name Oumar Thiam
Telephone 617-603-6740
Fax 617-603-6667
E-mail oumar.thiam@usbank.com



**U.S. Treasury Securities
SLGS Time Deposit
Subscription View**

OMB: No: 1535-0092
Date/Time: 12/07/2017 03:44 PM EST
Page: 2 of 2

ACH Institutions & Instructions

ABA Routing Number 091000022
Bank Name U.S. Bank, National Association
Address Line 1 One Federal Street
Line 2
Line 3
City Boston
State MA
Zip Code 02110
Contact Name Oumar Thiam
Telephone 617-603-6740
Fax 617-603-6667
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ABA Routing Number 091000022
Account Name U.S. Bank, N.A.
Account Number 173100077762
Account Type Checking

Subscriber

ABA/TIN 74-1164324
Organization Name Locke Lord LLP
Address Line 1 111 Huntington Avenue
Line 2
Line 3
City Boston
State MA
Zip Code 02199
Contact Name Kara Adams
Telephone 617-239-0387
Fax 866-644-8575
E-mail kara.adams@lockelord.com

Viewers

ABA/TIN	Organization Name
No Viewers Assigned	

Securities

Security Number	Security Type	Principal Amount	Interest Rate	Maturity Date	First Interest Payment Date	Security Description
1	C of I	\$247,253.00	1.220000000	03/01/2018		
2	C of I	\$19,605.00	1.280000000	04/01/2018		

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Cash Flow and Yield Verification Report

City of Newton, Massachusetts

December 21, 2017

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Exhibit C	Debt Service Payments and Yield on the Bonds
Exhibit C-1	Net Original Issue Premium on the Bonds
Appendix I	Applicable schedules provided by FirstSouthwest, a Division of Hilltop Securities Inc.



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Report of Independent Certified Public Accountants

City of Newton
1000 Commonwealth Avenue
Newton, Massachusetts

Locke Lord LLP
111 Huntington Avenue
Boston, Massachusetts

U.S. Bank National Association
One Federal Street, Third Floor
Boston, Massachusetts

FirstSouthwest, a Division.
of Hilltop Securities Inc.
54 Canal Street, Suite 320
Boston, Massachusetts

\$38,930,000
City of Newton, Massachusetts
General Obligation Municipal Purpose Loan of 2017 Bonds
Dated December 21, 2017

We have performed the procedures described in this report, at the request of the City of Newton, Massachusetts (the “City”) and FirstSouthwest, a Division of Hilltop Securities Inc. (the “Financial Advisor”), to verify the mathematical accuracy of certain computations contained in the schedules attached in Appendix I provided by the Financial Advisor. These procedures were performed solely to assist you in the issuance of the above-captioned bond issue (the “Bonds”) for the purpose of refunding all or a portion of the City’s outstanding General Obligation State Qualified School Bonds, Series A , dated May 1, 2010 (the “2010A Bonds”), General Obligation Municipal Purpose Loan of 2010 Bonds, Series B, dated May 1, 2010 (the “2010B Bonds”) and General Obligation Municipal Purpose Loan of 2011 Bonds, dated April 14, 2011 (the “2011 Bonds”) (collectively referred to as the “Refunded Bonds”) as summarized on the next page. We have performed the procedures included in this report in accordance with American Institute of Certified Public Accountants (AICPA) Statement on Standards for Consulting Services.

<u>Series</u>	<u>Principal Issued</u>	<u>Dated</u>	<u>Principal Refunded</u>	<u>Maturities Refunded</u>	<u>Redemption Date</u>	<u>Redemption Price</u>
2010A	\$11,650,000	May 1, 2010	\$7,750,000	3-1-21 to 3-1-27, 3-1-29, 3-1-35 and 3-1-40	3-1-20	100%
2010B	\$14,398,000	May 1, 2010	\$4,470,000	3-1-21 to 3-1-30	3-1-20	100%
2011	\$5,770,000	April 14, 2011	\$1,030,000	4-1-26 and 4-1-31	4-1-21	100%

VERIFICATION OF ESCROW ACCOUNT CASH FLOW SUFFICIENCY

The Financial Advisor provided us with schedules (Appendix I) summarizing future escrow account cash receipts and disbursements. These schedules indicate that there will be sufficient cash available in the escrow account to pay the principal and interest on the Refunded Bonds assuming the 2010A Bonds and 2010B Bonds will be redeemed on March 1, 2020 at 100 percent of par plus accrued interest and the 2011 Bonds will be redeemed on April 1, 2021 at 100 percent of par plus accrued interest.

The attached Exhibit A (Schedule of Sources and Uses of Funds) was prepared based upon information provided by the Financial Advisor.

As part of our engagement to recalculate the schedules attached as Appendix I we prepared schedules attached hereto as Exhibits B through B-5 independently calculating future escrow account cash receipts and disbursements and compared the information used in our calculations to the information listed below contained in applicable pages of the following documents:

- Subscription confirmation, dated December 7, 2017, and Schedule of U.S. Treasury Securities provided by the Financial Advisor used to acquire certain United States Treasury Securities - State and Local Government Series (the "SLGS") insofar as the SLGS are described as to the principal amounts, interest rates, maturity dates and issuance date;
- Trade confirmations provided by the Financial Advisor used to acquire certain United States Treasury Notes (the "T-Notes") insofar as the T-Notes are described as to the principal amounts, interest rates, purchase prices and maturity dates; and
- Official Statements for the Refunded Bonds provided by the Financial Advisor insofar as the Refunded Bonds are described as to the maturity and interest payment dates, principal amounts, interest rates and optional redemption dates and price.

In addition, we compared the interest rates for each maturity of the SLGS, as shown on the Schedule of U.S. Treasury Securities, with the maximum allowable interest rates shown on the Department of Treasury, Bureau of Public Debt, SLGS Table for use on December 7, 2017 and found that the interest rates were equal to the maximum allowable interest rates for each maturity.

Our procedures, as summarized in Exhibits B through B-5, verified the mathematical accuracy of the schedules provided by the Financial Advisor summarizing future escrow account cash receipts and disbursements. The schedules provided by the Financial Advisor and those prepared by us reflect that the anticipated receipts from the SLGS and the T-Notes, together with an initial cash deposit of \$1,061.83 to be deposited into the escrow account on December 21, 2017, will be sufficient to pay, when due, the principal and interest on the Refunded Bonds assuming the 2010A Bonds and the 2010B Bonds will be redeemed on March 1, 2020 at 100 percent of par plus accrued interest and the 2011 Bonds will be redeemed on April 1, 2021 at 100 percent of par plus accrued interest.

VERIFICATION OF YIELDS

The Financial Advisor provided us with schedules (Appendix I) which indicate that the yield on the cash receipts from the T-Notes purchased with Bond proceeds is less than the yield on the Bonds. These schedules were prepared based on the assumed settlement date of December 21, 2017 using a 360-day year with interest compounded semi-annually. The term “yield”, as used herein, means that yield which, when used in computing the present value of all payments of principal and interest to be paid or received on an obligation produces an amount equal to, in the case of the cash receipts from the T-Notes purchased with Bond proceeds, the purchase price, and in the case of the Bonds, the issue price. In addition, we found that the schedules provided by the Financial Advisor, which assume the redemption of the September 1, 2028 through September 1, 2035 maturities identified on Exhibits C and C-1 at par on September 1, 2027 plus accrued interest, correctly treat those yield-to-call Bonds as retired on the respective date that for each Bond produces the lowest yield for that Bond. Those Bonds identified as yield-to-call Bonds on the attached Exhibits C and C-1 are those Bonds that are subject to optional redemption and that are issued at an issue price that exceeds the stated redemption price at maturity of such Bonds by more than one-fourth of one percent multiplied by the product of the stated redemption price at maturity of such Bonds and the number of complete years to the first optional redemption date for the Bonds. We found that there are no other yield-to-call Bonds other than those identified on the attached Exhibits C and C-1.

As part of our engagement to recalculate the schedules attached as Appendix I we prepared schedules attached hereto as Exhibits B-1 and C independently calculating the yields on (i) the cash receipts from the T-Notes purchased with Bond proceeds calculated on Exhibit B-1, and (ii) the Bonds using the Official Statement provided by the Financial Advisor insofar as the Bonds are described as to the maturity and interest payment dates, dated date, principal amounts, interest rates, optional redemption date and price, and issue price to the public. The results of our calculations, based on the aforementioned assumptions, are summarized below:

	<u>Yield</u>	<u>Exhibit</u>
• Yield on the cash receipts from the T-Notes purchased with Bond proceeds	1.869969%	B-1
• Yield on the Bonds	2.764558%	C

Our procedures, as summarized in Exhibits B-1 and C, verified the mathematical accuracy of the schedules provided by the Financial Advisor summarizing the yields. The schedules provided by the Financial Advisor and those prepared by us reflect that the yield on the cash receipts from the T-Notes purchased with Bond proceeds is less than the yield on the Bonds.

* * * * *

We performed the procedures in accordance with American Institute of Certified Public Accountants (AICPA) Statement on Standards for Consulting Services. Grant Thornton was not engaged to perform audit or attest services under AICPA auditing or attestation standards or to provide any form of attest report or opinion under such standards in conjunction with this engagement. Grant Thornton relied on the accuracy, completeness and reliability of all information provided to it by, and on all decisions and approvals of, the City. In addition, Grant Thornton has relied on any information provided to it by the City's retained advisors, consultants or legal counsel.

This report is intended solely for the information and use of those to whom this letter is addressed and is not intended to be and should not be used by anyone other than these specified parties.

Grant Thornton LLP

Minneapolis, Minnesota
December 21, 2017

City of Newton, Massachusetts

SCHEDULE OF SOURCES AND USES OF FUNDS

December 21, 2017

SOURCES:

Principal amount of the Bonds	\$38,930,000.00
Net original issue premium	4,038,128.11
Cash contribution	<u>267,859.39</u>
	<u><u>\$43,235,987.50</u></u>

USES:

Project Fund	\$28,800,000.00
Purchase price of the T-Notes purchased with Bond proceeds	13,782,123.60
Purchase price of the SLGS purchased with Cash contribution	266,858.00
Beginning cash deposit to the escrow account	1,061.83
Underwriter's discount	209,562.52
Costs of issuance	171,606.00
Contingency	<u>4,775.55</u>
	<u><u>\$43,235,987.50</u></u>

City of Newton, Massachusetts

ESCROW ACCOUNT CASH FLOW

<u>Dates</u>	<u>Cash receipts from T-Notes purchased with Bond proceeds (Exhibit B-1)</u>	<u>Cash receipts from SLGS purchased with cash contribution (Exhibit B-2)</u>	<u>Debt service payments on Refunded Bonds (Exhibits B-3 through B-5)</u>	<u>Cash balance</u>
Cash deposit on December 21, 2017				\$1,061.83
02-28-18	\$87,582.65			88,644.48
03-01-18		\$247,831.50	\$248,253.13	88,222.85
03-31-18	11,929.41			100,152.26
04-01-18		19,674.44	19,606.25	100,220.45
08-31-18	148,682.65			248,903.10
09-01-18			248,253.13	649.97
09-30-18	19,629.41			20,279.38
10-01-18			19,606.25	673.13
02-28-19	248,253.52			248,926.65
03-01-19			248,253.13	673.52
03-31-19	19,600.53			20,274.05
04-01-19			19,606.25	667.80
08-31-19	248,248.45			248,916.25
09-01-19			248,253.13	663.12
09-30-19	19,637.96			20,301.08
10-01-19			19,606.25	694.83
02-29-20	12,468,233.82			12,468,928.65
03-01-20			12,468,253.13	675.52
03-31-20	19,584.33			20,259.85
04-01-20			19,606.25	653.60
09-30-20	19,630.70			20,284.30
10-01-20			19,606.25	678.05
03-31-21	1,049,576.38			1,050,254.43
04-01-21			1,049,606.25	648.18
	<u>\$14,360,589.81</u>	<u>\$267,505.94</u>	<u>\$14,628,509.40</u>	

City of Newton, Massachusetts

**CASH RECEIPTS FROM AND YIELD ON THE T-NOTES
PURCHASED WITH BOND PROCEEDS**

Receipt date	Principal	Interest rate	Interest	Cash receipts from T-Notes purchased with Bond proceeds	Present value on December 21, 2017 using a yield of 1.869969%
02-28-18			\$87,582.65	\$87,582.65	\$87,279.78
03-31-18			11,929.41	11,929.41	11,867.89
08-31-18	\$61,100	0.750%	87,582.65	148,682.65	146,773.21
09-30-18	7,700	0.750%	11,929.41	19,629.41	19,348.29
02-28-19	160,900	1.125%	87,353.52	248,253.52	242,832.92
03-31-19	7,700	1.625%	11,900.53	19,600.53	19,139.87
08-31-19	161,800	1.625%	86,448.45	248,248.45	240,541.27
09-30-19	7,800	1.375%	11,837.96	19,637.96	18,999.77
02-29-20	12,383,100	1.375%	85,133.82	12,468,233.82	11,970,469.42
03-31-20	7,800	1.375%	11,784.33	19,584.33	18,771.39
09-30-20	7,900	1.375%	11,730.70	19,630.70	18,642.50
03-31-21	1,037,900	2.250%	11,676.38	1,049,576.38	987,457.29
	<u>\$13,843,700</u>		<u>\$516,889.81</u>	<u>\$14,360,589.81</u>	<u>\$13,782,123.60</u>

The sum of the present values of the cash receipts from the T-Notes purchased with Bond proceeds on December 21, 2017, using a yield of 1.869969%, is equal to the purchase price of the T-Notes purchased with Bond proceeds as shown below:

Type	Maturity date	Principal amount	Interest rate	Price	Cost	Accrued interest	Purchase price
T-Notes	08-31-18	\$61,100	0.750%	99.398438%	\$60,732.45	\$141.78	\$60,874.23
T-Notes	09-30-18	7,700	0.750%	99.289063%	7,645.26	13.01	7,658.27
T-Notes	02-28-19	160,900	1.125%	99.242188%	159,680.68	560.04	160,240.72
T-Notes	03-31-19	7,700	1.625%	99.781250%	7,683.16	28.19	7,711.35
T-Notes	08-31-19	161,800	1.625%	99.644531%	161,224.85	813.47	162,038.32
T-Notes	09-30-19	7,800	1.375%	99.183594%	7,736.32	24.16	7,760.48
T-Notes	02-29-20	12,383,100	1.375%	98.978404%	12,256,594.70	52,679.49	12,309,274.19
T-Notes	03-31-20	7,800	1.375%	98.867188%	7,711.64	24.16	7,735.80
T-Notes	09-30-20	7,900	1.375%	98.476563%	7,779.65	24.47	7,804.12
T-Notes	03-31-21	1,037,900	2.250%	100.757813%	1,045,765.34	5,260.78	1,051,026.12
		<u>\$13,843,700</u>			<u>\$13,722,554.05</u>	<u>\$59,569.55</u>	<u>\$13,782,123.60</u>

City of Newton, Massachusetts

**CASH RECEIPTS FROM THE SLGS PURCHASED WITH
CASH CONTRIBUTION**

<u>Receipt date</u>	<u>Principal</u>	<u>Interest rate</u>	<u>Interest</u>	<u>Cash receipts from SLGS purchased with cash contribution</u>
03-01-18	\$247,253	1.220%	\$578.50	\$247,831.50
04-01-18	19,605	1.280%	69.44	19,674.44
	<u>\$266,858</u>		<u>\$647.94</u>	<u>\$267,505.94</u>

City of Newton, Massachusetts

DEBT SERVICE PAYMENTS ON THE SERIES 2010A BONDS
DEBT SERVICE PAYMENTS TO MATURITY ON THE 2010A BONDS

<u>Date</u>	<u>Principal</u>	<u>Interest rate</u>	<u>Interest</u>	<u>Debt service payments</u>
03-01-18			\$158,853.13	\$158,853.13
09-01-18			158,853.13	158,853.13
03-01-19			158,853.13	158,853.13
09-01-19			158,853.13	158,853.13
03-01-20	\$7,750,000	(1)	158,853.13	7,908,853.13
	<u>\$7,750,000</u>		<u>\$794,265.65</u>	<u>\$8,544,265.65</u>

(1) Actual maturity dates, principal amounts and interest rates are as follows:

<u>Date</u>	<u>Principal</u>	<u>Interest rate</u>	<u>Interest</u>	<u>Debt service payments to maturity</u>
03-01-18			\$158,853.13	\$158,853.13
09-01-18			158,853.13	158,853.13
03-01-19			158,853.13	158,853.13
09-01-19			158,853.13	158,853.13
03-01-20			158,853.13	158,853.13
09-01-20			158,853.13	158,853.13
03-01-21	\$390,000	4.000%	158,853.13	548,853.13
09-01-21			151,053.13	151,053.13
03-01-22	390,000	4.000%	151,053.13	541,053.13
09-01-22			143,253.13	143,253.13
03-01-23	390,000	4.000%	143,253.13	533,253.13
09-01-23			135,453.13	135,453.13
03-01-24	390,000	4.000%	135,453.13	525,453.13
09-01-24			127,653.13	127,653.13
03-01-25	390,000	4.000%	127,653.13	517,653.13
09-01-25			119,853.13	119,853.13
03-01-26	390,000	4.000%	119,853.13	509,853.13
09-01-26			112,053.13	112,053.13
03-01-27	390,000	4.000%	112,053.13	502,053.13
09-01-27			104,253.13	104,253.13
03-01-28	390,000	4.000%	104,253.13	494,253.13

City of Newton, Massachusetts

DEBT SERVICE PAYMENTS ON THE SERIES 2010A BONDS
DEBT SERVICE PAYMENTS TO MATURITY ON THE 2010A BONDS

<u>Date</u>	<u>Principal</u>	<u>Interest rate</u>	<u>Interest</u>	<u>Debt service payments to maturity</u>
09-01-28			96,453.13	96,453.13
03-01-29	390,000	4.000%	96,453.13	486,453.13
09-01-29			88,653.13	88,653.13
03-01-30	390,000	4.125%	88,653.13	478,653.13
09-01-30			80,609.38	80,609.38
03-01-31	385,000	4.125%	80,609.38	465,609.38
09-01-31			72,668.75	72,668.75
03-01-32	385,000	4.125%	72,668.75	457,668.75
09-01-32			64,728.13	64,728.13
03-01-33	385,000	4.125%	64,728.13	449,728.13
09-01-33			56,787.50	56,787.50
03-01-34	385,000	4.125%	56,787.50	441,787.50
09-01-34			48,846.88	48,846.88
03-01-35	385,000	4.125%	48,846.88	433,846.88
09-01-35			40,906.25	40,906.25
03-01-36	385,000	4.250%	40,906.25	425,906.25
09-01-36			32,725.00	32,725.00
03-01-37	385,000	4.250%	32,725.00	417,725.00
09-01-37			24,543.75	24,543.75
03-01-38	385,000	4.250%	24,543.75	409,543.75
09-01-38			16,362.50	16,362.50
03-01-39	385,000	4.250%	16,362.50	401,362.50
09-01-39			8,181.25	8,181.25
03-01-40	385,000	4.250%	8,181.25	393,181.25
	<u>\$7,750,000</u>		<u>\$4,162,047.03</u>	<u>\$11,912,047.03</u>

City of Newton, Massachusetts

DEBT SERVICE PAYMENTS ON THE SERIES 2010B BONDS
DEBT SERVICE PAYMENTS TO MATURITY ON THE 2010B BONDS

<u>Date</u>	<u>Principal</u>	<u>Interest rate</u>	<u>Interest</u>	<u>Debt service payments</u>
03-01-18			\$89,400.00	\$89,400.00
09-01-18			89,400.00	89,400.00
03-01-19			89,400.00	89,400.00
09-01-19			89,400.00	89,400.00
03-01-20	\$4,470,000	(1)	89,400.00	4,559,400.00
	<u>\$4,470,000</u>		<u>\$447,000.00</u>	<u>\$4,917,000.00</u>

(1) Actual maturity dates, principal amounts and interest rates are as follows:

<u>Date</u>	<u>Principal</u>	<u>Interest rate</u>	<u>Interest</u>	<u>Debt service payments to maturity</u>
03-01-18			\$89,400.00	\$89,400.00
09-01-18			89,400.00	89,400.00
03-01-19			89,400.00	89,400.00
09-01-19			89,400.00	89,400.00
03-01-20			89,400.00	89,400.00
09-01-20			89,400.00	89,400.00
03-01-21	\$615,000	4.000%	89,400.00	704,400.00
09-01-21			77,100.00	77,100.00
03-01-22	615,000	4.000%	77,100.00	692,100.00
09-01-22			64,800.00	64,800.00
03-01-23	615,000	4.000%	64,800.00	679,800.00
09-01-23			52,500.00	52,500.00
03-01-24	615,000	4.000%	52,500.00	667,500.00
09-01-24			40,200.00	40,200.00
03-01-25	610,000	4.000%	40,200.00	650,200.00
09-01-25			28,000.00	28,000.00
03-01-26	280,000	4.000%	28,000.00	308,000.00
09-01-26			22,400.00	22,400.00
03-01-27	280,000	4.000%	22,400.00	302,400.00
09-01-27			16,800.00	16,800.00
03-01-28	280,000	4.000%	16,800.00	296,800.00

City of Newton, Massachusetts

**DEBT SERVICE PAYMENTS ON THE SERIES 2010B BONDS
DEBT SERVICE PAYMENTS TO MATURITY ON THE 2010B BONDS**

<u>Date</u>	<u>Principal</u>	<u>Interest rate</u>	<u>Interest</u>	<u>Debt service payments to maturity</u>
09-01-28			11,200.00	11,200.00
03-01-29	280,000	4.000%	11,200.00	291,200.00
09-01-29			5,600.00	5,600.00
03-01-30	280,000	4.000%	5,600.00	285,600.00
	<u>\$4,470,000</u>		<u>\$1,263,000.00</u>	<u>\$5,733,000.00</u>

City of Newton, Massachusetts

DEBT SERVICE PAYMENTS ON THE SERIES 2011 BONDS
DEBT SERVICE PAYMENTS TO MATURITY ON THE 2011 BONDS

<u>Date</u>	<u>Principal</u>	<u>Interest rate</u>	<u>Interest</u>	<u>Debt service payments</u>
04-01-18			\$19,606.25	\$19,606.25
10-01-18			19,606.25	19,606.25
04-01-19			19,606.25	19,606.25
10-01-19			19,606.25	19,606.25
04-01-20			19,606.25	19,606.25
10-01-20			19,606.25	19,606.25
04-01-21	<u>\$1,030,000</u>	(1)	<u>19,606.25</u>	<u>1,049,606.25</u>
	<u>\$1,030,000</u>		<u>\$137,243.75</u>	<u>\$1,167,243.75</u>

(1) Actual maturity dates, principal amounts and interest rates are as follows:

<u>Date</u>	<u>Principal</u>	<u>Interest rate</u>	<u>Interest</u>	<u>Debt service payments to maturity</u>
04-01-18			\$19,606.25	\$19,606.25
10-01-18			19,606.25	19,606.25
04-01-19			19,606.25	19,606.25
10-01-19			19,606.25	19,606.25
04-01-20			19,606.25	19,606.25
10-01-20			19,606.25	19,606.25
04-01-21			19,606.25	19,606.25
10-01-21			19,606.25	19,606.25
04-01-22	\$110,000	3.625%	19,606.25	129,606.25
10-01-22			17,612.50	17,612.50
04-01-23	110,000	3.625%	17,612.50	127,612.50
10-01-23			15,618.75	15,618.75
04-01-24	110,000	3.625%	15,618.75	125,618.75
10-01-24			13,625.00	13,625.00
04-01-25	100,000	3.625%	13,625.00	113,625.00
10-01-25			11,812.50	11,812.50
04-01-26	100,000	3.625%	11,812.50	111,812.50
10-01-26			10,000.00	10,000.00
04-01-27	100,000	4.000%	10,000.00	110,000.00

City of Newton, Massachusetts

DEBT SERVICE PAYMENTS ON THE SERIES 2011 BONDS
DEBT SERVICE PAYMENTS TO MATURITY ON THE 2011 BONDS

<u>Date</u>	<u>Principal</u>	<u>Interest rate</u>	<u>Interest</u>	<u>Debt service payments to maturity</u>
10-01-27			8,000.00	8,000.00
04-01-28	100,000	4.000%	8,000.00	108,000.00
10-01-28			6,000.00	6,000.00
04-01-29	100,000	4.000%	6,000.00	106,000.00
10-01-29			4,000.00	4,000.00
04-01-30	100,000	4.000%	4,000.00	104,000.00
10-01-30			2,000.00	2,000.00
04-01-31	100,000	4.000%	2,000.00	102,000.00
	<u>\$1,030,000</u>		<u>\$353,793.75</u>	<u>\$1,383,793.75</u>

City of Newton, Massachusetts

DEBT SERVICE PAYMENTS AND YIELD ON THE BONDS

Date	\$38,930,000 issue dated December 21, 2017			Total debt service	(1) Adjusted debt service	Present value on December 21, 2017 using a yield of 2.764558%
	Principal	Interest rate	Interest			
09-01-18	\$600,000	5.000%	\$1,131,297.74	\$1,731,297.74	\$1,731,297.74	\$1,698,600.07
03-01-19			799,534.38	799,534.38	799,534.38	773,738.97
09-01-19	740,000	5.000%	799,534.38	1,539,534.38	1,539,534.38	1,469,551.02
03-01-20			781,034.38	781,034.38	781,034.38	735,365.72
09-01-20	1,665,000	5.000%	781,034.38	2,446,034.38	2,446,034.38	2,271,609.81
03-01-21			739,409.38	739,409.38	739,409.38	677,320.29
09-01-21	1,765,000	5.000%	739,409.38	2,504,409.38	2,504,409.38	2,262,832.47
03-01-22			695,284.38	695,284.38	695,284.38	619,651.50
09-01-22	1,780,000	5.000%	695,284.38	2,475,284.38	2,475,284.38	2,175,945.85
03-01-23			650,784.38	650,784.38	650,784.38	564,284.41
09-01-23	1,800,000	5.000%	650,784.38	2,450,784.38	2,450,784.38	2,096,061.33
03-01-24			605,784.38	605,784.38	605,784.38	511,040.01
09-01-24	1,820,000	5.000%	605,784.38	2,425,784.38	2,425,784.38	2,018,491.75
03-01-25			560,284.38	560,284.38	560,284.38	459,855.36
09-01-25	1,535,000	5.000%	560,284.38	2,095,284.38	2,095,284.38	1,696,264.84
03-01-26			521,909.38	521,909.38	521,909.38	416,757.80
09-01-26	1,555,000	5.000%	521,909.38	2,076,909.38	2,076,909.38	1,635,852.47
03-01-27			483,034.38	483,034.38	483,034.38	375,268.90
09-01-27	1,580,000	5.000%	483,034.38	2,063,034.38	13,278,034.38	10,175,043.55
03-01-28			443,534.38	443,534.38	203,059.38	153,484.14
09-01-28	1,605,000	5.000%	443,534.38	2,048,534.38	203,059.38	151,391.48
03-01-29			403,409.38	403,409.38	203,059.38	149,327.36
09-01-29	1,630,000	5.000%	403,409.38	2,033,409.38	203,059.38	147,291.39
03-01-30			362,659.38	362,659.38	203,059.38	145,283.17
09-01-30	1,410,000	4.000%	362,659.38	1,772,659.38	203,059.38	143,302.33
03-01-31			334,459.38	334,459.38	203,059.38	141,348.50
09-01-31	1,340,000	4.000%	334,459.38	1,674,459.38	203,059.38	139,421.31
03-01-32			307,659.38	307,659.38	203,059.38	137,520.39
09-01-32	1,365,000	4.000%	307,659.38	1,672,659.38	203,059.38	135,645.39
03-01-33			280,359.38	280,359.38	203,059.38	133,795.96
09-01-33	1,260,000	4.000%	280,359.38	1,540,359.38	203,059.38	131,971.74
03-01-34			255,159.38	255,159.38	203,059.38	130,172.40
09-01-34	1,290,000	4.000%	255,159.38	1,545,159.38	203,059.38	128,397.58
03-01-35			229,359.38	229,359.38	203,059.38	126,646.97
09-01-35	1,315,000	4.000%	229,359.38	1,544,359.38	203,059.38	124,920.22
03-01-36			203,059.38	203,059.38	203,059.38	123,217.02
09-01-36	1,340,000	3.000%	203,059.38	1,543,059.38	1,543,059.38	923,566.64

City of Newton, Massachusetts

DEBT SERVICE PAYMENTS AND YIELD ON THE BONDS

Date	\$38,930,000 issue dated December 21, 2017			Total debt service	(1) Adjusted debt service	Present value on December 21, 2017 using a yield of 2.764558%
	Principal	Interest rate	Interest			
03-01-37			182,959.38	182,959.38	182,959.38	108,013.55
09-01-37	1,360,000	3.000%	182,959.38	1,542,959.38	1,542,959.38	898,495.68
03-01-38			162,559.38	162,559.38	162,559.38	93,370.89
09-01-38	1,185,000	3.000%	162,559.38	1,347,559.38	1,347,559.38	763,458.29
03-01-39			144,784.38	144,784.38	144,784.38	80,909.04
09-01-39	1,210,000	3.125%	144,784.38	1,354,784.38	1,354,784.38	746,764.19
03-01-40			125,878.13	125,878.13	125,878.13	68,438.67
09-01-40	875,000	3.125%	125,878.13	1,000,878.13	1,000,878.13	536,747.96
03-01-41			112,206.25	112,206.25	112,206.25	59,353.21
09-01-41	900,000	3.250%	112,206.25	1,012,206.25	1,012,206.25	528,121.83
03-01-42			97,581.25	97,581.25	97,581.25	50,219.16
09-01-42	925,000	3.250%	97,581.25	1,022,581.25	1,022,581.25	519,085.42
03-01-43			82,550.00	82,550.00	82,550.00	41,332.92
09-01-43	955,000	3.250%	82,550.00	1,037,550.00	1,037,550.00	512,419.85
03-01-44			67,031.25	67,031.25	67,031.25	32,653.68
09-01-44	985,000	3.250%	67,031.25	1,052,031.25	1,052,031.25	505,500.34
03-01-45			51,025.00	51,025.00	51,025.00	24,183.20
09-01-45	1,015,000	3.250%	51,025.00	1,066,025.00	1,066,025.00	498,351.88
03-01-46			34,531.25	34,531.25	34,531.25	15,922.78
09-01-46	1,045,000	3.250%	34,531.25	1,079,531.25	1,079,531.25	490,998.12
03-01-47			17,550.00	17,550.00	17,550.00	7,873.35
09-01-47	1,080,000	3.250%	17,550.00	1,097,550.00	1,097,550.00	485,673.97
	<u>\$38,930,000</u>		<u>\$20,602,047.96</u>	<u>\$59,532,047.96</u>	<u>\$57,547,797.96</u>	<u>\$42,968,128.11</u>

The present value of the future payments is equal to:

Principal amount of the Bonds	\$38,930,000.00
Net original issue premium	4,038,128.11
	<u>\$42,968,128.11</u>

The sum of the present values of the adjusted debt service payments of the Bonds on December 21, 2017, using a yield of 2.764558%, is equal to the issue price of the Bonds.

- (1) Assumes that the September 1, 2028 through September 1, 2035 maturities are called on September 1, 2027 at 100 percent of par plus accrued interest.

City of Newton, Massachusetts

NET ORIGINAL ISSUE PREMIUM ON THE BONDS

Maturity date	Principal	Interest rate	Yield	Initial public offering price	Net original issue premium (discount)
09-01-18	\$600,000	5.000%	1.190%	102.625%	\$15,750.00
09-01-19	740,000	5.000%	1.430%	105.953%	44,052.20
09-01-20	1,665,000	5.000%	1.490%	109.234%	153,746.10
09-01-21	1,765,000	5.000%	1.540%	112.377%	218,454.05
09-01-22	1,780,000	5.000%	1.620%	115.217%	270,862.60
09-01-23	1,800,000	5.000%	1.710%	117.776%	319,968.00
09-01-24	1,820,000	5.000%	1.780%	120.234%	368,258.80
09-01-25	1,535,000	5.000%	1.830%	122.652%	347,708.20
09-01-26	1,555,000	5.000%	1.900%	124.733%	384,598.15
09-01-27	1,580,000	5.000%	2.000%	126.315%	415,777.00
09-01-28	1,605,000	5.000%	2.110%	125.214% (1) (2)	404,684.70
09-01-29	1,630,000	5.000%	2.170%	124.618% (1) (2)	401,273.40
09-01-30	1,410,000	4.000%	2.440%	113.392% (1) (2)	188,827.20
09-01-31	1,340,000	4.000%	2.530%	112.564% (1) (2)	168,357.60
09-01-32	1,365,000	4.000%	2.620%	111.743% (1) (2)	160,291.95
09-01-33	1,260,000	4.000%	2.710%	110.930% (1) (2)	137,718.00
09-01-34	1,290,000	4.000%	2.790%	110.212% (1) (2)	131,734.80
09-01-35	1,315,000	4.000%	2.870%	109.500% (1) (2)	124,925.00
09-01-36	1,340,000	3.000%		98.500%	(20,100.00)
09-01-37	1,360,000	3.000%		97.750%	(30,600.00)
09-01-38	1,185,000	3.000%	3.190%	97.135%	(33,950.25)
09-01-39	1,210,000	3.125%		98.500%	(18,150.00)
09-01-40	875,000	3.125%		98.000%	(17,500.00)
09-01-42	1,825,000	3.250%	3.300%	99.156%	(15,403.00)
09-01-44	1,940,000	3.250%		98.750%	(24,250.00)
09-01-47	3,140,000	3.250%	3.350%	98.124%	(58,906.39)
	<u>\$38,930,000</u>				<u>\$4,038,128.11</u>

(1) Maturities were priced to call on September 1, 2027 at 100 percent of par.

(2) Represents the yield-to-call Bonds included for purposes of computing yield on the Bonds.

APPENDIX I

**Applicable schedules provided by
FirstSouthwest, a Division of Hilltop Securities Inc.**

SOURCES AND USES OF FUNDS

City of Newton, Massachusetts
General Obligation Municipal Purpose Loan of 2017 Bonds
Advance Refunding of May 1, 2010 Series A, May 1, 2010 Series B & April 14, 2011
SLGS as of 12/7/2017 (for invested cash contribution)
OMS for bond proceeds escrow
FINAL

Dated Date 12/21/2017
Delivery Date 12/21/2017

Sources:	Advance Refunding May 1, 2010 Series A	Advance Refunding May 1, 2010 Series B	Advance Refunding April 14, 2011	Non-Exempt New Money	Exempt New Money	Total
Bond Proceeds:						
Par Amount	7,200,350.00	3,968,000.00	909,650.00	7,851,725.00	19,000,275.00	38,930,000.00
Net Premium/OID	930,977.92	712,323.31	183,815.68	1,026,241.08	1,184,770.12	4,038,128.11
	<u>8,131,327.92</u>	<u>4,680,323.31</u>	<u>1,093,465.68</u>	<u>8,877,966.08</u>	<u>20,185,045.12</u>	<u>42,968,128.11</u>
Other Sources of Funds:						
cash contribution	158,853.13	89,400.00	19,606.26	-	-	267,859.39
	<u>8,290,181.05</u>	<u>4,769,723.31</u>	<u>1,113,071.94</u>	<u>8,877,966.08</u>	<u>20,185,045.12</u>	<u>43,235,987.50</u>
Uses:						
Project Fund Deposits:						
Project Fund	-	-	-	8,800,000.00	20,000,000.00	28,800,000.00
Refunding Escrow Deposits:						
Cash Deposit	0.13	1,000.00	1.26	-	-	1,001.39
PV cost of cashflows	8,058,938.59	4,640,330.62	1,082,914.83	-	-	13,782,184.04
SLGS Purchases	158,853.00	88,400.00	19,605.00	-	-	266,858.00
	<u>8,217,791.72</u>	<u>4,729,730.62</u>	<u>1,102,521.09</u>	<u>-</u>	<u>-</u>	<u>14,050,043.43</u>
Delivery Date Expenses:						
Cost of Issuance	32,858.72	17,726.23	4,449.02	34,086.53	82,485.50	171,606.00
Underwriter's Discount	38,759.91	21,359.97	4,896.70	42,266.32	102,279.62	209,562.52
	<u>71,618.63</u>	<u>39,086.20</u>	<u>9,345.72</u>	<u>76,352.85</u>	<u>184,765.12</u>	<u>381,168.52</u>
Other Uses of Funds:						
Additional Proceeds	770.70	906.49	1,205.13	1,613.23	280.00	4,775.55
	<u>8,290,181.05</u>	<u>4,769,723.31</u>	<u>1,113,071.94</u>	<u>8,877,966.08</u>	<u>20,185,045.12</u>	<u>43,235,987.50</u>

ESCROW SUFFICIENCY

City of Newton, Massachusetts
General Obligation Municipal Purpose Loan of 2017 Bonds
Advance Refunding of May 1, 2010 Series A, May 1, 2010 Series B & April 14, 2011
SLGS as of 12/7/2017 (for invested cash contribution)
OMS for bond proceeds escrow
FINAL

Date	Escrow Requirement	Net Escrow Receipts	Excess Receipts	Excess Balance
12/21/2017	-	1,061.83	1,061.83	1,061.83
02/28/2018	-	87,582.63	87,582.63	88,644.46
03/01/2018	248,253.13	247,831.51	(421.62)	88,222.84
03/31/2018	-	11,929.39	11,929.39	100,152.23
04/01/2018	19,606.26	19,674.45	68.19	100,220.42
08/31/2018	-	148,682.63	148,682.63	248,903.05
09/01/2018	248,253.13	-	(248,253.13)	649.92
09/30/2018	-	19,629.39	19,629.39	20,279.31
10/01/2018	19,606.26	-	(19,606.26)	673.05
02/28/2019	-	248,253.50	248,253.50	248,926.55
03/01/2019	248,253.13	-	(248,253.13)	673.42
03/31/2019	-	19,600.51	19,600.51	20,273.93
04/01/2019	19,606.26	-	(19,606.26)	667.67
08/31/2019	-	248,248.44	248,248.44	248,916.11
09/01/2019	248,253.13	-	(248,253.13)	662.98
09/30/2019	-	19,637.95	19,637.95	20,300.93
10/01/2019	19,606.26	-	(19,606.26)	694.67
02/29/2020	-	12,468,233.81	12,468,233.81	12,468,928.48
03/01/2020	12,468,253.13	-	(12,468,253.13)	675.35
03/31/2020	-	19,584.32	19,584.32	20,259.67
04/01/2020	19,606.26	-	(19,606.26)	653.41
09/30/2020	-	19,630.69	19,630.69	20,284.10
10/01/2020	19,606.26	-	(19,606.26)	677.84
03/31/2021	-	1,049,576.38	1,049,576.38	1,050,254.22
04/01/2021	1,049,606.26	-	(1,049,606.26)	647.96
	14,628,509.47	14,629,157.43	647.96	

ESCROW CASH FLOW

City of Newton, Massachusetts
General Obligation Municipal Purpose Loan of 2017 Bonds
Advance Refunding of May 1, 2010 Series A, May 1, 2010 Series B & April 14, 2011
SLGS as of 12/7/2017 (for invested cash contribution)
OMS for bond proceeds escrow
FINAL

Date	Principal	Interest	Net Escrow Receipts
02/28/2018	-	87,582.63	87,582.63
03/01/2018	247,253.00	578.51	247,831.51
03/31/2018	-	11,929.39	11,929.39
04/01/2018	19,605.00	69.45	19,674.45
08/31/2018	61,100.00	87,582.63	148,682.63
09/30/2018	7,700.00	11,929.39	19,629.39
02/28/2019	160,900.00	87,353.50	248,253.50
03/31/2019	7,700.00	11,900.51	19,600.51
08/31/2019	161,800.00	86,448.44	248,248.44
09/30/2019	7,800.00	11,837.95	19,637.95
02/29/2020	12,383,100.00	85,133.81	12,468,233.81
03/31/2020	7,800.00	11,784.32	19,584.32
09/30/2020	7,900.00	11,730.69	19,630.69
03/31/2021	1,037,900.00	11,676.38	1,049,576.38
	14,110,558.00	517,537.60	14,628,095.60

Escrow Cost Summary

Purchase date	12/21/2017
Purchase cost of securities	14,048,981.60

ESCROW COST DETAIL

City of Newton, Massachusetts
General Obligation Municipal Purpose Loan of 2017 Bonds
Advance Refunding of May 1, 2010 Series A, May 1, 2010 Series B & April 14, 2011
SLGS as of 12/7/2017 (for invested cash contribution)
OMS for bond proceeds escrow
FINAL

Type of Security	Maturity Date	Par Amount	Rate	Yield	Price	Cost	Accrued Interest	Total Cost
Advance Refunding May 1, 2010 Series A, CC:								
SLGS	03/01/2018	158,853.00	1.220%	-	-	-	-	158,853.00
Advance Refunding May 1, 2010 Series B, Prior Debt (PRI), CC:								
SLGS	03/01/2018	5,000.00	1.220%	-	-	-	-	5,000.00
SLGS	03/01/2018	9,000.00	1.220%	-	-	-	-	9,000.00
SLGS	03/01/2018	6,000.00	1.220%	-	-	-	-	6,000.00
SLGS	03/01/2018	44,000.00	1.220%	-	-	-	-	44,000.00
SLGS	03/01/2018	24,400.00	1.220%	-	-	-	-	24,400.00
		88,400.00						88,400.00
Advance Refunding April 14, 2011, Prior Debt (PRI), CC:								
SLGS	04/01/2018	7,625.00	1.280%	-	-	-	-	7,625.00
SLGS	04/01/2018	4,084.00	1.280%	-	-	-	-	4,084.00
SLGS	04/01/2018	3,131.00	1.280%	-	-	-	-	3,131.00
SLGS	04/01/2018	4,765.00	1.280%	-	-	-	-	4,765.00
		19,605.00						19,605.00
Universal Proceeds Escrow:								
TNote	08/31/2018	61,100.00	0.750%	1.628989%	99.39843800	60,732.45	141.78	60,874.23
TNote	09/30/2018	7,700.00	0.750%	1.676974%	99.28906300	7,645.26	13.01	7,658.27
TNote	02/28/2019	160,900.00	1.125%	1.770539%	99.24218700	159,680.68	560.04	160,240.72
TNote	03/31/2019	7,700.00	1.625%	1.798633%	99.78125000	7,683.16	28.19	7,711.35
TNote	08/31/2019	161,800.00	1.625%	1.838982%	99.64453100	161,224.85	813.47	162,038.32
TNote	09/30/2019	7,800.00	1.375%	1.844256%	99.18359400	7,736.32	24.16	7,760.48
TNote	02/29/2020	12,383,100.00	1.375%	1.852687%	98.97840366	12,256,594.70	52,679.49	12,309,274.19
TNote	03/31/2020	7,800.00	1.375%	1.885740%	98.86718900	7,711.64	24.16	7,735.80
TNote	09/30/2020	7,900.00	1.375%	1.941315%	98.47656200	7,779.65	24.47	7,804.12
TNote	03/31/2021	1,037,900.00	2.250%	2.009289%	100.75781300	1,045,765.34	5,260.78	1,051,026.12
		13,843,700.00				13,722,554.05	59,569.55	13,782,123.60
		14,110,558.00				13,722,554.05	59,569.55	14,048,981.60

Escrow	Purchase Date	Cost of Securities	Cash Deposit	Total Escrow Cost	Yield
Advance Refunding May 1, 2010 Series A:					
CC	12/21/2017	158,853.00	0.13	158,853.13	1.205493%
Advance Refunding May 1, 2010 Series B, Prior Debt (PRI):					
CC	12/21/2017	5,000.00	-	5,000.00	1.205642%
CC	12/21/2017	9,000.00	-	9,000.00	1.205642%
CC	12/21/2017	6,000.00	-	6,000.00	1.205642%
CC	12/21/2017	-	1,000.00	1,000.00	-
CC	12/21/2017	44,000.00	-	44,000.00	1.205525%
CC	12/21/2017	24,400.00	-	24,400.00	1.205515%
		88,400.00	1,000.00	89,400.00	
Advance Refunding April 14, 2011, Prior Debt (PRI):					
CC	12/21/2017	7,625.00	-	7,625.00	1.277033%
CC	12/21/2017	4,084.00	0.38	4,084.38	1.277321%
CC	12/21/2017	3,131.00	0.25	3,131.25	1.276926%
CC	12/21/2017	4,765.00	0.63	4,765.63	1.277106%
		19,605.00	1.26	19,606.26	
Universal Proceeds Escrow:					
	12/21/2017	13,782,123.60	60.44	13,782,184.04	1.869969%
		14,048,981.60	1,061.83	14,050,043.43	

ESCROW DESCRIPTIONS

City of Newton, Massachusetts
General Obligation Municipal Purpose Loan of 2017 Bonds
Advance Refunding of May 1, 2010 Series A, May 1, 2010 Series B & April 14, 2011
SLGS as of 12/7/2017 (for invested cash contribution)
OMS for bond proceeds escrow
FINAL

Type of Security	Type of SLGS	Maturity Date	First Int Pmt Date	Par Amount	Rate	Max Rate	Yield	Interest Price	Interest Class	Interest Frequency	Interest Day Basis	Cost	Accrued Interest	Total Cost	
Dec 21, 2017:															
SLGS	Certificate	03/01/2018	03/01/2018	247,253.00	1.220%	1.220%	-	-				-	-	247,253.00	
SLGS	Certificate	04/01/2018	04/01/2018	19,605.00	1.280%	1.280%	-	-				-	-	19,605.00	
TNote		08/31/2018	-	61,100.00	0.750%	-	1.629%	99.398438	Periodic	Semiannual	ACT/ACT	60,732.45	141.78	60,874.23	
TNote		09/30/2018	-	7,700.00	0.750%	-	1.677%	99.289063	Periodic	Semiannual	ACT/ACT	7,645.26	13.01	7,658.27	
TNote		02/28/2019	-	160,900.00	1.125%	-	1.771%	99.242187	Periodic	Semiannual	ACT/ACT	159,680.68	560.04	160,240.72	
TNote		03/31/2019	-	7,700.00	1.625%	-	1.799%	99.781250	Periodic	Semiannual	ACT/ACT	7,683.16	28.19	7,711.35	
TNote		08/31/2019	-	161,800.00	1.625%	-	1.839%	99.644531	Periodic	Semiannual	ACT/ACT	161,224.85	813.47	162,038.32	
TNote		09/30/2019	-	7,800.00	1.375%	-	1.844%	99.183594	Periodic	Semiannual	ACT/ACT	7,736.32	24.16	7,760.48	
TNote		02/29/2020	-	12,383,100.00	1.375%	-	1.853%	98.978404	Periodic	Semiannual	ACT/ACT	12,256,594.70	52,679.49	12,309,274.19	
TNote		03/31/2020	-	7,800.00	1.375%	-	1.886%	98.867189	Periodic	Semiannual	ACT/ACT	7,711.64	24.16	7,735.80	
TNote		09/30/2020	-	7,900.00	1.375%	-	1.941%	98.476562	Periodic	Semiannual	ACT/ACT	7,779.65	24.47	7,804.12	
TNote		03/31/2021	-	1,037,900.00	2.250%	-	2.009%	100.757813	Periodic	Semiannual	ACT/ACT	1,045,765.34	5,260.78	1,051,026.12	
				14,110,558.00									13,722,554.05	59,569.55	14,048,981.60

SLGS Summary

SLGS Rates File 07DEC17
Total Certificates of Indebtedness 266,858.00

PROOF OF COMPOSITE ESCROW YIELD

City of Newton, Massachusetts
General Obligation Municipal Purpose Loan of 2017 Bonds
Advance Refunding of May 1, 2010 Series A, May 1, 2010 Series B & April 14, 2011
SLGS as of 12/7/2017 (for invested cash contribution)
OMS for bond proceeds escrow
FINAL

All restricted escrows funded by bond proceeds

Date	Security Receipts	Present Value to 12/21/2017 @ 1.8699686403%
02/28/2018	87,582.63	87,279.76
03/31/2018	11,929.39	11,867.87
08/31/2018	148,682.63	146,773.19
09/30/2018	19,629.39	19,348.27
02/28/2019	248,253.50	242,832.90
03/31/2019	19,600.51	19,139.85
08/31/2019	248,248.44	240,541.26
09/30/2019	19,637.95	18,999.76
02/29/2020	12,468,233.81	11,970,469.55
03/31/2020	19,584.32	18,771.38
09/30/2020	19,630.69	18,642.49
03/31/2021	1,049,576.38	987,457.31
	14,360,589.64	13,782,123.60

Escrow Cost Summary

Purchase date	12/21/2017
Purchase cost of securities	13,782,123.60
Target for yield calculation	13,782,123.60

ESCROW REQUIREMENTS

City of Newton, Massachusetts
General Obligation Municipal Purpose Loan of 2017 Bonds
Advance Refunding of May 1, 2010 Series A, May 1, 2010 Series B & April 14, 2011
SLGS as of 12/7/2017 (for invested cash contribution)
OMS for bond proceeds escrow
FINAL

Dated Date 12/21/2017
Delivery Date 12/21/2017

Period Ending	Interest	Principal Redeemed	Total
03/01/2018	248,253.13	-	248,253.13
04/01/2018	19,606.26	-	19,606.26
09/01/2018	248,253.13	-	248,253.13
10/01/2018	19,606.26	-	19,606.26
03/01/2019	248,253.13	-	248,253.13
04/01/2019	19,606.26	-	19,606.26
09/01/2019	248,253.13	-	248,253.13
10/01/2019	19,606.26	-	19,606.26
03/01/2020	248,253.13	12,220,000.00	12,468,253.13
04/01/2020	19,606.26	-	19,606.26
10/01/2020	19,606.26	-	19,606.26
04/01/2021	19,606.26	1,030,000.00	1,049,606.26
	1,378,509.47	13,250,000.00	14,628,509.47

SUMMARY OF BONDS REFUNDED

City of Newton, Massachusetts
General Obligation Municipal Purpose Loan of 2017 Bonds
Advance Refunding of May 1, 2010 Series A, May 1, 2010 Series B & April 14, 2011
SLGS as of 12/7/2017 (for invested cash contribution)
OMS for bond proceeds escrow
FINAL

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
May 1, 2010 Series A School (ISQ), A1:					
Bond Component, BOND	03/01/2021	4.000%	390,000.00	03/01/2020	100.000
	03/01/2022	4.000%	390,000.00	03/01/2020	100.000
	03/01/2023	4.000%	390,000.00	03/01/2020	100.000
	03/01/2024	4.000%	390,000.00	03/01/2020	100.000
	03/01/2025	4.000%	390,000.00	03/01/2020	100.000
	03/01/2026	4.000%	390,000.00	03/01/2020	100.000
	03/01/2027	4.000%	390,000.00	03/01/2020	100.000
Bond Component #2, BOND02	03/01/2028	4.000%	390,000.00	03/01/2020	100.000
	03/01/2029	4.000%	390,000.00	03/01/2020	100.000
Bond Component #3, BOND03	03/01/2030	4.125%	390,000.00	03/01/2020	100.000
	03/01/2031	4.125%	385,000.00	03/01/2020	100.000
	03/01/2032	4.125%	385,000.00	03/01/2020	100.000
	03/01/2033	4.125%	385,000.00	03/01/2020	100.000
	03/01/2034	4.125%	385,000.00	03/01/2020	100.000
	03/01/2035	4.125%	385,000.00	03/01/2020	100.000
Bond Component #4, BOND04	03/01/2036	4.250%	385,000.00	03/01/2020	100.000
	03/01/2037	4.250%	385,000.00	03/01/2020	100.000
	03/01/2038	4.250%	385,000.00	03/01/2020	100.000
	03/01/2039	4.250%	385,000.00	03/01/2020	100.000
	03/01/2040	4.250%	385,000.00	03/01/2020	100.000
			7,750,000.00		
April 14, 2011 School Boiler Replacement (I), A10:					
Bond Component #2, BOND02	04/01/2022	3.625%	20,000.00	04/01/2021	100.000
	04/01/2023	3.625%	20,000.00	04/01/2021	100.000
	04/01/2024	3.625%	20,000.00	04/01/2021	100.000
	04/01/2025	3.625%	15,000.00	04/01/2021	100.000
	04/01/2026	3.625%	15,000.00	04/01/2021	100.000
Bond Component #3, BOND03	04/01/2027	4.000%	15,000.00	04/01/2021	100.000
	04/01/2028	4.000%	15,000.00	04/01/2021	100.000
	04/01/2029	4.000%	15,000.00	04/01/2021	100.000
	04/01/2030	4.000%	15,000.00	04/01/2021	100.000
	04/01/2031	4.000%	15,000.00	04/01/2021	100.000
			165,000.00		
April 14, 2011 Horace Mann School Windows/Doors (I), A11:					
Bond Component #2, BOND02	04/01/2022	3.625%	25,000.00	04/01/2021	100.000
	04/01/2023	3.625%	25,000.00	04/01/2021	100.000
	04/01/2024	3.625%	25,000.00	04/01/2021	100.000
	04/01/2025	3.625%	25,000.00	04/01/2021	100.000
	04/01/2026	3.625%	25,000.00	04/01/2021	100.000
Bond Component #3, BOND03	04/01/2027	4.000%	25,000.00	04/01/2021	100.000
	04/01/2028	4.000%	25,000.00	04/01/2021	100.000
	04/01/2029	4.000%	25,000.00	04/01/2021	100.000
	04/01/2030	4.000%	25,000.00	04/01/2021	100.000
	04/01/2031	4.000%	25,000.00	04/01/2021	100.000
			250,000.00		
May 1, 2010 Series B Various Sewer System Improvements (I), A2:					
Bond Component, BOND	03/01/2021	4.000%	25,000.00	03/01/2020	100.000
	03/01/2022	4.000%	25,000.00	03/01/2020	100.000
	03/01/2023	4.000%	25,000.00	03/01/2020	100.000
	03/01/2024	4.000%	25,000.00	03/01/2020	100.000
	03/01/2025	4.000%	25,000.00	03/01/2020	100.000
	03/01/2026	4.000%	25,000.00	03/01/2020	100.000
	03/01/2027	4.000%	25,000.00	03/01/2020	100.000
	03/01/2028	4.000%	25,000.00	03/01/2020	100.000
	03/01/2029	4.000%	25,000.00	03/01/2020	100.000
	03/01/2030	4.000%	25,000.00	03/01/2020	100.000
			250,000.00		
May 1, 2010 Series B Modular Classrooms (I), A3:					
Bond Component, BOND	03/01/2021	4.000%	90,000.00	03/01/2020	100.000
	03/01/2022	4.000%	90,000.00	03/01/2020	100.000
	03/01/2023	4.000%	90,000.00	03/01/2020	100.000
	03/01/2024	4.000%	90,000.00	03/01/2020	100.000
	03/01/2025	4.000%	90,000.00	03/01/2020	100.000
			450,000.00		
May 1, 2010 Series B Burr School Windows (I), A4:					
Bond Component, BOND	03/01/2021	4.000%	30,000.00	03/01/2020	100.000
	03/01/2022	4.000%	30,000.00	03/01/2020	100.000
	03/01/2023	4.000%	30,000.00	03/01/2020	100.000
	03/01/2024	4.000%	30,000.00	03/01/2020	100.000
	03/01/2025	4.000%	30,000.00	03/01/2020	100.000
	03/01/2026	4.000%	30,000.00	03/01/2020	100.000
	03/01/2027	4.000%	30,000.00	03/01/2020	100.000
	03/01/2028	4.000%	30,000.00	03/01/2020	100.000
	03/01/2029	4.000%	30,000.00	03/01/2020	100.000
	03/01/2030	4.000%	30,000.00	03/01/2020	100.000
			300,000.00		
May 1, 2010 Series B Fire Station 4 Renovations (I), A5:					
Bond Component, BOND	03/01/2021	4.000%	5,000.00	03/01/2020	100.000
	03/01/2022	4.000%	5,000.00	03/01/2020	100.000
	03/01/2023	4.000%	5,000.00	03/01/2020	100.000
	03/01/2024	4.000%	5,000.00	03/01/2020	100.000
	03/01/2025	4.000%	5,000.00	03/01/2020	100.000
	03/01/2026	4.000%	5,000.00	03/01/2020	100.000
	03/01/2027	4.000%	5,000.00	03/01/2020	100.000
	03/01/2028	4.000%	5,000.00	03/01/2020	100.000
	03/01/2029	4.000%	5,000.00	03/01/2020	100.000
	03/01/2030	4.000%	5,000.00	03/01/2020	100.000
			50,000.00		
May 1, 2010 Series B Fire Station 7 Renovations (I), A6:					
Bond Component, BOND	03/01/2021	4.000%	220,000.00	03/01/2020	100.000
	03/01/2022	4.000%	220,000.00	03/01/2020	100.000

SUMMARY OF BONDS REFUNDED

City of Newton, Massachusetts
 General Obligation Municipal Purpose Loan of 2017 Bonds
 Advance Refunding of May 1, 2010 Series A, May 1, 2010 Series B & April 14, 2011
 SLGS as of 12/7/2017 (for invested cash contribution)
 OMS for bond proceeds escrow
 FINAL

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
May 1, 2010 Series B Fire Station 7 Renovations (I), A6:					
Bond Component, BOND	03/01/2023	4.000%	220,000.00	03/01/2020	100.000
	03/01/2024	4.000%	220,000.00	03/01/2020	100.000
	03/01/2025	4.000%	220,000.00	03/01/2020	100.000
	03/01/2026	4.000%	220,000.00	03/01/2020	100.000
	03/01/2027	4.000%	220,000.00	03/01/2020	100.000
	03/01/2028	4.000%	220,000.00	03/01/2020	100.000
	03/01/2029	4.000%	220,000.00	03/01/2020	100.000
	03/01/2030	4.000%	220,000.00	03/01/2020	100.000
			<u>2,200,000.00</u>		
May 1, 2010 Series B Energy Conservation (I), A7:					
Bond Component, BOND	03/01/2021	4.000%	245,000.00	03/01/2020	100.000
	03/01/2022	4.000%	245,000.00	03/01/2020	100.000
	03/01/2023	4.000%	245,000.00	03/01/2020	100.000
	03/01/2024	4.000%	245,000.00	03/01/2020	100.000
	03/01/2025	4.000%	240,000.00	03/01/2020	100.000
			<u>1,220,000.00</u>		
April 14, 2011 School Roof Repairs (I), A8:					
Bond Component #2, BOND02	04/01/2022	3.625%	40,000.00	04/01/2021	100.000
	04/01/2023	3.625%	40,000.00	04/01/2021	100.000
	04/01/2024	3.625%	40,000.00	04/01/2021	100.000
	04/01/2025	3.625%	40,000.00	04/01/2021	100.000
	04/01/2026	3.625%	40,000.00	04/01/2021	100.000
Bond Component #3, BOND03	04/01/2027	4.000%	40,000.00	04/01/2021	100.000
	04/01/2028	4.000%	40,000.00	04/01/2021	100.000
	04/01/2029	4.000%	40,000.00	04/01/2021	100.000
	04/01/2030	4.000%	40,000.00	04/01/2021	100.000
	04/01/2031	4.000%	40,000.00	04/01/2021	100.000
			<u>400,000.00</u>		
April 14, 2011 School Masonry Repairs (I), A9:					
Bond Component #2, BOND02	04/01/2022	3.625%	25,000.00	04/01/2021	100.000
	04/01/2023	3.625%	25,000.00	04/01/2021	100.000
	04/01/2024	3.625%	25,000.00	04/01/2021	100.000
	04/01/2025	3.625%	20,000.00	04/01/2021	100.000
	04/01/2026	3.625%	20,000.00	04/01/2021	100.000
Bond Component #3, BOND03	04/01/2027	4.000%	20,000.00	04/01/2021	100.000
	04/01/2028	4.000%	20,000.00	04/01/2021	100.000
	04/01/2029	4.000%	20,000.00	04/01/2021	100.000
	04/01/2030	4.000%	20,000.00	04/01/2021	100.000
	04/01/2031	4.000%	20,000.00	04/01/2021	100.000
			<u>215,000.00</u>		
			<u>13,250,000.00</u>		

BOND DEBT SERVICE

City of Newton, Massachusetts
General Obligation Municipal Purpose Loan of 2017 Bonds
Advance Refunding of May 1, 2010 Series A, May 1, 2010 Series B & April 14, 2011
SLGS as of 12/7/2017 (for invested cash contribution)
OMS for bond proceeds escrow
FINAL

			Dated Date	12/21/2017		
			Delivery Date	12/21/2017		
Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service	
09/01/2018	600,000.00	5.000%	1,131,297.74	1,731,297.74	-	
03/01/2019	-	-	799,534.39	799,534.39	-	
06/30/2019	-	-	-	-	2,530,832.13	
09/01/2019	740,000.00	5.000%	799,534.39	1,539,534.39	-	
03/01/2020	-	-	781,034.39	781,034.39	-	
06/30/2020	-	-	-	-	2,320,568.78	
09/01/2020	1,665,000.00	5.000%	781,034.39	2,446,034.39	-	
03/01/2021	-	-	739,409.38	739,409.38	-	
06/30/2021	-	-	-	-	3,185,443.77	
09/01/2021	1,765,000.00	5.000%	739,409.38	2,504,409.38	-	
03/01/2022	-	-	695,284.38	695,284.38	-	
06/30/2022	-	-	-	-	3,199,693.76	
09/01/2022	1,780,000.00	5.000%	695,284.38	2,475,284.38	-	
03/01/2023	-	-	650,784.38	650,784.38	-	
06/30/2023	-	-	-	-	3,126,068.76	
09/01/2023	1,800,000.00	5.000%	650,784.38	2,450,784.38	-	
03/01/2024	-	-	605,784.38	605,784.38	-	
06/30/2024	-	-	-	-	3,056,568.76	
09/01/2024	1,820,000.00	5.000%	605,784.38	2,425,784.38	-	
03/01/2025	-	-	560,284.38	560,284.38	-	
06/30/2025	-	-	-	-	2,986,068.76	
09/01/2025	1,535,000.00	5.000%	560,284.38	2,095,284.38	-	
03/01/2026	-	-	521,909.38	521,909.38	-	
06/30/2026	-	-	-	-	2,617,193.76	
09/01/2026	1,555,000.00	5.000%	521,909.38	2,076,909.38	-	
03/01/2027	-	-	483,034.38	483,034.38	-	
06/30/2027	-	-	-	-	2,559,943.76	
09/01/2027	1,580,000.00	5.000%	483,034.38	2,063,034.38	-	
03/01/2028	-	-	443,534.38	443,534.38	-	
06/30/2028	-	-	-	-	2,506,568.76	
09/01/2028	1,605,000.00	5.000%	443,534.38	2,048,534.38	-	
03/01/2029	-	-	403,409.38	403,409.38	-	
06/30/2029	-	-	-	-	2,451,943.76	
09/01/2029	1,630,000.00	5.000%	403,409.38	2,033,409.38	-	
03/01/2030	-	-	362,659.38	362,659.38	-	
06/30/2030	-	-	-	-	2,396,068.76	
09/01/2030	1,410,000.00	4.000%	362,659.38	1,772,659.38	-	
03/01/2031	-	-	334,459.38	334,459.38	-	
06/30/2031	-	-	-	-	2,107,118.76	
09/01/2031	1,340,000.00	4.000%	334,459.38	1,674,459.38	-	
03/01/2032	-	-	307,659.38	307,659.38	-	
06/30/2032	-	-	-	-	1,982,118.76	
09/01/2032	1,365,000.00	4.000%	307,659.38	1,672,659.38	-	
03/01/2033	-	-	280,359.38	280,359.38	-	
06/30/2033	-	-	-	-	1,953,018.76	
09/01/2033	1,260,000.00	4.000%	280,359.38	1,540,359.38	-	
03/01/2034	-	-	255,159.38	255,159.38	-	
06/30/2034	-	-	-	-	1,795,518.76	
09/01/2034	1,290,000.00	4.000%	255,159.38	1,545,159.38	-	
03/01/2035	-	-	229,359.38	229,359.38	-	
06/30/2035	-	-	-	-	1,774,518.76	
09/01/2035	1,315,000.00	4.000%	229,359.38	1,544,359.38	-	
03/01/2036	-	-	203,059.38	203,059.38	-	
06/30/2036	-	-	-	-	1,747,418.76	
09/01/2036	1,340,000.00	3.000%	203,059.38	1,543,059.38	-	
03/01/2037	-	-	182,959.38	182,959.38	-	
06/30/2037	-	-	-	-	1,726,018.76	
09/01/2037	1,360,000.00	3.000%	182,959.38	1,542,959.38	-	
03/01/2038	-	-	162,559.38	162,559.38	-	
06/30/2038	-	-	-	-	1,705,518.76	
09/01/2038	1,185,000.00	3.000%	162,559.38	1,347,559.38	-	
03/01/2039	-	-	144,784.38	144,784.38	-	
06/30/2039	-	-	-	-	1,492,343.76	
09/01/2039	1,210,000.00	3.125%	144,784.38	1,354,784.38	-	
03/01/2040	-	-	125,878.13	125,878.13	-	
06/30/2040	-	-	-	-	1,480,662.51	
09/01/2040	875,000.00	3.125%	125,878.13	1,000,878.13	-	
03/01/2041	-	-	112,206.25	112,206.25	-	
06/30/2041	-	-	-	-	1,113,084.38	
09/01/2041	900,000.00	3.250%	112,206.25	1,012,206.25	-	
03/01/2042	-	-	97,581.25	97,581.25	-	
06/30/2042	-	-	-	-	1,109,787.50	
09/01/2042	925,000.00	3.250%	97,581.25	1,022,581.25	-	
03/01/2043	-	-	82,550.00	82,550.00	-	
06/30/2043	-	-	-	-	1,105,131.25	
09/01/2043	955,000.00	3.250%	82,550.00	1,037,550.00	-	
03/01/2044	-	-	67,031.25	67,031.25	-	
06/30/2044	-	-	-	-	1,104,581.25	
09/01/2044	985,000.00	3.250%	67,031.25	1,052,031.25	-	
03/01/2045	-	-	51,025.00	51,025.00	-	
06/30/2045	-	-	-	-	1,103,056.25	
09/01/2045	1,015,000.00	3.250%	51,025.00	1,066,025.00	-	
03/01/2046	-	-	34,531.25	34,531.25	-	
06/30/2046	-	-	-	-	1,100,556.25	
09/01/2046	1,045,000.00	3.250%	34,531.25	1,079,531.25	-	
03/01/2047	-	-	17,550.00	17,550.00	-	
06/30/2047	-	-	-	-	1,097,081.25	
09/01/2047	1,080,000.00	3.250%	17,550.00	1,097,550.00	-	
06/30/2048	-	-	-	-	1,097,550.00	
	38,930,000.00		20,602,048.00	59,532,048.00	59,532,048.00	

PROOF OF ARBITRAGE YIELD

City of Newton, Massachusetts
 General Obligation Municipal Purpose Loan of 2017 Bonds
 Advance Refunding of May 1, 2010 Series A, May 1, 2010 Series B & April 14, 2011
 SLGS as of 12/7/2017 (for invested cash contribution)
 OMS for bond proceeds escrow
 FINAL

Date	Debt Service	Total	Present Value to 12/21/2017 @ 2.7645578733%
09/01/2018	1,731,297.74	1,731,297.74	1,698,600.07
03/01/2019	799,534.39	799,534.39	773,738.98
09/01/2019	1,539,534.39	1,539,534.39	1,469,551.03
03/01/2020	781,034.39	781,034.39	735,365.73
09/01/2020	2,446,034.39	2,446,034.39	2,271,609.82
03/01/2021	739,409.38	739,409.38	677,320.29
09/01/2021	2,504,409.38	2,504,409.38	2,262,832.47
03/01/2022	695,284.38	695,284.38	619,651.50
09/01/2022	2,475,284.38	2,475,284.38	2,175,945.84
03/01/2023	650,784.38	650,784.38	564,284.41
09/01/2023	2,450,784.38	2,450,784.38	2,096,061.33
03/01/2024	605,784.38	605,784.38	511,040.01
09/01/2024	2,425,784.38	2,425,784.38	2,018,491.75
03/01/2025	560,284.38	560,284.38	459,855.36
09/01/2025	2,095,284.38	2,095,284.38	1,696,264.84
03/01/2026	521,909.38	521,909.38	416,757.80
09/01/2026	2,076,909.38	2,076,909.38	1,635,852.47
03/01/2027	483,034.38	483,034.38	375,268.90
09/01/2027	13,278,034.38	13,278,034.38	10,175,043.54
03/01/2028	203,059.38	203,059.38	153,484.14
09/01/2028	203,059.38	203,059.38	151,391.48
03/01/2029	203,059.38	203,059.38	149,327.36
09/01/2029	203,059.38	203,059.38	147,291.39
03/01/2030	203,059.38	203,059.38	145,283.17
09/01/2030	203,059.38	203,059.38	143,302.33
03/01/2031	203,059.38	203,059.38	141,348.50
09/01/2031	203,059.38	203,059.38	139,421.31
03/01/2032	203,059.38	203,059.38	137,520.39
09/01/2032	203,059.38	203,059.38	135,645.39
03/01/2033	203,059.38	203,059.38	133,795.96
09/01/2033	203,059.38	203,059.38	131,971.74
03/01/2034	203,059.38	203,059.38	130,172.40
09/01/2034	203,059.38	203,059.38	128,397.58
03/01/2035	203,059.38	203,059.38	126,646.97
09/01/2035	203,059.38	203,059.38	124,920.22
03/01/2036	203,059.38	203,059.38	123,217.02
09/01/2036	1,543,059.38	1,543,059.38	923,566.64
03/01/2037	182,959.38	182,959.38	108,013.55
09/01/2037	1,542,959.38	1,542,959.38	898,495.68
03/01/2038	162,559.38	162,559.38	93,370.89
09/01/2038	1,347,559.38	1,347,559.38	763,458.29
03/01/2039	144,784.38	144,784.38	80,909.04
09/01/2039	1,354,784.38	1,354,784.38	746,764.19
03/01/2040	125,878.13	125,878.13	68,438.67
09/01/2040	1,000,878.13	1,000,878.13	536,747.96
03/01/2041	112,206.25	112,206.25	59,353.21
09/01/2041	1,012,206.25	1,012,206.25	528,121.83
03/01/2042	97,581.25	97,581.25	50,219.16
09/01/2042	1,022,581.25	1,022,581.25	519,085.42
03/01/2043	82,550.00	82,550.00	41,332.92
09/01/2043	1,037,550.00	1,037,550.00	512,419.85
03/01/2044	67,031.25	67,031.25	32,653.68
09/01/2044	1,052,031.25	1,052,031.25	505,500.34
03/01/2045	51,025.00	51,025.00	24,183.20
09/01/2045	1,066,025.00	1,066,025.00	498,351.88
03/01/2046	34,531.25	34,531.25	15,922.78
09/01/2046	1,079,531.25	1,079,531.25	490,998.12
03/01/2047	17,550.00	17,550.00	7,873.35
09/01/2047	1,097,550.00	1,097,550.00	485,673.97
	57,547,798.00	57,547,798.00	42,968,128.11

Proceeds Summary

Delivery date	12/21/2017
Par Value	38,930,000.00
Premium (Discount)	4,038,128.10
Target for yield calculation	42,968,128.10

PROOF OF ARBITRAGE YIELD

City of Newton, Massachusetts
 General Obligation Municipal Purpose Loan of 2017 Bonds
 Advance Refunding of May 1, 2010 Series A, May 1, 2010 Series B & April 14, 2011
 SLGS as of 12/7/2017 (for invested cash contribution)
 OMS for bond proceeds escrow
 FINAL

Assumed Call/Computation Dates for Premium Bonds

Bond Component	Maturity Date	Rate	Yield	Call Date	Call Price	Yield To Call/Maturity
BOND	09/01/2028	5.000%	2.110%	09/01/2027	100.000000	2.1096564%
BOND	09/01/2029	5.000%	2.170%	09/01/2027	100.000000	2.1696620%
BOND	09/01/2030	4.000%	2.440%	09/01/2027	100.000000	2.4396740%
BOND	09/01/2031	4.000%	2.530%	09/01/2027	100.000000	2.5296754%
BOND	09/01/2032	4.000%	2.620%	09/01/2027	100.000000	2.6196817%
BOND	09/01/2033	4.000%	2.710%	09/01/2027	100.000000	2.7095747%
BOND	09/01/2034	4.000%	2.790%	09/01/2027	100.000000	2.7896057%
BOND	09/01/2035	4.000%	2.870%	09/01/2027	100.000000	2.8695717%

Rejected Call/Computation Dates for Premium Bonds

Bond Component	Maturity Date	Rate	Yield	Call Date	Call Price	Yield To Call/Maturity	Increase to Yield
BOND	09/01/2028	5.000%	2.110%	-	-	2.3229473%	0.2132909%
BOND	09/01/2029	5.000%	2.170%	-	-	2.5511473%	0.3814853%
BOND	09/01/2030	4.000%	2.440%	-	-	2.7429214%	0.3032473%
BOND	09/01/2031	4.000%	2.530%	-	-	2.8824058%	0.3527304%
BOND	09/01/2032	4.000%	2.620%	-	-	3.0049148%	0.3852331%
BOND	09/01/2033	4.000%	2.710%	-	-	3.1136443%	0.4040696%
BOND	09/01/2034	4.000%	2.790%	-	-	3.2047147%	0.4151090%
BOND	09/01/2035	4.000%	2.870%	-	-	3.2869982%	0.4174265%

BOND PRICING

City of Newton, Massachusetts
General Obligation Municipal Purpose Loan of 2017 Bonds
Advance Refunding of May 1, 2010 Series A, May 1, 2010 Series B & April 14, 2011
SLGS as of 12/7/2017 (for invested cash contribution)
OMS for bond proceeds escrow
FINAL

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)
Bond Component:									
	09/01/2018	600,000.00	5.000%	1.190%	102.625	-	-	-	15,750.00
	09/01/2019	740,000.00	5.000%	1.430%	105.953	-	-	-	44,052.20
	09/01/2020	1,665,000.00	5.000%	1.490%	109.234	-	-	-	153,746.10
	09/01/2021	1,765,000.00	5.000%	1.540%	112.377	-	-	-	218,454.05
	09/01/2022	1,780,000.00	5.000%	1.620%	115.217	-	-	-	270,862.60
	09/01/2023	1,800,000.00	5.000%	1.710%	117.776	-	-	-	319,968.00
	09/01/2024	1,820,000.00	5.000%	1.780%	120.234	-	-	-	368,258.80
	09/01/2025	1,535,000.00	5.000%	1.830%	122.652	-	-	-	347,708.20
	09/01/2026	1,555,000.00	5.000%	1.900%	124.733	-	-	-	384,598.15
	09/01/2027	1,580,000.00	5.000%	2.000%	126.315	-	-	-	415,777.00
	09/01/2028	1,605,000.00	5.000%	2.110%	125.214 C	2.323%	09/01/2027	100.000	404,684.70
	09/01/2029	1,630,000.00	5.000%	2.170%	124.618 C	2.552%	09/01/2027	100.000	401,273.40
	09/01/2030	1,410,000.00	4.000%	2.440%	113.392 C	2.743%	09/01/2027	100.000	188,827.20
	09/01/2031	1,340,000.00	4.000%	2.530%	112.564 C	2.883%	09/01/2027	100.000	168,357.60
	09/01/2032	1,365,000.00	4.000%	2.620%	111.743 C	3.005%	09/01/2027	100.000	160,291.95
	09/01/2033	1,260,000.00	4.000%	2.710%	110.930 C	3.114%	09/01/2027	100.000	137,718.00
	09/01/2034	1,290,000.00	4.000%	2.790%	110.212 C	3.205%	09/01/2027	100.000	131,734.80
	09/01/2035	1,315,000.00	4.000%	2.870%	109.500 C	3.287%	09/01/2027	100.000	124,925.00
	09/01/2036	1,340,000.00	3.000%	3.106%	98.500	-	-	-	(20,100.00)
	09/01/2037	1,360,000.00	3.000%	3.154%	97.750	-	-	-	(30,600.00)
	09/01/2038	1,185,000.00	3.000%	3.190%	97.135	-	-	-	(33,950.25)
	09/01/2039	1,210,000.00	3.125%	3.221%	98.500	-	-	-	(18,150.00)
	09/01/2040	875,000.00	3.125%	3.250%	98.000	-	-	-	(17,500.00)
		<u>32,025,000.00</u>							<u>4,136,687.50</u>
Bond Component #2:									
	09/01/2041	900,000.00	3.250%	3.300%	99.156	-	-	-	(7,596.00)
	09/01/2042	925,000.00	3.250%	3.300%	99.156	-	-	-	(7,807.00)
		<u>1,825,000.00</u>							<u>(15,403.00)</u>
Bond Component #3:									
	09/01/2043	955,000.00	3.250%	3.321%	98.750	-	-	-	(11,937.50)
	09/01/2044	985,000.00	3.250%	3.321%	98.750	-	-	-	(12,312.50)
		<u>1,940,000.00</u>							<u>(24,250.00)</u>
Bond Component #4:									
	09/01/2045	1,015,000.00	3.250%	3.350%	98.124	-	-	-	(19,041.40)
	09/01/2046	1,045,000.00	3.250%	3.350%	98.124	-	-	-	(19,604.20)
	09/01/2047	1,080,000.00	3.250%	3.350%	98.124	-	-	-	(20,260.80)
		<u>3,140,000.00</u>							<u>(58,906.40)</u>
		<u>38,930,000.00</u>							<u>4,038,128.10</u>

Dated Date	12/21/2017	
Delivery Date	12/21/2017	
First Coupon	09/01/2018	
Par Amount	38,930,000.00	
Premium	4,038,128.11	
Production	42,968,128.11	110.372792%
Underwriter's Discount	(209,562.52)	(0.538306%)
Purchase Price	42,758,565.59	109.834486%
Accrued Interest	-	
Net Proceeds	42,758,565.59	

REFUNDING ESCROW AGREEMENT

between

CITY OF NEWTON, MASSACHUSETTS

and

**U.S. BANK NATIONAL ASSOCIATION,
as Refunding Escrow Agent and Paying Agent**

Dated December 21, 2017

REFUNDING ESCROW AGREEMENT

The City of Newton, Massachusetts (the "City"), and U.S. Bank National Association, as refunding escrow agent (the "Refunding Escrow Agent"), and as paying agent (the "Paying Agent") for the 2010 Series B Bonds, and the 2011 Bonds, each described below, and successor Paying Agent for the 2010 Series A Bonds, described below, (pursuant to a paying agent agreement dated December 21, 2017, between the City and U.S. Bank National Association, and acknowledged and accepted by the Treasurer and Receiver-General of The Commonwealth of Massachusetts, as initial paying agent for the 2010 Series A Bonds), enter into this Refunding Escrow Agreement (this "Agreement") dated December 21, 2017.

The City issued its (i) \$11,650,000 General Obligation State Qualified School Bonds dated May 1, 2010 (the "2010 Series A Bonds"), (ii) \$14,398,000 General Obligation Municipal Purpose Loan of 2010, Series B Bonds dated May 1, 2010 (the "2010 Series B Bonds"), and (iii) \$5,770,000 General Obligation Municipal Purpose Loan of 2011 Bonds dated April 14, 2011 (the "2011 Bonds" and collectively with the 2010 Series A Bonds, and the 2010 Series B Bonds, the "Prior Bonds"). Concurrently with the execution of this Agreement, the City is issuing a portion of its \$38,930,000 aggregate stated principal amount of its General Obligation Municipal Purpose Loan of 2017 Bonds dated December 21, 2017 (the "Bonds") pursuant to Massachusetts General Laws c.44, §21A in order to refund on an advance basis: (i) the 2010 Series A Bonds maturing on March 1 in the years 2021 through 2027, inclusive, 2029, 2035, and 2040, in the aggregate amount of \$7,750,000 (the "2010 Series A Refunded Bonds") on March 1, 2020, (ii) the 2010 Series B Bonds maturing on March 1 in the years 2021 through 2030, inclusive, in the aggregate amount of \$4,470,000 (the "2010 Series B Refunded Bonds") on March 1, 2020, and (iii) the 2011 Bonds maturing on April 1 in the years 2026, and 2031 in the aggregate principal amount of \$1,030,000 (the "2011 Refunded Bonds") on April 1, 2021. The 2010 Series A Refunded Bonds, the 2010 Series B Refunded Bonds, and the 2011 Refunded Bonds are referred to collectively herein as the "Refunded Bonds".

The City and the Refunding Escrow Agent and the Paying Agent agree as follows, in order to provide for a refunding trust for the Refunded Bonds:

Section 1. An irrevocable trust fund designated the City of Newton, Massachusetts 2017 Refunding Escrow Fund (the "Refunding Escrow Fund") is hereby established, to be held in the custody of the Refunding Escrow Agent as a trust fund separate and apart from all other funds of the City or the Refunding Escrow Agent, and moneys in the amount of \$14,050,043.43 (derived from proceeds of the Bonds, in the amount of \$13,782,184.04, and \$267,859.39 of City funds) shall be irrevocably deposited in that fund as provided in this Agreement. The moneys in the Refunding Escrow Fund and any investments held as part of that fund shall be held in trust for the benefit of the owners of the Refunded Bonds subject to the terms and conditions in this Agreement and shall be applied by the Refunding Escrow Agent solely to the payment of the principal of and interest on the Refunded Bonds as provided in this Agreement.

Section 2. The City hereby irrevocably transfers to the Refunding Escrow Agent, in trust for the benefit of the owners of the Refunded Bonds, subject to the terms and conditions set forth in this Agreement, the amount of \$14,050,043.43 (derived from proceeds of the Bonds in the amount of \$13,782,184.04, and \$267,859.39 of City funds), which amount is sufficient to

purchase the Government Obligations (as defined below) described in the attached Exhibit A (with a remaining cash balance of \$1,061.83). The Refunding Escrow Agent hereby acknowledges receipt of that amount and agrees to deposit that amount on this date in the Refunding Escrow Fund. The Refunding Escrow Agent shall not be responsible or liable for any insufficiency of funds under this Agreement, except to the extent any such insufficiency results from the failure of the Refunding Escrow Agent to comply with the provisions of this Agreement.

Section 3. "Government Obligations," solely for purposes of this Agreement, shall mean any direct noncallable and general obligations of the United States of America. On the date of execution and delivery of this Agreement, the Refunding Escrow Agent shall apply so much of the amount deposited in the Refunding Escrow Fund pursuant to Section 2 as shall be necessary to purchase the Government Obligations described in Exhibit A. The balance of the moneys transferred to the Refunding Escrow Fund (\$1,061.83) shall remain uninvested in cash and be applied to the payment of a portion of the interest due on the 2010 Series A Refunded Bonds on March 1, 2020. The City, relying solely on the Verification Report of Grant Thornton LLP dated December 21, 2017 (the "Verification Report"), hereby represents to the Refunding Escrow Agent and Paying Agent that such Government Obligations, along with the cash deposit to the Refunding Escrow Fund, mature and bear interest payable in such amounts and at such times as will be sufficient, together with any uninvested moneys remaining in the Refunding Escrow Fund after the purchase of the Government Obligations, to pay the principal of and interest on the Refunded Bonds as they shall become due and payable pursuant to the terms of the applicable Prior Bonds and this Agreement, and the Refunding Escrow Agent and Paying Agent may rely conclusively upon such representation and shall have no duty to independently verify such calculations. The Refunding Escrow Agent shall hold the Government Obligations, whether purchased or transferred, in the Refunding Escrow Fund and shall apply the Government Obligations and the proceeds thereof only for the purposes and in the manner provided in this Agreement.

Section 4. The City hereby elects to redeem the (i) 2010 Series A Refunded Bonds on March 1, 2020 at a redemption price of 100% of the principal amount thereof, plus accrued interest to the redemption date, (ii) 2010 Series B Refunded Bonds on March 1, 2020 at a redemption price of 100% of the principal amount thereof, plus accrued interest to the redemption date, and (iii) 2011 Refunded Bonds on April 1, 2021 at a redemption price of 100% of the principal amount thereof, plus accrued interest to the redemption date, and directs the Paying Agent to give proper notices of such redemptions substantially in the forms set forth in the attached Exhibit B-1 through Exhibit B-3 and in accordance with the terms of the applicable Prior Bonds. The foregoing elections and directions are irrevocable. The Paying Agent agrees to give notices as so directed and agrees that the directions for the giving of the notices of redemption are satisfactory to it.

Section 5. The Refunding Escrow Agent shall collect on their respective due dates the principal of and interest on the Government Obligations and any uninvested moneys on deposit in the Refunding Escrow Fund (the "Escrow Receipts") and shall apply the Escrow Receipts so received in accordance with the provisions of this Agreement. The Refunding Escrow Agent and the Paying Agent shall without further authorization or direction apply the Escrow Receipts in the Refunding Escrow Fund as follows: (a) on each date upon which an installment of interest on the 2010 Series A Bonds falls due, up to and including the payment due on March 1, 2020, to the payment on each such date of the installment, (b) on each date upon which an installment of

interest on the 2010 Series B Refunded Bonds falls due, up to and including the payment due on March 1, 2020, to the payment on each such date of the installment, (c) on each date upon which an installment of interest on the 2011 Refunded Bonds falls due, up to and including the payment due on April 1, 2021, to the payment on each such date of the installment, (d) on March 1, 2020 to the payment of the redemption price of the 2010 Series A Refunded Bonds, (e) on March 1, 2020 to the payment of the redemption price of the 2010 Series B Refunded Bonds, and (f) on April 1, 2021 to the payment of the redemption price of the 2011 Refunded Bonds, all as further described in the Verification Report which is being delivered to the Refunding Escrow Agent on the date hereof, and upon which the Refunding Escrow Agent and the Paying Agent may rely conclusively. Escrow Receipts in excess of the amounts necessary to make the payments as described above shall be held uninvested. Upon and pursuant to written direction from the City Treasurer (the "Treasurer") to the Refunding Escrow Agent and receipt by the City and the Refunding Escrow Agent of an opinion of nationally recognized bond counsel selected by the City that Excess Escrow Receipts may be invested without causing interest on the Bonds to be included in gross income for federal income tax purposes, the Excess Escrow Receipts may be invested in Government Obligations coming due when needed, according to a report of Qualified Accountants (as defined below), at the highest rate permitted pursuant to that opinion.

Section 6. Upon written direction of the Treasurer subject to the conditions and limitations set forth in this Agreement, the Refunding Escrow Agent shall sell, effect the redemption of, or otherwise dispose of the Government Obligations in the Refunding Escrow Fund, provided that there are substituted other obligations as provided in this section. The sale, redemption, or other disposition and the substitution of Government Obligations pursuant to this section must be effected only by a simultaneous transaction and only if (i) the obligations to be substituted are Government Obligations and those obligations, together with the Government Obligations, and uninvested moneys that will continue to be held in the Refunding Escrow Fund, will mature and will earn interest in such amounts and at such times that sufficient moneys, without further reinvestment, will be available to pay when due the redemption price of and interest on the Refunded Bonds not previously paid (which conclusion is supported by a written mathematical verification prepared by Qualified Accountants (which term, for the purposes of this Agreement, means an independent certified public accountant or a firm of independent certified public accountants selected by the City and recognized on a nationwide basis for skill and expertise in the preparation of such verifications)), and (ii) the Refunding Escrow Agent receives an opinion of nationally recognized bond counsel selected by the City that the transaction will not cause interest on the Bonds to be included in gross income for federal income tax purposes. The City shall supply copies of all materials supplied to the Refunding Escrow Agent under the requirements of the preceding sentence to any rating agency that maintains a rating on the Refunded Bonds.

Section 7. This Agreement shall terminate when the principal of and interest on the Refunded Bonds shall have been paid or two years after all Refunded Bonds shall have become due, whichever is earlier. Money held by the Refunding Escrow Agent in the Refunding Escrow Fund or by the Paying Agent that is required to pay Refunded Bonds which have not been presented for payment and that remains unclaimed for two years after the payment of such Refunded Bonds became due shall be paid to the City upon its request free from the trust created by this Agreement and the owners of such Refunded Bonds shall thereafter be entitled to look only to the City for payment. Any other money held by the Refunding Escrow Agent on the termination of this Agreement, and not required to pay the principal of and interest on the Refunded Bonds,

shall be paid to the City, subject to payment of amounts owed the Refunding Escrow Agent under Section 11.

Section 8. The obligation and liability of the Refunding Escrow Agent to make the payments and transfers required by this Agreement shall be limited to the Escrow Receipts, deficiency payments, if any, made by the City pursuant to Section 9, and the moneys on deposit with it pursuant to this Agreement and not its own funds. The Refunding Escrow Agent shall not be liable for any depreciation or loss resulting from any investment made pursuant to and in compliance with this Agreement. The Refunding Escrow Agent shall have no lien on the moneys and Government Obligations in the Refunding Escrow Fund to secure any amount owed or to be owed to it.

Section 9. If, on any date upon which an installment of principal of or interest on the Refunded Bonds falls due, the amount of Escrow Receipts then due and collected by the Refunding Escrow Agent on the Government Obligations on deposit in the Refunding Escrow Fund shall be insufficient to pay such installment in full, the Refunding Escrow Agent shall notify the City immediately upon becoming aware of that deficiency, and the City shall supply the amount of the deficiency by payment to the Refunding Escrow Agent for deposit into the Refunding Escrow Fund within three (3) business days of that notification by the Refunding Escrow Agent. The City does not, however, waive any rights it may have against the Refunding Escrow Agent for recovery of amounts supplied under this section.

Section 10. If, on any date, the Refunding Escrow Fund contains moneys that will not be required for the payment of installments of principal of or interest on the Refunded Bonds, the City, by written direction of its Treasurer, may direct that such moneys be promptly paid over to it. Before making any such payment, the City shall deliver to the Refunding Escrow Agent, at the expense of the City, (a) confirmation by a written mathematical verification prepared by Qualified Accountants that the amounts of moneys and investments remaining in the Refunding Escrow Fund after that payment will mature and will earn interest in such amounts and at such times that sufficient moneys, without further reinvestment, will be available to pay when due all outstanding installments of principal of and interest on the Refunded Bonds; and (b) an opinion (addressed to the City and the Refunding Escrow Agent and Paying Agent) of nationally recognized bond counsel selected by the City that the transaction will not cause interest on any of the Refunding Bonds to be included in gross income under Internal Revenue Code §103. The City shall supply copies of all materials supplied to the Refunding Escrow Agent under the requirements of the preceding sentence to any rating agency that maintains a rating on the Refunded Bonds.

Section 11. The City is paying on this date the amount specified in the Fee Letter dated as of December __, 2017, as payment in full of the Refunding Escrow Agent's fees and expenses under this Agreement, which includes reasonable fees of counsel to the Refunding Escrow Agent. The Refunding Escrow Agent by its execution of this Agreement agrees that the provisions of the foregoing sentence are satisfactory to it, provided, however, that this Section 11 shall not be construed to limit in any way the rights of the Refunding Escrow Agent to indemnification by the City pursuant to Section 13 hereof.

Section 12. The City shall refrain from purchasing or offering to purchase any of the Refunded Bonds, provided, however, that the City may purchase Refunded Bonds and tender them

to the Paying Agent for cancellation at any time after the City and the Paying Agent shall have received an opinion of nationally recognized bond counsel selected by the City to the effect that the purchase and tender will not cause interest on any of the Bonds to be included in gross income for federal income tax purposes.

Section 13. (a) The Refunding Escrow Agent and Paying Agent agrees to perform all the duties and obligations imposed upon it by this Agreement. The City acknowledges and agrees that the Refunding Escrow Agent and Paying Agent, (i) shall be obligated only for the performance of the duties specifically set forth in this Agreement; (ii) shall not be obligated to take any legal or other action hereunder which might in its judgment involve any expense or liability unless it shall have been furnished with acceptable indemnification; (iii) may rely on and shall be wholly protected in acting or refraining from acting upon any written notice, instruction (including, without limitation, wire transfer instructions whether incorporated or provided in a separate instruction), instrument, statement, request or document furnished to it hereunder and believed by it to be genuine and to have been signed or presented by the proper person, and shall have no responsibility for determining its accuracy; (iv) may consult counsel satisfactory to it, including in-house counsel, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in accordance with the opinion of counsel; (v) shall not be responsible for confirming the matters set forth in the verifications referred to in Sections 3, 5 and 10 hereof and shall have no obligation for the sufficiency of any Government Obligations; (vi) shall not be liable for any act or omission taken or suffered in good faith with respect to this Agreement, unless such act or omission constitutes negligence or willful misconduct on the part of the Refunding Escrow Agent and Paying Agent; (vii) shall not be under any obligation to advance any of its own funds hereunder; and (viii) whenever it shall deem it necessary or desirable that a matter be provided or established prior to taking or suffering any action hereunder, may request instruction, direction and certificates from the City and shall be fully protected in relying on any such instruction, direction or certificate. The City agrees to, and does hereby, hold harmless and indemnify the Refunding Escrow Agent and Paying Agent, its directors, officers, employees and agents from and against all obligations, liabilities, claims, suits, judgments, losses, damages, costs or expenses of any kind or nature (collectively, "Losses"), including without limitation reasonable attorneys' fees, which may be imposed on, incurred by, or asserted against the Refunding Escrow Agent and Paying Agent in connection with or in any way arising out of this Agreement or the Refunding Escrow Agent and Paying Agent's performance hereunder, provided, however, that the City shall not indemnify any of the aforesaid parties against any of the foregoing Losses arising from the negligence or willful misconduct of the Refunding Escrow Agent and Paying Agent. The foregoing indemnities and agreement to hold harmless shall survive the termination of this Agreement, and the resignation or removal of the Refunding Escrow Agent and the Paying Agent.

(b) Except for its obligation to apply Escrow Receipts and the uninvested cash balance on the dates and in the amounts described in Section 5, its obligation to give notices of redemption as provided in Section 4, and its obligation to notify the City of any insufficiency in the Refunding Escrow Fund pursuant to Section 9, the Refunding Escrow Agent and Paying Agent shall not be required or obligated to distribute any other moneys or property in the Refunding Escrow Fund or take other action required hereunder sooner than two (2) business

days after it has received the applicable documents required under this Agreement in good form and passage of the applicable time period provided for in this Agreement.

(c) The Refunding Escrow Agent is hereby authorized, in making or disposing of any investment, to deal with itself (in its individual capacity) or with any one or more of its affiliates, whether it or such affiliate is acting as a subagent of the Refunding Escrow Agent or for any third person or dealing as principal for its own account.

Section 14. The City may discharge the Refunding Escrow Agent and appoint a successor Refunding Escrow Agent subject to the terms and provisions of this Agreement. Any discharge shall take effect on a date specified in a written notice to the Refunding Escrow Agent to that effect, provided that a successor Refunding Escrow Agent has been appointed. The Refunding Escrow Agent may at any time resign and be discharged of its duties and obligations by giving not less than thirty (30) days' written notice to the City specifying the date when the resignation shall take effect. The resignation shall not take effect, however, until the City appoints a successor Refunding Escrow Agent. Upon the effective date of such discharge or resignation the Refunding Escrow Agent shall transfer all amounts on deposit in the Refunding Escrow Fund to the successor Refunding Escrow Agent and the Refunding Escrow Agent shall also refund to the City the unearned portion of the payment made to the Refunding Escrow Agent pursuant to Section 11 of this Agreement. The successor shall indicate its acceptance of the office of Refunding Escrow Agent and its agreement to be bound by the terms of this Agreement by letter sent to the City prior to the effective date of the discharge or resignation of the prior Refunding Escrow Agent. The City shall appoint a successor Refunding Escrow Agent within thirty (30) days of notice of discharge or resignation of the prior Refunding Escrow Agent. If no successor is appointed within forty-five (45) days after notice of such discharge or resignation, the Refunding Escrow Agent or any owner of a Refunded Bond, on behalf of itself and others similarly situated, may petition a court of competent jurisdiction for the appointment of a successor Refunding Escrow Agent. The court may appoint a successor Refunding Escrow Agent after such notice, if any, as it may deem proper or as may be required by law.

Section 15. The rights and obligations of the parties to this Agreement shall inure to and be binding upon their respective successors and assigns.

Section 16. This Agreement shall not be repealed, revoked, rescinded, altered, amended or supplemented in whole or in part without the written consent of the owners of 100% in principal amount of the Refunded Bonds, provided, however, that the City and the Refunding Escrow Agent and Paying Agent may, without the consent of or notice to the owners of the unpaid Refunded Bonds, enter into such supplemental agreements as shall not adversely affect the rights of the owners under this Agreement and shall not be inconsistent with the terms and provisions of this Agreement for any one or more of the following purposes:

- (a) to cure any ambiguity or formal defect or omission in this Agreement; or
- (b) to grant to or confer upon the Refunding Escrow Agent and Paying Agent for the benefit of the owners of the Refunded Bonds, any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Refunding Escrow Agent and Paying Agent.

The Refunding Escrow Agent and Paying Agent shall be entitled to rely exclusively upon an unqualified opinion of nationally recognized bond counsel with respect to compliance with this section, including the extent, if any, to which any change, modification, addition or elimination affects the rights of owners of the Refunded Bonds or the Refunding Bonds or that any instrument executed hereunder complies with the conditions or provisions of this section.

The City shall give written notice of any proposed repeal, revocation or amendment of this Agreement at least ten (10) days prior to the effective date thereof to any rating agency that maintains a rating on the Refunded Bonds.

Section 17. If any one or more of the covenants or agreements provided in this Agreement on the part of the City or the Refunding Escrow Agent and Paying Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, that covenant or agreement shall be deemed and construed to be severable from the remaining covenants and agreements and shall in no way affect the validity of the remaining provisions of this Agreement. The City or the Refunding Escrow Agent shall give written notice as soon as practicable to any rating agency that maintains a rating on the Refunded Bonds of any covenant or agreement of this Agreement so determined to be contrary to law.

Section 18. This Agreement shall be construed and interpreted in accordance with the laws of The Commonwealth of Massachusetts (the "Commonwealth") and any suits and actions arising out of this Agreement shall be instituted in a court of competent jurisdiction in the Commonwealth.

Section 19. All notices and other communications provided for herein shall be in writing and shall be personally delivered or sent by registered or certified mail, postage prepaid, and addressed as set forth below or as to each party at such other address as shall be designated by such party in a written notice to the other party:

City of Newton, Massachusetts
City Hall
1000 Commonwealth Avenue
Newton, Massachusetts 02459
Attn: City Treasurer

U.S. Bank National Association
One Federal Street, Third Floor
Boston, Massachusetts 02110
Attn: City of Newton, Massachusetts 2017
Refunding Escrow Fund

Section 20. Any company into which the Refunding Escrow Agent and Paying Agent may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Refunding Escrow Agent and Paying Agent may sell or transfer all or substantially all of its corporate trust business, provided such company shall be authorized by law to perform all the duties imposed upon it by this Agreement, shall be the successor to the Refunding Escrow Agent and Paying Agent without the execution or filing of any paper or the performance of any further act.

Section 21. The Refunding Escrow Agent and Paying Agent shall not be responsible for delays or failures in performance resulting from acts beyond its control, except to the extent such delays or failures are a result of the Refunding Escrow Agent's and Paying Agent's negligence. Such acts shall include but not be limited to acts of God, strikes, lockouts, riots, acts of war,

epidemics, governmental regulations superimposed after the fact, fire, communication line failures, computer viruses, power failures, earthquakes or other disasters.

Section 22. This Agreement and all documents relating thereto, including, without limitation, (a) consents, waivers and modifications which may hereafter be executed, and (b) certificates and other information previously or hereafter furnished, may be reproduced by a photographic, photostatic, microfilm, optical disk, micro-card, miniature photographic or other similar process. The parties agree that any such reproduction shall be as admissible in evidence as the original itself in any judicial or administrative proceeding, whether or not the original is in existence and whether or not such reproduction was made by a party in the regular course of business, and that any enlargement, facsimile or further reproduction of such reproduction shall likewise be admissible in evidence.

Section 23. To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. For a non-individual person such as a business entity, a charity, a trust or other legal entity, the Refunding Escrow Agent may ask for documentation to verify its formation and existence as a legal entity. The Refunding Escrow Agent may also ask to see financial statements, licenses, identification, and authorization documents or other relevant documentation from individuals claiming authority to represent the entity.

Section 24. This Agreement may be executed in several counterparts, each of which shall be deemed to be an original; but the counterparts together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the City and the Refunding Escrow Agent and Paying Agent have caused this Agreement to be executed as an instrument under seal by their duly authorized proper officers as of the day and year first above written.

CITY OF NEWTON, MASSACHUSETTS

By: 

Mayor

By: 

City Treasurer

U.S. BANK NATIONAL ASSOCIATION,
as Refunding Escrow Agent and Paying Agent,
and not individually

By: _____
Authorized Officer

IN WITNESS WHEREOF, the City and the Refunding Escrow Agent and Paying Agent have caused this Agreement to be executed as an instrument under seal by their duly authorized proper officers as of the day and year first above written.

CITY OF NEWTON, MASSACHUSETTS

By: _____
Mayor

By: _____
City Treasurer

U.S. BANK NATIONAL ASSOCIATION,
as Refunding Escrow Agent and Paying Agent,
and not individually

By:  _____
Authorized Officer

Exhibit A

Description of Government Obligations

Type of Security	Type of SLGS	Maturity Date	First Int Put Date	Par Amount	Rate	Max Rate	Yield	Interest Price	Interest Class	Interest Frequency	Interest Day Basis	Cost	Accrued Interest	Total Cost		
Dec 21, 2017:																
SLGS	Certificate	03/01/2018	03/01/2018	247,253.00	1.220%	1.220%	-	-				-	-	247,253.00		
SLGS	Certificate	04/01/2018	04/01/2018	19,605.00	1.280%	1.280%	-	-				-	-	19,605.00		
TNote		08/31/2018	-	61,100.00	0.750%	-	-1.629%	99.398438	Periodic	Semiannual	ACT/ACT	60,732.45	141.78	60,874.23		
TNote		09/30/2018	-	7,700.00	0.750%	-	-1.677%	99.289063	Periodic	Semiannual	ACT/ACT	7,645.26	13.01	7,658.27		
TNote		02/28/2019	-	160,900.00	1.125%	-	-1.771%	99.242187	Periodic	Semiannual	ACT/ACT	159,680.68	560.04	160,240.72		
TNote		03/31/2019	-	7,700.00	1.625%	-	-1.799%	99.781250	Periodic	Semiannual	ACT/ACT	7,683.16	28.19	7,711.35		
TNote		08/31/2019	-	161,800.00	1.625%	-	-1.839%	99.644531	Periodic	Semiannual	ACT/ACT	161,224.85	813.47	162,038.32		
TNote		09/30/2019	-	7,800.00	1.375%	-	-1.844%	99.183594	Periodic	Semiannual	ACT/ACT	7,736.32	24.16	7,760.48		
TNote		02/29/2020	-	12,383,100.00	1.375%	-	-1.853%	98.978404	Periodic	Semiannual	ACT/ACT	12,256,594.70	52,679.49	12,309,274.19		
TNote		03/31/2020	-	7,800.00	1.375%	-	-1.886%	98.867189	Periodic	Semiannual	ACT/ACT	7,711.64	24.16	7,735.80		
TNote		09/30/2020	-	7,900.00	1.375%	-	-1.941%	98.476562	Periodic	Semiannual	ACT/ACT	7,779.65	24.47	7,804.12		
TNote		03/31/2021	-	1,037,900.00	2.250%	-	-2.009%	100.757813	Periodic	Semiannual	ACT/ACT	1,045,765.34	5,260.78	1,051,026.12		
												14,110,558.00		13,722,554.05	59,569.55	14,048,981.60

SLGS Summary

SLGS Rates File	07DEC17
Total Certificates of Indebtedness	266,858.00

Exhibit B-1

Form of
Notice of Redemption of 2010 Series A Refunded Bonds

CITY OF NEWTON, MASSACHUSETTS

\$11,650,000 General Obligation State Qualified School Bonds, Series A
dated May 1, 2010

NOTICE IS HEREBY GIVEN for and on behalf of the City of Newton, Massachusetts that the following described bonds of the City have been called for redemption on March 1, 2020 at a redemption price of 100% of their principal amount (the "Redemption Price"):

City of Newton, Massachusetts General Obligation State Qualified School Bonds, Series A dated May 1, 2010 and due March 1 in the years 2021 through 2027, inclusive, 2029, 2035, and 2040 (the "2010 Series A Bonds"), in the principal amounts and bearing CUSIP numbers as follows:

<u>Year</u>	<u>Principal</u>	<u>CUSIP</u>	<u>Year</u>	<u>Principal</u>	<u>CUSIP</u>
2021	\$390,000	653063 M79	2026	\$390,000	653063 N45
2022	390,000	653063 M87	2027	390,000	653063 N52
2023	390,000	653063 M95	2029	780,000	653063 N78
2024	390,000	653063 N29	2035	2,315,000	653063 P50
2025	390,000	653063 N37	2040	1,925,000	653063 Q26

On March 1, 2020 there will become due and payable, upon each of the 2010 Series A Bonds to be redeemed, the Redemption Price thereof together with interest accrued to that date and, moneys therefor having been deposited with the Paying Agent (as defined below), from and after that date interest on the 2010 Series A Bonds shall cease to accrue. Payment of the Redemption Price of and accrued interest on the 2010 Series A Bonds will be made upon presentation and surrender of the 2010 Series A Bonds at the corporate trust office of U.S. Bank National Association, Boston, Massachusetts or any successor paying agent (the "Paying Agent"). Principal of and interest on the 2010 Series A Bonds maturing March 1, 2020 will be paid in the normal course.

The CUSIP numbers stated above are included solely for the convenience of the Bondholders. The City shall not be responsible for the selection or use of the CUSIP numbers.

The 2010 Series A Bonds need not be endorsed or accompanied by instruments of assignment unless payment is to be made to other than the registered holder. If payment is to be made to other than the registered holder, such Bonds must be assigned to the person to whom payment is to be made, either by an endorsement on the reverse of the 2010 Series A Bonds, or by instrument of assignment. In either assignment method, signatures must be guaranteed by a participant in a recognized Signature Guarantee Medallion Program.

If the 2010 Series A Bonds are endorsed by an executor, administrator, trustee, guardian, attorney, corporation or the like, at the delivery, the 2010 Series A Bonds must be accompanied by satisfactory evidence of the authority of the person making such endorsement.

Under the provisions of applicable federal tax law, paying agents may be obligated to withhold certain amounts from payments of principal to individuals who have failed to furnish the paying agent with a valid taxpayer identification number. Bondholders who wish to avoid the application of these provisions should submit certified taxpayer identification numbers on Form W-9 when presenting their 2010 Series A Bonds for payment.

Exhibit B-2

Form of
Notice of Redemption of 2010 Series B Refunded Bonds

CITY OF NEWTON, MASSACHUSETTS

\$14,398,000 General Obligation Municipal Purpose Loan of 2010 Bonds, Series B
dated May 1, 2010

NOTICE IS HEREBY GIVEN for and on behalf of the City of Newton, Massachusetts that the following described bonds of the City have been called for redemption on March 1, 2020 at a redemption price of 100% of their principal amount (the "Redemption Price"):

City of Newton, Massachusetts General Obligation Municipal Purpose Loan of 2010 Bonds, Series B dated May 1, 2010 and due March 1 in the years 2021 through 2030, inclusive (the "2010 Series B Bonds"), in the principal amounts and bearing CUSIP numbers as follows:

<u>Year</u>	<u>Principal</u>	<u>CUSIP</u>	<u>Year</u>	<u>Principal</u>	<u>CUSIP</u>
2021	\$615,000	653063 R58	2026	\$280,000	653063 S24
2022	615,000	653063 R66	2027	280,000	653063 S32
2023	615,000	653063 R74	2028	280,000	653063 S40
2024	615,000	653063 R82	2029	280,000	653063 S57
2025	610,000	653063 R90	2030	280,000	653063 S65

On March 1, 2020 there will become due and payable, upon each of the 2010 Series B Bonds to be redeemed, the Redemption Price thereof together with interest accrued to that date and, moneys therefor having been deposited with the Paying Agent (as defined below), from and after that date interest on the 2010 Series B Bonds shall cease to accrue. Payment of the Redemption Price of and accrued interest on the 2010 Series B Bonds will be made upon presentation and surrender of the 2010 Series B Bonds at the corporate trust office of U.S. Bank National Association, Boston, Massachusetts or any successor paying agent (the "Paying Agent"). Principal of and interest on the 2010 Series B Bonds maturing March 1, 2020 will be paid in the normal course.

The CUSIP numbers stated above are included solely for the convenience of the Bondholders. The City shall not be responsible for the selection or use of the CUSIP numbers.

The 2010 Series B Bonds need not be endorsed or accompanied by instruments of assignment unless payment is to be made to other than the registered holder. If payment is to be made to other than the registered holder, such 2010 Series B Bonds must be assigned to the person to whom payment is to be made, either by an endorsement on the reverse of the 2010 Series B Bonds, or by instrument of assignment. In either assignment method, signatures must be guaranteed by a participant in a recognized Signature Guarantee Medallion Program.

If the 2010 Series B Bonds are endorsed by an executor, administrator, trustee, guardian, attorney, corporation or the like, at the delivery, the 2010 Series B Bonds must be accompanied by satisfactory evidence of the authority of the person making such endorsement.

Under the provisions of applicable federal tax law, paying agents may be obligated to withhold certain amounts from payments of principal to individuals who have failed to furnish the paying agent with a valid taxpayer identification number. Bondholders who wish to avoid the application of these provisions should submit certified taxpayer identification numbers on Form W-9 when presenting their 2010 Series B Bonds for payment.

Exhibit B-3

Form of
Notice of Redemption of 2011 Refunded Bonds

CITY OF NEWTON, MASSACHUSETTS

\$5,770,000 General Obligation Municipal Purpose Loan of 2011 Bonds
dated April 14, 2011

NOTICE IS HEREBY GIVEN for and on behalf of the City of Newton, Massachusetts that the following described bonds of the City have been called for redemption on April 1, 2021 a redemption price of 100% of their principal amount (the "Redemption Price"):

City of Newton, Massachusetts General Obligation Municipal Purpose Loan of 2011 Bonds dated April 14, 2011 and due April 1 in the years 2026 and 2031 (the "2011 Bonds"), in the principal amounts and bearing CUSIP numbers as follows:

<u>Year</u>	<u>Principal</u>	<u>CUSIP</u>
2026	\$530,000	653063 U54
2031	500,000	653063 V20

On April 1, 2021 there will become due and payable, upon each of the 2011 Bonds to be redeemed, the Redemption Price thereof together with interest accrued to that date and, moneys therefor having been deposited with the Paying Agent (as defined below), from and after that date interest on the 2011 Bonds shall cease to accrue. Payment of the Redemption Price of and accrued interest on the 2011 Bonds will be made upon presentation and surrender of the 2011 Bonds at the corporate trust office of U.S. Bank National Association, Boston, Massachusetts or any successor paying agent (the "Paying Agent"). Principal of and interest on the 2011 Bonds maturing April 1, 2021 will be paid in the normal course.

The CUSIP numbers stated above are included solely for the convenience of the Bondholders. The City shall not be responsible for the selection or use of the CUSIP numbers.

The 2011 Bonds need not be endorsed or accompanied by instruments of assignment unless payment is to be made to other than the registered holder. If payment is to be made to other than the registered holder, such 2011 Bonds must be assigned to the person to whom payment is to be made, either by an endorsement on the reverse of the 2011 Bonds, or by instrument of assignment. In either assignment method, signatures must be guaranteed by a participant in a recognized Signature Guarantee Medallion Program.

If the 2011 Bonds are endorsed by an executor, administrator, trustee, guardian, attorney, corporation or the like, at the delivery, the 2011 Bonds must be accompanied by satisfactory evidence of the authority of the person making such endorsement.

Under the provisions of applicable federal tax law, paying agents may be obligated to withhold certain amounts from payments of principal to individuals who have failed to furnish the paying agent with a valid taxpayer identification number. Bondholders who wish to avoid the application of these provisions should submit certified taxpayer identification numbers on Form W-9 when presenting their 2011 Bonds for payment.

AM 67632772.1

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54 Canal Street
Suite 320
Boston, MA 02114

617-619-4408 Direct
617-619-4411 Fax

Cynthia McNerney
Managing Director

cinder.mcnerney@hilltopsecurities.com

December 21, 2017

Mr. James Reardon, Treasurer
City of Newton
City Hall – 1000 Commonwealth Ave.
Newton, MA 02459

Dear Jim:

We have delivered \$38,930,000 General Obligation Municipal Purpose Loan of 2017 Bonds dated December 21, 2017 for the City of Newton, Massachusetts. The attached memo details distribution of the funds.

The detail regarding the distribution of funds is contained in the closing memorandum a copy of which is enclosed. The Closing Booklet for this issue will be forwarded to you shortly, as well as Bond Counsel's legal transcript relating to the legal proceedings. You will receive separate bills from each vendor involved in the transaction.

Attached for your reference is an overview of arbitrage rebate basic rules and regulations.

There is a post issuance compliance survey at the end of the attachment that you can use to evaluate your current compliance efforts.

In light of the IRS' increased incidence of post issuance audits, it is critical that issuers adopt procedures to track expenditures of bond and ban proceeds, and to determine if and when rebate requirements apply.

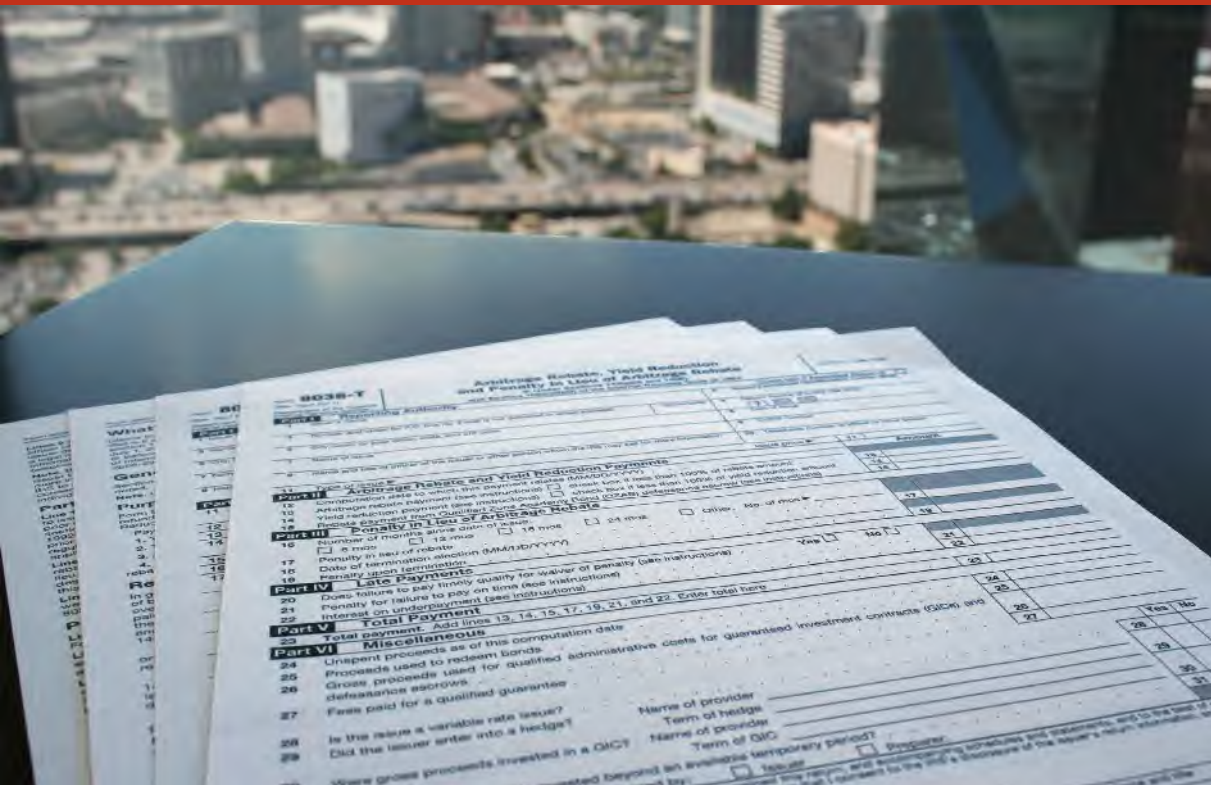
Please review this material and let us know if you have any questions or if you would like to discuss, and or have any questions or need additional information.

It has been a pleasure working with you and the City on this issue. We hope we can be of service to you in the future.

Sincerely yours,

Cynthia McNerney
Managing Director

ARBITRAGE REBATE



FIRSTSOUTHWEST ASSET MANAGEMENT

FirstSouthwest Asset Management delivers individualized post issuance compliance services to issuers and borrowers nationwide.

Our mission is to serve as a trusted advisor for our clients by providing the expert guidance, solutions and services that achieve their definition of success

The arbitrage rebate requirements have been in effect since 1986 and apply to any type of Tax-Exempt Obligations and Stimulus Act Taxable Obligations (BAB's, QSCB's, and QZAB's). The IRS rules related to these types of obligations are interrelated and very complex. The following is intended to provide a very high level overview of the rules. Issuers should seek assistance from a qualified post issuance compliance provider and work with their provider to develop and implement a post issuance compliance plan.

What is Arbitrage Rebate?

Arbitrage is the Profit from Buying in one market and Selling in another. For issuers of tax-exempt obligations, Borrowing in the tax-exempt market and Investing in the taxable market. Rebate is the profit from taking Advantage of the Market differentials.

The Basics of Rebate Compliance

The arbitrage rebate requirements permit issuers to retain a rate of return on their unspent proceeds equal to the yield they are paying their bondholders. Issuers must rebate to the Treasury any investment rate earned above their bond yield.

Rebate and Yield Restriction liabilities must be paid to the Treasury every fifth Bond Year. A Bond Year is each one-year period ending on the date selected by the Issuer. Installment payments are due 60 days after either the fifth Bond Year or the Final Maturity of the issue.

Each issue's liability is determined separately. The IRS does not allow issuers to net negative and positive liabilities.

90% of the liability must be paid at each fifth bond year and 100% of the liability at the Final Maturity date.

Payments are made by filing Form 8038-T. The IRS only requires Issuers to file a Form 8038-T along with a check for the required payment. No supporting

calculations are required. If no payment is due, there is no filing requirement.

If payments are not made timely, the IRS can assess a penalty of 50% of liability for governmental and 501(c)(3) issuers. 100% for other Private Activity Issuers. Interest is due on the underpayment and the penalty. Issuers not under IRS audit can request a waiver of the penalty.

Overpayments of prior liabilities can be requested on Form 8038-R. Refunds must be requested no later than 2 years after the final maturity date of the issue.

Allocation of Bond Proceeds to Expenditures

Contrary to what you might think, you do not spend bond proceeds. You allocate expenditures to them. An issuer can allocate proceeds to expenditures and investments based upon any reasonable, consistently applied accounting method. There must be a current outlay of cash to create an expenditure.

The IRS rules limit the time periods that expenditures can be re-allocated to proceeds. An issuer must account for the allocations of expenditures to proceeds not later than 18 months after the expenditure is paid, or if later, 18 months after the financed property is placed in service. Subject to a maximum time limit of 60 days after the fifth anniversary of the issue date or 60 days after the final maturity of the issue.

Expenditures prior to the issuance of the bonds can be reimbursed with bond proceeds as long as the issuer makes a Declaration of Official Intent to reimburse the expenditures before the expenditure is made or within 60 days after the expenditure has been made.

Official Intent does not apply to Preliminary Expenditures including Architectural, Engineering, Survey, and Soil-Testing costs. Preliminary expenditures do not include Land Acquisition, Site Preparation, or similar Commencement Costs. Preliminary Expenditures cannot exceed 20% of the Issue Price of the Issue(s).

Exceptions to Rebate

While there are exceptions to the arbitrage rebate requirements, the IRS has made these exceptions technically difficult to meet. Issuers should seek assistance in verifying compliance if they believe an issue may qualify for an exception.

Small Issuer Exception If a governmental entity with general taxing powers, on the date of issuance, reasonably expects not to issue more than an aggregate limit during the Calendar Year, they are exempt from the Rebate rules.

For municipal issuers, the aggregate limit of tax-exempt debt issued is \$5-million. For School Districts (K – 12) the aggregate limit is \$15-million as long as no more than \$5-million is for non-construction. Taxable issues are not included in the aggregate limit.

The Small Issuer exception is an exception from the Rebate rules. If proceeds of the tax-exempt issue are not spent within 3 years of the date of issuance, they will be subject to the Yield Restriction rules (see Yield Restriction below).

Investing in Tax-Exempt Investments If the proceeds of a tax-exempt issue are invested in non-Alternative Minimum Tax tax-exempt obligations, the rebate rules do not apply to those investments. The issuer is Borrowing Tax-Exempt and Investing Tax-Exempt.

Spending Exceptions There are three spending exceptions that issuers can meet. The 6-month, 18-month, and the 24-month exceptions. There are interim semi-annual spending benchmarks that must be met. The cumulative expenditures for the benchmarks are calculated based upon the bond proceeds and the investment earnings on those proceeds. If any benchmark is not met, the exception is no longer available to the issuer.

For purposes of the 18 and 24-month exceptions, an issue can have unspent proceeds at the final benchmark equal to the lesser of 3% of the issue price or \$250,000.00 and still meet the exception. If a Reasonable Retainage amount has been specified in the contract, the unspent amounts at the

final benchmark is increased by an additional amount equal to a maximum 5% retainage amount. The retainage must be spent within one year of the final benchmark.

6-Month Exception All proceeds and investment earnings, except amounts in a Reserve or Debt Service Fund, are spent on any type of capital assets, within 6 months of the date of issuance. All types of issuers qualify.

18-Month Exception All proceeds and investment earnings, except amounts in a Reserve or Debt Service Fund, are spent on any type of capital assets with cumulative expenditures in the first six months of 15%, first twelve months of 60%, and the first 18 months of 100%. All types of issuers qualify.

24-Month Exception All proceeds and investment earnings, except amounts in a Reserve, Cost of Issuance, or Debt Service Fund, are spent with cumulative expenditures in the first six months of 10%, first twelve months of 45%, first 18 months of 75%, and 100% in first twenty four months. 75% of the expenditures have to be for Construction Expenditures. The exception only applies to Governmental and Section 501(c)(3) issuers.

Debt Service Funds Debt service funds are exempt from rebate if they meet both an annual Income and Depletion test.

Income Each issue's debt service fund is limited to \$100,000.00 of investment income per year. Long-term, Fixed Rate Governmental issues are not subject to the earnings limitation. Issues with an average annual debt service not in excess of \$2,500,000.00 are also not subject to the income limitation.

Depletion At some time during the year, an issue's debt service fund's invested balance must drop below a Reasonable Carryover Amount. The Reasonable Carryover Amount is typically 1/12th of the preceding year's debt service.

If both the Income and Depletions tests are met, the Debt Service fund is excluded from the rebate calculation.

Commingled Funds

A commingled fund contains Proceeds of a tax-exempt issue and more than \$25,000.00 of amounts that are not proceeds of the issue. In addition, all of the amounts in the fund are invested and accounted for collectively.

Allocations must be made to all of the participants in a commingled fund no less frequently than as of the close of each Fiscal Period. A Fiscal Period is defined as a period that does not exceed three months (e.g. daily, weekly, monthly, or quarterly).

Expenditures in a commingled fund can be allocated among the participants based upon any of the following “safe harbor” methods:

- Specific Tracing
- Pro-Rata
- First-In, First-Out
- Gross Proceeds Spent First

Income in a commingled fund can be allocated among the participants under one of the following safe harbor methods:

- The Average Daily Balances
- The Average of the Beginning and Ending Balances

Mark to Market accounting is required for commingled funds if the average investment maturity of the fund is more than eighteen-months. Mark to Market accounting treats all of the investments as sold for their Fair Market Value on the last day of each Fiscal Period.

Refundings and Transferred Proceeds

A Refunding Issue uses its proceeds to pay Principal, Interest, or a Redemption Price of a Refunded issue(s). A refunding is performed to Reduce Interest Costs or eliminate Restrictive Covenants.

There are two types of refundings:

- Current Refunding – Within 90 days of issuance.
- Advance – After 90 days of issuance

Per the IRS rules, the yield on an Advance Refunding Escrow cannot be more than .001% above the Refunding Issue bond yield.

Unspent proceeds of the Refunded issue transfer to the Refunding issue as the Refunding issue makes Principal payments on the Refunded issue.

Advance Refundings are only allowed for Governmental and Section 501(c)(3) issuers.

Bonds issued after 1985 may only be Advance Refunded once. There is no limit on Current refundings.

If the Advance Refunding produces an interest savings, the issuer must redeem the Refunded Bonds on the first optional call date.

Yield Restriction

Yield Restriction is a separate set of rules from the Rebate rules. Rebate is the excess earnings over the bond yield (Profit) on a cumulative basis from the inception of the issue. The Yield Restriction rules govern when an issuer can legally earn arbitrage without jeopardizing the tax-exempt status of the obligations.

Yield Restriction starts after a Temporary Period or is based upon a Size Limitation, and is calculated at a Materially Higher yield.

Unlike rebate liability payments, 100% of the Yield Restriction liability is due at any required payment date.

Temporary Period During the Temporary Period an issuer can earn a yield on their investments in excess of the bond yield. However, the investments are still subject to the rebate rules during the Temporary Period.

Project Funds typically have a 3-Year Temporary Period. In order to receive a 3-year Temporary Period, an issue must reasonably expect as of the date of issuance:

- That 85% of the Project Proceeds will be spent within 3-years after the date of issuance.
- The Issuer will Contract for at least 5% of the Project Proceeds within six months after the date of issuance.
- That the Issuer will proceed with Due Diligence to complete the Project.

Replacement Proceeds have a 30 day Temporary Period. Replacement Proceeds are monies that bond holders are legally entitled to in the case of financial difficulties of the issuer. Replacement Proceeds include non bona fide debt service funds, non-bond proceeds assets pledged for the benefit of the bond holders, or reserve funds funded with non-bond proceeds issuer contributions.

Size Limitations Reserve Funds are subject to a size limitation. This size limitation is referred to as the Reasonably Required Reserve amount. If the reserve fund balance is less than the size limitation, it will not be subject to yield restriction. Any excess above the size limitation will be yield restricted.

The IRS size limitation is based upon the lesser of a three prong test. The Reasonably Required Reserve amount is the lesser of:

- 10% of the par amount
- Maximum Annual Debt Service
- 125% of Average Annual debt service

Materially Higher Amount The Yield Restriction calculation takes all of the Yield Restricted assets and compares their investment yield to the bond yield plus an adder. The adder is either .125% or .001%.

The adder depends upon the type of yield restricted assets.

For bond proceeds funded Project, Cost of Issuance, Capitalized Interest, and Reserve Funds, the Materially Higher adder is .125%.

For Advance refunding escrows and Replacement Proceeds, the Materially Higher amount is .001%.

If you have both types of assets in the calculation, the lowest adder is used for all of the Yield Restricted assets.

The IRS Yield Restriction rules permits an issuer to exclude amounts invested in higher yielding investments equal to the lesser of \$100,000.00 or 5% of the Sales Proceeds of the issue.

Post Issuance Compliance

The IRS believes that issuers with written post issuance policies and procedures are more likely to be in Compliance with their Post Issuance responsibilities and Document Retention requirements. Post Issuance Policies and Procedures should include:

- Assignment of Responsibilities for Who is responsible for What functions.
- Document Retention Policies and Procedures
- Arbitrage and Yield Restriction Calculation Requirements
- Procedures for Monitoring Private Business Use
- A Training Plan that avoids the Turn Over Factor

Document Retention Closing Documents, Investment Support, Expenditure Support, and any other documents material to the issue must be maintained for the life of the issue plus three years. If the issue is refunded, the documents must be maintained for the life of the refunding issue plus three years.

Monitoring Private Business Use The IRS limits the amount of Private Use on tax-exempt financed property.

Governmental issues are allowed 10% private use. Private Active issuers, including Section 501(c)(3) issuers, are only allowed 5% private use. Issuers are required to track and maintain records documenting any private business use and the fact that it does not exceed the allowable limits.

An issue can lose its tax-exempt status if the Private Activity tests are not met. These tests include:

- Ownership
- Private Use and Private Security/Payment
- Private Loan Financing

These rules encompass the following items that may generate private use:

- Transfer of Ownership
- Management or Service Contracts
- Advertising or Naming Rights
- Lease or Rental by an External Party

FirstSouthwest Asset Management Can Help

FirstSouthwest Asset Management's (FSAM) Arbitrage Rebate Compliance Services Group was established in 1987. Since the inception of the group, FSAM has performed more than 40,500 calculations for more than 1,800 issuers on more than 7,800 bond issues. Our practice today consists of a diverse client base of approximately 380 issuers, across 22 states, with 2,875 bond issues and an aggregate par value of approximately \$166 billion. FSAM's senior rebate staff has on average more than 21 years of rebate compliance experience. 58% of our calculations contain commingled construction, debt service, or reserve funds.

In addition to the standard rebate compliance functions, FSAM provides Issuers with service after the calculation, this includes:

- Annual Post Issuance Compliance Training.
- Unlimited Consultation.
- Process Improvement Suggestions.
- Post Issuance Compliance and Document Retention Monitoring and Feedback.

FSAM prides itself in its commitment to post issuance compliance education. Since 1993, FSAM has sponsored annual "Post Issuance Compliance Seminars" devoted solely to the topic of IRS and SEC compliance. To date, the seminars have been held in fourteen states and have had more than 4,500 attendees.

FSAM takes great pride in that approximately 70% of its rebate compliance clients have been with us for 10 years or more. This retention history demonstrates not only FSAM's technical abilities, but our ability to continue to maintain a high level of client satisfaction over time.

When the IRS wants advice on tax-exempt obligations, they ask FSAM. From 2015 to 2018, Bill Johnson will be an advisor to the IRS as part of the IRS Advisory Committee on Tax-Exempt/Governmental Entities or "ACT" on the Tax-Exempt Bond subcommittee.

In order not to limit FSAM's pre-issuance tax advisory services to its clients, or run afoul of the FINRA rules on Municipal Advisory Representatives, each member of the senior management team of FSAM's Arbitrage Rebate Compliance Services Group will become certified as Municipal Advisory Representatives by obtaining his or her Series 50 securities license.

FirstSouthwest also provides the following Post Issuance Compliance Services:

- SEC Continuing Disclosure
- Investment Advisory Services
- Structured Products (Swaps, Investment Contracts)
- GASB and FASB reporting for Financial Statement valuation

Post Issuance Compliance Quiz

What is your Post Issuance Compliance Score? Answer each of the questions Yes or No. For each Yes answer you will receive 5 points. If the question does not apply, consider it a Yes.

1. Do you have formal written Post Issuance Policies and Procedures (“PIPP”)?
2. Do you have Detailed Procedures in place for each of the Functional Areas responsible for Post Issuance Compliance?
3. Have you Followed Up to ensure that the people Assigned with Responsibilities are Performing those Functions?
4. Do you Review your PIPP Annually for Compliance and make Necessary Revisions?
5. Do you Segregate bond related legal documents, requisitions/invoices, and investment support?
6. Are you maintaining records related to your bond issues for the life of the issue plus three years? Or, in the issue is refunded, the life of the refunding issue plus three years?
7. Have you recently audited your document retention procedures to determine they are being followed?
8. At a minimum, are you having Rebate calculations performed at IRS Computation Dates?
9. Do you Review and Adjust Expenditure Allocations within 18 Months of the project being Placed in Service?
10. If you are trying to take advantage of the Small Issuer, Spending, or Debt Service Fund Exceptions, do you have Documentation that Supports meeting the Exception?
11. At a minimum, are you spending at least 85% of your project proceeds in the First Five Years?
12. If the issue is a Refunding issue, did you have a Final Calculation performed on the Refunded Issue?
13. Do you have procedures in place to Monitor that necessary Zero SLGS Rolls are being made by your Escrow Agent?
14. Are you having Yield Restriction calculations performed?
15. Do you have Policies and Procedures in place to monitor Private Business Use?
16. Have you entered into any Leases, Management Contracts, or Naming Rights with private parties?
17. Do you have documentation to support the Amount of Private Use?
18. Have you recently audited your Private Business Use procedures to determine if they are being followed?
19. Do you provide annual Post Issuance Compliance training for anyone responsible for a Post Issuance Compliance Function?
20. For any new Post Issuance Compliance Responsible Person, have you confirmed that they understand their responsibilities and they have been properly Trained to perform them?

Compare your scores to the following table:

Score	Ranking	Action
0 - 25	Needs Improvement	Seek Assistance
26 - 50	Work in Process	Formulate a Plan
51-75	Getting There	Focus on Non-Compliance
76 - 100	Looking Good	Continue to Refine the Process

Contact Us

Call us, we are happy to work with you to develop a plan to get your post issuance compliance house in order. It is less expensive than you think.

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Memorandum

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Suite 320
Boston, MA 02114

617-619-4408 Direct
617-619-4411 Fax

Cynthia McNerney
Managing Director

Cinder.mcnerney@hilltopsecurities.com

Date: December 14, 2017

To: Dennis Kelly
Morgan Stanley & Co., Incorporated
Tel: 917-26—5295
Email: Dennis.Kelly1@MorganStanley.com
Email: Sonja.Richardson@MorganStanley.com

Subject: City of Newton, MA Bond Wire instructions

Delivery of \$38,930,000 City of Newton, Massachusetts General Obligation Municipal Purpose Loan of 2017 Bonds is scheduled for Thursday, December 21, 2017. Proceeds of the issue will be disbursed as follows:

\$28,976,381.55 comprised of new money Bond proceeds (\$28,800,000.00), costs of issuance (\$171,606.00) and additional proceeds (\$4,775.55) is to be wired by Morgan Stanley & Co., Incorporated, purchaser of the Bonds, to the City as follows:

BANK:	Rockland Trust Company
ABA #	011 304 478
For Further Credit to:	
City of Newton, MA	
Account #:	0002482975

\$13,782,184.04 representing that portion of Bond proceeds issued to fund the refunding escrow, is to be wired by Morgan Stanley & Co. Incorporated, purchaser of the Bonds, to U.S. Bank National Association, as follows:

US Bank
ABA 091-000-022
BNF: US Bank Trust NA
A/C: 173103321092
OBI: Corporate Trust
REF: City of Newton, MA, Escrow
Attn: Jim Loring

U.S. Bank National Association will pay \$13,782,123.60 from Escrow Account to PCN Capital Markets for the purchase of US Treasury Securities for the escrow settling December 21, 2017.

Additionally, U.S. Bank National Association will pay \$266,858.00 from the Escrow Account with funds wired into the same account by the City on December 21, 2017 for the purchase of SLGS Securities. \$60.44 of funds wired by Morgan Stanley & Co., Incorporated to the Escrow Account and \$1,001.39 of funds wired by the City to the same account will be held as cash, uninvested in the Escrow Account.

If there are any questions, please call me at 617-619-4408.



Memorandum

54 Canal Street
Suite 320
Boston, MA 02114

617.619.4408 Direct
617.619.4411 Fax

Cynthia McNernery
Managing Director

Cinder.mcnerney@hilltopsecurities.com

Date: December 14, 2017

To: James Reardon, Treasurer
City of Newton, MA

Subject: Newton, MA Refunding Bonds Cash Contributions

In order for the savings on the refunding bond issue to occur in future fiscal years in the amounts preferred by the City, on December 21, 2017 the City needs to wire \$267,859.39 of previously appropriated debt service funds for fiscal 2018 to the refunding escrow account at US Bank as shown below. (This is referred to as an escrow cash contribution):

\$267,859.39 representing the escrow contribution is to be wired by the City as follows:

US Bank
ABA 091-000-022
BNF: US Bank Trust NA
A/C: 173103321092
OBI: Corporate Trust
REF: City of Newton, MA, Escrow
Attn: Jim Loring

These funds will be used to purchase \$266,858.00 SLGS Securities for the escrow settling December 21, 2017.

Please let us know if you have any questions.



December 21, 2017
Account Number: 2494040

Invoice Number: 14329
Henriqueta T. Da Costa

Invoice

Jim Reardon
Treasurer
City Hall
1000 Commonwealth Ave.
Newton, MA 02459

Re: City of Newton, Massachusetts
\$38,930,000 General Obligation Municipal Purpose Loan of 2017 Bonds

Fees And Expenses Incurred

Financial Advisory Services	\$75,000.00
Document Preparation	1,035.00
Postage & Miscellaneous	500.00
Total	<u>\$76,535.00</u>

Please Remit Payment To:

FirstSouthwest
a Division of Hilltop Securities Inc.
54 Canal Street, Suite 320
Boston, MA 02114

7

CREDIT OPINION

8 December 2017

New Issue

Rate this Research >>

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Newton (City of) MA

New Issue - Moody's assigns Aaa to Newton, MA GOs; outlook stable

Summary Rating Rationale

Moody's Investors Service has assigned an Aaa rating to the City of Newton, Massachusetts' \$39.7 million General Obligation Municipal Purpose Loan of 2017 Bonds. Moody's maintains an Aaa rating on the city's outstanding general obligation bonds. The outlook is stable.

The Aaa rating reflects the wealthy tax base and diverse, strong regional economy, manageable debt profile and commitment to reducing its unfunded pension liability. The rating also incorporates a long trend of conservative fiscal management with a stable financial position and improving reserves.

Credit Strengths

- » Sizeable, wealthy and diverse tax base with favorable location and institutional presence
- » Formal financial policies and conservative, multi-year budgeting approach
- » Strong fiscal management including plans to fully fund pensions by 2030

Credit Challenges

- » Limited ability to raise property taxes under Proposition 2½
- » Large long term liabilities for pension and OPEB

Rating Outlook

The stable outlook reflects our expectation of continued financial stability due to conservative budget forecasting including five year operating and capital plans as well as adherence to comprehensive financial and debt policies. The outlook also incorporates the strength of both the city and regional economies.

Factors that Could Lead to a Downgrade

- » A multi-year trend of declines in available General Fund balance
- » Increased reliance on free cash appropriations to balance operating budgets
- » Material increase in the debt burden
- » Failure to reduce unfunded pension liability

Key Indicators

Exhibit 1

Newton (City of) MA	2012	2013	2014	2015	2016
Economy/Tax Base					
Total Full Value (\$000)	\$22,520,035	\$21,757,018	\$21,757,018	\$22,317,333	\$22,317,333
Population	85,177	86,241	86,945	87,675	88,817
Full Value Per Capita	\$264,391	\$252,282	\$250,239	\$254,546	\$251,273
Median Family Income (% of USMedian)	230.5%	239.2%	239.0%	244.0%	244.0%
Finances					
Operating Revenue (\$000)	\$326,882	\$347,238	\$366,056	\$347,913	\$373,457
Fund Balance (\$000)	\$27,286	\$29,551	\$33,826	\$35,518	\$54,644
Cash Balance (\$000)	\$50,398	\$54,057	\$62,094	\$69,077	\$81,212
Fund Balance as a % of Revenues	8.3%	8.5%	9.2%	10.2%	14.6%
Cash Balance as a % of Revenues	15.4%	15.6%	17.0%	19.9%	21.7%
Debt/Pensions					
Net Direct Debt (\$000)	\$206,499	\$189,298	\$199,866	\$216,517	\$260,150
3-Year Average of Moody's ANPL (\$000)	\$387,482	\$459,786	\$502,334	\$526,163	\$527,267
Net Direct Debt / Operating Revenues (x)	0.6x	0.5x	0.5x	0.6x	0.7x
Net Direct Debt / Full Value (%)	0.9%	0.9%	0.9%	1.0%	1.2%
Moody's - adjusted Net Pension Liability (3-yr average) to Revenues (x)	1.2x	1.3x	1.4x	1.5x	1.4x
Moody's - adjusted Net Pension Liability (3-yr average) to Full Value (%)	1.7%	2.1%	2.3%	2.4%	2.4%

As of June 30, fiscal year-end

Full Value = Equalized Value (2017 Equalized Value (\$000) = \$26,223,774)

Source: Moody's Investors Service, City audited financials

Recent Developments

Since our last credit opinion dated January 19, 2017, the city has reported, on a preliminary unaudited basis, ending fiscal 2017 with a surplus of \$4.7 million due to positive variance in all major revenues and expenditures. Additionally, the latest pension valuation report indicates the funding date for the pension system has been pushed back one year to 2030 from 2029. The valuation reflects a decline in the discount rate to 7.5% and aggressive funding of the liability requiring annual increases of 9.6% to contributions.

Detailed Rating Considerations

Economy and Tax Base: City benefits from strong valuation growth and high wealth and income levels

The \$26.2 billion tax base is the third largest in the commonwealth and includes a diverse residential and commercial composition. It will likely remain stable over the medium term, benefiting from strong residential growth and a healthy commercial sector. The city has enjoyed six consecutive years of assessed value growth including 7.5% in 2017. The positive trend increases the five-year compound annual growth rate to 4.4%. Additionally, the two year equalized value state certification increased 17.6% from 2015, marking the largest increase in over ten years. The city has benefited from recent commercial expansion and improvement around the Chestnut Hill Mall and Route 9 corridor. Currently, commercial and mixed-use redevelopment is under construction on Needham Street and Wells Avenue. Annual new growth revenue in 2018 was healthy at \$5.5 million, one of the strongest in recent years.

Newton benefits from its prime location just seven miles west of Boston (Aaa stable). The local economy is bolstered by favorable access to public transportation and major regional roadways, as well as the institutional presence of [Boston College](#) (Aa3 stable) and Lasell College. There is also a large healthcare presence in the city, including Newton-Wellesley Hospital, a member of [Partners HealthCare System](#) (Aa3 negative). Wealth and income levels, as indicated by the very strong \$295,256 equalized value per capita and \$161,101 median family income, far exceed commonwealth and national medians. In addition, the city's unemployment rate of 2.6% (October 2017) continues to trend below the commonwealth and US rates of 3.3% and 3.9%, respectively.

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the ratings tab on the issuer/entity page on www.moody's.com for the most updated credit rating action information and rating history.

Financial Operations and Reserves: Stable financial position expected to continue over near term

The city's financial position will remain stable over the near term due to conservative budgeting and sound fiscal management. Of note, the reserve position has improved over the last five years to a more appropriate level for the Aaa rating category. Fiscal 2016 available general fund balance equaled \$54.6 million or 14.6% of revenues; a marked improvement from very slim \$27.3 million or 8.3% of revenues as of the end of fiscal 2012. The fiscal 2016 audited financials reflect an operating surplus for the fourth year in a row, in the amount of \$15 million (net of bond premium) attributable to a positive variance in revenues including improved collection rates of over 100% and strong license and permit fees.

The fiscal 2017 year end unaudited figures indicate a general fund surplus adding \$4.7 million to general fund balance. The surplus is attributable mostly to a positive variance in revenues and other financings sources while expenditures came in just under budget.

The fiscal 2018 budget increased 4.3% or \$16.3 million from the prior year driven by education, pension and debt service costs. The budget is balanced with a tax levy increase to the 2.5% limit plus debt exclusions and conservative estimates for state aid and local receipts.

The five-year budget forecast (FY19-23) includes small budget gaps of 0.4% of revenues in fiscal 2019 rising to 4% (\$18.7 million) in 2023. We expect the city to address the budget gaps, as they have historically, through operating efficiencies and tight budget controls as the fiscal years approach.

LIQUIDITY

The liquidity position is healthy with fiscal 2016 cash and investments totaling \$81.2 million or 21.7% of revenues.

Debt and Pensions: Manageable debt burden; Large but well-planned for pension liability

The direct debt burden of 1.1% of equalized value and 0.8 times revenues will remain manageable due to the city's comprehensive capital plan, debt exclusions and adherence to a debt management policy. The overall debt burden increases to 2.3% when incorporating the considerable overlapping debt of the regional transportation, water and wastewater systems. The capital improvement plan (FY19-23) totals \$672.4 million and reflects little change from last year's 5-year plan. Bond financing represents \$193 million or 29% of project costs not counting mixed financing sources. Currently the city has a total of \$60 million unused bond authorization.

DEBT STRUCTURE

All debt is fixed rate and amortization of principal is slower than average with 48% retired in ten years. Fiscal 2016 debt service represented \$18.6 million or 5.2% of expenditures. At this level the city is in compliance with its debt policy to maintain debt service between 4% and 7.5% of the annual budget.

DEBT-RELATED DERIVATIVES

Newton is not party to any interest rate swaps or other derivative agreements.

PENSIONS AND OPEB

The city participates in the Newton Contributory Retirement System, a multi-employer, defined benefit retirement plan for all employees with the exception of teachers and certain school administrators who are covered through on behalf payments by the state under the Massachusetts Teachers Retirement System. The city's annual contribution to the plan was \$21.7 million in fiscal 2016, or 6% of general fund expenditures. The 2016 three-year average Moody's Adjusted Net Pension Liability, under Moody's methodology for adjusting reported pension data, is \$527.3 million, or an average 1.41 times general fund revenues and 2.4% of equalized value. Additionally, the city is committed to an aggressive funding strategy that includes a pension funding date of 2030, this date was recently pushed back one year based on the latest valuation report and funding plan. While this strategy is a credit positive and a reflection of strong management, the funding will be a challenge given that it requires a 9.6% annual increase in retirement contributions.

Newton also contributed 40% of its annual Other Post Employment Benefit costs in 2016, representing \$19.7 million plus an annual contribution, to its OPEB trust. The OPEB UAAL as of July 30, 2017 is a large \$639 million with a current funded ratio of 0.91%. Based on the city's pension funding strategy, the city anticipates eliminating the OPEB liability by around 2040.

Total fixed costs for fiscal 2016, including debt service, required pension contributions and retiree healthcare payments, represented \$60 million or 16% of general fund expenditures.

Management and Governance: Strong Management; Formal Policies

The city maintains strong fiscal management and governance through conservative budgeting and proactive, long-term financial planning including a five year budget forecast and capital plan as well as formal financial and reserve policies. In fiscal 2017, the city adopted a debt management policy that limits annual debt service in the General Fund to between 4% and 7.5% of the budget.

Massachusetts Cities have an Institutional Framework score of Aa, which is high compared to the nation. Institutional Framework scores measure a sector's legal ability to increase revenues and decrease expenditures. Massachusetts cities major revenue source, property taxes, are subject to the Proposition 2 1/2 cap which can be overridden with voter approval only. However, the cap of 2.5% still allows for moderate revenue-raising ability. Unpredictable revenue fluctuations tend to be minor, or under 5% annually. Across the sector, fixed and mandated costs are generally greater than 25% of expenditures. However, Massachusetts has public sector unions, which can limit the ability to cut expenditures. Unpredictable expenditure fluctuations tend to be minor, under 5% annually.

Legal Security

The bonds are secured by a general obligation limited tax pledge of the city as all debt service has not been excluded from the levy limitations of Proposition 2½.

Use of Proceeds

Bond proceeds will provide new money to fund various city capital projects. Proceeds of approximately \$12.7 million will advance refund the city's 2010 Series A and B bonds dated May 1, 2010 and Series 2011 dated April 14, 2011 for an estimated net present value savings of \$1.1 million or 8.4% of refunded principal with no extension of maturity.

Obligor Profile

Newton is located seven miles west of Boston, Massachusetts and has a population of approximately 87,675 (2015 ACS).

Methodology

The principal methodology used in this rating was US Local Government General Obligation Debt published in December 2016. Please see the Rating Methodologies page on www.moody.com for a copy of this methodology.

Ratings

Exhibit 2

Newton (City of) MA

Issue	Rating
General Obligation Municipal Purpose Loan of 2017 Bonds	Aaa
Rating Type	Underlying LT
Sale Amount	\$39,680,000
Expected Sale Date	12/12/2017
Rating Description	General Obligation Limited Tax

Source: Moody's Investors Service

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REPORT NUMBER

1101792

CLIENT SERVICES

Americas	1-212-553-1653
Asia Pacific	852-3551-3077
Japan	81-3-5408-4100
EMEA	44-20-7772-5454

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Rule 15c2-12 Filing Cover Sheet

This cover sheet is sent with all submissions made to the Municipal Securities Rulemaking Board’s Electronic Municipal Market Access (“EMMA”) pursuant to Securities and Exchange Commission (SEC) Rule 15c2-12 or any analogous state statute.

Issuer Name: City of Newton, Massachusetts

Issue(s): \$ 11,650,000 General Obligation State Qualified School Bonds, Series A Dated 5/1/2010
\$ 14,398,000 General Obligation Municipal Purpose Loan of 2010 Bonds Dated 5/1/2010
\$ 5,770,000 General Obligation Municipal Purpose Loan of 2011 Bonds Dated 4/14/2011

Filing Format electronic paper; If available on the Internet, give URL: _____

CUSIP Numbers to which the information filed relates (optional):
 Nine-digit number(s) (attach additional sheet if necessary):

X Six-digit number if information filed relates to all securities of the Issuer: 653063

* * *

Description of Material Event Notice/Other Material Information

1. ___ Principal and interest payment delinquencies
2. ___ Non-payment related defaults
3. ___ Unscheduled draws on debt service reserves reflecting financial difficulties
4. ___ Unscheduled draws on credit enhancements reflecting financial difficulties
5. ___ Substitution of credit or liquidity providers, or their failure to perform
6. ___ Adverse tax opinions or events affecting the tax-exempt status of the security
7. ___ Modifications to rights of security holders
8. X Bond calls
9. X Defeasances
10. ___ Release, substitution, or sale of property securing repayment of the securities
11. ___ Rating changes (Moody’s Downgrade)
12. ___ Notice of non-compliance: failure to provide annual financial information
13. ___ Other material event or information (specify) _____

Financial & Operating Data Disclosure Information

(Financial information should not be filed with the MSRB)

- Annual Financial Report or CAFR
- Financial Information & Operating Data
- Other (describe): _____

Fiscal Period Covered: _____
 Monthly Quarterly Annual Other: _____
* * *

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Name: Lisa Driscoll _____

Title: Director _____

Employer: FirstSouthwest, a Division of Hilltop
Securities Inc. _____

Voice Telephone Number: 617-619-4405 _____

Email Address: lisa.driscoll@hilltopsecurites.com _____

**NOTICE OF MATERIAL EVENT
FOR CONTINUING DISCLOSURE REQUIREMENTS
OF SEC RULE 15c2-12
December 21, 2017**

This Notice is being provided by the City of Newton, Massachusetts (the “Issuer”), pursuant to the requirement of Rule 15c2-12 (the “Rule”) of the Securities and Exchange Commission, as notification of occurrence of the following material event as defined in paragraph (b)(5)(i)(C) of the Rule.

In December 2017, the Issuer issued General Obligation Refunding Bonds. This Issue defeased the following maturities:

<u>Original Dated Date</u>	<u>Original Maturity</u>	<u>Interest Rate</u>	<u>Amount</u>
5/1/2010, Series A	3/1/2021	4.000%	\$ 390,000
	3/1/2022	4.000%	390,000
	3/1/2023	4.000%	390,000
	3/1/2024	4.000%	390,000
	3/1/2025	4.000%	390,000
	3/1/2026	4.000%	390,000
	3/1/2027	4.000%	390,000
	3/1/2029	4.000%	780,000
	3/1/2035	4.125%	2,315,000
	3/1/2040	4.250%	1,925,000
	TOTAL:		<u>\$ 7,750,000</u>
Mandatory Redemptions:			
	3/1/2028	4.000%	\$ 390,000
	3/1/2029	4.000%	390,000
			<u>\$ 780,000</u>
	3/1/2030	4.125%	\$ 390,000
	3/1/2031	4.125%	385,000
	3/1/2032	4.125%	385,000
	3/1/2033	4.125%	385,000
	3/1/2034	4.125%	385,000
	3/1/2035	4.125%	385,000
			<u>\$ 2,315,000</u>
	3/1/2036	4.250%	\$ 385,000
	3/1/2037	4.250%	385,000
	3/1/2038	4.250%	385,000
	3/1/2039	4.250%	385,000
	3/1/2040	4.250%	385,000
			<u>\$ 1,925,000</u>

The March 1, 2021 through March 1, 2027, March 1, 2029, March 1, 2035 and March 1, 2040 maturities will be called on March 1, 2020 at 100%. The proceeds of the refunding escrow will be invested in US Treasury Securities (T-Notes).

<u>Original Dated Date</u>	<u>Original Maturity</u>	<u>Interest Rate</u>	<u>Amount</u>
5/1/2010, Series B	3/1/2021	4.000%	\$ 615,000
	3/1/2022	4.000%	615,000
	3/1/2023	4.000%	615,000
	3/1/2024	4.000%	615,000
	3/1/2025	4.000%	610,000
	3/1/2026	4.000%	280,000
	3/1/2027	4.000%	280,000
	3/1/2028	4.000%	280,000
	3/1/2029	4.000%	280,000
	3/1/2030	4.000%	280,000
	TOTAL:		<u>\$ 4,470,000</u>

The March 1, 2021 through March 1, 2030 maturities will be called on March 1, 2020 at 100%. The proceeds of the refunding escrow will be invested in US Treasury Securities (T-Notes).

<u>Original Dated Date</u>	<u>Original Maturity</u>	<u>Interest Rate</u>	<u>Amount</u>
4/14/2011	4/1/2026	3.625%	\$ 530,000
	4/1/2031	4.000%	500,000
	TOTAL:		<u>\$ 1,030,000</u>

Mandatory Redemptions:

4/1/2022	3.625%	\$ 110,000
4/1/2023	3.625%	110,000
4/1/2024	3.625%	110,000
4/1/2025	3.625%	100,000
4/1/2026	3.625%	100,000
		<u>\$ 530,000</u>
4/1/2027	4.000%	\$ 100,000
4/1/2028	4.000%	100,000
4/1/2029	4.000%	100,000
4/1/2030	4.000%	100,000
4/1/2031	4.000%	100,000
		<u>\$ 500,000</u>

The April 1, 2026 and April 1, 2031 maturities will be called on April 1, 2021 at 100%. The proceeds of the refunding escrow will be invested in US Treasury Securities (T-Notes).

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DISTRIBUTION LIST
City of Newton, Massachusetts
\$38,930,000 General Obligation Municipal Purpose Loan of 2017 Bonds
Dated December 21, 2017

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OFFICIAL STATEMENT DATED DECEMBER 12, 2017

Rating: See "Rating" herein.
Moody's Investors Service: Aaa

New Issue

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

CITY OF NEWTON, MASSACHUSETTS
\$38,930,000 GENERAL OBLIGATION MUNICIPAL PURPOSE LOAN OF 2017 BONDS

DATED
Date of Delivery

DUE
September 1
(as shown below)

The Bonds are issuable only in fully registered form without coupons and, when issued, will be registered in the name of Cede & Co., as Bondholder and nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the Bonds. Purchases of the Bonds will be made in book-entry form, in denominations of \$5,000 or any integral multiple thereof. (See "Book-Entry Transfer System" herein.)

Principal of the Bonds will be payable September 1 of the years in which the Bonds mature. Interest on the Bonds will be payable on March 1 and September 1, commencing September 1, 2018. Principal and semiannual interest on the Bonds will be paid by U.S. Bank National Association, Boston, Massachusetts, as Paying Agent. So long as DTC or its nominee, Cede & Co., is the Bondowner, such payments will be made directly to such Bondowner. Disbursement of such payments to the DTC Participants is the responsibility of DTC and disbursement of such payments to the Beneficial Owners is the responsibility of the DTC Participants and Indirect Participants, as more fully described herein.

The Bonds are subject to redemption prior to their stated maturity dates as described herein.

An opinion of Bond Counsel will be delivered with the Bonds to the effect that the Bonds are valid general obligations of the City of Newton and, to the extent not paid from other sources, the principal of and interest on the Bonds are payable from taxes which may be levied upon all taxable property in the City without limitation as to rate or amount except as provided under Chapter 44, Section 20 of the General Laws, with respect to that portion of the principal and interest payments that the City has voted to exempt from the limit imposed by Chapter 59, Section 21C of the General Laws (Proposition 2 ½), and subject to the limit imposed by Chapter 59, Section 21C of the General Laws with respect to that portion of the principal and interest payments that the City has not voted to exempt from that limit.

MATURITIES, AMOUNTS, RATES, PRICES OR YIELDS AND CUSIPS

Due September 1	Principal Amount	Interest Rate	Yield/ Price	CUSIP # 653064	Due September 1	Principal Amount	Interest Rate	Yield/ Price	CUSIP # 653064
2018	\$ 600,000	5.00 %	1.19 %	AA3	2030	\$ 1,410,000	4.00 %	2.44 %	AN5
2019	740,000	5.00	1.43	AB1	2031	1,340,000	4.00	2.53	AP0
2020	1,665,000	5.00	1.49	AC9	2032	1,365,000	4.00	2.62	AQ8
2021	1,765,000	5.00	1.54	AD7	2033	1,260,000	4.00	2.71	AR6
2022	1,780,000	5.00	1.62	AE5	2034	1,290,000	4.00	2.79	AS4
2023	1,800,000	5.00	1.71	AF2	2035	1,315,000	4.00	2.87	AT2
2024	1,820,000	5.00	1.78	AG0	2036	1,340,000	3.00	98.50	AU9
2025	1,535,000	5.00	1.83	AH8	2037	1,360,000	3.00	97.75	AV7
2026	1,555,000	5.00	1.90	AJ4	2038	1,185,000	3.00	3.19	AW5
2027	1,580,000	5.00	2.00	AK1	2039	1,210,000	3.125	98.50	AX3
2028	1,605,000	5.00	2.11	AL9	2040	875,000	3.125	98.00	AY1
2029	1,630,000	5.00	2.17	AM7					

\$1,825,000 Interest Rate 3.25% Term Bond Maturing September 1, 2042 Yield 3.30% CUSIP # 653064 BA2

\$1,940,000 Interest Rate 3.25% Term Bond maturing September 1, 2044 Price 98.75% CUSIP # 653064 BC8

\$3,140,000 Interest Rate 3.25% Term Bond Maturing September 1, 2047 Yield 3.35% CUSIP # 653064 BF1

The Bonds are offered subject to the final approving opinion of Locke Lord LLP, Boston, Massachusetts, Bond Counsel, as aforesaid, and to certain other conditions referred to herein and in the Notice of Sale. FirstSouthwest, a Division of Hilltop Securities Inc. Boston, Massachusetts has acted as Financial Advisor to the City of Newton, Massachusetts, with respect to the Bonds. The Bonds in definitive form will be delivered to DTC, or its custodial agent, on or about December 21, 2017, against payment to the City in federal funds.

Morgan Stanley & Co. LLC., an underwriter of the Bonds, has entered into a distribution agreement with its affiliate, Morgan Stanley Smith Barney LLC. As part of the distribution arrangement, Morgan Stanley & Co. LLC may distribute municipal securities to retail investors through the financial advisor network of Morgan Stanley Smith Barney LLC. As part of this arrangement, Morgan Stanley & Co. LLC may compensate Morgan Stanley Smith Barney LLC for its selling efforts with respect to the Bonds

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The Official Statement is not to be construed as a contract or agreement between the City and the purchasers or holders of any of the Bonds. Any statements made in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended merely as opinion and not as representations of fact. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale of the bonds described herein shall, under any circumstances, create any implication that there has been no change in the affairs of the City of Newton, since the date hereof.

SUMMARY STATEMENT

The information set forth below is qualified in its entirety by the information and financial statements appearing elsewhere in the Official Statement.

Date of Sale: Tuesday, December 12, 2017, 11:00 A.M. (E.T).

Location of Sale: FirstSouthwest, a Division of Hilltop Securities Inc., 54 Canal Street, 3rd Floor, Boston, Massachusetts 02114.

Issuer: City of Newton, Massachusetts.

Issue: \$38,930,000 General Obligation Municipal Purpose Loan of 2017 Bonds, see "THE BONDS - Book-Entry Transfer System" herein.

Official Statement Dated: December 12, 2017.

Dated Date of the Bonds: Date of delivery.

Principal Due: Serially September 1, 2018 through September 1, 2040, and three Term Bonds maturing September 1, 2042, September 1, 2044 and September 1, 2047, as detailed herein.

Interest Payable: Semiannually on March 1 and September 1, commencing September 1, 2018.

Redemption: The Bonds are subject to redemption prior to their stated maturity dates, as described in the Preliminary Official Statement.

Purpose and Authority: Bond proceeds will be used to fund various capital projects and refund bonds originally dated May 1, 2010 Series A and Series B and April 14, 2011, as detailed herein.

Security of the Bonds: The Bonds are valid general obligations of the City of Newton, and, to the extent not paid from other sources, the Bonds are payable from taxes which may be levied upon all taxable property within the territorial limits of the City, without limitations as to rate or amount, except as provided under Chapter 44, Section 20 of the General Laws, with respect to that portion of the principal and interest payments that the City has voted to exempt from the limit imposed by Chapter 59, Section 21C of the General Laws, and subject to the limit imposed by Chapter 59, Section 21C of the General Laws with respect to that portion of the principal and interest payments that the City has not voted to exempt from that limit.

Credit Rating: Moody's Investors Service has assigned a rating of Aaa to the Bonds.

Bond Insurance: The City has not contracted for the issuance of any policy of municipal bond insurance or any other credit enhancement facility.

Basis of Award: Lowest True Interest Cost (TIC), as of the dated date. **BIDS MUST INCLUDE A PREMIUM OF AT LEAST \$165,000.**

Tax Exemption: Refer to "THE BONDS - Tax Exemption" herein and Appendix B, "Proposed Form of Legal Opinion".

Continuing Disclosure: Refer to "THE BONDS - Continuing Disclosure" herein and Appendix C, "Proposed Form of Continuing Disclosure Certificate".

Bank Qualification: The Bonds will NOT be designated by the City as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

Escrow/Paying Agent: U.S. Bank National Association, Boston, Massachusetts.

Verification Agent: Grant Thornton LLP, Minneapolis, Minnesota.

Bond Counsel: Locke Lord LLP, Boston, Massachusetts.

Financial Advisor: FirstSouthwest, a Division of Hilltop Securities Inc., Boston, Massachusetts.

Delivery and Payment: It is expected that delivery of the Bonds in book-entry only form will be made to The Depository Trust Company, or to its custodial agent, on or about December 21, 2017 against payment in federal funds.

Issuer Official: Questions concerning the Official Statement should be addressed to: Mr. James Reardon, Treasurer/Collector, City of Newton, Massachusetts Telephone (617) 796-1338 or Cinder McNerney, Managing Director, FirstSouthwest, a Division of Hilltop Securities Inc., Boston, Massachusetts Telephone (617) 619-4408.

NOTICE OF SALE

CITY OF NEWTON, MASSACHUSETTS

\$39,680,000* GENERAL OBLIGATION MUNICIPAL PURPOSE LOAN OF 2017 BONDS

The City of Newton, Massachusetts (the "City") will receive sealed and electronic (as described herein) proposals until 11:00 a.m., Eastern Time, Tuesday, December 12, 2017, for the purchase of the following described General Obligation Municipal Purpose Loan of 2017 Bonds of the City (the "Bonds"):

\$39,680,000* General Obligation Municipal Purpose Loan of 2017 Bonds payable September 1 of the years and in the amounts as follows:

<u>Due</u> <u>September 1</u>	<u>Principal</u> <u>Amount*</u>	<u>Due</u> <u>September 1</u>	<u>Principal</u> <u>Amount*</u>
2018	\$ 645,000	2033	\$ 1,270,000 **
2019	780,000	2034	1,295,000 **
2020	1,765,000	2035	1,320,000 **
2021	1,870,000	2036	1,340,000 **
2022	1,880,000	2037	1,345,000 **
2023	1,895,000	2038	1,160,000 **
2024	1,910,000	2039	1,175,000 **
2025	1,610,000	2040	855,000 **
2026	1,620,000	2041	880,000 **
2027	1,635,000	2042	905,000 **
2028	1,655,000 **	2043	930,000 **
2029	1,675,000 **	2044	970,000 **
2030	1,430,000 **	2045	1,005,000 **
2031	1,355,000 **	2046	1,045,000 **
2032	1,375,000 **	2047	1,085,000 **

*Preliminary, subject to change.

**May be combined into one, two or three Term Bonds.

The Bonds will be dated their date of delivery. Principal of the Bonds will be payable on September 1 of the years in which the Bonds mature. Interest will be payable semiannually on March 1 and September 1, commencing September 1, 2018.

The Bonds will be issued by means of a book-entry system with no physical distribution of the Bonds made to the public. One certificate for each maturity of the Bonds will be issued to The Depository Trust Company, New York, New York ("DTC"), and immobilized in its custody. Ownership of the Bonds in principal amounts of \$5,000 or integral multiples thereof will be evidenced by a book-entry system with transfers of ownership affected on the records of DTC and its participants pursuant to rules and procedures established by DTC and its participants. The winning bidder, as a condition to delivery of the Bonds, shall be required to deposit the Bonds with DTC, registered in the name of Cede & Co. Interest and principal on the Bonds will be payable to DTC or its nominee as Registered Owner of the Bonds. Transfer of principal and interest payments to DTC participants will be the responsibility of DTC. Transfer of principal and interest payments to Beneficial Owners will be the responsibility of such participants and other nominees of Beneficial Owners. The City will not be responsible or liable for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

The Bonds maturing in the years 2018 through 2027 will not be subject to redemption prior to maturity. The Bonds maturing on and after September 1, 2028 shall be subject to redemption prior to maturity, at the option of the City, on or after September 1, 2027, either in whole or in part at any time, and if in part, by lot within a maturity, at the par amount of the Bonds to be redeemed.

For Bonds maturing on September 1, 2028, and thereafter, bidders may specify that all of the principal amount of such Bonds in any two or more consecutive years may, in lieu of maturing in each such year, be combined to comprise one maturity of Term Bonds scheduled to mature in the latest of the combined years, and shall be subject to mandatory redemptions prior to maturity at par as described above, in each of the years and in the principal amounts specified in the foregoing maturity schedule. Each mandatory redemption shall be allocated to the payment of the term bond maturing in the nearest subsequent year. Bidders may specify no more than three Term Bonds.

Term Bonds, if any, shall be subject to mandatory redemption on September 1 of the year or years immediately prior to the stated maturity of the Term Bond (the particular Bonds of such maturity to be redeemed to be selected by lot) as indicated in the foregoing maturity schedule at the principal amount thereof, without premium.

The original Bonds to be immobilized at DTC will be prepared under the supervision of FirstSouthwest, a Division of Hilltop Securities Inc. and their legality will be approved by Locke Lord LLP, Boston, Massachusetts, whose opinion will be furnished to the purchaser without charge.

Principal and semiannual interest on the Bonds will be paid by U.S. Bank National Association, Boston, Massachusetts as Paying Agent. So long as DTC or its nominee, Cede & Co., is the Bondowner, such payments will be made directly to DTC. Disbursement of such payments to the DTC Participants is the responsibility of DTC and disbursement of such payments to the Beneficial Owners is the responsibility of the DTC Participants and the Indirect Participants, as more fully described herein.

Bidding Parameters

Bidders shall state the rate or rates of interest per annum which the Bonds are to bear in a multiple of 1/20 or 1/8 of one percent, but shall not state (a) more than one interest rate for any Bonds having a like maturity or (b) **any interest rate which exceeds the interest rate stated for any other Bonds by more than 3 percent, and (c) any coupon in excess of 5.00%. No bid of less than par plus a premium of \$165,000 will be accepted.**

The current Bond structure reflects a net premium of approximately \$3.1 million. The City reserves the right to change the aggregate principal amount of the Bonds and the maturity schedule after the determination of the winning bid by increasing or decreasing the aggregate principal amount and the principal amount of each maturity by such amounts as may be necessary (a) to produce sufficient funds to effect the refunding for which a portion of the Bonds is being issued after taking into account the premium received by the City and the actual investment yield at which that portion of the proceeds of the Bonds is to be invested, (b) to structure the debt service on the Cabot Elementary School bonds to be as close to equal on an annual basis, and (c) to increase or decrease the amount of each maturity of each new money purpose of the Bonds by its prorata share of the premium, net of issuance costs, to be received by the City, such that principal amortizes on an equal or declining basis within each original term. **THE SUCCESSFUL BIDDER MAY NOT WITHDRAW ITS BID OR CHANGE THE INTEREST RATES BID OR THE INITIAL REOFFERING PRICES AS A RESULT OF ANY CHANGES MADE TO THE ANNUAL PRINCIPAL AMOUNTS WITHIN THESE LIMITS.** The dollar amount bid for the Bonds by the winning bidder will be adjusted, if applicable, to reflect changes in the dollar amount of the amortization schedule. Any price that is adjusted will reflect changes in the dollar amount of the underwriter's discount and original issue premium, if any, but will not change the per bond underwriter's discount (net of insurance premium, if any) provided in such bid. Nor will it change the interest rate specified for each maturity. Any such adjustments will be communicated to the winning bidder for the Bonds by local time 4 p.m. on the day of the sale.

As between proposals which comply with this Notice of Sale, the award will be to the bidder who offers to purchase all the Bonds at the lowest net effective interest rate to the City. Such interest rate shall be determined on a true interest cost (TIC) basis, which shall mean that rate which, as of the delivery date, discounts semiannually all future payments on account of principal and interest to the price bid. In the event there is more than one proposal specifying the lowest such rate, the Bonds will be awarded to the bidder whose proposal is selected by the City Treasurer by lot among all such proposals.

Bids must be submitted either:

- (a) In a sealed envelope marked "Proposal for Bonds" and addressed to Mr. James Reardon, Treasurer/Collector, City of Newton, Massachusetts c/o FirstSouthwest, a Division of Hilltop Securities Inc. 54 Canal Street, Boston, Massachusetts 02114. Signed blank bid forms may be faxed to (617) 619-4411 prior to submitting bids, and actual bids may be telephoned to FirstSouthwest, a Division of Hilltop Securities Inc., telephone (617) 619-4400, at least one-half hour prior to the 11:00 a.m. sale and after receipt of the faxed bid form by FirstSouthwest, a Division of Hilltop Securities Inc. FirstSouthwest, a Division of Hilltop Securities Inc. will act as agent for the bidder, but neither the City nor FirstSouthwest, a Division of Hilltop Securities Inc. shall be responsible for any errors in connection with bids submitted in this manner.
- (b) Electronically via Parity in accordance with this Notice of Sale. To the extent any instructions or directions set forth in Parity conflict with this Notice of Sale, the terms of this Notice of Sale shall control. For further information about Parity, potential bidders may contact the Financial Advisor to the City or I-deal at 40 West 23rd Street, 5th Floor, New York, NY 10010 (212) 404-8102. An electronic bid made in accordance with this

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

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

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

The City of Newton has not contracted for the issuance of any policy of municipal bond insurance for the Bonds. If the Bonds qualify for issuance of any such policy or commitment therefor, any purchase of such insurance or commitment shall be at the sole option and expense of the bidder. Proposals shall not be conditioned upon the issuance of any such policy or commitment. Any failure of the Bonds to be so insured or of any such policy or commitment to be issued shall not in any way relieve the purchaser of its contractual obligations arising from the acceptance of its proposal for the purchase of the Bonds. Should the bidder purchase municipal bond insurance, all expenses associated with such policy or commitment will be borne by the bidder, except for the fee paid to Moody's Investors Service for a rating on the Bonds. Any such fee paid to Moody's Investors Service would be borne by the City.

It shall be a condition to the obligation of a successful bidder to accept delivery of and pay for the Bonds that it shall be furnished, without cost, with (a) the approving opinion of the firm of Locke Lord LLP, Boston, Massachusetts, substantially in the form appearing as Appendix B of the Preliminary Official Statement dated December 5, 2017, (b) a certificate in the form satisfactory to Bond Counsel dated as of the date of delivery of the Bonds and receipt of payment therefor to the effect that there is no litigation pending or, to the knowledge of the signers thereof, threatened which affects the validity of the Bonds or the power of the City to levy and collect taxes to pay them, (c) a certificate of the City Treasurer to the effect that, to the best of his knowledge and belief, as of the date of sale the Preliminary Official Statement did not, and as of the date of the delivery of the Bonds, the Final Official Statement as of its date does not, contain any untrue statement of a material fact and does not omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading, and (d) a Continuing Disclosure Certificate in the form described in the Preliminary Official Statement.

In order to assist bidders in complying with Rule 15c2-12 (b)(5) promulgated by the Securities and Exchange Commission, the City will undertake to provide annual reports and notices of certain significant events. A description of this undertaking is set forth in the Preliminary Official Statement dated December 5, 2017.

The Bonds will not be designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986 as amended.

Establishment of Issue Price

A successful bidder shall assist the City in establishing the issue price of the Bonds and shall execute and deliver to the City on the Closing Date an "issue price" or similar certificate, in the applicable form set forth in Exhibit 1 to this Notice of Sale, setting forth the reasonably expected initial offering prices to the public or the sales price of the Bonds together with the supporting pricing wires or equivalent communications, or, if applicable, the amount bid, with such modifications as may be appropriate or necessary, in the reasonable judgment of the successful bidder, the City and Bond Counsel. All actions to be taken by the City under this Notice of Sale to establish the issue price of the Bonds may be taken on behalf of the City by FirstSouthwest, a Division of Hilltop Securities, Inc. (the "Financial Advisor") and any notice or report to be provided to the City may be provided to the Financial Advisor.

Competitive Sale Requirements. If the competitive sale requirements ("competitive sale requirements") set forth in Treasury Regulation § 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Bonds) have been satisfied, the City will furnish to the successful bidder on the Closing Date a certificate of the Financial Advisor, which will certify each of the following conditions to be true:

1. The City has disseminated this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
2. All bidders had an equal opportunity to bid;
3. The City received bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and

4. The City awarded the sale of the Bonds to the bidder who submitted a firm offer to purchase the Bonds at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Bonds, as specified in the bid. Unless a bidder notifies the City prior to submitting its bid by facsimile (fax number: 617-619-4411) or by telephone to the Financial Advisor (617-619-4400) or in its bid submitted via Parity, that it will not be an “underwriter” (as defined below) of the Bonds, by submitting its bid, each bidder shall be deemed to confirm that it has an established industry reputation for underwriting new issuances of municipal bonds. Unless the bidder has notified the City that it will not be an “underwriter” (as defined below) of the Bonds, in submitting a bid, each bidder is deemed to acknowledge that it is an “underwriter” that intends to reoffer the Bonds to the public.

In the event that the competitive sale requirements are not satisfied, the City shall so advise the successful bidder.

Failure to Meet the Competitive Sale Requirements – Option A – The Successful Bidder Intends to Reoffer the Bonds to the Public and Agrees to Hold the Price of the Maturities of Bonds for Which the 10% Test Is Not Met as of the Sale Date.

The successful bidder shall notify the Financial Advisor in writing, which may be by email (the “Hold the Price Notice”), not later than 4:00 p.m. on the Sale Date, that it has not sold 10% of the maturities of the Bonds listed in the Hold the Price Notice (the “Unsold Maturities”) and that the successful bidder will not offer the Unsold Maturities to any person at a price that is higher than the initial offering price to the public during the period starting on the Sale Date and ending on either of (i) the close of the fifth business day after the Sale Date or (ii) the date on which the successful bidder has sold at least 10% of the Unsold Maturity to the public at a price that is no higher than the initial offering price to the public. If the successful bidder delivers a Hold the Price Notice to the Financial Advisor, the successful bidder must provide to the Issuer on or before the Closing Date, a certificate in substantially the form set forth in Exhibit 1 to this Notice of Sale, evidence that each underwriter of the Bonds, including underwriters in an underwriting syndicate or selling group, has agreed in writing to hold the price of the Unsold Maturities in the manner described in the preceding sentence.

Failure to Meet the Competitive Sale Requirements and/or the Successful Bidder Does Not Intend to Reoffer the Bonds to the Public – Option B.

If the successful bidder has purchased the Bonds for its own account and will not distribute or resell the Bonds to the public, then, whether or not the competitive sale requirements were met, the reoffering price certificate will recite such facts and identify the price or prices at which the purchase of the Notes was made.

Additional information concerning the City of Newton and the Bonds is contained in the Preliminary Official Statement dated December 5, 2017, to which prospective bidders are directed. The Preliminary Official Statement is provided for informational purposes only and is not a part of this Notice of Sale. Said Preliminary Official Statement is deemed final by the City except for the omission of the reoffering price(s), interest rate(s), delivery date, the identity of the underwriter(s), and any other pertinent terms of the Bonds depending on such matters, but is subject to change without notice to completion or amendment in a Final Official Statement. Copies of the Preliminary Official Statement may be obtained from FirstSouthwest, a Division of Hilltop Securities Inc. 54 Canal Street, Boston, Massachusetts 02114 (Telephone: 617-619-4400). Within seven (7) business days following the award of the Bonds in accordance herewith, 10 copies of the Final Official Statement will be available from the FirstSouthwest, a Division of Hilltop Securities Inc. to the successful bidder for use in reoffering the Bonds. Upon request, additional copies will be provided at the expense of the requester.

It is anticipated that CUSIP identification numbers will be printed on the Bonds. The City assumes no responsibility for any CUSIP Service Bureau or other charge that may be imposed for the assignment of such numbers.

The Bonds in definitive form will be delivered to The Depository Trust Company or its custodial agent on or about December 21, 2017 for settlement in federal funds.

CITY OF NEWTON, MASSACHUSETTS
/s/ James Reardon, Treasurer

December 5, 2017

Issue Price Certificate for Use If the Competitive
Sale Requirements Are Met

\$39,680,000*

CITY OF NEWTON, MASSACHUSETTS

GENERAL OBLIGATION MUNICIPAL PURPOSE LOAN OF 2017 BONDS DATED DECEMBER 21, 2017

ISSUE PRICE CERTIFICATE

The undersigned, on behalf of [NAME OF PURCHASER] (the "Successful Bidder"), hereby certifies as set forth below with respect to the sale of the above-captioned obligations (the "Bonds") of the City of Newton, Massachusetts (the "Issuer").

Reasonably Expected Initial Offering Prices.

As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by the Successful Bidder are the prices listed in Schedule A (the "Expected Offering Prices"). The Expected Offering Prices are the prices for the Maturities of the Bonds used by the Successful Bidder in formulating its bid to purchase the Bonds. Attached as Schedule B is a true and correct copy of the bid provided by the Successful Bidder to purchase the Bonds.

the Successful Bidder was not given the opportunity to review other bids prior to submitting its bid.

The bid submitted by the Successful Bidder constituted a firm offer to purchase the Bonds.

Defined Terms.

Maturity means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

Public means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

Sale Date means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is December 12, 2017.

Underwriter means (i) any person, including the Successful Bidder, that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Successful Bidder's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Locke Lord LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

Dated: December , 2017

SUCCESSFUL BIDDER

By: _____

Name:

Title:

*Preliminary, subject to change.

MODEL ISSUE PRICE DOCUMENTATION REPORT

SCHEDULE A

EXPECTED OFFERING PRICES

(To Be Attached)

MODEL ISSUE PRICE DOCUMENTATION REPORT

SCHEDULE B

COPY OF SUCCESSFUL BIDDER'S BID

(To Be Attached)

**Issue Price Certificate for Use If the Competitive Sale Requirements Are
Not Met and the Hold the Price Rule Is Imposed**

\$39,680,000*

CITY OF NEWTON, MASSACHUSETTS

GENERAL OBLIGATION MUNICIPAL PURPOSE LOAN OF 2017 BONDS DATED DECEMBER 21, 2017

ISSUE PRICE CERTIFICATE

The undersigned, on behalf of _____ (the “[Successful Bidder][Representative]”), on behalf of itself and [NAMES OF OTHER UNDERWRITERS] hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Bonds”).

1. Sale of the Bonds. As of the date of this certificate, [except as set forth in paragraph 2 below,] for each Maturity of the Bonds, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in Schedule A.

[Only use the next paragraph if the 10% test has not been met as of the Sale Date.]

2. For each Maturity of the Bonds as to which no price is listed in Schedule A (the “Unsold Maturities”), as set forth in the Notice of Sale for the Bonds, the [Successful Bidder][Representative] and any other Underwriter did not reoffer the Unsold Maturities until the earlier of (i) _____, 2017 or (ii) the date on which the “Successful Bidder][Representative] sold at least 10% of each Unsold Maturity at a price that is no higher than the initial offering price to the Public.
3. Defined Terms.
 - (a) Issuer means the City of Newton, Massachusetts.
 - (b) Maturity means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.
 - (c) Public means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.
 - (d) Underwriter means (i) any person, including the [Successful Bidder][Representative], that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the [Successful Bidder’s][Representative’s] interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the

Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Locke Lord LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds. The [Successful Bidder][Representative] hereby acknowledges receipt from the Issuer of the Bonds of the Issue and further acknowledges receipt of all certificates, opinion and other documents required to be delivered to the [Successful Bidder][Representative], before or simultaneously with the delivery of such Bonds of the Issue, which certificates, opinions and other documents are satisfactory to the [Successful Bidder][Representative].

Dated: December , 2017

SUCCESSFUL BIDDER

By: _____
Name:
Title:

*Preliminary, subject to change.

**SALE PRICES
(To Be Attached)**

OFFICIAL STATEMENT
CITY OF NEWTON, MASSACHUSETTS

\$38,930,000

GENERAL OBLIGATION MUNICIPAL PURPOSE LOAN OF 2017 BONDS

This Official Statement is provided for the purpose of presenting certain information relating to the City of Newton, Massachusetts (the "City") in connection with the sale of \$38,930,000 stated principal amount of its General Obligation Municipal Purpose Loan of 2017 Bonds (the "Bonds"). The information contained herein has been furnished by the City, except information attributed to another governmental agency or official as the source.

THE BONDS

Description of the Bonds

The Bonds will be dated as of their delivery date and will bear interest payable semiannually on March 1 and September 1, commencing September 1, 2018, each at the rate or rates of interest determined upon their sale in accordance with the Notice of Sale of the City dated December 5, 2017. The Bonds shall mature on September 1 of the years and in the principal amounts as set forth on the cover page of this Preliminary Official Statement.

The Bonds are issuable only in fully registered form, without coupons, and, when issued, will be registered in the name of Cede & Co., as Bondowner and nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the Bonds. Purchases of the Bonds will be made in book-entry form, in the denomination of \$5,000 or any integral multiple thereof. Purchasers will not receive certificates representing their interests in Bonds purchased. So long as Cede & Co. is the Bondowner, as nominee of DTC, references herein to the Bondowners or registered owners shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners (as defined herein) of the Bonds. (See "Book-Entry Transfer System" herein.)

Principal of and interest on the Bonds will be paid by U.S. Bank National Association, Boston, Massachusetts, or its successor, as Paying Agent. So long as DTC or its nominee, Cede & Co., is the Bondowner, such payments will be made directly to such Bondowner. Disbursement of such payments to the DTC Participants is the responsibility of DTC and disbursements of such payments to the Beneficial Owners is the responsibility of the DTC Participants and the Indirect Participants, as more fully described herein.

Redemption Provisions

The Bonds are subject to redemption as described below.

Optional Redemption

The Bonds maturing in the years 2020 through 2027 will not be subject to redemption prior to maturity. The Bonds maturing on and after September 1, 2028 shall be subject to redemption prior to maturity, at the option of the City, on or after September 1, 2027, either in whole or in part at any time, and if in part, by lot within a maturity, at the par amount of the Bonds to be redeemed, plus accrued interest to the date set for redemption.

Mandatory Redemption

The Bonds maturing September 1, 2042, September 1, 2044 and September 1, 2047 (the "Term Bonds") are subject to mandatory redemption or maturity on each of the dates and in each of the principal amounts set forth below (the particular portion of such Term Bonds to be redeemed or to mature on the final maturity date to be delivered by lot), at a redemption price of par, plus accrued interest, if any, to the redemption date.

\$1,825,000 Term Bond Maturing September 1, 2042

<u>September 1</u>	<u>Principal Amount</u>
2041	\$ 900,000
2042 *	925,000

*Final maturity.

\$1,940,000 Term Bond Maturing September 1, 2044

<u>September 1</u>	<u>Principal Amount</u>
2043	\$ 955,000
2044 *	985,000

\$3,140,000 Term Bond Maturing September 1, 2047

<u>September 1</u>	<u>Principal Amount</u>
2045	\$ 1,015,000
2046	1,045,000
2047 *	1,080,000

*Final maturity.

Notice of Redemption

So long as DTC is the registered owner of the Bonds, notice of any redemption of Bonds prior to their maturities, specifying the Bonds (or the portion thereof) to be redeemed shall be mailed by registered mail to DTC not more than 60 days nor less than 30 days prior to the redemption date. Any failure on the part of DTC to notify the DTC Participants of the redemption or failure on the part of the DTC Participants, Indirect Participants, or of a nominee of a Beneficial Owner (having received notice from DTC Participant or otherwise) to notify the Beneficial Owner shall not affect the validity of the redemption.

Record Date

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

Book-Entry Transfer System

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

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of the Depository Trust & Clearing Corporation ("DTCC"). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Fixed Income Clearing Corporation, and Emerging Markets Clearing Corporation (NSCC, FICC and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a

Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

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

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

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

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

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

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

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

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

Authorization of the Bonds and Use of Proceeds

The following table sets forth the date of authorization, purpose, statutory authority, and amount for each purpose of the current offering of Bonds.

This Issue	Total Amount of Bonds Authorized	Date Approved	Purpose	Statutory Authority (M.G.L., as amended)
\$ 1,855,700	\$ 36,585,000	12/5/2014	Zervas Elementary School	Ch. 44, s. 7(1)
304,000	350,000	6/26/2017	Newton South HS Mondo Track Replacement	Ch. 44, s. 7(1)
19,000,275	46,590,000	11/28/2016	Cabot Elementary School (1)	Ch. 70B
1,775,000	13,129,065	7/11/2016	Fire Station #3 HQ Reconstruction	Ch. 44, s. 7(1)
1,215,225	1,400,000	4/28/2017	Traffic Signal Upgrades & Pedestrian Improvements	Ch. 44, s. 7(1)
391,800	450,000	6/26/2017	Intersection Improvements	Ch. 44, s. 7(1)
2,310,000	2,600,000	6/9/2017	Laundry Brook Culvert	Ch. 44, s. 7(1)
12,078,000		12/28/2012	Refunding	Ch. 44, s. 21A
<u>\$ 38,930,000</u>				

(1) The City voted to exempt this purpose from the limitations of Proposition 2 ½.

Bond proceeds will be used to advance refund a portion of the City's \$11,650,000 General Obligation State Qualified School Bonds, Series A dated May 1, 2010, maturing in the years 2021 through 2027, inclusive, and 2029, 2035 and 2040, in the aggregate principal amount of \$7,750,000, to advance refund a portion of the City's \$14,398,000 General Obligation Municipal Purpose Loan of 2010 Bonds, Series B dated May 1, 2010, maturing in the years 2021 through 2030, in the aggregate principal amount of \$4,470,000, and to advance refund a portion of the City's \$5,770,000 General Obligation Municipal Purpose Loan of 2011 Bonds dated April 14, 2011, maturing in the years 2026 and 2031, in the aggregate principal amount of \$1,030,000 (collectively, the "Refunded Bonds"), and to pay costs of issuing the Bonds.

Sources and Uses of Bond Proceeds

Proceeds of the Bonds will be applied as follows:

Sources:

Par Amount of the Bonds	\$ 38,930,000.00
Original Issue Premium	4,038,128.11
Cash Contribution	267,859.39
Total Sources	<u>\$ 43,235,987.50</u>

Uses:

Deposit to Refunding Escrow Fund	\$ 14,050,043.43
Project Fund Deposit	28,800,000.00
Purchaser's Discount	209,562.52
Costs of Issuance	171,606.00
Additional Proceeds	4,775.55
Total Uses	<u>\$ 43,235,987.50</u>

Plan of Refunding

Upon delivery of the Bonds, the City will enter into a Refunding Escrow Agreement (the "Refunding Escrow Agreement") with U.S. Bank National Association, as Escrow Agent, to provide for the refunding of the Refunded Bonds. Upon receipt of the portion of the proceeds of the Bonds necessary to refund the Refunded Bonds, the Escrow Agent will deposit in the Refunding Escrow Fund established under the Refunding Escrow Agreement an amount which will be held in cash and an amount which will be invested in direct, non-callable obligations of the United States of America or obligations unconditionally guaranteed by the United States of America ("Government Obligations") maturing in amounts and bearing interest at rates sufficient without reinvestment, together with the cash on deposit in the Refunding Escrow Fund, to pay when due, interest on, and upon redemption, the outstanding principal of the Refunded Bonds. The Refunding Escrow Fund, including the interest earnings on the Government Obligations, will be pledged for the benefit of the holders of the Refunded Bonds.

Verification of Mathematical Computations

Grant Thornton LLP, a firm of independent certified public accountants, will deliver to the City, on or before the settlement date of the Bonds, its verification report indicating that it has verified, in accordance with the Statement on Standards for Consulting Services established by the American Institute of Certified Public Accountants, the mathematical accuracy of (a) the mathematical computations of the adequacy of the cash and the maturing principal of and interest on the Government Obligations, to pay, when due, the maturing principal of, interest on and related call premium requirements, if any, of the Refunded Bonds and (b) the mathematical computations of yield used by Bond Counsel to support its opinion that interest on the Bonds will be excluded from gross income for federal income tax purposes.

Grant Thornton LLP relied on the accuracy, completeness and reliability of all information provided to it by, and on all decisions and approvals of, the Town. In addition, Grant Thornton LLP has relied on any information provided to it by the Issuer's retained advisors, consultants or legal counsel. Grant Thornton LLP was not engaged to perform audit or attest services under AICPA auditing or attestation standards or to provide any form of attest report or opinion under such standards in conjunction with this engagement.

Tax Exemption

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

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

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

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

Bonds purchased, whether at original issuance or otherwise, for an amount greater than the stated principal amount to be paid at maturity of such Bonds, or, in some cases, at the earlier redemption date of such Bonds ("Premium Bonds"), will be treated as having amortizable bond premium for federal income tax purposes and Massachusetts personal income tax purposes. No deduction is allowable for the amortizable bond premium in the case of obligations, such as the Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, a Bondholder's basis in a Premium Bond will be reduced by the amount of amortizable bond premium properly allocable to such Bondholder. Holders of Premium Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

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

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

Risk of Future Legislative Changes and/or Court Decisions

Legislation affecting tax-exempt obligations is regularly considered by the United States Congress and may also be considered by the Massachusetts legislature. Court proceedings may also be filed, the outcome of which could modify the tax treatment of obligations such as the Bonds. There can be no assurance that legislation enacted or proposed, or actions by a court, after the date of issuance of the Bonds will not have an adverse effect on the tax status of interest on the Bonds or the market value or marketability of the Bonds. These adverse effects could result, for example, from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), or repeal (or reduction in the benefit) of the exclusion of interest on the Bonds from gross income for federal or state income tax purposes for all or certain taxpayers.

For example, the recent federal tax reform proposals in the U.S. House and Senate would reduce corporate tax rates, modify individual tax rates, eliminate many deductions, repeal the alternative minimum tax, eliminate advance refundings and, in the case of the House proposal, eliminate private activity bonds, among other things. These proposals, if passed and signed by the President, may increase, reduce or otherwise change the financial benefits currently provided to certain owners of state and local government bonds. Additionally, Bondholders should be aware that future legislative actions (including federal income tax reform) may retroactively change the treatment of all or a portion of the interest on the Bonds for federal income tax purposes for all or certain taxpayers. In all such events, the market value of the Bonds may be affected and the ability of Bondholders to sell their Bonds in the secondary market may be reduced. The Bonds are not subject to special mandatory redemption, and the interest rates on the Bonds are not subject to adjustment, in the event of any such change in the tax treatment of interest on the Bonds.

Security and Remedies

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

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

The total amount of a tax levy is limited by statute. However, the voters in each municipality may vote to exclude from the limitation any amounts required to pay debt service on indebtedness incurred before November 4, 1980. Local voters may

also vote to exempt specific subsequent bond issues from the limitation. (See “*Tax Limitations*” Under “PROPERTY TAXATION” below.) In addition, obligations incurred before November 4, 1980 may be constitutionally entitled to payment from taxes in excess of the statutory limit.

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

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

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

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

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

the extent of the estimated distributions for that fiscal year. The sums so paid shall be charged (with interest and administrative costs) against the distributions to the city or town.

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

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

Opinion of Bond Counsel

The purchaser will be furnished the legal opinion of the firm of Locke Lord LLP, Boston, Massachusetts ("Bond Counsel"). The opinion will be dated and given on and will speak only as of the date of original delivery of the Bonds to the successful bidder. The opinion will be substantially in the form presented in Appendix B.

Other than as to matters expressly set forth herein as the opinion of Bond Counsel, Bond Counsel is not passing upon and does not assume any responsibility for the accuracy or adequacy of the statements made in this Official Statement and makes no representation that they have independently verified the same.

Rating

Moody's Investors Service has assigned a rating of Aaa to the Bonds. Such rating will only reflect the rating agency's views and will be subject to revision or withdrawal, which could affect the market price of the Bonds.

Financial Advisory Services of FirstSouthwest, a Division of Hilltop Securities Inc.

FirstSouthwest, a Division of Hilltop Securities Inc., Boston, Massachusetts serves as financial advisor to the City of Newton, Massachusetts.

Continuing Disclosure

In order to assist the Successful Bidder of the Bonds in complying with Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission (the "Rule"), the City will covenant for the benefit of the owners of the Bonds to provide certain financial information and operating data relating to the City by not later than 270 days after the end of each fiscal year (the "Annual Report"), and to provide notices of the occurrence of certain significant events. The covenants will be contained in a Continuing Disclosure Certificate, the proposed form of which is provided in Appendix C. The Certificate will be executed by the signers of the Bonds and incorporated by reference in the Bonds.

In the past five years, the City believes it has complied, in all material respects, with its previous undertakings to provide annual reports or notices of significant events in accordance with the Rule.

CITY OF NEWTON, MASSACHUSETTS

General

The City is located in eastern Massachusetts in Middlesex County approximately 7 miles from downtown Boston, bordered by the West Roxbury section of Boston on the southeast, Needham on the southwest, Wellesley and Weston on the west, Waltham and Watertown on the north, and by Brookline and the Allston-Brighton section of Boston on the east. The City has a population of 85,146 according to the 2010 federal census and occupies a land area of 18.33 square miles. Settled in 1639, Newton was incorporated as a city in 1873. Government is by an elected mayor and a twenty-four member City Council. The principal executive officers of the City are as follows:

PRINCIPAL EXECUTIVE OFFICERS

<u>Title</u>	<u>Name</u>	<u>Manner of Selection</u>	<u>Current Term Expires</u>
Mayor	Setti D. Warren	Elected	2018
Mayor	Ruth Fuller	Elected	2022
Treasurer/Collector	James Reardon	Appointed by Mayor and confirmed by City Council	2018
Comptroller	Susan Dzikowski	Appointed by City Council	2018
Clerk	David A. Olson	Appointed by City Council	2018
Chief Administrative Officer	Dori Zaleznik	Appointed by Mayor	Indefinite
Chief of Staff/Chief Financial Officer	Maureen Lemieux	Appointed by Mayor	Indefinite
City Solicitor	Donnalyn Kahn	Appointed by Mayor	Indefinite

Municipal Services

The City provides general governmental services for the territory within its boundaries, including police and fire protection, collection, disposal, and recycling of solid waste, public education, street maintenance, parks and recreational facilities and public library facilities. Complete sewer and water services are provided by the City via connections to the Massachusetts Water Resources Authority. These services are funded completely from user revenues.

Transportation services include commuter bus, commuter rail, and trolley service to Boston which is provided by the Massachusetts Bay Transportation Authority. Riverside Station, which is the terminus for the MBTA rapid transit Green Line as well as a stop for the MBTA, Greyhound, and Peter Pan bus lines, are located in Newton.

Education

The City's public school facilities presently include 15 elementary schools, 4 middle schools and 2 senior high schools. The following table sets forth the trend in public school enrollments for the current and past four school years and a projection for the next year. The current capacity of the City's school system is approximately 13,000 students.

PUBLIC SCHOOL ENROLLMENTS AS OF – OCTOBER 1,

	<u>Actual</u>					<u>Projected</u>
	2013	2014	2015	2016	2017	2018
Grades K-5	5,799	5,833	5,785	5,801	5,827	5,853
Grades 6-8	2,849	2,806	2,818	2,860	2,868	2,855
Grades 9-12	3,793	3,864	3,905	3,996	4,057	4,116
Totals	<u>12,441</u>	<u>12,503</u>	<u>12,508</u>	<u>12,657</u>	<u>12,752</u>	<u>12,824</u>

SOURCE: Newton Public Schools Enrollment Analysis Report, November, 2015.

The City is also the site of Boston College, a private (Roman Catholic) educational institution which is situated on a 200 acre campus in the City's Chestnut Hill section. With an enrollment of approximately 9,000 undergraduate and 4,600 graduate students, Boston College consists of 10 schools, colleges and institutes, including Boston College Law School. In addition, the City is home to Lasell College, Mt. Ida College, and 17 private/parochial schools serving students in grades K-12.

History

Newton was permanently settled in 1639 and incorporated as a city in 1873. As soon as farming became established and roads were laid out, mills to grind corn and saw lumber were constructed. Newton's industrial development had its start at Newton Upper and Lower Falls. Iron works were established in 1703 and one of the first paper mills in the country was erected in 1791 at the Lower Falls. In Newton's early days, farming was a principal occupation and friendly Native Americans helped introduce settlers to such new crops as potatoes, corn, squash, pumpkins, and beans. Some of the settlers built looms or forges or engaged in fishing. Newton Upper Falls and Newton Lower Falls became busy industrial centers in the 19th century, with two year-round hotels, many stores, and on the Needham side of the Charles River, a cotton mill with three thousand spindles. At present, there are very few of these old industries extant. Newton has always been a center of prosperity and though it is one of the largest cities in Massachusetts, it has maintained its suburban character. Its seven hills and many villages provide many of the finest residential neighborhoods in the Boston area.

Industry and Commerce

Newton has a diversified economic base with 54,995 people employed in 4,054 establishments in the City as of March 2017 with an estimated annual payroll of approximately \$3.75 billion. Businesses are generally small and service-oriented, with professional, business, education and health services accounting for over 60 percent of all jobs.

Newton has numerous industrial, research and development and office areas: the Wells Avenue Industrial Park (108 acres), the Needham Street Corridor (118 acres) and, in addition, 86 acres of manufacturing land in other areas throughout the City. There are approximately 2,000 commercial establishments located within the City's village commercial centers.

The following table lists the major categories of employment with payrolls in the City.

Industry	Calendar Year Average				
	2012	2013	2014	2015	2016
Construction	1,653	1,636	1,691	1,863	2,013
Manufacturing	852	844	867	904	886
Trade, Transportation and Utilities	6,121	5,975	6,458	6,894	6,822
Information	2,377	2,445	2,660	2,848	2,003
Financial Activities	3,156	3,176	3,061	2,846	2,990
Professional and Business Services	12,903	12,486	12,036	11,160	10,902
Education and Health Services	18,882	19,618	20,096	20,656	21,449
Leisure and Hospitality	4,336	4,269	4,596	4,775	4,960
Other Services	2,422	2,375	2,398	2,338	2,418
Total Employment	52,702	52,824	53,863	54,284	54,443
Number of Establishments	3,768	3,746	3,896	3,944	4,034
Average Weekly Wages	\$ 1,238	\$ 1,247	\$ 1,280	\$ 1,318	\$ 1,309
Total Wages	\$ 3,445,263,993	\$ 3,478,463,016	\$ 3,649,595,755	\$ 3,780,345,837	\$ 3,753,865,607

SOURCE: Massachusetts Department of Employment and Training. Data based upon place of employment, not place of residence. Due to the reclassification the U.S. Department of Labor now uses the North American Industry Classification System (NAICS) as the basis for the assignment and tabulation of economic data by industry.

The following table sets forth the City's largest employers, excluding the City itself.

Newton's Largest Employers* 2017

Employers with 1000+ Employees

Five Start Quality Care
 Newton Wellesley Hospital
 Boston College
 CCS Global Holdings
 Henley Enterprises Inc.
 Softbank Holdings Inc.

Employers with 500-999 Employees

Tech Target Inc.
 Alliance Health
 CWC Builders
 Wegmans
 Crocodile Creek Developers
 HouseWorks
 Jewish Community Center of Greater Boston
 Wingate Management Company
 Reit Management
 Carematrix Corporation

Employers with 250-499 Employees

Dana R. Mosher Corporation
 Marriott-Boston Newton
 Senior Housing Properties
 Medical Resources Inc.
 D'Agostino Associates Inc.
 Mount Ida College
 Northland Investment Corporation
 Restaurant Concepts Inc.

*Source: Info USA for the Massachusetts Division of Local Services – Labor and Workforce Development.

The following table compares retail trade data of the City with that of the Commonwealth as a whole.

RETAIL SALES

	<u>Newton</u>	<u>Massachusetts</u>
Establishments:		
2007	378	25,469
2002	382	25,761
1997	390	26,209
1992	607	38,490
1987	609	38,905
Sales(000):		
2007	\$1,153,570	\$88,082,966
2002	1,150,231	73,903,837
1997	978,074	58,578,048
1992	970,792	47,663,248
1987	808,653	44,818,481
Per Capita Sales:		
2007	\$11,521	\$13,657
2002	13,721	11,640
1997	11,843	5,663
1992	11,755	7,922
1987	9,670	7,731

SOURCE: 2007, 2002, 1997, 1992, 1987 U.S. Census of Retail Trade, and the applicable Federal Census.

The Mall at Chestnut Hill, The Street, and Chestnut Hill Square are three significant retail centers on Route 9/Boylston Street in Chestnut Hill.

Labor Force, Employment and Unemployment Rate

According to the Massachusetts Department of Employment and Training data in August 2017, the City had a total labor force of 47,983 of which 46,567 were employed and 1,416 or 3.0% were unemployed as compared to 3.7% for the Commonwealth.

The table below sets forth recent trend in the City's average labor force, employment and unemployment rates for the following calendar years and also the unemployment rates for the Commonwealth and the United States.

UNEMPLOYMENT RATES

Year	City of Newton			%	Massachusetts Unemployment Rate	%	United States	
	Labor Force	Employment	Unemployment Rate				Unemployment Rate	Unemployment Rate
2016	46,346	45,021	2.9	%	3.7	%	4.9	%
2015	46,041	44,320	3.7		5.0		5.3	
2014	46,087	44,179	4.1		5.8		6.2	
2013	48,109	45,905	4.6		6.9		7.4	
2012	47,617	45,594	4.2		6.7		8.1	

SOURCE: Mass. Department of Employment and Training, Federal Reserve Bank of Boston and U.S. Bureau of Labor Statistics. Data based upon place of residence, not place of employment. Monthly data are unadjusted.

Building Permits

The table below sets forth the number of building permits issued and the estimated dollar value of new construction and alterations for the following fiscal years. The estimated dollar values are builders' estimates and are generally considered to be conservative. Permits are filed and estimated valuations are shown for both private construction and City projects.

BUILDING PERMITS

Year	New Construction						Additions/Alterations		Total No.
	Residential		Non-Residential		No.	Value	No.	Value	
	No.	Value	No.	Value					
2018 (1)	14	\$ 8,231,300	1	\$ 4,600,000	942	\$ 42,604,087			957
2017	119	68,765,817	2	4,354,800	3,744	285,119,856			3,865
2016	113	96,994,000	5	45,758,000	4,715	213,217,697			4,833
2015	100	52,610,200	3	339,200,968 (2)	2,886	167,383,219			2,989
2014	104	64,892,914	4	6,095,670	2,556	192,995,936			2,664
2013	97	63,591,005 (3)	2	10,602,600	2,456	252,707,901			2,555

SOURCE: City of Newton Building Department.

(1) Through September 30, 2017.

(2) Construction of the Angier Elementary School and Newton Country Day School account for approximately \$27 million and \$12.2 million, respectively, of the non-residential new construction permit value

(3) Construction of St. Mary's Hall at Boston College accounts for approximately \$54 million of the residential new construction permit value.

Transportation and Utilities

Newton's proximity to Boston makes the resources of this regional center and seaport readily available. The City is less than 10 miles from Boston's Logan International Airport, with its intercity and international air carrier service. Commuter bus and train service to Boston is provided by the Massachusetts Bay Transportation Authority. The principal highways serving Newton are State Route 30 (Commonwealth Avenue — a portion of which is a part of the course for the Boston Marathon), cross-state Route 9, and Interstate Route 90—the Massachusetts Turnpike—with 3 interchanges available to the City. Water is supplied to the City by the Massachusetts Water Resources Authority. Gas and electric service is provided by private utilities.

Development

The continued development and redevelopment of commercial and industrial parcels within the City has been fostered by the City's commitment to enhancing the quality of life for its residents and businesses. The City has played an active role by investing approximately \$8 million annually in road and infrastructure improvements. Furthermore, the City's Community Development Block Grant Program has spent nearly \$3 million in the past decade on street, sidewalk and other infrastructure improvements in the City's commercial centers.

The following tables list the major construction projects which are either completed, under construction, or pending as of the date indicated.

Major Office/Commercial/Residential Construction (Approved, permitted or under construction – November 2017)

Location	Type	Description
327 Grove St	Mixed Use	Transit oriented development with office, retail and housing on 12-acre parcel at Riverside MBTA; under construction
75-83 Court Street	Residential	36 condo units (40B); under construction
12 & 18-10 Curve Street	Residential	7 rental units (40B); under construction
131-181 Needham Street	Mixed Use	Conversion of office space to 164,000 square feet of retail/service/restaurant under construction
157 Herrick Road	Assisted Living	75 unit memory care facility, under construction
285 Melrose Street	Mixed Use	Restoration of theatre and 16 rental units; approved
253-255 Newtonville Ave	Commercial	113,000 square foot self-storage facility; approved
241 Washington Street	Mixed Use	40,000 square foot retail, 160 rental units, under review
55 Boylston Street	Commercial	13,000 square feet of additions
200-230 Boylston Street	Mixed Use	100 residential unit of building
386-394 Watertown Street	Mixed Use	Mixed use building with 9 residential units and 2,714 square feet of commercial space
143 Rumford Avenue	Commercial	107,397 square foot self-storage facility and 5,520 retail/office building
1521 Beacon Street	Residential	8 rental units; approved
431 Washington Street	Assisted Living	85 units elderly housing with services facility; approved
300 Boylston	Commercial	Mixed use commercial facility with 280,000 square feet of office, medical retail, lab and restaurant uses; approved
The Lifetime Center Boylston	Commercial	Conversion from retail to a developed 270,000 square foot office building
Nexus Needham Street	Commercial	142,000 square foot mixed use retail/commercial project on Needham Street is in final phase of construction
2 Wells Ave	Commercial	105,000 square foot Class A office space on Wells Ave due for completion final quarter of 2017

INSTITUTIONAL DEVELOPMENT

(Approved, permitted or under construction – November 2017)

Location	Description
Jackson Walnut Schools	Newton Cultural Alliance rehabilitation of the Nathaniel Allen House
Fessenden School	2,700 square foot Arts Center addition

PENDING MAJOR DEVELOPMENT

(Under review – November 2017)

Location	Type	Description
392 Langley Road	Residential	20 unit residential building to be constructed on a site with 46 existing residential units
Northland	Mixed Use	Mixed use development with up to 950 residential units, 175,000 square feet of office space and 200,000 square feet of retail
1294 Centre St/39 Herrick Road	Mixed Use	Conversion of existing historic building to 90 seat restaurant and community meeting space plus the addition of six units of affordable housing and a 57-room hotel

Chestnut Hill Square Development

The City entered into an Infrastructure Development Assistance Agreement (IDAA) (the "Agreement") with The Commonwealth of Massachusetts and the developers of the Chestnut Hill Square commercial development along State Route 9, in the southeast section of the City. Under the terms of the Agreement the Commonwealth issued debt to reimburse the developers for \$10 million in public infrastructure improvements that were necessary to accommodate the Chestnut Hill Square development. All funding for the 30 years of debt service associated with the infrastructure improvement reimbursement is expected to be derived from incremental state sales and income tax revenue generated from the commercial development project, however, in the event of a short-fall, the City is responsible for reimbursing the Commonwealth for the difference between the annual debt service on the project debt and the actual incremental state sales and income tax revenues generated from the project. According to Article 4(a) of the Agreement, "Local Infrastructure Development Assistance shall constitute a general obligation of the City to which its full faith and credit shall be pledged." In order to minimize the City's financial exposure for such an event, the IDAA authorizes the City to levy and collect an Infrastructure Assessment against development real estate for any shortfall and further requires that the developer fund a Municipal Liquidity Reserve equal to two years of annual debt service requirements (\$1,163,000), to be held by the City in a restricted cash account in the City's Agency Fund. The developer and any successors or assigns are obligated to replenish the Municipal Liquidity Reserve if any draw occurs. Prior to finalization of the agreement, the Massachusetts Commissioner of Revenue certified that projected net new state sales and income taxes generated from the project will range from \$655.9 million in 2015 to \$1.4 billion in 2044. Maximum annual debt service over the 30 year term of the project debt is \$581,500.

Income Levels and Population

The following table compares federal census data for the City, the Commonwealth and the United States.

	<u>Newton</u>	<u>Massachusetts</u>	<u>United States</u>
Median Age:			
2015	40.5	39.3	37.6
2014	42.3	39.4	37.7
2013	40.1	39.3	37.4
2012	40.2	39.3	37.3
2011	39.9	39.1	37.2
Median Family Income:			
2015	\$ 161,101	\$ 87,085	\$ 66,611
2014	154,199	87,951	65,910
2013	155,931	83,867	63,784
2012	151,101	82,684	63,105
2011	144,017	82,009	62,735
Per Capita Income:			
2015	\$64,917	\$36,895	\$28,930
2014	62,983	37,288	28,889
2013	64,004	35,518	27,884
2012	61,241	34,860	27,385
2011	60,083	34,420	27,158

SOURCE: Federal Bureau of the Census.

On the basis of the 2010 Federal Census, the City has a population density of 4,645 persons per square mile.

POPULATION TRENDS

<u>Year</u>	<u>Newton</u>	<u>% Change</u>	<u>Middlesex County</u>	<u>% Change</u>	<u>Commonwealth</u>	<u>% Change</u>
2015	87,675	(0.7) %	1,556,116	(0.9) %	6,705,586	(0.6) %
2010	85,146	1.6	1,503,085	2.6	6,547,629	3.1
2000	83,829	1.5	1,465,396	4.8	6,349,097	5.5
1990	82,585	(1.2)	1,398,468	2.3	6,016,426	4.9
1980	83,622	(8.4)	1,367,034	(2.2)	5,737,037	0.8

SOURCE: Federal Census 2010, 2000, 1990, and 1980. American Community Survey Demographic and Housing Estimates, 2015, 3-Year estimates.

PROPERTY TAXATION

Tax Levy Computation

The principal tax of Massachusetts cities and towns is the tax on real and personal property. The amount to be levied in each year is the amount appropriated or required by law to be raised for municipal expenditures less estimated receipts from other sources and less appropriations voted from funds on hand. The total amount levied is subject to certain limits prescribed by law; for a description of those limits see “*Tax Limitations*” below.

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

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

The table below illustrates the manner in which the tax levy was determined for each of the following fiscal years.

TAX LEVY COMPUTATION

	Fiscal 2013	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017
Total Appropriations(1)	\$ 366,189,212	\$ 393,233,899	\$ 413,139,760	\$ 431,130,931	\$ 447,028,237
Additions:					
State and County Assessments	5,810,999	5,776,954	5,921,096	6,026,701	6,168,127
Overlay for Current Year	3,615,573	4,058,035	5,075,909	5,923,542	4,930,028
Other Amounts to be Raised	119,906	122,145	144,007	120,061	116,907
Total Additions	<u>9,546,478</u>	<u>9,957,134</u>	<u>11,141,012</u>	<u>12,070,304</u>	<u>11,215,062</u>
Gross Amount to be Raised	<u>375,735,689</u>	<u>403,191,033</u>	<u>424,280,773</u>	<u>443,201,234</u>	<u>458,243,299</u>
Deductions:					
Local Estimated Receipts	74,344,869	75,544,224	84,142,040	89,739,619	93,276,873
Community Preservation revenues(2)	3,173,516	4,646,686	5,878,931	4,161,298	5,881,562
State Aid(3):					
Current Year	21,642,546	22,975,383	25,422,779	26,104,050	27,277,574
Available Funds(4):					
Free Cash	7,562,065	4,727,876	5,249,196	6,308,672	7,556,929
Other Available Funds	8,837,358	16,072,589	11,697,947	11,559,775	6,244,313
Total Other Revenue	<u>115,560,354</u>	<u>123,966,758</u>	<u>132,390,893</u>	<u>137,873,414</u>	<u>140,237,251</u>
Net Amount to be Raised (Tax Levy)	<u>\$260,175,336</u>	<u>\$279,224,275</u>	<u>\$291,889,879</u>	<u>\$305,327,821</u>	<u>\$318,006,048</u>

(1) Includes additional appropriations from taxation voted subsequent to adoption of the annual budget but prior to setting of the tax rate.

(2) Includes appropriations of fund balance to fund continuing appropriations of prior years. See “Community Preservation Fund Major Revenues” herein.

(3) Estimated by various state agencies and required by law to use in setting of the tax rate. Actual state aid payments may vary upward or downward from said estimates, and the State may withhold payments pending receipt of State and County assessments. See “CITY FINANCES–Revenues –State Aid”. Transfers from other available funds, including “Free Cash” (see “CITY FINANCES”) generally made as an offset to a particular appropriation item.

(4) Includes overlay surplus reserve fund for each year and transfers from the water and sewer accounts to cover indirect costs incurred in the general fund.

Assessed Valuations and Tax Levies

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

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

Professional revaluations of all property in the City to full and fair value in compliance with Massachusetts law was most recently completed for use in fiscal year 2015. (See "Property Tax Limitation").

The following table sets forth the trend in the City's assessed valuations, tax rates, tax levies by property types.

Fiscal Year	Real Estate Valuation	Personal Property Valuation	Total Assessed Valuation	Tax Rate Per \$1,000 Valuation		
				Residential Property	Commercial, Industrial, Personal Property	Gross Levy
2017	\$ 25,741,123,000	\$ 401,743,300	\$ 26,142,866,300	\$ 11.12	\$ 21.27	\$ 318,006,048
2016	23,904,095,700	417,722,300	24,321,818,000	11.38	21.94	305,327,821
2015 (1)	22,266,632,300	398,472,900	22,665,105,200	11.61	22.38	291,889,879
2014	20,593,882,300	368,307,500	20,962,189,800	12.12	23.16	279,224,275
2013	20,293,688,500	351,617,700	20,645,306,200	11.49	21.93	260,175,336

(1) Revaluation years.

Classification by Property

The following is a breakdown of the City's fiscal 2017, 2016 and 2015 real estate valuation by type of property.

Property Type	2017		2016		2015 (1)	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Residential	\$23,453,469,746	89.7 %	\$21,618,642,652	88.9 %	\$19,995,837,989	88.2 %
Commercial	2,112,686,654	8.1	2,112,822,048	8.7	2,102,213,911	9.3
Industrial	174,966,600	0.7	172,631,000	0.7	168,580,400	0.7
Personal	401,743,300	1.5	417,722,300	1.7	398,472,900	1.8
Total Assessed Value	<u>\$26,142,866,300</u>	<u>100.0 %</u>	<u>\$24,321,818,000</u>	<u>100.0 %</u>	<u>\$22,665,105,200</u>	<u>100.0 %</u>

(1) Revaluation year.

Largest Taxpayers

The following is a list of the ten largest taxpayers in the City based upon assessed valuations for fiscal 2017. All of the taxpayers listed below are current in their tax payments, with the exception of NStar Electric (see footnote below).

Name	Nature of Business	FY 2017 Tax Levy	% of Total Levy
NStar Electric (1)	Utility Company	\$ 3,165,223	1.00 %
Hines Global REIT	Office Building	2,907,322	0.91
Chestnut Hill Shopping Center LLC	Shopping Center- The Street	2,662,075	0.84
Mall at Chestnut Hill LLC	Chestnut Hill Mall	2,355,134	0.74
CHS Commercial Owner LLC	Chestnut Hill Mall	2,133,930	0.67
Chesapeake Hotel Lmt Partnership	Marriott Hotel	1,780,554	0.56
Boston Gas/National Grid	Utility Company	1,577,611	0.50
NS Wells Acquistic	Office Building	878,942	0.28
Avalon Upper Falls LLC	Apartment Building	823,177	0.26
Thomas J. White TRS	Hotel and Office Building	787,909	0.25
		<u>\$19,071,876</u>	<u>6.00 %</u>

(1) Past due is \$4,873,308 for 2013, 2014, 2015, 2016 and 2017, due to pending litigation pertaining to a dispute over valuation.

State Equalized Valuation

In order to determine appropriate relative values for the purposes of certain distributions to and assessments upon cities and towns, the Commissioner of Revenue biennially makes a redetermination of the fair cash value of the taxable property in each municipality as of January 1 of even numbered years. This is known as the "equalized value".

The following table sets forth the trend in State equalized valuations of the City. The City of Newton has the third highest equalized valuation in Massachusetts, after the cities of Boston and Cambridge.

Year	State Equalized Valuation	% Increase
2016	\$26,237,044,400	17.63 %
2014	22,305,253,800	2.52
2012	21,757,017,900	(3.39)
2010	22,520,035,100	1.34
2008	22,221,420,100	2.86
2006	21,604,607,900	12.93

SOURCE: State Department of Revenue.

Abatements and Overlay

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

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

The table below sets forth the amount of the overlay reserve for the following fiscal years and actual abatements granted through June 30, 2017 against each levy.

Fiscal Year	Net Tax Levy(1)	Overlay Reserve		Abatements Granted Through June 30, 2017
		Dollar Amount	As a % of Net Levy	
2017	\$ 313,076,020	\$ 4,930,028	1.57 %	(2)
2016	299,404,279	5,923,542	1.98	\$ 552,251
2015	286,813,970	5,075,909	1.77	748,334
2014	275,166,240	4,058,035	1.47	534,929
2013	256,559,763	3,615,573	1.41	772,468

(1) Tax levy prior to addition of overlay reserve.

(2) Effective November 2, 2016, the Municipal Modernization Act created a single overlay reserve to cover the costs of potential abatements or exemptions granted by the assessors or ordered by the Appellate Tax Board for any fiscal year.

Tax Collections

The taxes for each fiscal year are due in quarterly installments on August 1, November 1, February 1, and May 1. Interest accrues on delinquent taxes currently at the rate of 14 percent per annum retroactive to the due date. Real property (land and buildings) is subject to a lien for the taxes assessed upon it (subject to any paramount federal lien and subject to bankruptcy and insolvency laws). If the property has not been transferred, an unenforced lien expires on the third November 15 after the first year. If the property has not been transferred by the third November 15, an unenforced lien expires upon a later transfer of the property. Provision is made, however, for continuation of the lien where it could not be enforced because of a legal impediment. The persons against whom real or personal property taxes are assessed are personally liable for the tax (subject to bankruptcy and insolvency laws). In the case of real property, this personal liability is effectively extinguished by sale or taking of the property as described below.

The table below compares the City's net tax collections with its net (gross tax levy less overlay reserve for abatements) tax levies for the following fiscal years.

Fiscal Year	Gross Tax Levy	Overlay Reserve for Abatements	Net Tax Levy	Collections During Fiscal Year Payable(1)(2)		Collections as of June 30, 2017	
				Dollar Amount	% of Net Levy	Dollar Amount	% of Net Levy
2017	\$318,006,048	\$4,930,028	\$313,076,020	\$312,929,603	99.95 %	\$312,929,603	99.95 %
2016	305,327,821	5,923,542	299,404,279	300,308,851	100.30	300,308,851	100.30
2015	291,889,879	5,075,909	286,813,970	286,945,789	100.05	289,637,894	100.98
2014	279,224,275	4,058,035	275,166,240	274,820,049	99.87	277,079,590	100.70
2013	260,175,336	3,615,573	256,559,763	255,584,775	99.62	257,635,371	100.42

(1) Net after deduction of overlay reserve for abatements.

(2) Actual dollar collections, net of refunds. Does not include abatements, proceeds of tax titles or tax possessions attributable to each levy or other non-cash credits.

Tax Titles and Possessions

Massachusetts law permits a municipality either to sell by public sale (at which the municipality may become the purchaser) or to take real property for nonpayment of taxes thereon. In either case the property owner can redeem the property by paying the unpaid taxes, with interest (at a rate of 16%) and other charges, but if the right of redemption is not exercised within six months (which may be extended an additional year in the case of certain installment payments) it can be foreclosed by petition to the land court.

Upon such foreclosure, a tax title purchased or taken by the municipality becomes a “tax possession” and may be held and disposed of like any land held for municipal purposes. Uncollectible real property taxes are ordinarily not written off until they become municipal tax titles (either by purchase at the public sale or by taking), at which time the tax is written off in full by reserving the amount of tax and charging surplus.

The table below sets forth the balances of tax titles and possessions at the end of the following fiscal years.

<u>Fiscal Year</u>	<u>Total Tax Titles and Possessions</u>
2017	\$4,902,654
2016	5,035,464
2015	5,527,722
2014	6,418,558
2013	6,173,905

Taxation to Meet Deficits

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

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

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

Tax Limitations

Chapter 59, Section 21C of the General Laws, also known as Proposition 2 ½, imposes two separate limits on the annual tax levy of a city or town.

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

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

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

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

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

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

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

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

The City has been in full compliance with Proposition 2½ since fiscal 1982 following the completion of a professional revaluation of all real and personal property in the City to full value. The following table sets forth the City’s tax levy for the current and each of the last four fiscal years, the primary levy limits based upon 2.5% of estimated full value and the maximum levy limits as determined by the State Department of Revenue.

Tax Levies and Levy Limits (1)

	For Fiscal Year				
	2017	2016	2015	2014	2013
Primary Levy Limit (2)	\$ 653,571,658	\$ 608,045,450	\$ 566,627,630	\$ 524,054,745	\$ 516,132,655
Prior Fiscal Year Levy Limit	304,054,763	291,627,432	279,241,788	260,189,736	250,798,454
2.5% Levy Growth	7,601,369	7,290,686	6,981,045	6,504,743	6,269,961
New Growth (3)	4,799,698	5,136,645	5,404,599	4,147,309	3,121,321
Overrides	-	-	-	8,400,000	-
Growth Levy Limit	316,455,830	304,054,763	291,627,432	279,241,788	260,189,736
Debt Exclusions	1,554,028		283,432	-	-
Capital Expenditure Exclusions	-	1,296,583	-	-	-
Other Adjustments	-	-	-	-	-
Tax Levy Limit	318,009,858	305,351,346	291,911,394	279,241,788	260,189,736
Tax Levy	318,006,048	305,327,821	291,889,879	279,224,275	260,175,336
Unused Levy Capacity (4)	3,810	23,525	21,515	17,513	14,400
Unused Primary Levy Capacity (5)	\$ 335,561,800	\$ 302,694,104	\$ 274,716,236	\$ 244,812,957	\$ 255,942,919

(1) Source: Massachusetts Department of Revenue.

(2) 2.5% of assessed valuation.

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

(4) Tax Levy Limit less Tax Levy.

(5) Primary Levy Limit less Growth Levy Limit.

In March 2013 the voters approved two debt exclusions and a general override of Proposition 2½ to cover five capital projects at an estimated cost of \$132 million. The override will fund three elementary school renovations, two new fire stations, street repairs, and funding for additional teachers and aides, and police officers.

Community Preservation Act

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

A city or town may approve a surcharge of up to 3% of the real property tax levy, and it may accept one or more exemptions to the surcharge under the CPA, including an exemption for low-income individuals and families and for low and moderate-income senior citizens, an exemption for \$100,000 of the value of each taxable parcel of residential real property, and an exemption for commercial and industrial properties in cities and towns with classified tax rates. The surcharge is not counted in the total taxes assessed for the purpose of determining the permitted levy amount under Proposition 2½ (see "Tax Limitations" under "PROPERTY TAXATION" above). A city or town may revoke its acceptance of the provisions of the CPA at any time after 5 years from the date of such acceptance and may change the amount of the surcharge or the exemptions to the surcharge at any time, provided that any such revocation or change must be approved pursuant to the same process as acceptance of the CPA.

Any city or town that accepts the provisions of the CPA will receive annual state matching grants to supplement amounts raised by its surcharge on the real property tax levy. The state matching funds are raised from certain recording and filing fees of the registers of deeds. Those amounts are deposited into a state trust fund and are distributed to cities and towns that have accepted the provisions of the CPA, which distributions are not subject to annual appropriation by the state legislature. The amount distributed to each city and town is based on a statutory formula which requires that 80% of the amount in the state trust fund be used to match an equal percentage of the amount raised locally by each city and town, and that the remaining 20% of the amount in the fund be distributed only to those cities and towns that levy the maximum 3% surcharge based on a formula which takes into account equalized property valuation and population, resulting in larger distributions to those communities with low valuations and small populations. The total state distribution made to

any city or town may not, however, exceed 100% of the amount raised locally by the surcharge on the real property tax levy.

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

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

The City has accepted the Act and set the rate at 1%. The City implemented the program in fiscal 2002 and will utilize revenues to pay for a variety of qualifying projects.

Community Preservation Fund Major Revenues

<u>Year</u>	<u>Property Tax</u>	<u>State Contribution</u>	<u>All Other</u>	<u>Total</u>
2017	\$ 3,074,195	\$ 608,243	\$ 129,226	\$ 3,811,664
2016	2,947,336	839,889	144,093	3,931,318
2015	2,811,676	851,890	32,403	3,695,969
2014	2,682,190	1,311,139	24,587	4,017,916
2013	2,501,985	652,294	24,977	3,179,256

As of June 30, 2017 the CPA Fund had a balance available for appropriations of \$8,971,494.

CITY FINANCES

Budget and Appropriation Process

In a city, within 170 days after the annual organization of the city government (which is ordinarily in early January), the mayor or city manager is required to submit a budget of proposed expenditures for the fiscal year beginning on the next July 1. The city council may make appropriations for the recommended purposes and may reduce or reject any item. Without a recommendation of the mayor or manager, the council may not make any appropriation for a purpose not included in the proposed budget, except by a two-thirds vote in the case of a failure of the mayor or manager to recommend an appropriation for such a purpose within 7 days after a request from the council. The council may not increase any item without the recommendation of the mayor (except as provided by legislation, subject to local acceptance, under which the school budget or regional school district assessment can be increased upon recommendation of the school committee or regional district school committee and by two-thirds vote of the council, provided that such increase does not cause the total annual budget to exceed the property tax limitations). If the council fails to act on any item of the proposed budget within 45 days, that item takes effect.

City department heads are generally required to submit their budget requests to the mayor or city manager between November 1 and December 1. This does not apply to the school department, which must submit its requests in time for the mayor or manager to include them in his submission to the council.

If the mayor or manager does not make a timely budget submission, provision is made for preparation of a budget by the council. Provision is also made for supplementary appropriations upon recommendation of the mayor or manager.

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

Under certain circumstances and subject to certain limits and requirements, the city council of a city, upon the recommendation of the mayor, may transfer amounts appropriated for the use of one department (except for a municipal light department or a school department) to another appropriation for the same department or for the use of any other department. In a town, town meeting may at any time vote to transfer any amount previously appropriated to any other authorized use by law, and, under certain circumstances and subject to certain limits and requirements, the selectmen of a town, with the concurrence of the finance committee, may transfer amounts appropriated for the use of any department to any other appropriation for the same department or to any other department.

Water and sewer department expenditures are generally included in the budgets adopted by city councils and town meetings but electric and gas department funds may be appropriated by the municipal light boards. Under certain legislation any city or town which accepts the legislation may provide that the appropriation for the operating costs of any department may be offset, in whole or in part, by estimated receipts from fees charged for services provided by the department. It is assumed that this general provision does not alter the pre-existing power of an electric or gas department to appropriate its own receipts.

The school budget is limited to the total amount appropriated by the city council or town meeting, but the school committee retains full power to allocate the funds appropriated. State legislation known as the Education Reform Act of 1993, as amended, imposes certain minimum expenditure requirements on municipalities with respect to funding for education. The requirements are determined on the basis of formulas affected by various measures of wealth and income, enrollments, prior levels of local spending and state aid, and other factors. (See footnotes to "Tax Levy Computation" above and "State Aid" below.)

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

The following table lists the City's budgets for fiscal 2014 through 2018. The budgets include General Fund, Water and Sewer Utility Funds, and Community Preservation.

BUDGET COMPARISON (1)

	FY 2014 Budget	FY 2015 Budget	FY 2016 Budget	FY 2017 Budget	FY 2018 Budget (2)
General Government	\$ 15,863,130	\$ 17,340,040	\$ 18,685,495	\$ 18,243,287	\$ 19,630,107
Public Safety	37,876,009	39,628,117	42,079,248	45,202,771	46,330,874
Education	189,112,913	195,984,446	203,341,279	210,236,209	219,774,631
Public Works	25,385,792	28,911,444	23,918,648	26,470,877	23,375,328
Water & Sewer	40,445,439	41,471,089	45,342,609	47,939,808	52,018,600
Health & Human Services	4,102,323	4,188,670	4,484,516	4,592,436	4,886,293
Culture & Recreation	9,380,325	9,913,555	12,003,504	12,301,043	12,625,290
Debt Service-General	17,057,491	17,493,096	19,064,717	20,225,448	22,918,195
Debt Service-Water & Sewer	5,037,655	4,617,227	4,754,728	4,773,449	5,139,781
Debt Service - CPA	801,750	280,500	269,344	259,781	-
Interest on Tax Refunds	-	-	-	-	-
Pension & Employee Ben.	28,414,807	30,573,911	32,636,197	34,582,361	37,029,743
State & County Asses.	5,776,954	5,921,096	6,026,701	6,168,127	6,206,582
Capital Outlay from CPA	5,418,850 (3)	7,607,309 (3)	10,587,063	10,036,848 (3)	8,912,376 (3)
Capital Outlay & Other	4,999,018 (4)	3,829,182 (4)	6,958,061	16,333,603 (4)	17,347,181 (4)
Capital Outlay & Other - Water & Sewer	2,345,307 (5)	3,500,550 (5)	3,273,621	3,302,644 (5)	1,248,140 (5)
Subtotal	\$ 392,017,763	\$ 411,260,232	\$ 433,425,731	\$ 460,668,692	\$ 477,443,121
Transfer to Other Funds	14,519,031 (6)	18,638,175 (6)	8,866,694 (6)	8,719,532 (6)	4,230,199 (6)
Total	\$ 406,536,794	\$ 429,898,407	\$ 442,292,425	\$ 469,388,224	\$ 481,673,320

(1) Includes annual appropriations for General Fund, Storm Water Management Fund, Water Fund, Sewer Fund and Community Preservation Fund.

(2) Fiscal year 2018 Budget as amended, as of November 30, 2017.

(3) CPA Fund Capital Outlay & Other:

	2014	2015	2016	2017	2018
Appropriated reserves	\$ 1,933,764	\$ 1,260,251	\$ 2,324,290	\$ 830,127	\$ 2,327,605
Capital outlay & improvements	3,485,086	6,347,058	8,262,773	9,206,721	6,584,771
Total	\$ 5,418,850	\$ 7,607,309	\$ 10,587,063	\$ 10,036,848	\$ 8,912,376

(4) General Fund Capital Outlay and Other:

	2014	2015	2016	2017	2018
Municipal wage reserve	\$ -	\$ -	\$ 100,000	\$ 5,375	\$ 1,211,119
Budget reserve	-	15,000	7,867	-	500,000
Snow & ice reserve	-	-	-	-	3,000,000
ABT Interest Reserve	-	435,510	-	-	-
Staffing Project Reserve	-	435,510	-	-	50,000
Total	\$ 4,999,018	\$ 3,378,672	\$ 6,850,194	\$ 16,328,228	\$ 12,586,062
Total	\$ 4,999,018	\$ 4,264,692	\$ 6,958,061	\$ 16,333,603	\$ 17,347,181

(5) Water & Sewer Capital Outlay & Other:

	2014	2015	2016	2017	2018
Operating reserve	\$ 780,340	\$ 2,500,550	\$ 3,273,621	\$ 3,302,644	\$ 1,248,140
Capital reserve	1,564,967	1,000,000	-	-	-
Total	\$ 2,345,307	\$ 3,500,550	\$ 3,273,621	\$ 3,302,644	\$ 1,248,140

(6) Transfer to Other Funds:

	2014	2015	2016	2017	2018
Workers compensation self insurance	\$ 1,868,845	\$ 2,050,000	\$ 1,650,000	\$ 1,950,000	\$ 1,300,000
School athletic revolving subsidy	880,533	906,729	1,021,000	1,072,385	1,005,359
School food services fund subsidy	-	-	-	46,811	-
"Rainy day" stabilization fund	3,000,000	3,236,420	1,436,831	689,887	150,000
Capital stabilization fund contribution	2,400,000	2,487,062	2,410,285	2,157,184	-
School building improvement fund	40,000	98,964	369,024	710,000	-
Water & sewer capital improvement funds	6,246,653	9,704,000	1,666,556	1,708,220	1,774,840
All other	83,000	155,000	312,998	385,045	-
Total	\$ 14,519,031	\$ 18,638,175	\$ 8,866,694	\$ 8,719,532	\$ 4,230,199

Revenues

All of the amounts below were extracted from the audited financial statements of the City, except for the MWRA assessments.

Property Taxes: Property taxes are the major source of revenue for the City. The total amount levied is subject to certain limits prescribed by law; for a description of those limits see "PROPERTY TAXATION--Property Tax Limitation" above. The trend in the (net) property tax levy is shown in the table below.

<u>Fiscal Year</u>	<u>Property Tax Levy</u>
2018	\$ 327,216,395
2017	313,076,020
2016	299,404,279
2015	286,813,970
2014	275,166,240

State Aid: The City's state aid entitlement is based upon a number of different formulas, and while said formulas might indicate that a particular amount of state aid is owed, the amount of state aid actually paid is limited to the amount appropriated by the state legislature. The state annually estimates state aid but actual payments may vary from the estimate.

The table below shows the trend in the City's General Fund state aid, inclusive of school building assistance reimbursements.

<u>Fiscal Year</u>	<u>State Aid</u>
2018 (estimate)	\$ 29,111,469
2017	27,053,120
2016	26,065,257
2015	25,188,483
2014	22,718,542
2013	21,481,789

Motor Vehicle Excise: An excise is imposed on the registration of motor vehicles (subject to exemptions) at a rate of \$25 per \$1,000 of valuation. Valuations are determined by a statutory formula based on manufacturer's list price and year of manufacture. Bills not paid when due bear interest at 12 per cent per annum. Provision is also made for non-renewal of registration and operating license by the registrar of motor vehicles. The trend in motor vehicle excise tax receipts is shown in the table below.

<u>Fiscal Year</u>	<u>Motor Vehicle Excise Tax Receipts</u>
2018 (estimate)	\$ 13,125,000
2017	13,756,305
2016	12,903,047
2015	12,353,469
2014	12,196,692
2013	10,914,807

Water and Sewer: Since fiscal 1989, the City's water and sewer operations have been accounted in special revenue funds. The City's policy is to set water and sewer rates to recover fully all costs of operations, including overhead and debt service.

The latest adjustment in water and sewer rates became effective for water consumed on May 15, 2017. Water rates are currently \$6.60 per hundred cubic feet (hcf) for the first 10 hcf, \$7.60 per hcf for 11-25 hcf; \$8.74 per hcf for 26-60 hcf; and \$10.90 per hcf for all consumption in excess of 60 hcf. The outdoor meter rate is \$12.00 per hcf for all such water that is used. Sewer rates are based on water consumption. Sewer rates are currently \$9.85; per hcf for the first 10 hcf, \$11.45 per hcf for 11-25 hcf; \$12.30 per hcf for 26-60 hcf; and \$14.15 per hcf for all consumption in excess of 60 hcf.

Massachusetts Water Resources Authority (MWRA) charges for water supply and collection and treatment of sewage amount to \$29.9 million for the current fiscal year – 61.3% of the combined total operating budget of the City’s water and sewer utilities.

For the fiscal year ended June 30, 2017, sewer fund revenues and transfers from other funds were \$33,415,569; expenditures and transfers to other funds were \$29,202,894, and the fund ended the with a fund balance of \$17,568,057, \$15,233,096 of which was available for appropriation. The fiscal year 2018 revenue estimate is \$33,521,910.

For the fiscal year ended June 30, 2017, water fund revenues were \$26,438,943, expenditures and transfers to other funds were \$22,422,484, and the fund ended the year with a fund balance of \$10,200,354, \$8,376,319 of which was available for appropriation. The fiscal year 2018 water fund revenue estimate is \$25,209,225.

Room Occupancy Tax: In 1985 the State legislature made available a room occupancy excise tax as an additional source of revenue for municipalities (G.L. Chapter 64G, s.3A), effective July 1, 1986. Under this tax, local governments may tax the provision of hotel, motel and lodging house rooms at a rate not to exceed four percent (4%) of the cost of renting such rooms. The tax is paid by the operator of the hotel, motel or lodging house to the State Commissioner of Revenue, who in turn pays the tax back to the municipality in which the rooms are located in quarterly distributions. Effective October 1, 2009, the City levies the full 6% room occupancy tax as permitted under the law. The trend in room occupancy tax receipts is shown below.

<u>Fiscal Year</u>		<u>Room Occupancy Tax Receipts</u>
2018	(estimate)	\$ 2,493,132
2017		2,263,279
2016		2,444,007
2015		2,330,724
2014		2,218,759
2013		2,051,414

Local Meals Excise Tax: Effective January 1, 2010, the City enacted a local meals excise tax on sales of restaurant meals. The tax is a three-fourths percent tax on the gross receipts of a vendor from the sale of restaurant meals. The vendor pays the tax to the State Commissioner of Revenue, which in turn, pays the tax to the municipality in which the meal was sold. The trend in local meals excise tax receipts is shown below.

<u>Fiscal Year</u>		<u>Local Meals Excise Tax Receipts</u>
2018	(estimate)	\$ 1,918,224
2017		1,938,182
2016		1,880,428
2015		1,786,617
2014		1,557,737
2013		1,407,803

Capital Planning and Budget Forecasts

As part of its budget planning process, the City prepares a capital budget and six-year capital plan. Copies of these documents are available in the City’s website and/or from the City’s Chief Financial Officer.

Investment of City Funds

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

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

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

Breakdown of such investments may be obtained from the City Treasurer.

Pension funds are under the jurisdiction of the Newton Contributory Retirement System. Investments and the retirement system are discussed in Appendix A.

Annual Audits

Audits are performed annually by Clifton Larson Allen, LLP (formerly Sullivan, Rogers, & Company, LLC) and incorporated into the City's Comprehensive Annual Financial Reports. See Appendix A for the City's fiscal 2016 Comprehensive Annual Financial Report ("CAFR") and audit. Copies of previous fiscal year's audits are available upon request from the City.

The attached report speaks only as of its date, and only to the matters expressly set forth therein. The auditors have not been engaged to review this Official Statement or to perform audit procedures regarding post-audit period, nor have the auditors been requested to give their consent to the inclusion of their report in Appendix A. Except as stated in their report, the auditors have not been engaged to verify the financial information set out in Appendix A and are not passing upon and do not assume responsibility for the sufficiency, accuracy or completeness of the financial information presented in that appendix.

Basis of Accounting

See Appendix A.

Financial Statements

Set forth on the following pages are Governmental Fund Balance Sheets for fiscal 2016, 2015, and 2014, and Statements of Revenues, Expenditures and Changes in Fund Balances for fiscal years 2016 through 2012. All the financial statements are extracted from audited financial statements.

Comprehensive Annual Financial Report (CAFR)

The City has prepared a CAFR for the fiscal year ending June 30, 2016. This report is attached hereto as Appendix A.

Fiscal 2017 Estimated Year End Operating Results

Fiscal 2017 General Fund revenues of \$379.7 exceeded general fund expenses of \$377.7 million by \$2.0 million. Other general fund financing sources had a surplus of \$2.7 million, resulting in a positive net change in the general fund balance at year-end of \$4.7 million.

**CITY OF NEWTON, MASSACHUSETTS
GOVERNMENTAL FUND BALANCE SHEET
JUNE 30, 2016 (1)**

	General	Community Preservation	High School Improvements	Angier School Improvement	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Cash and Cash Equivalents	\$ 78,398,224	\$ -	\$ -	\$ -	\$ 1,554,522	\$ 79,952,746
Receivables, net of Allowance for Uncollectibles						-
Real Estate and Personal Property Taxes	6,536,815	-	-	-	-	6,536,815
Real Estate Tax Deferrals	3,020,590	-	-	-	-	3,020,590
Tax and Trash Liens	8,554,586	-	-	-	-	8,554,586
Motor Vehicle and Other Excise Tax	1,212,175	-	-	-	-	1,212,175
Community Preservation Surcharges	-	39,965	-	-	-	39,965
User Charges	36,008	-	-	-	558,914	594,922
Departmental and Other	4,820,362	-	-	-	645	4,821,007
Intergovernmental	666,491	561,633	-	-	1,585,302	2,813,426
Special Assessments	236,429	-	-	-	106,064	342,493
Due from Other Funds	627,329	-	-	-	-	627,329
Other Assets	-	-	-	-	30,000	30,000
Restricted Assets:						
Cash and cash Equivalents	2,814,268	15,504,442	-	3,029,791	39,162,695	60,511,196
Investments	-	-	-	-	527,012	527,012
TOTAL ASSETS	\$ 106,923,277	\$ 16,106,040	\$ -	\$ 3,029,791	\$ 43,525,154	\$ 169,584,262
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Warrants Payable	\$ 2,277,040	\$ 122,177	\$ -	\$ 973,981	\$ 1,606,549	\$ 4,979,747
Accrued Liabilities	915,141	45,076	-	1,160,635	3,221,971	5,342,823
Accrued Payroll	17,526,772	1,434	-	-	712,482	18,240,688
Revenue Refunds Payable	5,284,600	-	-	-	-	5,284,600
Other Liabilities	195,491	-	-	-	289,584	485,075
Abandoned Property	623,037	-	-	-	-	623,037
Liabilities and Depositors	256,142	-	-	-	-	256,142
Due to Other Funds	-	-	-	-	627,329	627,329
Short-Term Notes Payable	-	-	-	-	761,000	761,000
TOTAL LIABILITIES	\$ 27,078,223	\$ 168,687	\$ -	\$ 2,134,616	\$ 7,218,915	\$ 36,600,441
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue	\$ 22,386,357	\$ 587,599	\$ -	\$ -	\$ 286,276	\$ 23,260,232
FUND BALANCES						
Nonspendable	-	-	-	-	397,049	397,049
Restricted	2,814,268	15,349,754	-	895,175	34,068,392	53,127,589
Committed	8,851,803	-	-	-	1,554,522	10,406,325
Assigned	2,176,104	-	-	-	-	2,176,104
Unassigned	43,616,522	-	-	-	-	43,616,522
TOTAL FUND BALANCES	57,458,697	15,349,754	-	895,175	36,019,963	109,723,589
TOTAL LIABILITIES AND FUND BALANCES	\$ 106,923,277	\$ 16,106,040	\$ -	\$ 3,029,791	\$ 43,525,154	\$ 169,584,262

(1) Extracted from the audited financial statements of the City.

**CITY OF NEWTON, MASSACHUSETTS
GOVERNMENTAL FUND BALANCE SHEET
JUNE 30, 2015 (1)**

	General	Community Preservation	High School Improvements	Angier School Improvement	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Cash and Cash Equivalents	\$ 66,071,358	\$ -	\$ -	\$ -	\$ 1,281,577	\$ 67,352,935
Interest and Dividends	-	-	-	-	1,018	1,018
Receivables, net of Allowance for Uncollectibles	-	-	-	-	-	-
Real Estate and Personal Property Taxes	5,782,548	-	-	-	-	5,782,548
Real Estate Tax Deferrals	2,985,255	-	-	-	-	2,985,255
Tax and Trash Liens	8,947,286	-	-	-	4,167	8,951,453
Motor Vehicle and Other Excise Tax	1,053,339	-	-	-	-	1,053,339
Community Preservation Surcharges	-	41,365	-	-	-	41,365
User Charges	36,960	-	-	-	660,300	697,260
Departmental and Other	4,748,451	-	-	-	-	4,748,451
Intergovernmental	598,712	509,872	-	-	3,471,830	4,580,414
Special Assessments	263,055	-	-	-	128,387	391,442
Due from Other Funds	277,393	-	-	-	-	277,393
Other Assets	-	-	-	-	30,000	30,000
Restricted Assets:	-	-	-	-	-	-
Cash and cash Equivalents	3,006,074	13,867,729	-	12,244,855	17,281,626	46,400,284
Investments	-	-	-	-	619,534	619,534
TOTAL ASSETS	\$ 93,770,431	\$ 14,418,966	\$ -	\$ 12,244,855	\$ 23,478,439	\$ 143,912,691
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Warrants Payable	\$ 2,174,872	\$ 2,673	\$ -	\$ 2,392,914	\$ 1,523,599	\$ 6,094,058
Accrued Liabilities	3,922,101	-	-	479,358	1,514,374	5,915,833
Accrued Payroll	16,365,479	1,813	-	-	702,439	17,069,731
Revenue Refunds Payable	10,006,440	-	-	-	-	10,006,440
Other Liabilities	54,911	-	-	-	927,365	982,276
Abandoned Property	850,606	-	-	-	-	850,606
Liabilities and Depositors	235,642	-	-	-	-	235,642
Due to Other Funds	-	-	-	-	277,393	277,393
Short-Term Notes Payable	-	-	-	-	1,250,000	1,250,000
TOTAL LIABILITIES	\$ 33,610,051	\$ 4,486	\$ -	\$ 2,872,272	\$ 6,195,170	\$ 42,681,979
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue	\$ 21,636,716	\$ 536,747	\$ -	\$ -	\$ 175,331	\$ 22,348,794
FUND BALANCES						
Nonspendable	-	-	-	-	397,170	397,170
Restricted	3,006,074	13,877,733	-	9,372,583	15,429,191	41,685,581
Committed	5,308,421	-	-	-	1,281,577	6,589,998
Assigned	2,451,384	-	-	-	-	2,451,384
Unassigned	27,757,785	-	-	-	-	27,757,785
TOTAL FUND BALANCES	38,523,664	13,877,733	-	9,372,583	17,107,938	78,881,918
TOTAL LIABILITIES AND FUND BALANCES	\$ 93,770,431	\$ 14,418,966	\$ -	\$ 12,244,855	\$ 23,478,439	\$ 143,912,691

(1) Extracted from the audited financial statements of the City.

**CITY OF NEWTON, MASSACHUSETTS
GOVERNMENTAL FUND BALANCE SHEET
JUNE 30, 2014 (1)**

	General	Community Preservation	High School Improvements	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	\$ 59,244,160	\$ -	\$ -	\$ 1,736,249	\$ 60,980,409
Interest and Dividends	-	-	-	1,003	1,003
Receivables, net of Allowance for Uncollectibles					
Real Estate and Personal Property Taxes	4,190,261	-	-	-	4,190,261
Real Estate Tax Deferrals	3,186,380	-	-	-	3,186,380
Tax Liens	9,672,147	-	-	2,842	9,674,989
Motor Vehicle Excise	735,956	-	-	-	735,956
Community Preservation Surcharges	-	34,293	-	-	34,293
Charges for Services	37,103	-	-	834,764	871,867
Departmental and Other	4,775,685	-	-	16,071	4,791,756
Intergovernmental	755,058	622,706	-	3,778,228	5,155,992
Special Assessments	306,102	-	-	151,192	457,294
Due from Other Funds	772,007	-	-	-	772,007
Due from Other Fiduciary Funds	27,049	-	-	-	27,049
Other Assets	27,675	-	-	30,000	57,675
Restricted Assets:					
Cash and cash Equivalents	2,849,507	11,577,773	-	23,027,972	37,455,252
Investments	-	-	-	622,955	622,955
TOTAL ASSETS	\$ 86,579,090	\$ 12,234,772	\$ -	\$ 30,201,276	\$ 129,015,138
LIABILITIES AND FUND BALANCES					
Liabilities:					
Warrants Payable	\$ 3,105,199	\$ 54,121	\$ -	\$ 3,832,543	\$ 6,991,863
Accrued Liabilities	3,472,552	28,968	-	1,149,715	4,651,235
Accrued Payroll	14,200,813	1,455	-	645,242	14,847,510
Revenue Refunds Payable	6,708,473	-	-	-	6,708,473
Other Liabilities	-	-	-	1,576,886	1,576,886
Abandoned Property	883,085	-	-	-	883,085
Liabilities and Depositors	262,481	-	-	2,030	264,511
Due to Other Funds	-	-	-	772,007	772,007
TOTAL LIABILITIES	\$ 28,632,603	\$ 84,544	\$ -	\$ 7,978,423	\$ 36,695,570
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	\$ 21,270,710	\$ 644,987	\$ -	\$ 1,304,660	\$ 23,220,357
FUND BALANCES					
Nonspendable	-	-	-	397,250	397,250
Restricted	2,849,507	11,505,241	-	18,784,694	33,139,442
Committed	4,889,216	-	-	1,736,249	6,625,465
Assigned	2,677,990	-	-	-	2,677,990
Unassigned	26,259,064	-	-	-	26,259,064
TOTAL FUND BALANCES	\$ 36,675,777	\$ 11,505,241	\$ -	\$ 20,918,193	\$ 69,099,211
TOTAL LIABILITIES AND FUND BALANCES	\$ 86,579,090	\$ 12,234,772	\$ -	\$ 30,201,276	\$ 129,015,138

(1) Extracted from the audited financial statements of the City.

**CITY OF NEWTON, MASSACHUSETTS
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For Fiscal Year Ended June 30, 2016 (1)**

	General	Community Preservation	High School Improvements	Angier School Improvement	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES:						
Real Estate and Personal Property Taxes	\$ 308,965,868	\$ -	\$ -	\$ -	\$ -	\$ 308,965,868
Motor Vehicle Excise Taxes	13,122,277	-	-	-	-	13,122,277
Hotel/Motel Tax	2,444,007	-	-	-	-	2,444,007
Meals Taxes	1,880,428	-	-	-	-	1,880,428
Payments in Lieu of Taxes	476,083	-	-	-	-	476,083
Community Preservation Surcharges	-	2,946,847	-	-	-	2,946,847
Charges for Services	1,586,701	-	-	-	18,539,805	20,126,506
Intergovernmental	27,820,174	839,889	-	6,764,771	25,102,803	60,527,637
Special Assessments	45,694	-	-	-	123,894	169,588
Penalties and Interest on Taxes	1,282,596	-	-	-	-	1,282,596
Licenses and Permits	9,242,905	-	-	-	1,240,119	10,483,024
Fines and Forfeitures	1,800,214	-	-	-	246,175	2,046,389
Contributions	-	-	-	-	1,446,969	1,446,969
Investment Income (loss)	437,596	51,836	-	-	1,442	490,874
Other	824,032	92,256	-	-	211,611	1,127,899
TOTAL REVENUES	\$ 369,928,575	\$ 3,930,828	\$ -	\$ 6,764,771	\$ 46,912,818	\$ 427,536,992
EXPENDITURES:						
Current:						
General Government:						
Legislative & Executive	\$ 2,710,237	\$ -	\$ -	\$ -	\$ 19,835	\$ 2,730,072
Financial Administration	3,861,704	-	-	-	-	3,861,704
Administrative Support	4,569,763	-	-	-	-	4,569,763
Planning & Development	1,487,646	837,881	-	-	4,789,626	7,115,153
Public Building Maintenance & Operations	4,886,784	961,706	-	-	6,713,838	12,562,328
Public Safety:						
Police	20,564,833	-	-	-	4,106,200	24,671,033
Fire	19,500,428	-	-	-	830,571	20,330,999
Inspectional Services	1,346,324	-	-	-	6,306	1,352,630
Education	202,704,374	-	-	20,548,338	49,792,271	273,044,983
Public Works:						
Streets and Sidewalks	7,039,749	-	-	-	6,011,696	13,051,445
Control of Snow & Ice	3,662,221	-	-	-	-	3,662,221
Sanitation	7,795,295	-	-	-	-	7,795,295
Vehicle Maintenance	2,191,024	-	-	-	2,390	2,193,414
Engineering	1,059,824	-	-	-	125,420	1,185,244
Administrative & Support	1,147,237	-	-	-	-	1,147,237
Health and Human Services:						
Health & Human Services	3,252,722	-	-	-	239,721	3,492,443
Senior Services	609,103	-	-	-	369,354	978,457
Veteran Services	448,432	-	-	-	4,928	453,360
Culture and Recreation:						
Libraries	5,399,875	-	-	-	572,917	5,972,792
Parks & Recreation	6,127,565	275,463	-	-	3,519,381	9,922,409
Newton History Museum	244,573	114,413	-	-	2,164	361,150
Retirement Benefits	31,235,486	-	-	-	-	31,235,486
Workers' Compensation Insurance	1,150,000	-	-	-	-	1,150,000
Property and Liability Insurance	468,006	-	-	-	-	468,006
Claims and Judgments	244,752	-	-	-	-	244,752
State and County Charges	6,113,282	-	-	-	-	6,113,282
Debt Service						
Principal	10,492,967	255,000	-	-	-	10,747,967
Interest	8,163,295	14,344	-	-	-	8,177,639
TOTAL EXPENDITURES	\$ 358,477,501	\$ 2,458,807	\$ -	\$ 20,548,338	\$ 77,106,618	\$ 458,591,264
EXCESS (DEFICIENCY) OF REVENUES AND TRANSFERS OVER EXPENDITURES						
	11,451,074	1,472,021	-	(13,783,567)	(30,193,800)	(31,054,272)
Other Financing Sources (Uses)						
Proceeds of Bonds and Notes	-	-	-	4,955,000	50,385,000	55,340,000
Premium from Issuance of Bonds and Notes	3,955,263	-	-	-	-	3,955,263
Proceeds of Refunding Bonds	-	-	18,301,050	-	1,308,950	19,610,000
Premium from Issuance of Refunding Bonds	-	-	2,260,128	-	170,117	2,430,245
Sale of Capital Assets	85,000	-	-	-	44,179	129,179
Transfer In	6,490,377	-	-	351,159	3,159,986	10,001,522
Transfer Out	(3,046,681)	-	-	-	(4,225,748)	(7,272,429)
Payments to Refunding Bonds Escrow	-	-	(20,561,178)	-	(1,479,067)	(22,040,245)
TOTAL OTHER FINANCING SOURCES (USES)	7,483,959	-	-	5,306,159	49,363,417	62,153,535
Net Change in Fund Balances	18,935,033	1,472,021	-	(8,477,408)	19,169,617	31,099,263
Fund Balances at Beginning of Year	38,523,664	13,877,733	-	9,372,583	16,850,346	78,624,326
Fund Balances at End of Year	\$ 57,458,697	\$ 15,349,754	\$ -	\$ 895,175	\$ 36,019,963	\$ 109,723,589

(1) Extracted from the audited financial statements of the City.

**CITY OF NEWTON, MASSACHUSETTS
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For Fiscal Year Ended June 30, 2015 (1)**

	General	Community Preservation	High School Improvements	Angier School Improvement	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES:						
Real Estate and Personal Property Taxes	\$ 288,700,477	\$ -	\$ -	\$ -	\$ -	\$ 288,700,477
Motor Vehicle Excise Taxes	12,486,356	-	-	-	-	12,486,356
Hotel/Motel Tax	2,330,724	-	-	-	-	2,330,724
Meals Taxes	1,786,617	-	-	-	-	1,786,617
Payments in Lieu of Taxes	465,822	-	-	-	-	465,822
Community Preservation Surcharges	-	2,814,155	-	-	-	2,814,155
Charges for Services	1,707,340	-	-	-	18,699,465	20,406,805
Intergovernmental	26,673,730	851,890	-	2,246,784	23,356,076	53,128,480
Special Assessments	64,944	-	-	-	125,659	190,603
Penalties and Interest on Taxes	1,486,232	-	-	-	22,027	1,508,259
Licenses and Permits	6,792,066	-	-	-	829,924	7,621,990
Fines and Forfeitures	1,772,104	-	-	-	36,750	1,808,854
Contributions	-	-	-	-	1,016,439	1,016,439
Investment Income (loss)	245,471	25,332	-	-	(251)	270,552
Other	998,256	7,070	355,099	-	246,107	1,606,532
TOTAL REVENUES	\$ 345,510,139	\$ 3,698,447	\$ 355,099	\$ 2,246,784	\$ 44,332,196	\$ 396,142,665
EXPENDITURES:						
Current:						
General Government:						
Legislative & Executive	\$ 2,630,494	\$ -	\$ -	\$ -	\$ 19,132	\$ 2,649,626
Financial Administration	3,802,182	-	-	-	-	3,802,182
Administrative Support	4,247,969	-	-	-	-	4,247,969
Planning & Development	1,108,503	384,470	-	-	4,156,582	5,649,555
Public Building Maintenance & Operations	4,388,515	147,181	-	-	6,496,294	11,031,990
Public Safety:						
Police	19,557,336	-	-	-	3,455,060	23,012,396
Fire	18,831,875	-	-	-	275,826	19,107,701
Inspectional Services	1,241,867	-	-	-	6,509	1,248,376
Education	195,853,428	-	-	12,325,937	28,392,326	236,571,691
Public Works:						
Streets and Sidewalks	6,387,036	-	-	-	6,861,013	13,248,049
Control of Snow & Ice	7,588,599	-	-	-	-	7,588,599
Sanitation	8,585,724	-	-	-	4,470	8,590,194
Vehicle Maintenance	2,256,998	-	-	-	10,667	2,267,665
Engineering	1,096,339	-	-	-	139,009	1,235,348
Administrative & Support	1,002,585	-	-	-	-	1,002,585
Health and Human Services:						
Health & Human Services	3,126,841	-	-	-	278,098	3,404,939
Senior Services	562,308	-	-	-	260,344	822,652
Veteran Services	314,150	-	-	-	3,849	317,999
Culture and Recreation:						
Libraries	5,229,583	-	-	-	446,564	5,676,147
Parks & Recreation	4,329,490	453,800	-	-	3,079,982	7,863,272
Newton History Museum	260,825	59,494	-	-	7,467	327,786
Retirement Benefits	29,199,509	-	-	-	-	29,199,509
Workers' Compensation Insurance	1,550,000	-	-	-	-	1,550,000
Property and Liability Insurance	450,027	-	-	-	-	450,027
Claims and Judgments	232,282	-	-	-	-	232,282
State and County Charges	5,875,034	-	-	-	-	5,875,034
Debt Service:						
Principal	9,569,367	255,000	-	-	-	9,824,367
Interest	7,983,557	25,500	-	-	-	8,009,057
TOTAL EXPENDITURES	\$ 347,262,423	\$ 1,325,445	\$ -	\$ 12,325,937	\$ 53,893,192	\$ 414,806,997
EXCESS (DEFICIENCY) OF REVENUES AND TRANSFERS OVER EXPENDITURES						
	(1,752,284)	2,373,002	355,099	(10,079,153)	(9,560,996)	(18,664,332)
Other Financing Sources (Uses)						
Proceeds of Bonds and Notes	-	-	-	15,000,000	10,505,000	25,505,000
Premium from Issuance of Bonds and Notes	1,197,352	-	-	-	-	1,197,352
Proceeds of Refunding Bonds	-	-	17,348,960	-	2,286,040	19,635,000
Premium from Issuance of Refunding Bonds	-	-	1,548,380	-	211,143	1,759,523
Sale of Capital Assets	-	-	-	-	13,300	13,300
Transfer In	5,823,512	-	-	98,964	3,476,729	9,399,205
Transfer Out	(3,420,693)	(510)	-	-	(3,843,094)	(7,264,297)
Premium to Refunding Bonds Escrow	-	-	(19,252,439)	-	(2,545,605)	(21,798,044)
TOTAL OTHER FINANCING SOURCES (USES)	3,600,171	(510)	(355,099)	15,098,964	10,103,513	28,447,039
Net Change in Fund Balances	1,847,887	2,372,492	-	5,019,811	542,517	9,782,707
Fund Balances at Beginning of Year	36,675,777	11,505,241	-	4,352,772	16,565,421	69,099,211
Fund Balances at End of Year	\$ 38,523,664	\$ 13,877,733	\$ -	\$ 9,372,583	\$ 17,107,938	\$ 78,881,918

(1) Extracted from the audited financial statements of the City.

**CITY OF NEWTON, MASSACHUSETTS
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For Fiscal Year Ended June 30, 2014 (1)**

	General	Community Preservation	High School Improvements	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES:					
Real Estate and Personal Property Taxes	\$ 277,636,527	\$ -	\$ -	\$ -	\$ 277,636,527
Motor Vehicle Excise Taxes	12,057,191	-	-	-	12,057,191
Hotel Room Occupancy Taxes	2,218,759	-	-	-	2,218,759
Meals Taxes	1,557,737	-	-	-	1,557,737
Community Preservation Surcharges	-	2,689,198	-	-	2,689,198
Penalties and Interest on Taxes	1,135,819	-	-	24,272	1,160,091
Licenses and Permits	6,899,536	-	-	638,748	7,538,284
Intergovernmental	56,964,530	1,311,139	-	25,354,077	83,629,746
Charges for Services	1,734,699	-	-	17,355,434	19,090,133
Fines and Forfeitures	1,840,649	-	-	49,286	1,889,935
Investment Income	216,610	18,636	-	92,769	328,015
Contributions and Donations	-	-	-	1,112,823	1,112,823
Payments in Lieu of Taxes	475,741	-	-	-	475,741
Miscellaneous	493,668	5,952	-	238,089	737,709
Special Assessments	51,512	-	-	138,035	189,547
TOTAL REVENUES	\$ 363,282,978	\$4,024,925	\$ -	\$ 45,003,533	\$ 412,311,436
EXPENDITURES:					
Current:					
General Government:					
Legislative & Executive	\$ 2,456,088	\$ -	\$ -	\$ 5,074	\$ 2,461,162
Financial Administration	3,600,152	-	-	250	3,600,402
Administrative Support	4,143,257	-	-	-	4,143,257
Planning & Development	1,113,182	455,995	-	4,442,976	6,012,153
Public Building Maintenance & Operations	4,056,107	637,872	-	1,873,703	6,567,682
Public Safety:					
Police	18,816,481	-	-	3,819,460	22,635,941
Fire	17,509,749	-	-	817,020	18,326,769
Inspectional Services	1,198,956	-	-	15,730	1,214,686
Education	187,922,902	-	3,520	42,465,318	230,391,740
Public Works:					
Streets and Sidewalks	6,568,467	-	-	7,086,664	13,655,131
Control of Snow & Ice	4,941,099	-	-	-	4,941,099
Sanitation	8,244,008	-	-	-	8,244,008
Vehicle Maintenance	2,127,266	-	-	4,542	2,131,808
Engineering	1,031,832	-	-	72,382	1,104,214
Administrative & Support	1,006,137	-	-	-	1,006,137
Health and Human Services:					
Health & Human Services	3,109,422	-	-	326,598	3,436,020
Senior Services	576,061	-	-	305,567	881,628
Veteran Services	338,989	-	-	-	338,989
Culture and Recreation:					
Libraries	5,124,667	-	-	333,735	5,458,402
Parks & Recreation	3,863,993	-	-	2,817,467	6,681,460
Newton History Museum	251,324	50,912	-	1,246	303,482
Retirement Benefits	60,134,090	-	-	-	60,134,090
Workers' Compensation Insurance	1,334,721	-	-	-	1,334,721
Property and Liability Insurance	443,898	-	-	-	443,898
Claims and Judgments	171,221	-	-	-	171,221
State assessments & Charges	5,783,939	-	-	-	5,783,939
Debt Service					
Principal	9,612,425	755,000	-	-	10,367,425
Interest	7,364,974	46,750	-	-	7,411,724
TOTAL EXPENDITURES	\$ 362,845,407	\$ 1,946,529	\$ 3,520	\$ 64,387,732	\$ 429,183,188
EXCESS (DEFICIENCY) OF REVENUES AND TRANSFERS OVER EXPENDITURES					
	437,571	-	-	(19,384,199)	(16,871,752)
Other Financing Sources (Uses)					
Transfers In	6,757,272	-	-	4,045,270	10,802,542
Issuance of General Obligation Bonds	-	-	-	20,936,000	20,936,000
Premium from Issuance of Bonds and Notes	749,963	-	-	-	749,963
Sale of Assets	14,173	-	-	13,246	27,419
Transfers Out	(3,998,586)	-	(5,045)	(4,291,917)	(8,295,548)
TOTAL OTHER FINANCING SOURCES (USES)	3,522,822	-	(5,045)	20,702,599	24,220,376
Net Change in Fund Balances	3,960,393	2,078,396	(8,565)	1,318,400	7,348,624
Fund Balances at Beginning of Year	32,715,384	9,426,845	8,565	19,599,793	61,750,587
Fund Balances at End of Year	\$ 36,675,777	\$ 11,505,241	\$ -	\$ 20,918,193	\$ 69,099,211

(1) Extracted from the audited financial statements of the City.

**CITY OF NEWTON, MASSACHUSETTS
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For Fiscal Year Ended June 30, 2013 (1)**

	General	Community Preservation	High School Improvements	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES:					
Real Estate and Personal Property Taxes	\$ 257,225,856	\$ -	\$ -	\$ -	\$ 257,225,856
Motor Vehicle Excise Taxes	11,351,368	-	-	-	11,351,368
Hotel Room Occupancy Taxes	2,051,414	-	-	-	2,051,414
Meals Taxes	1,407,803	-	-	-	1,407,803
Community Preservation Surcharges	-	2,508,969	-	-	2,508,969
Penalties and Interest on Taxes	984,301	-	-	27,290	1,011,591
Licenses and Permits	8,200,172	-	-	1,091,091	9,291,263
Intergovernmental	57,693,939	652,294	-	23,624,824	81,971,057
Charges for Services	1,822,894	-	-	15,879,530	17,702,424
Fines and Forfeitures	1,939,122	-	-	90,738	2,029,860
Investment Income	188,892	19,091	-	49,745	257,728
Contributions and Donations	-	-	-	833,888	833,888
Payments in Lieu of Taxes	521,643	-	-	-	521,643
Miscellaneous	375,371	-	-	218,341	593,712
Special Assessments	66,752	-	-	157,751	224,503
TOTAL REVENUES	\$ 343,829,526	\$3,180,354	\$ -	\$ 41,973,198	\$ 388,983,077
EXPENDITURES:					
Current:					
General Government:					
Legislative & Executive	\$ 1,847,953	\$ -	\$ -	\$ -	\$ 1,847,953
Elections	632,393	-	-	28,924	661,317
Financial Administration	3,216,349	-	-	-	3,216,349
Administrative Support	3,313,313	-	-	-	3,313,313
Planning & Development	1,081,684	556,803	-	2,878,218	4,516,705
Public Building Maintenance & Operations	3,729,368	28,318	-	1,469,504	5,227,190
Interest on property tax refunds	179,139	-	-	-	179,139
Public Safety:					
Police	17,794,088	-	-	3,637,093	21,431,181
Fire	16,549,507	-	-	1,167,861	17,717,368
Inspectional Services	1,076,988	-	-	6,918	1,083,906
Education	176,950,192	-	127,980	33,294,820	210,372,992
Public Works:					
Streets and Sidewalks	4,843,312	-	-	7,659,065	12,502,377
Control of Snow & Ice	3,694,007	-	-	-	3,694,007
Sanitation	7,892,394	-	-	3,058	7,895,452
Vehicle Maintenance	2,301,905	-	-	7,656	2,309,561
Engineering	1,041,433	-	-	55,551	1,096,984
Administrative & Support	1,441,446	-	-	-	1,441,446
Health and Human Services:					
Health & Human Services	2,955,788	-	-	240,081	3,195,869
Senior Services	559,325	-	-	242,914	802,239
Veteran Services	360,887	-	-	-	360,887
Culture and Recreation:					
Libraries	5,054,270	-	-	337,805	5,392,075
Parks & Recreation	4,560,626	-	-	2,480,033	7,040,659
Newton History Museum	228,139	970,531	-	3,278	1,201,948
Retirement Benefits	57,813,067	-	-	-	57,813,067
Workers' Compensation Insurance	1,300,643	-	-	-	1,300,643
Property and Liability Insurance	421,363	-	-	-	421,363
Claims and Judgments	128,950	-	-	-	128,950
State assessments & Charges	5,722,550	-	-	-	5,722,550
Debt Service					
Principal	8,841,167	755,000	-	-	9,596,167
Interest	7,492,201	76,125	-	-	7,568,326
TOTAL EXPENDITURES	\$ 343,024,447	\$2,386,777	\$ 127,980	\$ 53,512,779	\$ 399,051,983
EXCESS (DEFICIENCY) OF REVENUES AND TRANSFERS OVER EXPENDITURES					
Other Financing Sources (Uses)	805,080	793,577	(127,980)	(11,539,581)	(10,068,906)
Transfers In					
Transfers In	5,401,781	-	53,446	2,276,951	7,732,178
Issuance of General Obligation Bonds	-	-	-	10,812,558	10,812,558
Premium from Issuance of Bonds and Notes	590,740	-	-	-	590,740
Proceeds of Refunding Bonds	-	-	4,761,000	-	4,761,000
Sale of Assets	22,725	-	597,034	32,600	652,359
Transfers Out	(2,016,310)	(2,802)	(5,171)	(4,067,636)	(6,091,919)
Payments to Refunding Bond Escrow Agent	-	-	(5,358,034)	-	(5,358,034)
TOTAL OTHER FINANCING SOURCES (USES)	3,998,936	(2,802)	48,275	9,054,473	13,098,882
Net Change in Fund Balances	4,804,016	790,775	(79,705)	(2,485,109)	3,029,977
Fund Balances at Beginning of Year (As Restated)	27,911,368	8,636,070	88,270	22,084,903	58,720,611
Fund Balances at End of Year	\$ 32,715,384	\$9,426,845	\$ 8,565	\$ 19,599,794	\$ 61,750,588

(1) Extracted from the audited financial statements of the City.

**CITY OF NEWTON, MASSACHUSETTS
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For Fiscal Year Ended June 30, 2012 (1)**

	General	Community Preservation	High School Improvements	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES:					
Real Estate and Personal Property Taxes	\$ 248,503,570	\$ -	\$ -	\$ -	\$ 248,503,570
Motor Vehicle Excise Taxes	10,567,479	-	-	-	10,567,479
Hotel Room Occupancy Taxes	1814792	-	-	-	1,814,792
Meals Taxes	1,403,261	-	-	-	1,403,261
Community Preservation Surcharges	-	2,427,905	-	-	2,427,905
Penalties and Interest on Taxes	1,117,001	-	-	29,495	1,146,496
Licenses, Permits and Fees	5,416,982	-	-	664,406	6,081,388
Intergovernmental	50,925,414	625,763	-	21,485,529	73,036,706
Charges for Services	1,739,638	-	-	15,600,829	17,340,467
Fines and Forfeitures	2,000,386	-	-	16,699	2,017,085
Investment Income	261,298	23,768	-	(13,816)	271,250
Contributions and Donations	-	-	-	1,299,748	1,299,748
Payments in Lieu of Taxes	479,617	-	-	-	479,617
Miscellaneous	681,078	-	-	541,153	1,222,231
Special Assessments	73,537	-	-	277,102	350,639
TOTAL REVENUES	\$ 324,984,053	\$3,077,436	\$0	\$39,901,145	\$ 367,962,634
EXPENDITURES:					
Current:					
General Government:					
Legislative & Executive	\$ 1,813,159	\$ -	\$ -	\$ -	\$ 1,813,159
Elections	461,392	-	-	36,263	497,655
Financial Administration	2,828,920	-	-	-	2,828,920
Administrative Support	3,403,169	-	-	-	3,403,169
Planning & Development	939,781	1,002,280	-	3,567,594	5,509,655
Public Building Maintenance & Operations	3,929,104	140,508	-	2,600,476	6,670,088
Interest on property tax refunds	493,719	-	-	-	493,719
Public Safety:					
Police	17,691,819	-	-	3,566,751	21,258,570
Fire	16,516,085	-	-	770,446	17,286,531
Inspectional Services	1,063,722	-	-	2,025	1,065,747
Other Public Safety	76,461	-	-	-	76,461
Education					
	169,673,728	-	3,209,330	23,603,427	196,486,485
Public Works:					
Streets and Sidewalks	6,391,291	-	-	3,667,140	10,058,431
Control of Snow & Ice	920,327	-	-	-	920,327
Collections & Disposal of Solid Waste	6,557,584	-	-	15,066	6,572,650
Vehicle Maintenance	1,922,730	-	-	1,437	1,924,167
Engineering	1,057,945	-	-	37,601	1,095,546
Administrative & Support	1,347,135	-	-	-	1,347,135
Health and Human Services:					
Health & Human Services	2,829,423	-	-	170,020	2,999,443
Senior Services	569,105	-	-	220,732	789,837
Veteran Services	334,218	-	-	-	334,218
Culture and Recreation:					
Libraries	4,768,650	3,087	-	392,546	5,164,283
Parks & Recreation	4,437,079	11,503	-	2,152,308	6,600,890
Newton History Museum	233,448	1,833,964	-	6,461	2,073,873
Retirement Benefits	56,055,483	-	-	-	56,055,483
Workers' Compensation Insurance	1,149,375	-	-	-	1,149,375
Property and Liability Insurance	409,899	-	-	-	409,899
Claims and Judgments	58,504	-	-	-	58,504
State assessments & Charges	5,503,956	-	-	-	5,503,956
Debt Service					
Principal	8,653,367	755,000	-	-	9,408,367
Interest	7,471,534	102,906	-	-	7,574,440
TOTAL EXPENDITURES	\$ 329,562,112	\$3,849,248	\$ 3,209,330	\$40,810,293	\$ 377,430,983
EXCESS (DEFICIENCY) OF REVENUES AND TRANSFERS OVER EXPENDITURES					
	(4,578,059)	(771,812)	(3,209,330)	(909,148)	(9,468,349)
Other Financing Sources (Uses)					
Transfers In	4,811,997	-	-	3,601,440	8,413,437
Issuance of General Obligation Bonds	-	-	-	5,734,000	5,734,000
Premium from Issuance of Bonds and Notes	131,379	-	-	-	131,379
Sale of Assets	35,048	-	-	32,562	67,610
Transfer Out	(2,949,598)	(1,922)	(11)	(3,633,665)	(6,585,196)
TOTAL OTHER FINANCING SOURCES (USES)	2,028,826	(1,922)	(11)	5,734,337	7,761,230
Net Change in Fund Balances	(2,549,233)	(773,734)	(3,209,341)	4,825,189	(1,707,119)
Fund Balances at Beginning of Year	30,773,574	9,409,804	3,297,611	17,259,714	60,740,703
Fund Balances at End of Year	\$ 28,224,341	\$8,636,070	\$ 88,270	\$22,084,903	\$ 59,033,584

(1) Extracted from the audited financial statements of the City.

Free Cash (Uniform System of Accounting)

Under the Massachusetts Uniform System of Accounting an amount known as "free cash" is certified as of the beginning of each fiscal year by the Massachusetts Department of Revenue, Bureau of Accounts. This unrestricted fund balance (known as "free cash") is generated when actual revenue collections exceed budget estimates and/or unexpended appropriation balances lapse at year end to the general treasury.

A redetermination of free cash by the city comptroller for the purpose of determining available funds for appropriations is allowed (but not required) on the last day of the month preceding the month in which the tax rate is determined but no later than July 31. This is done by adding collections of prior years' taxes and receipts from tax title redemptions and sale of tax possessions to the amount certified and deducting appropriations made from free cash between the date of certification and July 31.

<u>Year</u>	<u>Free Cash (July 1)</u>
2017 (1)	\$11,153,092
2016	1,031,116
2015	6,109,028
2014	6,720,809
2013	6,777,959

(1) As of November 21, 2017, no free cash as of July 1, 2017 had been appropriated, and \$1,613,105 of appropriations from this source were pending before the City Council.

Capital Stabilization Funds

In 1993 the City established a special capital projects fund. The table below shows the trend in balances in the fund.

<u>Fiscal Year</u>	<u>Balance</u>
2017	\$1,796,736
2016	1,031,116
2015	1,632,853 (1)
2014	850,363 (2)
2013	2,550,508

(1) Subsequent to fiscal year end, \$2,475,200 was added to the Capital Stabilization Fund, and \$1,085,567 transferred out.

(2) Subsequent to July 1, 2014, a total of \$2,487,157 was added to the fund and \$2,415,000 was transferred out to fund capital needs of the City.

Rainy Day Stabilization Fund

The City also maintains a "Rainy Day" Stabilization Fund. The table below shows the trend in balances in the fund.

<u>Fiscal Year</u>	<u>Balance</u>
2017	\$19,673,938
2016	19,841,239
2015	17,317,598
2014	14,045,905
2013	11,024,489

Since July 1, 2017 a total of \$214,176 has been added to the fund, bringing the total balance at November 20, 2017 to \$19,888,114.

INDEBTEDNESS

Authorization Procedure and Limitations

Serial bonds and notes are authorized by vote of two-thirds of all the members of the city council (subject to the mayor's veto where the mayor has a veto power) or a two-thirds vote of the town meeting. Provision is made in some cities and towns for a referendum on the borrowing authorization if there is a timely filing of a petition bearing the requisite number of signatures. Refunding bonds and notes are authorized by the city council or the selectmen. Borrowings for some purposes require State administrative approval.

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

Bonds and notes including refunding bonds are generally authorized on behalf of the City by vote of two-thirds of all the members of the City Council with the approval of the Mayor. Provision is made for a referendum on the filing of a petition bearing the requisite number of signatures. Borrowings for certain purposes require state administrative approval. When serial bonds or notes have been authorized, bond anticipation notes may be issued by the officers authorized to issue the serial bonds or notes. Temporary debt in anticipation of the revenue of the fiscal year in which the debt is incurred or in anticipation of authorized federal and state aid generally may be incurred by the Treasurer with the approval of the Mayor and the Controller of Accounts.

The general debt limit of the City consists of normal debt limit and a double debt limit. The normal debt limit is 5 percent of the valuation of taxable property as last equalized by the State Department of Revenue. The City can authorize debt up to this amount without State approval. It can authorize debt up to twice this amount (the double debt limit) with the approval of the State Municipal Finance Oversight Board.

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

Types of Obligations

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

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

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

service paid by the State from state aid or other state payments; administrative costs and any loss of interest income to the State are to be assessed upon the city or town.

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

Bond Anticipation Notes. These generally must mature within two years of their original dates of issuance but may be refunded from time to time for a period not to exceed ten years from their original dates of issuance, provided that for each year that the notes are refunded beyond the second year they must be paid in part from revenue funds in an amount at least equal to the minimum annual payment that would have been required if the bonds had been issued at the end of the second year. For certain school projects, however, notes may be refunded from time to time for a period not to exceed seven years without having to pay any portion of the principal of the notes from revenue funds. The maximum term of bonds issued to refund bond anticipation notes is measured (except for certain school projects) from the date of the original issue of the notes.

Revenue Anticipation Notes. These are issued to meet current expenses in anticipation of taxes and other revenues. They must mature within one year but, if payable in less than one year, may be refunded from time to time up to one year from the original date of issue. The City has not issued any revenue anticipation notes during the last five fiscal years and does not anticipate issuing any during the current fiscal year.

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

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

**CITY OF NEWTON
DIRECT DEBT SUMMARY (1)
As of June 30, 2017,
Including Subsequent Issues
(Excluding the Refunding Component of This Issue)**

General Obligation Bonds:

Outstanding:		
School (2)	\$ 235,628,348	
General (3)	49,940,150	
Water (4)	7,245,000	
Sewer (5)	5,452,500	
MWRA (6)	15,958,462	
MCWT (7)	<u>3,540,400</u>	
Total Long-Term Debt		\$ 317,764,860

This Issue of New Money Bonds to be Dated December 21, 2017 26,852,000

Total Direct Debt \$ 344,616,860

- (1) Principal amount only. Excludes lease and installment purchase obligations, overlapping debt and unfunded pension liability.
(2) \$33,969,998 is outside the City's debt limit and \$31,999,300 is exempt from the limits of Prop 2 ½.
(3) \$700,000 is outside the City's debt limit.
(4) \$7,192,500 is outside the City's debt limit. Debt service for this purpose is fully supported from water rates.
(5) Subject to the City's debt limit.
(6) \$13,641,882 is outside the City's debt limit. Debt service for this purpose is fully supported from water and sewer rates.
(7) Does not reflect subsidy from Massachusetts Clean Water Trust; \$1,571,400 is outside the City's debt limit. Debt service for this purpose is fully supported from water and sewer rates.

Debt Ratios

The table below sets forth the percentage of debt to assessed valuation and per capita debt at the end of the following fiscal years. The table considers the principal amount of general obligation bonds of the City only. The table does not deduct anticipated state grant payments applicable to the principal amount of outstanding or debt that may be supported in whole, or part, by non-tax revenues. (See "Direct Debt Summary".)

Fiscal Year End	General Obligation Bonds Outstanding	Population (2010 Federal Census)	Equalized Valuation (1)	Per Capita Debt	Debt as a % of Equalized Valuation
2017	\$ 317,764,860	85,145	\$ 26,237,044,400	\$ 3,732	1.21 %
2016	287,517,655	85,145	22,305,253,800	3,377	1.29
2015	244,495,832	85,145	22,305,253,800	2,872	1.10
2014	229,858,230	85,145	21,757,017,900	2,700	1.06
2013	222,612,430	85,145	21,757,017,900	2,615	1.02

(1) The 2016 state equalized valuation is used for fiscal year 2017. The 2014 state equalized valuation is used for fiscal years 2015 and 2016; the 2012 state equalized valuation is used for fiscal years 2013 and 2014.

Principal Payments by Purpose

The following table sets forth the principal payments as of June 30, 2017, including subsequent issues, but excluding the current issue of bonds, by purpose on outstanding general obligation bonds of the City. As indicated in the table, of the total \$291,032,855 bonds outstanding, \$78,577,805 or approximately 27.0% of the total outstanding are to be retired by the end of fiscal 2021 and \$141,626,040 or approximately 48.7% of the total outstanding are to be retired by the end of fiscal 2026.

**CITY OF NEWTON
GENERAL OBLIGATION BONDS
Principal Payments by Purpose (1)
As of June 30, 2017, Including Subsequent Issue
(Excludes Current Issue of Bonds)**

Fiscal Year	School (2)	General (3)	Water (4)	Sewer (5)	MWRA (6)	MCWT (7)	Total
2018	\$ 9,296,467	\$ 3,438,700	\$ 1,087,500	\$ 360,000	\$ 2,427,886	\$ 1,031,800	\$ 17,642,353
2019	9,081,007	3,490,660	1,090,000	360,000	2,563,906	1,066,600	17,652,173
2020	9,474,707	3,496,960	490,000	360,000	2,203,906	916,000	16,941,573
2021	9,344,707	3,251,960	495,000	355,000	1,728,906	506,000	15,681,573
2022	9,443,707	3,182,960	195,000	355,000	1,535,540	10,000	14,722,207
2023	9,663,707	3,052,960	200,000	355,000	1,399,520	10,000	14,681,187
2024	9,908,877	2,967,790	200,000	355,000	1,263,500	-	14,695,167
2025	9,963,377	2,738,290	205,000	355,000	1,127,480	-	14,389,147
2026	9,363,377	2,528,290	205,000	355,000	899,760	-	13,351,427
2027	9,058,377	2,148,290	210,000	355,000	672,040	-	12,443,707
2028	8,838,377	1,993,290	207,500	347,500	136,020	-	11,522,687
2029	8,366,667	1,850,000	210,000	345,000	-	-	10,771,667
2030	8,336,667	1,880,000	210,000	345,000	-	-	10,771,667
2031	8,576,667	1,710,000	215,000	320,000	-	-	10,821,667
2032	8,701,666	1,585,000	220,000	320,000	-	-	10,826,666
2033	8,976,666	1,630,000	220,000	210,000	-	-	11,036,666
2034	9,226,666	1,655,000	90,000	-	-	-	10,971,666
2035	9,496,666	1,670,000	90,000	-	-	-	11,256,666
2036	9,776,666	1,270,000	95,000	-	-	-	11,141,666
2037	10,066,666	1,035,000	100,000	-	-	-	11,201,666
2038	10,376,666	310,000	100,000	-	-	-	10,786,666
2039	8,931,666	320,000	105,000	-	-	-	9,356,666
2040	4,871,666	335,000	110,000	-	-	-	5,316,666
2041	4,626,666	340,000	115,000	-	-	-	5,081,666
2042	4,410,000	350,000	120,000	-	-	-	4,880,000
2043	4,565,000	365,000	125,000	-	-	-	5,055,000
2044	4,720,000	375,000	130,000	-	-	-	5,225,000
2045	3,930,000	390,000	130,000	-	-	-	4,450,000
2046	3,195,000	400,000	135,000	-	-	-	3,730,000
2047	1,040,000	180,000	140,000	-	-	-	1,360,000
Total	\$ 235,628,348	\$ 49,940,150	\$ 7,245,000	\$ 5,452,500	\$ 15,958,463	\$ 3,540,400	\$ 317,764,861

- (1) Principal amount only. Excludes lease and installment purchase obligations, overlapping debt and unfunded pension liability.
- (2) \$33,969,998 is outside the City's debt limit and \$31,999,300 is exempt from the limits of Prop 2 ½.
- (3) \$700,000 is outside the City's debt limit.
- (4) \$7,192,500 is outside the City's debt limit. Debt service for this purpose is fully supported from water rates.
- (5) Subject to the City's debt limit.
- (6) \$13,641,882 is outside the City's debt limit. Debt service for this purpose is fully supported from water and sewer rates.
- (7) Does not reflect subsidy from Massachusetts Clean Water Trust; \$1,571,400 is outside the City's debt limit. Debt service for this purpose is fully supported from water and sewer rates.

Debt Service Requirements

The following table sets forth the required principal and interest payments on outstanding general obligation bonds of the City as of June 30, 2017, including subsequent issues.

CITY OF NEWTON – GENERAL OBLIGATION BONDS
Debt Service Requirements
As of June 30, 2017, Including Subsequent Issues
(Excludes Current Issue of Bonds)

Fiscal Year	Outstanding		MCWT Subsidy	Net Debt Service
	Principal	Interest		
2018	\$ 17,642,353	\$ 10,703,554	\$ (411,340)	\$ 27,934,567
2019	17,652,173	10,146,436	(387,687)	27,410,921
2020	16,941,573	9,569,558	(312,957)	26,198,174
2021	15,681,573	9,009,240	(160,394)	24,530,419
2022	14,722,207	8,468,948	(2,610)	23,188,545
2023	14,681,187	7,936,777	(2,323)	22,615,641
2024	14,695,167	7,424,006	-	22,119,173
2025	14,389,147	6,875,810	-	21,264,957
2026	13,351,427	6,403,090	-	19,754,517
2027	12,443,707	5,928,356	-	18,372,063
2028	11,522,687	5,486,223	-	17,008,910
2029	10,771,667	5,059,515	-	15,831,182
2030	10,771,667	4,664,387	-	15,436,054
2031	10,821,667	4,293,379	-	15,115,046
2032	10,826,666	3,945,896	-	14,772,562
2033	11,036,666	3,573,931	-	14,610,597
2034	10,971,666	3,222,910	-	14,194,576
2035	11,256,666	2,883,721	-	14,140,387
2036	11,141,666	2,539,956	-	13,681,622
2037	11,201,666	2,190,004	-	13,391,670
2038	10,786,666	1,834,796	-	12,621,462
2039	9,356,666	1,494,506	-	10,851,172
2040	5,316,666	1,190,323	-	6,506,989
2041	5,081,666	1,006,415	-	6,088,081
2042	4,880,000	833,463	-	5,713,463
2043	5,055,000	662,000	-	5,717,000
2044	5,225,000	487,738	-	5,712,738
2045	4,450,000	307,494	-	4,757,494
2046	3,730,000	172,200	-	3,902,200
2047	1,360,000	47,600	-	1,407,600
	<u>\$ 317,764,861</u>	<u>\$ 128,362,232</u>	<u>\$ (1,277,310)</u>	<u>\$ 444,849,783</u>

Authorized Unissued Debt and Prospective Financing

Following the delivery of the Bonds, the City will have approximately \$40.494 million outstanding in authorized but unissued debt for various municipal capital purposes. The City's prospective financing includes school construction projects for which the City expects state grant assistance of approximately 40%, the local share of which will be funded in part by an override of the tax levy.

Overlapping Debt

The City is a member of the Massachusetts Water Resources Authority and the Massachusetts Bay Transportation Authority. The following table sets forth the outstanding bonded debt, exclusive of temporary loans in anticipation of bonds or current revenue, of the Massachusetts Water Resources Authority and the Massachusetts Bay Transportation Authority and the City's gross share of such debt as the fiscal 2018 dollar assessment for each.

Overlapping Entity	Outstanding Debt as of 6/30/17	Newton's Estimated Share(1)	Fiscal 2018 Dollar Assessment(2)
Massachusetts Water Resources Authority (3)			
Water	\$ 2,057,615,000	5.318 %	\$ 7,712,560
Sewer	3,572,843,000	4.399	13,990,428
Massachusetts Bay Transportation Authority (4)	5,563,850,000	3.454	5,750,819

(1) Estimated share based on debt service only.

(2) Estimated dollar assessment based upon total net operating expenses, inclusive (where applicable) of debt service.

(3) SOURCE: The Massachusetts Water Resources Authority (the "MWRA") provides wholesale drinking water services in whole or in part to 48 cities, towns and special purpose entities and provides wastewater collection and treatment services to 43 cities, towns and special purpose entities. Under its enabling legislation, as amended, the aggregate principal amount of all bonds issued by the MWRA for its corporate purposes may not exceed \$6.1 billion outstanding at any time. Its obligations are secured by revenues of the MWRA. The MWRA assesses member cities, towns and special purpose entities, which continue to provide direct retail water and sewer services to users. The cities, towns and other entities collect fees from the users to pay all or part of the assessments; some municipalities levy property taxes to pay part of the amounts assessed upon them.

(4) Source: The Massachusetts Bay Transportation Authority (the "MBTA") was created in 1964 to finance and operate mass transportation facilities within the greater Boston metropolitan area. Under its enabling act, the MBTA is authorized to issue bonds for capital purposes, other than refunding bonds, and for certain specified purposes to an outstanding amount, which does not exceed the aggregate principal amount of \$3,556,300,000. In addition, pursuant to certain of the Commonwealth's transportation bond bills, the MBTA is authorized to issue additional bonds for particular capital projects. The MBTA also is authorized to issue bonds of the purpose of refunding bonds. Under the MBTA's enabling act debt service, as well as other operating expenses of the MBTA, are to be financed by a dedicated revenue stream consisting of the amounts assessed on the cities and towns of the MBTA and a dedicated portion of the statewide sales tax. The amount assessed to each city and town is based on its weighted percentage of the total population of the authority as provided in the enabling act. The aggregate amount of such assessments is generally not permitted to increase by more than 2.5 percent per year. (See "Tax Limitations" under "PROPERTY TAX" above.)

Contractual Obligations

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

Municipal contracts relating to solid waste disposal facilities may contain provisions requiring the delivery of minimum amounts of waste and payments based thereon and requiring payments in certain circumstances without regard to the operational status of the facilities.

Municipal electric departments have statutory power to enter into long-term contracts for joint ownership and operation of generating and transmission facilities and for the purchase or sale of capacity, including contracts requiring payments without regard to the operational status of the facilities.

Pursuant to the Home Rule Amendment to the Massachusetts Constitution, cities and towns may also be empowered to make other contracts and leases.

The City has a limited number of contractual obligations (all of which are subject to annual appropriation by the City Council. The City's main contractual obligation is with Wheelabrator Millbury for disposal of solid waste. This is a 20 year contract which expires June 30, 2028. The City expended a total of \$7,450,882 in fiscal year 2017 for solid waste

collection and disposal contract costs. The City appropriated \$7,611,301 in fiscal year 2018 for solid waste collection and disposal contract costs.

Subsequent to June 30, 2012 the City entered into a twenty year lease and related power purchase agreement with Ameresco Solar Inc., a solar photovoltaic firm, to install operate, and maintain solar panels on the rooftop of four public school buildings, with the condition that any and all funding for monies owed to Ameresco Solar Inc. under the terms of the agreement shall be included in an annual expense appropriation of the City's Public Building Department, and all energy credits earned as a result of the agreement shall be applied to the municipal building electricity account, also under the control of the Public Building Department.

RETIREMENT PLAN

Teachers, certain administrative personnel and other professional employees of the City's school department participate individually in a contributory retirement plan administered by the Massachusetts Teachers' Retirement Board. The City does not contribute to this plan. Of the City's 1,917 full-time employees in the school department, 1,347.16 FTE's participate in the State Retirement System. Substantially all of the other City employees participate in the City of Newton Retirement system (the System). The City began funding the System in 1984 on an actuarial basis, as required by generally accepted accounting principles. This funding includes the amortization of prior service cost over a 40-year period. The active City employees contribute at rates ranging from 5% to 10% (depending on their date of employment) of their regular compensation, as defined. The City also contributes the amount necessary to fund the System's administrative expenses.

Certain retired employees of the City were exempted from membership in the System. The City pays retirement benefits to these employees from the general appropriation funds of the City. These employees are not included in the actuarial valuation provided by the actuary, and there is no available estimate of their related actuarial liability.

Massachusetts Contributory Retirement System benefits are uniform from system to system. The System provides for retirement allowance benefits up to a maximum of 80% of a member's highest three-year average annual rate of regular compensation. Benefit payments are based upon a member's age, length of creditable service, level of compensation and group classification.

Members become vested after 10 years of creditable service. A superannuation retirement allowance may be received upon the completion of 20 years of service or upon reaching age 55 with 10 years of service. Normal retirement for most employees occurs at age 65. (For certain hazardous duty and public safety positions, normal retirement is at age 55).

A retirement allowance consists of two parts: an annuity and a pension. A member's accumulated total deductions and a portion of the interest that they generate constitute the annuity. The differential between the total retirement benefit and the annuity is the pension.

The amount shown below as the pension benefit obligation is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and step-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure is intended to help users assess the funding status of the System on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due and make comparisons among employers. The measure is the actuarial present value of credited projected benefits and is independent of the funding method used to determine contributions to the System.

The total unfunded pension benefit obligation applicable to the City's employees was \$307,719,721 at January 1, 2017, computed as follows:

Actuarial accrued liability -	\$626,472,106
Actuarial value of assets available for pension benefits (1)	<u>318,752,385</u>
Unfunded actuarial accrued liability	<u>\$307,719,721</u>

(1) Fair value of assets available for pension benefits is \$289,931,569. There is a difference between the actuarial value of assets and the fair value of assets because for funding purposes the Newton Contributory Retirement System amortizes investment gains and losses over a period that cannot exceed five years in order to avoid excess volatility in funding requirements. For actuarial purposes, the assets are valued using a method which reflects the market value of assets through gradual recognition of any unrealized appreciation or depreciation in assets beyond the 7.75% return.

Effective July 1, 2007, the City transferred all system assets, except those in real estate limited partnerships, to the Commonwealth of Massachusetts Pension Reserve Investment Trust Core Fund.

The City has a policy of updating the actuarial valuation of plan assets and liabilities annually.

The follow table depicts the progress towards fully funding the System by 2030. The statutory deadline for actuarial funding is currently 2040.

The schedule below shows the amortizations of the City's unfunded pension liability.

(1) Fiscal Year Ended June 30	(2) Normal Cost	(3) Amortization of Unfunded Actuarial Accrued Liability	(4) Appropriation (2) + (3)	(5) Unfunded Actuarial Accrued Liability at Beginning of Fiscal Year	(6) Administrative Expenses	(7) Total Appropriation (4) + (6)
2018	\$3,095,750	\$22,733,381	\$25,829,131	\$319,050,597	\$0	\$25,829,131
2019	3,192,120	25,116,607	28,308,728	322,553,636	319,671	28,628,398
2020	3,291,404	27,734,962	31,026,365	323,071,180	327,663	31,354,028
2021	3,393,686	30,611,211	34,004,897	320,261,991	335,854	34,340,751
2022	3,499,055	33,770,311	37,269,367	313,708,225	344,250	37,613,617
2023	3,607,604	37,239,621	40,847,226	302,912,941	352,857	41,200,082
2024	3,719,426	41,049,133	44,768,559	287,295,479	361,678	45,130,238
2025	3,834,618	45,231,723	49,066,341	266,185,767	370,720	49,437,061
2026	3,953,279	49,823,431	53,776,710	238,817,114	379,988	54,156,698
2027	4,075,511	54,863,763	58,939,274	204,317,693	389,488	59,328,762
2028	4,201,419	60,396,025	64,597,444	161,700,705	399,225	64,996,669
2029	4,331,113	66,467,686	70,798,799	109,852,957	409,206	71,208,005
2030	4,464,704	47,353,023	51,817,727	47,068,498	419,436	52,237,163
2031	4,602,306	0	4,602,306	0	429,922	5,032,228

Notes: Recommended contributions are assumed to be paid on August 1.

Item (2) increases at 2.5% per year plus an additional increase of 0.15% to total normal cost for the impact of generational mortality.

Assumes contribution of budgeted amount for fiscal 2018.

Projected normal cost does not reflect the impact of pension reform for new hires.

Schedule reflects deferred investment losses. Recognizing deferred investment losses means the System is anticipating investment losses on an actuarial basis.

Source: January 1, 2017 Actuarial Valuation of the Newton Contributory Retirement System prepared by Segal Consulting.

The comparative statement of revenues, expenses and change in fund balance for the Newton Contributory Retirement System is shown below.

**CITY OF NEWTON, MASSACHUSETTS
COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE (1)
CONTRIBUTORY RETIREMENT SYSTEM AS OF DECEMBER 31,**

	Year				
	2012	2013	2014	2015	2016
REVENUES:					
Retirement Contributions:					
Employer	\$ 17,082,782	\$ 18,573,611	\$ 20,325,555	\$ 21,962,941	\$ 23,868,109
Employee	7,776,175	8,035,716	8,396,095	8,842,379	9,282,992
Commonwealth	658,335	649,195	449,067	512,166	481,002
Interest/Dividends	8,808,319	7,465,801	8,009,287	7,487,581	8,329,264
Unrealized Gain	16,733,574	17,447,461	1,779,292	(14,197,692)	6,234,294
Less Investment Expense	6,347,584	11,512,081	12,462,946	10,333,742	7,964,755
Transfers	1,004,999	1,080,758	1,554,022	1,839,541	1,585,226
TOTAL REVENUES	<u>58,411,768</u>	<u>64,764,623</u>	<u>52,976,264</u>	<u>36,780,658</u>	<u>57,745,642</u>
EXPENSES:					
Retirement Benefits	33,423,530	34,486,791	35,152,893	36,102,143	37,311,184
Refunds, Transfers, Disbursements	2,659,004	2,407,652	2,457,500	2,902,188	2,638,307
Other	1,213,488	1,421,647	1,497,202	1,465,371	1,537,084
Administrative	276,643	285,039	290,143	303,724	320,246
TOTAL EXPENDITURES	<u>37,572,665</u>	<u>38,601,129</u>	<u>39,397,738</u>	<u>40,773,426</u>	<u>41,806,821</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	20,839,103	26,163,494	13,578,526	(3,992,768)	15,938,821
BEGINNING FUND BALANCE	233,343,214	254,182,316	280,345,810	293,924,337	289,931,569
ENDING FUND BALANCE	<u>\$ 254,182,317</u>	<u>\$ 280,345,810</u>	<u>\$ 293,924,336</u>	<u>\$ 289,931,569</u>	<u>\$ 305,870,390</u>

(1) From the Comptroller, City of Newton. Represents statutory filing with the Commonwealth of Massachusetts Public Employee Retirement Administration Commission. Does not include adjustment in fair market valuation of certain real estate limited partnership investments for which year-end fair market value adjustments are not reported until March 31st for the years prior to 2012.

See Appendix A for additional information on the retirement system.

Other Post-Employment Benefits

In addition to pension benefits, cities and towns may provide retired employees with health care and life insurance benefits. The portion of the cost of such benefits paid by cities and towns is generally provided on a pay-as-you-go basis. The Governmental Accounting Standards Board ("GASB") Statement Nos. 43 and 45, require public sector entities to report the future costs of these non-pension, post-employment benefits in their financial statements. These new accounting standards do not require pre-funding the payment of these costs as the liability for such costs accrues, but the basis applied by the standards for measurement of costs and liabilities for these benefits is conservative if they continue to be funded on a pay-as-you-go basis and will result in larger yearly cost and liability accruals than if the cost of such benefits were pre-funded in a trust fund in the same manner as traditional pension benefits. Cities and towns that choose to self-insure all or a portion of the cost of the health care benefits they provide to employees and retirees may establish a trust fund for the purpose of paying claims. In addition, cities and towns may establish a trust fund for the purpose of pre-funding other post-employment benefits liability in the same manner as traditional pension benefits.

The pay-as-you-go cost to the City for such benefits in recent years has been as follows:

Fiscal Year		Benefit Costs
2018	(budgeted)	\$22,211,248
2017		19,240,061
2016		18,391,867
2015		17,361,119
2014		16,503,439
2013		16,220,796

The City implemented Governmental Accounting Board statement 45 in the fiscal year ended on June 30, 2008. For the year ended June 30, 2017, the net other-post employment benefit obligation increased by \$20.2 million to a total of \$290 million and the full actuarial liability for such benefits stood at \$436 million. For liability valuation purposes, the City uses a discount rate of 2.06% and annual medical cost inflation rates of 6.08% to 8.39%.

The City established a formal OPEB trust pursuant to Massachusetts municipal finance law. The trend in contributions to the OPEB Trust is set forth in the table below. The current balance in the fund is \$4.4 million.

Fiscal Year		OPEB Trust Annual Contributions
2018	(budgeted)	\$2,000,000
2017		2,408,964
2016		1,450,996
2015		998,927
2014		581,274
2013		225,564

A complete copy of all annual actuarial valuations of plan liabilities is currently posted on the Comptroller's page of the City web site, www.newtonma.gov.

EMPLOYEE RELATIONS

For the period ending October 30, 2017 the City employed approximately 3,478 full time employees of whom 2,413 were employed by the Newton Public Schools. 244 by the police department, 191 by the fire department, 181 by the public works department (including water and sewer utilities) and the balance in various other departments of the City. City employees, other than those with managerial and confidential responsibilities are entitled to join unions and to bargain collectively on questions of wages, hours and other terms and conditions of employment. Approximately 3,168 full time employees are represented by seventeen unions, ten of which are municipal and seven of which are school.

The AFSCME Local 3092, 3092B, 2443, IAFF, Local 863, Engineers, Newton Patrolman's Association and the Mass Nurses Association unions have been reestablished with a new expiration date of June 30, 2018. The Newton Superior Police Officers Association, Newton Municipal Employees Association and AFSCME Local 2913 are currently in negotiations with the City. The NTA, inclusive of five units, and NESAs unions have been reestablished with a new expiration date of August 31, 2018. SCUS is all currently in negotiations with the School Department.

LITIGATION

At present there are numerous cases pending in various courts and administrative agencies throughout the Commonwealth where the City is a defendant. In the opinion of the City, there is no litigation either pending or theoretical, which is likely to result either individually or in the aggregate in a final judgment against the City which would materially affect its financial position.

December 12, 2017

CITY OF NEWTON, MASSACHUSETTS
/s/ James Reardon, Treasurer

City of Newton, Massachusetts

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2016



City of Newton, Massachusetts

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2016



Prepared by the Comptroller's Office

CITY OF NEWTON, MASSACHUSETTS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

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INTRODUCTORY SECTION



CITY OF NEWTON, MASSACHUSETTS

1000 COMMONWEALTH AVENUE
NEWTON CENTRE, MA 02459-1449
TELEPHONE (617) 796-1305
FAX (617) 796-1196
dwilkinson@newtonma.gov

DAVID C. WILKINSON
COMPTROLLER

December 5, 2016

Members of the City Council
Mayor Setti D. Warren
Citizens and Taxpayers of the City of Newton

I am pleased to transmit to you the City of Newton's Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2016. This report has been prepared by the Comptroller's Office of the City in conformity with accounting principles generally accepted in the United States of America (GAAP) as prescribed by the Government Accounting Standards Board (GASB).

The report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect the assets of the City from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial statements have been audited by CliftonLarsonAllen, LLP (CLA), a firm of licensed certified public accountants, who have been hired by and report to the Newton City Council. The City Council selected CLA to provide independent financial audit services to the City for the five year period beginning with the fiscal year ended June 30, 2014 after a competitive search that was undertaken early in calendar year 2014. The independent auditors' unqualified ("clean") opinion on the City's financial statements for the year ended June 30, 2016 is presented as the first component of the financial section of this report on pages 1 - 3.

The independent audit of the financial statements of the City 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 City's separately issued Reports on Internal Control Over Financial Reporting, Compliance and Federal Award Programs.

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

History and Profile

The City of Newton was settled in 1639 and incorporated as a City in 1873. The City is located approximately seven miles from downtown Boston and is bordered by the West Roxbury section of Boston on the southeast, the Town of Needham on the southwest, the Towns of Wellesley and Weston on the west, the City of Waltham and Town of Weston on the north; and the Town of Brookline and the Allston-Brighton sections of Boston on the east.

The City has an estimated total population of 88,817 and occupies a land area of 18.33 square miles. The City is principally suburban-residential in character and consists of 13 distinct villages – Auburndale; Chestnut Hill; Newton Centre; Newton Corner; Newton Highlands; Newton Lower Falls; Newton Upper Falls; Newtonville; Nonantum; Oak Hill; Thompsonville; Waban; and West Newton. Open space comprises 19.6% of the City's total land area, of which 55% is publicly owned.

Newton has a diversified economic base with approximately 45,500 individuals employed in 3,700 establishments within the boundaries of the City, with an estimated annual payroll of \$2.2 billion. Businesses are generally small and service oriented with retail and wholesale trade and services accounting for 74% of all jobs.

Commercial uses occupy 4.1% of the City's land area. Nearly 24% of commercial land parcels are office uses; 21% are small retail uses; and 6% are storage or warehouse uses. Only 1.1% of the City's land area is industrial. Newton is a desirable community to live and work in due to its proximity to Boston; an excellent public school system; multiple transportation systems; attractive neighborhoods; high property values; and well managed local government. Newton has an award winning public library and a City museum that was a stop on the Underground Railroad.

Organizational Structure

The City is governed under a home-rule charter, which vested executive authority and responsibility in an elected Mayor, who serves a four-year term. Legislative authority is vested in a 24-member City Council, of which eight members are elected from the City's eight wards and sixteen are elected at large. Members of the City Council are elected every two years. An eight member School Committee is elected every two years and is responsible for appointing the Superintendent of Schools, who has responsibility for the daily administration of the Newton Public Schools.

Services

The City provides a complete range of municipal services including education, public safety, public works, recreation, library, cultural and health and human services. The Massachusetts Water Resources Authority provides public water supply and sewerage treatment services.

Reporting Entity

The basic financial statements along with the combining statements and schedules included in this report relate to the activities under the direction and control of the Mayor, City Council and School Committee. The activities of the Newton Contributory Retirement System are included in this report as a blended component unit as prescribed by GAAP. The activities of the Newton Community Development Authority and Newton Commonwealth Foundation are discretely presented component units. The Newton Housing Authority is excluded from this report because it falls outside the direction and control of the Mayor and City Council.

Beginning with this report, stormwater management activities, previously classified as a non-major governmental fund, have been reclassified as a non-major proprietary fund. This action was taken in response to the Mayor and Council's policy decision to begin recovering the cost of system capital improvements from stormwater management user fees.

Financial Management

The Mayor is responsible for the preparation of the City's capital improvement plan; a multi-year financial forecast; and annually recommended capital and operating budgets. The City Council is responsible for review and approval of all appropriations that are recommended by the Mayor. An eight member Finance Committee of the City Council oversee financial policy and a majority of the membership of the Finance Committee also serves on the Audit Subcommittee.

The City's senior financial management team consists of the Mayor's Chief of Staff/Chief Financial Officer; the Treasurer/Collector and Chief Assessor who are appointed by the Mayor and approved by the City Council, and the Comptroller who is appointed by the City Council.

The City's three-member Board of Assessors, appointed by the Mayor, is responsible for maintaining accurate real estate and personal property values. Property values are adjusted annually to capture changes in the local real estate market and to make certain the City's assessed valuations are fair and accurate.

The Treasurer/Collector is responsible for revenue collections, cash and debt management, and the administration of parking violations. Real estate and personal property taxes are billed quarterly, thereby eliminating the need to borrow in anticipation of revenue. A lock-box system is used for the majority of real estate, personal property, motor vehicle and utility cash collections.

The Comptroller is responsible for maintaining the City's accounting records, and reporting the City's financial activity and position. Detailed monthly revenue and expenditure information is provided on-line to operating departments. Monthly comparative financial management reports are issued to the Mayor, City Council and public on the Comptroller's page of the City web site. Un-audited budgetary basis year-end financial reports are issued within 60 days of the close of the fiscal year, and audited financial statements are issued prior to the end of the calendar year.

Financial Planning

The three primary financial management challenges facing the City for the past several years have been the need to fund general purpose budget reserves; the need to more aggressively fund the City's defined benefit pension plan; and the need to formalize a plan for actuarially funding the City's OPEB liability.

The City's Rainy Day Stabilization Fund ended fiscal year 2016 with a fund balance of \$18.8 million - \$1.5 million or 8.7% more than the balance as of the start of the year and 5% of General Fund expenditures for the year.

In an effort to more aggressively fund the City's defined benefit pension obligations, the City formally adopted a new funding schedule during 2014 which anticipates full actuarial funding by the fiscal year ending June 30, 2029, 8 years earlier than the prior funding schedule provided for. During 2016 the City revised certain assumptions to better reflect trends, which required an increase in the rate of annual plan contributions from 8.75% to 9.6% per year between now and June 30, 2029, when the plan is expected to be actuarially funded. Return assumptions for funding purposes are long term projections and subject to review every three to five years. No change was made during 2016 in the 3.5% assumed rate of change in active employee compensation.

The OPEB trust ended fiscal year 2016 with assets of \$3.6 million, \$1.5 million or 68.5% greater than the funded balance at June 30 of the previous fiscal year. Although the City has yet to formally adopt a funding plan for its OPEB liabilities, the OPEB actuary was engaged in 2015 to prepare a funding plan that provides for meaningful funding to begin in fiscal year 2030, after the defined benefit plan is scheduled to be actuarially funded. The plan projects full actuarial funding of OPEB obligations by fiscal year 2042.

Accounting System and Budgetary Control

The management of the City is responsible for establishing and maintaining adequate internal controls to:

- Properly safeguard assets.
- Provide reasonable assurance on the accuracy and reliability of the accounting records used in the preparation of the basic financial statements.
- Provide reasonable assurance relative to compliance with legal and contractual constraints on the custody and use of assets.

Departmental expenditure budgets are prepared and accounted for on a line item basis. However, legally binding appropriations are made for Personal Services, Expenses, Fringe Benefits, Debt Service and Capital Outlay. Line item transfers within an expenditure category may be made with the approval of the Department Head and Comptroller. Transfers between expenditure categories require the approval of the Mayor and City Council.

Encumbrance accounting, under which purchase orders, contracts and other commitments for expenditures are recorded to reserve that portion of the applicable appropriation, is employed in the Governmental Funds to maintain budgetary control.

An analysis of all legally adopted operating and capital budgets are presented on pages 106 - 131 of this report.

The City's books on fiscal year 2016 were closed within 60 days of year end and on September 7, 2016 the Massachusetts Department of Revenue certified the City's July 1, 2016 free cash (General Fund fund balance available for appropriation) at \$12.7 million. All statutory filings have also been made with the Massachusetts Department of Revenue and the Department of Elementary and Secondary Education.

Cash Management

Quarterly billing of real estate and personal property taxes coupled with timely water and sewer utility billing has eliminated the need to borrow in anticipation of revenue. Idle cash is invested by the Treasurer/Collector and governed by the Municipal Finance Laws of the Commonwealth of Massachusetts.

Trust Fund, Permanent Fund and Internal Service Fund assets, which the City does not expect to liquidate for current operations, are invested in U.S. Government, fixed income and/or equity securities. Professional investment managers oversee the City's long-term investments.

The City's Retirement Board voted at its May 2007 meeting to transfer investment management responsibility for the system's investment portfolio to the Commonwealth of Massachusetts Pension Reserve Investment Trust effective July 1, 2007. The Retirement System's assets are segregated from other City assets and are managed by a variety of professional investment managers who have been selected by the Massachusetts Pension Reserve Investment Trust, in order to achieve the Board's asset allocation policy.

Risk Management

The City is self-insured for group health, workers' compensation, building and general liability insurance. Individual Internal Service Funds are maintained for purposes of accumulating sufficient assets to meet fund liabilities.

The City purchases property insurance from a commercial insurance company but funds annual premiums from earnings on the building self insurance fund assets. All other risk exposures are self insured by the City.

In accordance with the requirements of Governmental Accounting Standards Board (GASB) Statement 45, the City began to recognize the cost of health benefits in the same manner that has been required for pension benefits for the past several years in the year ended June 30, 2008. This means that instead of recognizing the cost of health benefits as they are being paid out, the cost of these benefits are now recognized as they are earned. Although there are no requirements that the City change the method of funding these benefits, the cumulative impact of the change in financial reporting is a \$261.8 million increase in expenses in the government-wide financial statements and a corresponding decline in unrestricted net assets. This represents 36.4% of the total OPEB unfunded actuarial accrued liability.

Newton, like most communities in Massachusetts and for that matter New England, does not currently have a formally adopted plan for funding health benefits on a basis other than the historical pay as you go approach. Beginning on July 1 of 2012 the City began making a contribution of 2.5% of compensation for all new health plan participants. The 2.5% contribution level was increased to 3% in 2014. Please refer to note 12 (pages 64-67) and OPEB Required Supplementary Information (page 83) for more detailed information on the City's health benefit obligations.

Collective Bargaining Agreements

At fiscal year-end, collective bargaining contracts were open with the City's police; engineering and public school custodial employees. A liability has been recorded for the City's estimated cost exposure for all open contracts.

Audit Committee

In order to strengthen the City's internal controls and financial reporting, the City Council established a permanent audit committee, consisting of both representatives of the City Council and Newton residents with financial management and audit education and experience. The Committee held a number of meetings with management and the City's independent auditors in 2016. A complete accounting of the work of the Audit Committee is documented on their page of the City web site.

Awards and Acknowledgments

During the fiscal year ended June 30, 2016, the City maintained an Aaa credit rating with Moody's Investor Service and also achieved the same rating from S&P.

Before concluding, I would like to take this opportunity to acknowledge the exceptional work and professional commitment of the staff of the Comptroller's Office, including: Regina Zegarelli; Mary Santos; Denise King; Stephen Curley; Ann-Marie Daley and Maria Mastroinni. I'd also like to thank the Chair of the Finance Committee, Councilor Leonard Gentile, and members of the Finance Committee for their assistance and support. Special thanks also go to the public accounting firm of CliftonLarsonAllen, LLP for the efficient completion of this year's audit and for all of their advice and assistance in the preparation of this report and over the course of the year.

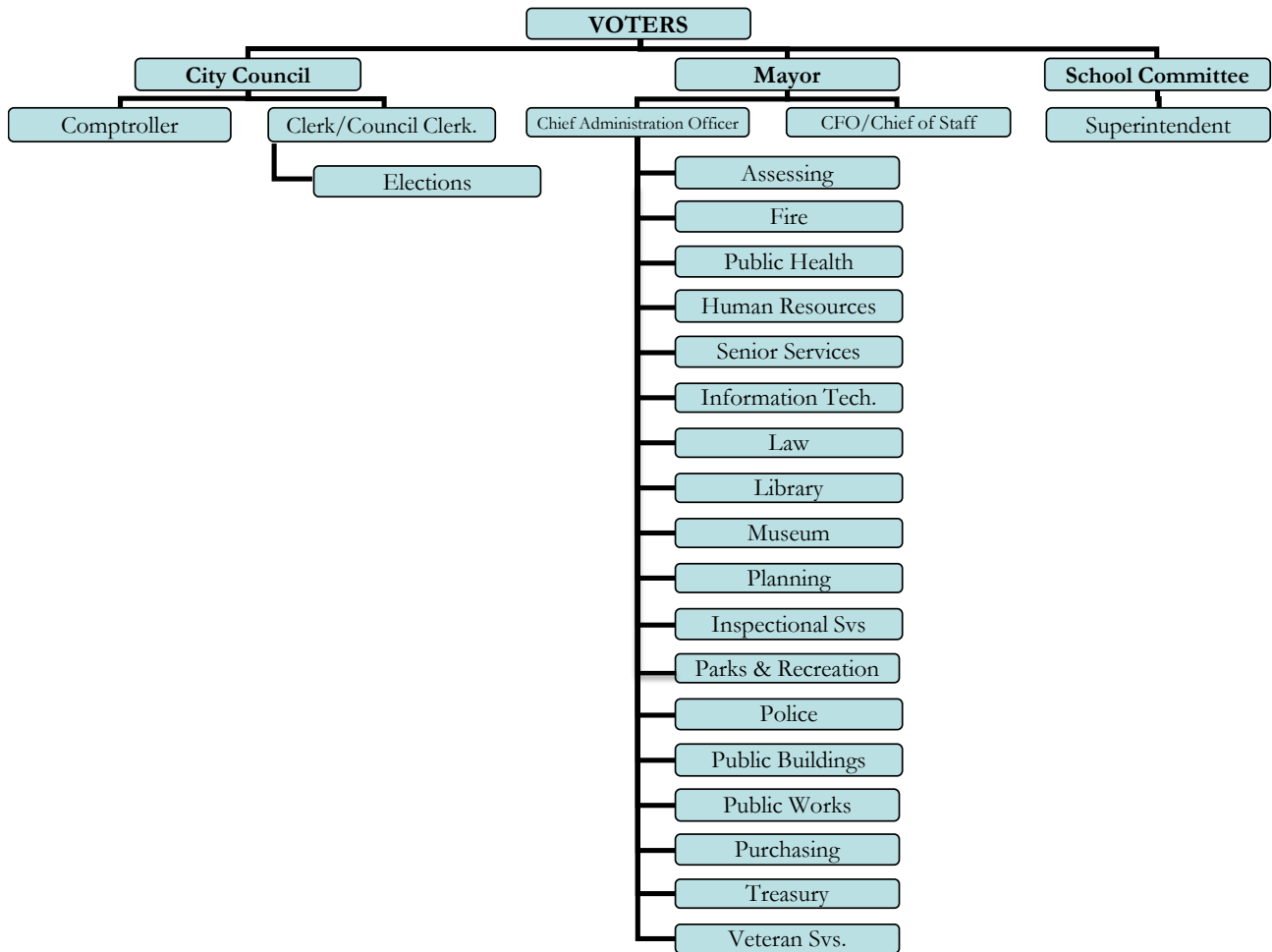
Respectfully,

A handwritten signature in black ink, appearing to read 'DCW', with a horizontal line extending to the right.

David C. Wilkinson
Comptroller

CITY OF NEWTON, MASSACHUSETTS

ORGANIZATIONAL CHART



CITY OF NEWTON, MASSACHUSETTS

ELECTED OFFICIALS AND DEPARTMENT HEADS

CITY COUNCIL

Scott F. Lennon, President
Cheryl Lappin, Vice President & Finance Committee
R. Lisle Baker, President Emeritus
Susan Albright
Richard Blazar, Finance Committee
Allan Ciccone, Jr., Finance Committee
James R. Cote
Deborah Crossley
Victoria Danberg
Ruthanne Fuller, Finance Committee
Leonard Gentile, Finance Committee Chair
Barbara Brousal-Glaser, Finance Committee
John Harney
Alison M. Leary
Richard A. Lipof
Ted Hess-Mahan
Marcia Johnson
David Kalis
Marc Laredo
Emily Norton, Finance Committee
John Rice, Finance Committee
Amy Mah Sangiolo
Gregory Swartz
Brian Yates

SCHOOL COMMITTEE

Matt Hills, Chair
Margie Ross Decker, Vice Chair
Margaret Albright
Ruth Goldman
Ellen Gibson
Diana Fisher Gomberg
Steven Siegel
Angela Pitter-Wright
David Fleishman, Superintendent of Schools

EXECUTIVE

Mayor Setti D. Warren
Maureen Lemieux, Chief of Staff & Chief Financial Officer
Dori Zaleznik, Chief Administrative Officer

DEPARTMENT HEADS

Accounting: David Wilkinson, Comptroller
Assessing: Elizabeth Dromey, Director and Chair, Board of Assessors
City Clerk/Clerk of Board: David Olson, City Clerk/Clerk of the Board
Elections: David Olson, Clerk/Clerk of the Board
Fire: Bruce Proia, Fire Chief
Health & Human Services: Deborah Youngblood, PhD, Commissioner
Human Resources: Jeffery Honig, Acting HR Director
Financial Information Systems: Karen Griffey, Acting Director
Information Technology: Joe Mulvey, Director
Inspectional Services: John Lojek, Commissioner
Newton History Museum: Lisa Dady, Director
Law: Donnalyn Kahn, City Solicitor
Library: Philip McNulty, Librarian
Parks & Recreation: Robert DeRubeis, Commissioner
Planning & Development: Barney Heath, Director
Police: David MacDonald, Police Chief
Public Buildings: Josh Morse, Commissioner
Public Works: James McGonagle, Commissioner
Purchasing: Nick Read, Chief Procurement Officer
Senior Services: Jayne Colino, Director
Treasury: James Reardon, Treasurer & Collector
Veteran Services: Seth Bai, Veteran Services Officer

CONTRIBUTORY RETIREMENT BOARD

Nunzio Piselli, Chairman & Mayor's appointee
Francis Capello, Vice Chairman & Elected member
David Wilkinson, Ex Officio Member
Paul Bianci, Elected Member
Kimberly Fletcher, Appointed Member
Kelly Byrne, Retirement System Director

FINANCIAL SECTION



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Independent Auditors' Report

To the Honorable City Council and Mayor
City of Newton, Massachusetts

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Newton, Massachusetts, as of and for the year ended June 30, 2016 (except for the Newton Contributory Retirement System and the Newton Commonwealth Foundation, Inc., which are as of and for the fiscal year ended December 31, 2015), and the related notes to the financial statements, which collectively comprise the City of Newton, Massachusetts' basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Newton Commonwealth Foundation, Inc., which represents 39.3%, 38.8%, and 86.3%, respectively, of the assets, net position, and operating revenues of the discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Newton Commonwealth Foundation, Inc., is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the Newton Commonwealth Foundation, Inc. were not audited in accordance with *Government Auditing Standards*.

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

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

Opinions

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Newton, Massachusetts, as of June 30, 2016 (except for the Newton Contributory Retirement System and the Newton Commonwealth Foundation, Inc., which are as of and for the fiscal year ended December 31, 2015), and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and Community Preservation Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (located on pages 4 through 17) and certain pension and other postemployment benefits information (located on pages 79 through 84) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

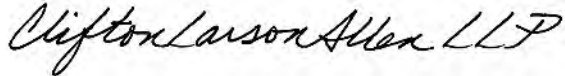
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Newton, Massachusetts' basic financial statements. The introductory section, combining and individual fund financial statements and schedules, additional information and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 5, 2016, on our consideration of the City of Newton, Massachusetts' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Newton, Massachusetts' internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Boston, MA

December 5, 2016



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Management's Discussion and Analysis

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Newton (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City (primary government) for the fiscal year ended June 30, 2016.

Financial Highlights:

- Total liabilities and deferred inflows of City resources exceeded total assets and deferred outflows of resources as of the close of the most recent fiscal year by \$50.8 million – an increase of \$0.7 million or 1.4% in negative net position from June 30, 2015. The negative (\$50.8) million net position for June 30, 2016 consisted of (\$160.5) in negative net position in governmental activities and a positive \$109.7 million in the City's business type activities.
- Unrestricted governmental net position decreased by \$18.6 million to (\$455.5) million at June 30, 2016. The decline in unrestricted governmental activities net position resulted entirely from the recognition of \$28.8 million in new OPEB liabilities and \$18.3 million in new defined benefit pension plan liabilities..
- The total cost of all City services (primary government) for fiscal year 2016 was \$509.6 million, \$463.9 million (91%) of which was for governmental services, and \$45.7 million (9%) of which was for business type services. The total cost of City services increased by \$23.2 million or 4.8% from the total cost of services in the previous fiscal year.
- A total of \$104.7 million or 22.6% of governmental services were financed from program revenue, leaving 77.4% to be financed from general revenues and inter-fund transfers. Real estate and personal property tax revenue continues to represent the single largest source of general revenue, accounting for 86.2% of 2016 governmental services funding.
- At June 30, 2016, the City's governmental funds reported a combined fund balance of \$109.7 million. The combined governmental funds fund balance increased by \$31.1 million (39.6%) from the prior year's ending fund balance.
- The City's general fund reported total fund balance of \$57.5 million at the end of fiscal year 2016, an \$18.9 million (49.2%) increase from the total fund balance at June 30 of the prior fiscal year. The unassigned portion of the fund balance increased by \$15.9 million to \$43.6 million or 11.5% of total general fund revenues and other financing sources. The unassigned fund balance includes \$18.8 million that the City has set aside over the course of the six most recent fiscal years as a "Rainy Day Stabilization" fund; \$12.7 million in "Free Cash" that has been certified as being available for appropriation by the Massachusetts Department of Revenue, and \$4.6 million in overlay surplus released by the Board of Assessors subsequent to fiscal year end.

Overview of the Financial Statements:

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

Government-wide financial statements: The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private sector business. The *statement of net position* (pages 18 and 19) presents information on all of the City's non-fiduciary assets, liabilities and deferred inflows/outflows 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 City is improving or deteriorating.

The *statement of activities* (pages 20 and 21) presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of the cash flows*. Thus, revenue and expenses reported in this statement for some items will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements summarize functions and programs of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions and programs that are intended to recover all or a significant portion of their costs through user fees or charges (business-type activities). The governmental activities of the City include the broad functions of general government; public safety; education; public works; health & human services; culture and recreation; debt service – interest, and the major services provided within each functional category. The business-type activities of the City include two enterprise activities: the water system and the sanitary sewer system. Trend information for the past 10 years can be found on pages 133-140 of this report.

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 City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City 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 and programs reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on the *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluation a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*. These reconciliations may be found on pages 23 and 25.

The City maintains 19 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the *general fund*, the *community preservation fund*, the *high school improvements fund* and the *Angier School improvements fund*, all of which are considered to be major funds. Data from the other 15 funds are combined into a single, aggregated presentation under the caption *non-major governmental funds*. A brief description and individual fund data for each of the non-major governmental funds is provided in the form of *combining statements* beginning on page 85 of this report. The governmental funds financial statements can be found on pages 22-27 of this report. Trend information may be found on pages 141 through 144 of this report.

Proprietary funds: The City maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for water, sanitary sewer and storm water activities. *Internal service funds* are an accounting device used to accumulate and allocate the costs internally among the City's various functions, including employee health benefits; workers' compensation; public building insurance; and general liability self-insurance activities. The services provided by these funds predominately benefit the governmental rather than the business-type functions. Accordingly, the internal service funds have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water, sanitary sewer and storm water activities. The water and sanitary sewer funds are considered major funds of the City. Conversely, all internal service funds are combined into a single, aggregate presentation in the proprietary fund financial statements. A brief description of each fund and individual fund data for the internal service funds is provided in the form of *combining statements* beginning on page 95 of this report. The basic proprietary fund financial statements can be found on 28-30 of this report.

Fiduciary funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* included in the government-wide financial statements because the resources of the funds are *not* available to support the City's own functions and activities. The accounting used for fiduciary funds is much like that used for proprietary funds.

The fiduciary funds financial statements provide separate information for the pension and other post-employment trust funds of the City. All other fiduciary funds are reported and combined into a single, aggregate presentation in the fiduciary funds financial statements under the captions “private purpose trust funds” and “agency funds”, respectively. A brief description of each fund and individual fund data for the private purpose trust funds and agency funds are provided in the form of *combining statements* beginning on page 99 of this report. The fiduciary funds financial statements can be found on pages 31 and 32 of this report.

Notes to the financial statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 35-78 of this report. A brief description of fund balance terminology required by Governmental Accounting Standards Board Statement 54 for governmental funds is presented on pages 41 and 42 along with a detailed analysis of the major components of each fund balance account on page 69.

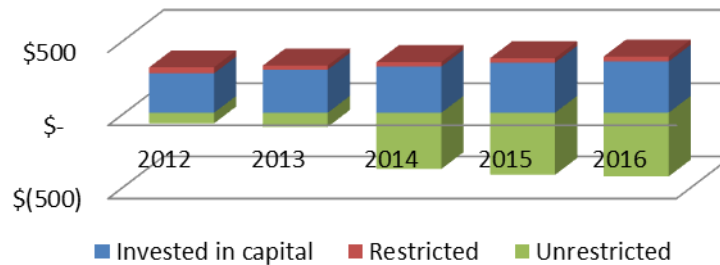
Other information: In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information regarding the City’s progress in funding its obligation to provide pension and post-employment benefits to its employees. Such information is located on pages 79 to 84 of this report.

The combining statements previously referred to are presented immediately following the notes to the basic financial statements.

Government-wide Financial Analysis:

Net Position: The City’s total liabilities and deferred inflows of resources exceeded total assets and deferred outflows of resources exceeded by \$50.8 million at June 30, 2016. This represents an increase of \$0.7 million or 1.4% in the negative total net position at June 30 of the prior year. Trend information for total net position and its major components over the past five year period is summarized graphically on the following page. Unfunded pension benefit liabilities are recognized in full beginning with the fiscal year ended June 30, 2014.

Net Asset Trends for Primary Government - Last Five Years



The following table presents current and prior year data regarding the City's net position:

	<i>Governmental Activities</i>		<i>Business-Type Activities</i>		<i>Total</i>	
	2016	2015	2016	2015	2016	2015
Assets						
Current assets.....	\$ 192,331,410	\$ 166,606,734	\$ 59,166,868	\$ 51,612,686	\$ 251,498,278	\$ 218,219,420
Noncurrent assets (excluding capital assets).....	7,678,596	7,747,005	929,325	1,170,118	8,607,921	8,917,123
Capital assets (net).....	502,921,661	456,978,462	95,840,555	90,395,311	598,762,216	547,373,773
Total assets.....	702,931,667	631,332,201	155,936,748	143,178,115	858,868,415	774,510,316
Deferred Outflows of Resources	31,260,484	21,984,818	1,028,596	765,271	32,289,080	22,750,089
Liabilities						
Current liabilities (excluding debt).....	49,778,301	54,016,869	2,229,914	3,214,360	52,008,215	57,231,229
Noncurrent liabilities (excluding debt).....	575,492,570	528,488,239	16,598,739	15,876,690	592,091,309	544,364,929
Current debt.....	13,435,889	11,997,967	4,551,261	4,376,129	17,987,150	16,374,096
Noncurrent debt.....	252,886,073	204,519,065	23,741,997	24,852,668	276,628,070	229,371,733
Total liabilities.....	891,592,833	799,022,140	47,121,911	48,319,847	938,714,744	847,341,987
Deferred Inflows of Resources	3,116,632	-	102,549	-	3,219,181	-
Net Position						
Net investment in capital assets.....	260,763,492	258,490,143	89,426,102	83,521,987	350,189,594	342,012,130
Restricted.....	34,250,976	32,723,876	-	-	34,250,976	32,723,876
Unrestricted.....	(455,531,782)	(436,919,140)	20,314,782	12,101,552	(435,217,000)	(424,817,588)
Total net position.....	\$ (160,517,314)	\$ (145,705,121)	\$ 109,740,884	\$ 95,623,539	\$ (50,776,430)	\$ (50,081,582)

The largest single components of the City's negative total net position are \$317.1 million in unfunded pension benefits (Net Pension Liabilities) and \$261.8 million in unfunded OPEB liabilities (Net OPEB Obligations). The unfunded pension benefit total represents the difference between benefit obligations and assets that have been accumulated in the Pension Trust Fund. The funding schedule for the City's defined benefit retirement plan anticipates full actuarial funding in the fiscal year ending June 30, 2029.

The unfunded OPEB liability represents the difference between what the City should have funded, based upon annual actuarial valuations of the OPEB plan, and what the City actually funded between 2008 and 2016. Beginning in the fiscal year ending June 30, 2018 unfunded pension and OPEB obligations will be reported in the same manner. Although the City has not yet formally adopted a funding schedule for OPEB obligations, a proposal has been prepared that calls for redirecting resources planned for the defined benefit pension plan to OPEB past service liability funding at the point that the pension plan is actuarially funded. If the pension plan can be actuarially funded on the current schedule, meaningful OPEB funding can begin in fiscal year 2030 and full actuarial funding achieved by 2042.

The City's net investment in capital assets represents the investment in capital assets (e.g., land and land improvements, intangible assets, buildings and improvements, machinery and equipment, road network, water system, sewer system and construction in progress) less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens therefore the assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources to repay debt must be provided from other sources, since capital assets themselves, cannot be used to liquidate these liabilities. Please refer to note 6 for a detailed calculation of the City's net investment in capital assets.

An additional portion of the City's net position, \$34.2 million, represents resources that are subject to restrictions placed on how they may be used by parties external to the City. A total of \$15.9 million (46.5%) represents resources restricted to community preservation purposes. A summary of all major components of the restricted net position may be found on the face of the Statement of Net Position, which can be found on page 19 of this report.

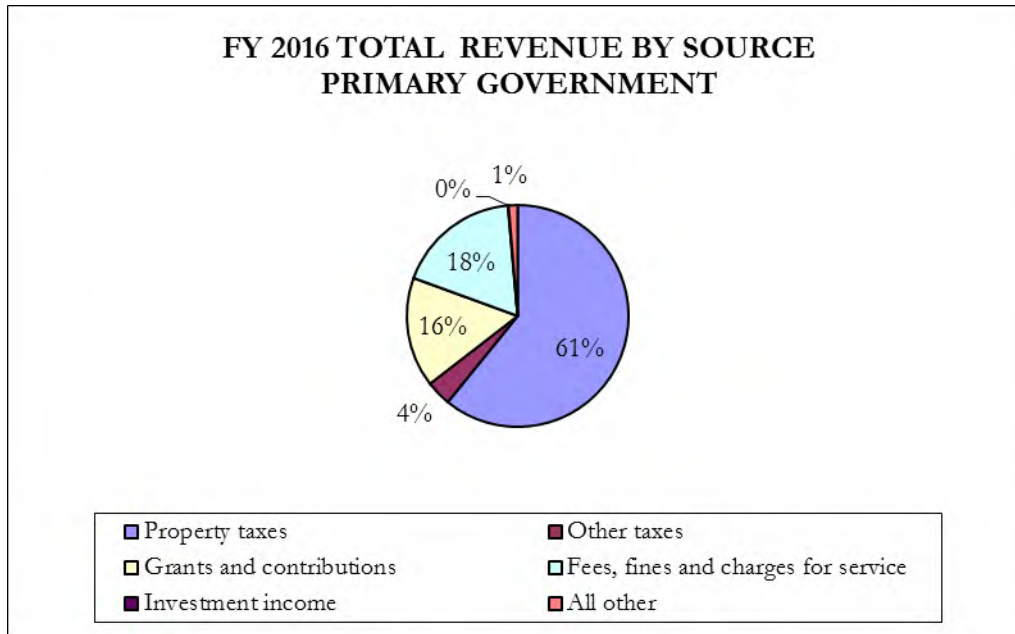
Changes in net position:

The following table presents current and prior year data regarding the City's changes in net position:

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	2016	2015	2016	2015	2016	2015
Revenues						
<i>Program Revenues:</i>						
Fees, fines and charges for services.....	\$ 32,651,120	\$ 28,572,429	\$ 59,064,372	\$ 54,741,671	\$ 91,715,492	\$ 83,314,100
Operating grants and contributions.....	67,774,244	64,031,611	545,793	506,547	68,320,037	64,538,158
Capital grants and contributions.....	4,232,242	3,703,180	2,796,401	3,797,829	7,028,643	7,501,009
<i>General Revenues:</i>						
Real estate and personal property taxes.....	309,686,267	289,075,613	-	-	309,686,267	289,075,613
Motor vehicle and other excise taxes.....	13,061,883	12,670,852	-	-	13,061,883	12,670,852
Hotel room occupancy taxes.....	2,444,007	2,330,724	-	-	2,444,007	2,330,724
Meals taxes.....	1,880,428	1,786,617	-	-	1,880,428	1,786,617
Penalties and interest on taxes.....	1,282,596	1,509,583	-	-	1,282,596	1,509,583
Payments in lieu of taxes.....	461,586	476,899	-	-	461,586	476,899
Community preservation surcharges.....	2,945,936	2,818,748	-	-	2,945,936	2,818,748
Grants and contributions not restricted to specific programs.....	6,309,128	5,968,282	-	-	6,309,128	5,968,282
Unrestricted investment income.....	483,866	265,809	-	-	483,866	265,809
Other.....	3,305,255	2,304,964	-	-	3,305,255	2,304,964
Total revenues.....	<u>446,518,558</u>	<u>415,515,311</u>	<u>62,406,566</u>	<u>59,046,047</u>	<u>508,925,124</u>	<u>474,561,358</u>
Expenses						
General government.....	28,489,575	26,440,640	-	-	28,489,575	26,440,640
Public safety.....	74,526,967	68,685,178	-	-	74,526,967	68,685,178
Education.....	287,559,898	273,738,170	-	-	287,559,898	273,738,170
Public works.....	29,698,488	33,419,187	-	-	29,698,488	33,419,187
Health and human services.....	12,319,296	11,625,318	-	-	12,319,296	11,625,318
Culture and recreation.....	20,385,376	17,759,803	-	-	20,385,376	17,759,803
Debt service - interest.....	10,945,881	9,906,400	-	-	10,945,881	9,906,400
Water.....	-	-	19,439,528	17,503,699	19,439,528	17,503,699
Sewer.....	-	-	24,958,975	26,254,561	24,958,975	26,254,561
Stormwater.....	-	-	1,295,988	1,118,476	1,295,988	1,118,476
Total expenses.....	<u>463,925,481</u>	<u>441,574,696</u>	<u>45,694,491</u>	<u>44,876,736</u>	<u>509,619,972</u>	<u>486,451,432</u>
Change in net position before transfers.....	(17,406,923)	(26,059,385)	16,712,075	14,169,311	(694,848)	(11,890,074)
Transfers, net.....	<u>2,594,730</u>	<u>2,088,882</u>	<u>(2,594,730)</u>	<u>(2,088,882)</u>	<u>-</u>	<u>-</u>
Change in net position.....	(14,812,193)	(23,970,503)	14,117,345	12,080,429	(694,848)	(11,890,074)
Net position - beginning of year (as restated).....	<u>(145,705,121)</u>	<u>(121,734,618)</u>	<u>95,623,539</u>	<u>83,543,110</u>	<u>(50,081,582)</u>	<u>(38,191,508)</u>
Net position - end of year.....	<u>\$ (160,517,314)</u>	<u>\$ (145,705,121)</u>	<u>\$ 109,740,884</u>	<u>\$ 95,623,539</u>	<u>\$ (50,776,430)</u>	<u>\$ (50,081,582)</u>

Total revenue for the year ended June 30, 2016 amounted to \$508.9 million, an increase of \$34.3 million or 7.2% from the prior year. Real estate tax revenue, the City's largest revenue source, accounted for \$20.6 million or 60.1% of the revenue growth.

The following chart illustrates the distribution of total current year revenues for the primary government by source.

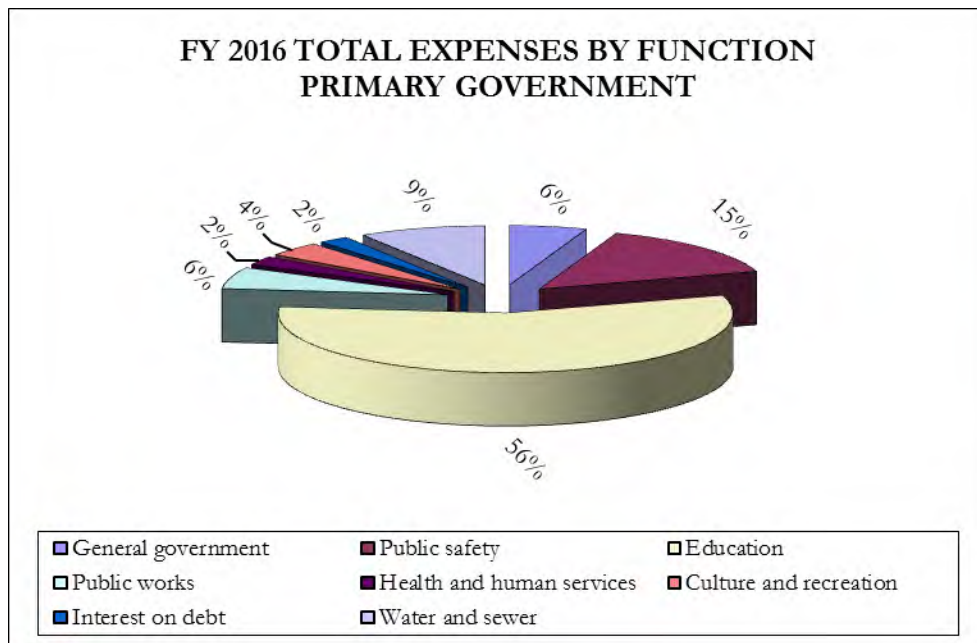


Total expenses increased by \$23.2 million or 4.8% during the year.

Expenses in the Statement of Activities are reported by program and major function in order to provide the reader with an understanding of the full and net cost of providing the range of local services that the City provides.

Public education continues to be the function receiving the largest commitment of City resources. For the year ended June 30, 2016, total spending for education purposes was \$287.6 million or 56.4% of total spending, 62% of governmental activity spending and \$13.9 million or 5.1% greater than total education spending for the prior fiscal year

The following chart illustrates the distribution of expenses by major function for the primary government for the year ended June 30, 2016.



Governmental activities – Governmental activities decreased the City’s net position by \$14.8 million or 10.2% during fiscal 2016 due to the recognition of \$28.8 million in pension and \$18.2 million in new OPEB liabilities during the year. A summary of revenues and major functional expenses is included in the tables presented previously. In order to assist the reader in understanding more completely the full cost of the major services provided by the City within each of the broad functional classifications identified above, the Statement of Activities, presented on pages 20 and 21 of this report, provides a detailed accounting of all major service expenses, related revenues, and each service’s consumption of general revenues (principally property taxes).

As has been the case in all years since the City has adopted this reporting model, all governmental activity services, except for inspectional services, relied on subsidies from general revenues to one degree or another during fiscal year 2016. Inspectional service department program revenues exceeded total program expenses by \$6.1 million for the year. In the fiscal year ending June 30, 2015, Inspectional services department program revenue exceeded program expenses by \$3.8 million.

Business-type activities – Business-type activities increased the City’s net position by \$14.1 million or 14.7% during fiscal year 2016.

Financial Analysis of Governmental Funds:

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

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

As of June 30, 2016, the City’s governmental funds reported a combined fund balance totaling \$109.7 million, a \$31.1 million or 40% increase from the prior year reported financial position.

All major governmental funds, with the exception of the Angier School Capital Project Fund reported improved financial position.

The General fund is the primary operating fund of the City and at June 30, 2016 reported a total fund balance of \$57.5 million, \$18.9 million or 49% greater than the total fund balance for the previous fiscal year. The unassigned portion of fund balance continued to improve, increasing from \$27.8 million or approximately 7.9% of total fund revenues and other financing sources at June 30, 2015 to \$43.6 million or 11.5% of fund revenues and other financing sources at June 30, 2016. The City’s Rainy Day (fiscal/economic stabilization) Fund accounts for \$18.8 million or approximately 43% of the current Unassigned Fund Balance. The Rainy Day fund balance represents 5% of General Fund expenditures for the year.

City of Newton, Massachusetts
General Fund
Fund Trends – Fiscal year 2016 and (5) previous fiscal years

	2016	2015	2014	2013	2012	2011 (1)
Total fund balance	\$ 57,458,697	\$ 38,523,664	\$ 36,675,777	\$ 32,715,384	\$ 28,224,341	\$ 30,773,574
Less: Fund balance restrictions for:						
Debt service.....	2,803,983	2,992,322	2,835,755	2,896,430	617,572	683,320
Capital.....	10,285	13,752	13,752	268,186	7,729	108,107
Other postemployment benefits (2).....	-	-	-	-	312,973	137,295
Less: Fund balance committed for:						
Subsequent year's expenditures.....	1,598,546	1,595,628	1,595,130	300,000	2,565,748	2,066,320
Capital.....	2,168,821	714,055	714,835	2,149,216	5,049,725	9,714,755
Continued appropriations.....	5,084,436	2,998,738	2,579,251	2,899,584	2,201,193	3,096,013
Less: Fund balance assigned for:						
Encumbrances.....	1,881,754	1,546,338	2,556,214	2,977,415	2,435,508	727,814
Capital.....	294,350	905,046	121,776	133,106	147,553	116,627
Unassigned fund balance.....	43,616,522	27,757,785	26,259,064	21,091,447	14,886,340	14,123,323
Total revenues & other financing sources.....	\$ 380,459,215	\$ 352,531,003	\$ 370,804,386	\$ 349,844,773	\$ 329,962,477	\$ 321,055,179
Total fund balance as % total revenues and ofs.....	15.1%	10.9%	9.9%	9.4%	8.6%	9.6%
Unassigned fund balance as % total revenues and ofs.....	11.5%	7.9%	7.1%	6.0%	4.5%	4.4%

(1) Starting in fiscal year 2011 general fund balance is being reported in accordance with Governmental Accounting Standards Board Statement #54, Fund Balance Reporting and Governmental Fund Type Definitions

(2) Starting in fiscal year 2013 other postemployment benefits are being reported as an other postemployment benefits trust fund in the fiduciary funds financial statements

Total general fund revenues and other financing sources increased by \$27.9 million or 7.9%, during fiscal year 2016 principally as a result of real estate and personal property tax collections; inspectional services department permit revenue; and premiums earned on the sale of bonds and notes.

Property tax revenue growth of \$20.3 million accounted for 72.4% of all revenue growth for the year. The 7.0% increase in property tax revenue resulted from a combination of the normal increase authorized by Proposition 2 ½ ; new growth; and a favorable Massachusetts Supreme Judicial Court decision that confirmed the fact that all telecommunication personal property should be taxed at the commercial tax rate. The City also collected 100.3% of the net tax levy for the year.

Over the course of the fiscal year, the City's Board of Assessors granted tax abatements, exemptions; and senior work credits totaling \$552,251 or 0.2% of the tax levy for the year. A tax refund payable liability of \$5.3 million has been recorded at fiscal year-end for abatement applications that, in the opinion of the Board of Assessors, are likely to result in tax refunds. This liability is \$4.7 million less than the June 30, 2015 estimate due to the favorable court decision noted previously.

A detailed schedule of inter-fund transfer activity is presented in note 7 of this report.

Source	Amount	% of Total	Increase/ (Decrease)	% Change
Real estate and personal property taxes.....	\$ 308,965,868	81.2%	\$ 20,265,386	7.0%
Motor vehicle excise taxes.....	13,122,277	3.4%	635,921	5.1%
Hotel room occupancy taxes.....	2,444,007	0.6%	113,283	4.9%
Meals taxes.....	1,880,428	0.5%	93,811	5.3%
Penalties and interest on taxes.....	1,282,596	0.3%	(203,636)	-13.7%
Licenses and permits.....	9,242,905	2.4%	2,450,839	36.1%
Intergovernmental.....	27,820,174	7.3%	1,146,444	4.3%
Charges for services.....	1,586,701	0.4%	(120,639)	-7.1%
Fines and forfeitures.....	1,800,214	0.5%	28,110	1.6%
Investment income.....	437,596	0.1%	192,126	78.3%
Payments in lieu of taxes.....	476,083	0.1%	10,261	2.2%
Special assessments.....	45,694	0.0%	(19,250)	-29.6%
Other.....	824,032	0.2%	(174,224)	-17.5%
Total revenues.....	369,928,575	97.3%	24,418,432	7.1%
Premium from issuance of bonds/notes.....	3,955,263	1.0%	2,757,911	230.3%
Sale of capital assets.....	85,000	0.0%	85,000	100.0%
Transfers from other funds.....	6,490,377	1.7%	666,867	11.5%
Total revenues and other financing sources.....	\$ 380,459,215	100.0%	\$ 27,928,210	7.9%

Total general fund expenditures and transfers to other funds totaled \$361.5 million, an increase of \$10.8 million or 3.1% from the previous fiscal year.

	Amount	% of Total	Increase/ (Decrease)	% Change
General government.....	\$ 17,516,134	4.8%	\$ 1,338,471	8.3%
Public safety.....	41,411,585	11.5%	1,780,506	4.5%
Education.....	202,704,374	56.1%	6,850,946	3.5%
Public works.....	22,895,350	6.3%	(4,021,930)	-14.9%
Health and human services.....	4,310,257	1.2%	306,958	7.7%
Culture and recreation.....	11,772,013	3.3%	1,952,115	19.9%
Retirement benefits.....	31,235,486	8.6%	2,035,977	7.0%
Workers' compensation insurance.....	1,150,000	0.3%	(400,000)	-25.8%
Property and liability insurance.....	468,006	0.1%	17,979	4.0%
Claims and judgements.....	244,752	0.1%	12,470	5.4%
State assessments and charges.....	6,113,282	1.7%	238,248	4.1%
Debt service				
Principal.....	10,492,967	2.9%	923,600	9.7%
Interest.....	8,163,295	2.3%	179,738	2.3%
Total expenditures.....	358,477,501	99.2%	11,215,078	3.2%
Transfers to other funds.....	3,046,681	0.8%	(374,012)	-10.9%
Total expenditures and transfers.....	\$ 361,524,182	100.0%	\$ 10,841,066	3.1%

The \$4 million (14.9%) reduction in public works spending is a function of the fact that snow and ice control requirements for the most recent fiscal year were less than half what was required for the previous fiscal year. The 25.8% reduction in workers compensation spending resulted from the use of accumulated reserves in the self-insurance fund to meet operating requirements during the year.

The \$2 million or 19.9% increase in culture and recreation spending resulted principally from increased spending for parks and recreation forestry, grounds maintenance, and community beautification activities during the year.

The voters of the City elected to implement the Community Preservation Act (CPA), with a 1% surcharge on all real estate tax bills, in November 2001. During the fiscal year ended June 30, 2016, the City realized \$3.9 million in CPA fund revenue, \$2.9 million (74.4%) of which came from the local property tax surcharge. State matching funds amounted to \$0.8 million. Fund expenditures totaled \$2.5 million for the year, \$1.1 million of which was for historic resources preservation; \$0.7 million of which was for community housing; \$0.6 million was for community recreation, and \$0.1 million for program administration.

Proprietary funds - The City's proprietary funds provide the same information found in the government-wide statements, but in slightly more detail. Proprietary fund net position's net investment in capital assets represents principally the City's water supply and distribution system; the sanitary sewer collection system; and the storm water drainage system.

The financial position of the City's sewer fund increased by \$9.4 million to \$62.9 million at June 30, 2016. Unrestricted fund net position increased by \$5 million or 46.7% to \$15.7 million at June 30, 2016, the equivalent of 7.7 months of operating expenditures.

The financial position of the City's water fund also improved during the last fiscal year from \$40.5 million at June 30, 2015 to \$44.4 million at June 30, 2016. Unrestricted fund net position was \$4.1 million, or approximately 2.6 months of operating expenditures.

The City's storm water management fund ended the year with a net position of \$2.5 million – an increase of \$0.8 million or 53% from June 30, 2015. Unrestricted net position amounted to \$0.6 million or approximately 5.5 months of operating expenditures.

The financial position of the City's Internal Service Funds declined by \$0.9 million, or 5.5% during the year ended June 30, 2016. Internal service funds are used to account for the City's self-insured group health insurance; workers compensation; and general liability risk exposures and to fund property insurance premiums for City buildings and contents. Detailed information on the self-insurance funds is presented on pages 96-98.

The financial position of the City's workers compensation self-insurance fund declined by \$0.1 million during the year as a result of \$0.2 million decline in the fair value of fund investments.

The financial position of the group health self-insurance fund declined by \$0.6 million or 4.5% as a result of a \$4.4 million (8.7%) increase in paid health claims during the year. The \$13.6 million year-end net position represents 3 months of average paid claims. The City's target financial position for the fund is 1.5 – 2.0 months of average paid claims.

Fiduciary funds – The net position of the City's contributory retirement system declined by \$4 million (1.4%) to \$289.9 million during the system's fiscal year that ended December 31, 2015, as a result of the fact that investment income earnings for the year (net of investment management fees) were only \$2.1 million. According to the Commonwealth of Massachusetts Public Employee Retirement Administration Commission's 2015 Annual Report, the Newton Contributory Retirement System's investment portfolio returned 1.19% for the year (compared to a long term return assumption of 7.65% for funding and 7.35% for financial reporting). The plan's thirty year average annual return is 8.55%.

The funded status of the defined benefit retirement plan at January 1, 2016 on an actuarial funding basis was 47.5%. Based upon a new funding schedule that was formally adopted by the City during fiscal year 2014, the plan is expected to be fully funded in the fiscal year ending June 30, 2029. The new 15 year funding schedule assumes a 9.6% annual increase in City appropriations to the defined benefit trust; average annual investment returns of 7.65%; and projected annual salary increases of no greater than 3.5% per year. The City made its actuarially required contribution to the fund in full. More specific information about the local retirement system may be found on pages 70-75 of this report.

The net position of the City's OPEB fund increased from \$2.1 million to \$3.6 million during fiscal year 2016, primarily as a result of employer contributions. All OPEB assets were invested with the Commonwealth of Massachusetts State Employee Benefit Fund (under the management of the Pension Reserve Investment Management Board) during 2016.

General Fund Budgetary Highlights:

The difference between the original General Fund budget of \$366.6 million (including prior year encumbrances and continuing appropriations) and the final amended budget of \$374.6 million amounts to 2.2% and can be summarized as follows:

Description	Amount
Capital outlay and improvements.....	\$ 2,067,065
Snow and ice control.....	1,439,987
Rainy Day Stabilization fund.....	1,336,831
Newton Public Schools.....	672,443
Interest on property tax refunds.....	445,226
Tree maintenance.....	300,000
All other.....	<u>1,779,526</u>
Total supplemental appropriations.....	<u>\$ 8,041,078</u>

There were no deficits incurred in the appropriations of the various departments of the City, although actual state assessments for the year did exceed the state's estimate by \$86,581. All but \$3.4 million (0.9%) of total appropriations were expended, encumbered, or continued into fiscal year 2017 for completion of the appropriated purposes at June 30, 2016. Please refer to pages 107–116 for a complete accounting of budget to actual experience for all City departments, at their legal level of control.

Capital Assets and Debt Administration

Capital assets – The City's total investment in capital assets for governmental and business-type activities, net of accumulated depreciation of \$291.6 million, as of June 30, 2016, amounts to \$598.8 million. The investment in capital assets includes land and land improvements, intangible assets, buildings and improvements, machinery and equipment, infrastructure and construction in progress.

	<i>Governmental Activities</i>		<i>Business-Type Activities</i>		<i>Total</i>	
	2016	2015	2016	2015	2016	2015
Land and improvements.....	\$ 31,034,152	\$ 25,046,952	\$ 284,785	\$ 284,785	\$ 31,318,937	\$ 25,331,737
Intangible assets.....	2,238,261	2,238,261	-	-	2,238,261	2,238,261
Buildings and improvements.....	363,761,292	320,161,611	2,211,860	2,296,749	365,973,152	322,458,360
Machinery and equipment.....	25,257,156	24,307,540	8,715,334	8,933,925	33,972,490	33,241,465
Infrastructure.....	61,514,812	57,771,622	84,564,767	78,875,507	146,079,579	136,647,129
Construction in progress.....	<u>19,115,988</u>	<u>27,452,476</u>	<u>63,809</u>	<u>4,345</u>	<u>19,179,797</u>	<u>27,456,821</u>
Total capital assets.....	<u>\$ 502,921,661</u>	<u>\$ 456,978,462</u>	<u>\$ 95,840,555</u>	<u>\$ 90,395,311</u>	<u>\$ 598,762,216</u>	<u>\$ 547,373,773</u>

Total capital assets, net of accumulated depreciation, increased by \$51.4 million or 9.4%. Major capital asset events during 2016 included the following:

- Business-type activity net capital assets increased by \$5.4 million, due to water and sewer system improvements funded with Massachusetts Water Resources Authority grants and interest free loans, and locally funded sewer infiltration and inflow reduction and water main cleaning and relining programs.
- Governmental activity capital assets (net) increased by \$45.9 million, principally as a result of a variety of school improvement projects and roadway improvements that are being funded with a combination of state capital construction grants and additional property taxes from the March 2013 Proposition 2 ½ override vote.

Additional information on the City's capital assets may be found on pages 52-54 of this report.

Debt outstanding – At June 30, 2016, the City had total long term debt outstanding of \$287.5 million, \$259.4 million for governmental activities and \$28.1 million for business-type activities. In addition to the permanent debt, the City has \$761,000 in bond anticipation notes outstanding at June 30, 2016, all of which were for the Cabot Elementary School renovation project. All debt is a general obligation of the City, although water and sewer debt service payments are made from the resources of the enterprise funds and community preservation fund project debt service payments are made from resources of the community preservation fund.

**City of Newton, Massachusetts
General Obligation Bonds and Notes Outstanding – by Purpose**

	<i>Governmental Activities</i>		<i>Business-Type Activities</i>		<i>Total</i>	
	2016	2015	2016	2015	2016	2015
Education Buildings.....	\$ 206,992,215	\$ 188,934,032	\$ -	\$ -	\$ 206,992,215	\$ 188,934,032
Municipal buildings.....	46,668,150	18,663,700	-	-	46,668,150	18,663,700
Departmental equipment.....	4,931,300	6,205,600	-	-	4,931,300	6,205,600
Landfill closure.....	497,400	653,700	-	-	497,400	653,700
Street reconstruction.....	45,000	115,000	-	-	45,000	115,000
Land acquisition.....	255,000	510,000	-	-	255,000	510,000
Other.....	-	185,000	-	-	-	185,000
Water system.....	-	-	14,288,488	15,805,377	14,288,488	15,805,377
Sanitary sewer system.....	-	-	13,115,100	13,423,420	13,115,100	13,423,420
Stormwater system.....	-	-	725,000	-	725,000	-
Total bonds and notes.....	\$ 259,389,065	\$ 215,267,032	\$ 28,128,588	\$ 29,228,797	\$ 287,517,653	\$ 244,495,829

During the year just ended, the City added \$84.9 million in new bonds and notes and retired \$35.5 million in existing bonds, and notes including \$19.6 million in advance refunding bonds that were issued to defease \$20.1 million in existing debt, with a resulting future debt service savings of \$3.1 million. General fund interest and principal payments amounted to \$18.7 million or 4.9% of fund revenues and other financing sources. Community Preservation Fund interest and principal payments amounted to \$0.3 million, or 6.9%, of fund revenues.

A total of \$138.8 million or 48.3% of existing bonded debt will be retired within ten years; \$233.9 million or 81.3% will be retired within twenty years; and all existing debt will be extinguished by June 30, 2046.

At June 30, 2016 the City’s authorized and unissued long term debt amounted to \$42.2 million, a decrease of \$43 million (50.4%) from June 30, 2015.

The City’s bonds are rated Aaa by both Standard and Poor and Moody’s Investor Services Inc.

Additional information on the City’s long-term debt can be found on pages 57-63 of this report. In addition, debt trend information is available on pages 149-152 of this report.

Economic Factors and Next Year’s Budget and Rates

- According to the U.S. Census Bureau, the median household income for the City was \$118,639. This compares favorably with the Massachusetts median household income of \$67,846, and the U.S. median household income of \$53,482.
- According to Homefacts.com, the unemployment rate for the City for September 2016 was 2.7%, which compared favorably with the statewide unemployment rate of 3.3% and the national unemployment rate of 4.9%.
- According to the City’s Board of Assessors, the 2016 median value of a single family home in Newton was \$793,950; the median value of a commercial property was \$811,000; and the median value of industrial property was \$785,600.

The City of Newton’s fiscal year 2017 general fund operating budget, as amended through the date of this report, amounts to \$388.6 million, \$7 million of which represents encumbrances and continuing appropriations from fiscal year 2016. This represents an increase of \$14 million, or 3.7%, from the final fiscal year 2016 budget total.

Request for Information

This financial report is designed to provide a general overview of the City's finances for all of those with an interest in the City's finances. Questions concerning any information provided in this report or requests for additional financial information should be addressed to the Comptroller, City of Newton, 1000 Commonwealth Avenue, Newton, Massachusetts 02459 or dwilkinson@newtonma.gov.



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Basic Financial Statements

CITY OF NEWTON
STATEMENT OF NET POSITION
JUNE 30, 2016

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Current Assets:				
Cash and Cash Equivalents.....	\$ 79,952,746	\$ 21,127,656	\$ 101,080,402	\$ 806,378
Restricted Cash and Cash Equivalents.....	80,772,293	21,878,805	102,651,098	3,201
Restricted Investments.....	10,730,026	-	10,730,026	-
Interest and Dividends.....	13,881	-	13,881	480,243
Receivables, Net of Allowance for Uncollectible Amounts:				
Real Estate and Personal Property Taxes.....	6,536,815	-	6,536,815	-
Tax and utility liens.....	8,554,586	227,918	8,782,504	-
Motor Vehicle and Other Excise Taxes.....	1,212,175	-	1,212,175	-
Community Preservation Surcharges.....	39,965	-	39,965	-
User Charges.....	594,922	15,696,230	16,291,152	-
Departmental and Other.....	770,240	-	770,240	13,588
Intergovernmental.....	2,725,006	236,259	2,961,265	-
Special Assessments.....	740	-	740	-
Loans.....	-	-	-	49,712
Other Assets.....	30,000	-	30,000	-
Prepaid Expenses.....	-	-	-	6,194
Working Capital Deposit.....	398,015	-	398,015	-
Total Current Assets.....	192,331,410	59,166,868	251,498,278	1,359,316
Noncurrent Assets:				
Receivables, Net of Allowance for Uncollectible Amounts:				
Real Estate Tax Deferrals.....	3,020,590	-	3,020,590	-
Departmental and Other.....	4,227,833	-	4,227,833	-
Intergovernmental.....	88,420	908,544	996,964	-
Special Assessments.....	341,753	20,781	362,534	-
Loans.....	-	-	-	3,853,878
Capital assets:				
Nondepreciable.....	52,388,401	348,594	52,736,995	-
Depreciable, net of accumulated depreciation.....	450,533,260	95,491,961	546,025,221	2,010,852
Total Noncurrent Assets.....	510,600,257	96,769,880	607,370,137	5,864,730
Total Assets.....	702,931,667	155,936,748	858,868,415	7,224,046
DEFERRED OUTFLOWS OF RESOURCES				
Related to Pension.....	31,260,484	1,028,596	32,289,080	-
LIABILITIES				
Current Liabilities:				
Warrants Payable.....	5,052,088	667,544	5,719,632	58,300
Accrued Liabilities.....	5,601,309	679,779	6,281,088	3,201
Accrued Payroll.....	18,254,707	85,319	18,340,026	-
Revenue Refunds Payable.....	5,284,600	-	5,284,600	-
Health Claims Payable.....	4,655,547	-	4,655,547	-
Other Liabilities.....	2,301,133	373	2,301,506	-
Accrued Interest.....	2,972,814	214,628	3,187,442	-
Abandoned Property.....	623,037	-	623,037	-
Liabilities payable from restricted assets.....	256,142	545,308	801,450	-
Short-Term Notes Payable.....	761,000	-	761,000	-
Bonds Payable.....	12,674,889	4,551,261	17,226,150	-
Landfill Closure and Other Environmental Liabilities.....	82,368	-	82,368	-
Compensated Absences.....	3,220,491	36,963	3,257,454	-
Workers' Compensation Claims.....	1,474,065	-	1,474,065	-
Total Current Liabilities.....	63,214,190	6,781,175	69,995,365	61,501

**CITY OF NEWTON, MASSACHUSETTS
STATEMENT OF NET POSITION (Continued)**

JUNE 30, 2016

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Noncurrent Liabilities:				
Bonds Payable.....	252,886,073	23,741,997	276,628,070	-
Landfill Closure and Other Environmental Liabilities.....	570,235	-	570,235	-
Compensated Absences.....	5,527,712	332,669	5,860,381	-
Net Pension Liability.....	306,971,064	10,100,582	317,071,646	-
Net OPEB Obligation.....	255,597,407	6,165,488	261,762,895	-
Workers' Compensation Claims.....	6,826,152	-	6,826,152	-
Total Noncurrent Liabilities.....	828,378,643	40,340,736	868,719,379	-
Total Liabilities.....	891,592,833	47,121,911	938,714,744	61,501
DEFERRED INFLOWS OF RESOURCES				
Related to Pension.....	3,116,632	102,549	3,219,181	-
NET POSITION				
Net Investment in Capital Assets.....	260,763,492	89,426,102	350,189,594	2,010,852
Restricted for:				
Community preservation activities.....	15,937,353	-	15,937,353	-
Education activities.....	3,183,384	-	3,183,384	-
Debt service.....	2,803,983	-	2,803,983	-
Receipts reserved.....	2,637,924	-	2,637,924	-
Community development block grant.....	505,594	-	505,594	-
Municipal federal grants.....	187,844	-	187,844	-
Municipal state grants.....	458,523	-	458,523	-
Permanent Funds:				
Expendable.....	1,279,615	-	1,279,615	-
Nonexpendable.....	397,049	-	397,049	-
Other Specific Purposes.....	6,859,707	-	6,859,707	-
Unrestricted.....	(455,531,782)	20,314,782	(435,217,000)	5,151,693
Total Net Position.....	\$ (160,517,314)	\$ 109,740,884	\$ (50,776,430)	\$ 7,162,545

See notes to basic financial statements.

CITY OF NEWTON, MASSACHUSETTS
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expense)/ Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary Government:					
Governmental Activities:					
General Government					
Legislative & executive.....	\$ 3,973,397	\$ 359,008	\$ 18,281	\$ 5,566	\$ (3,590,542)
Financial administration.....	5,407,575	181,195	414	-	(5,225,966)
Administrative support.....	5,815,598	449,719	9	-	(5,365,870)
Planning & development.....	7,796,513	924,045	4,593,243	-	(2,279,225)
Public building maintenance & operation.....	5,496,492	8,708	360,667	-	(5,127,117)
Public Safety					
Police.....	37,842,939	5,900,840	369,060	-	(31,573,039)
Fire.....	34,607,136	789,473	74,886	-	(33,742,777)
Inspectional services.....	2,076,892	8,156,314	-	-	6,079,422
Education.....	287,559,898	9,185,604	59,128,370	-	(219,245,924)
Public Works					
Streets & sidewalks.....	14,960,314	2,324,151	-	4,210,097	(8,426,066)
Control of snow & ice.....	4,072,559	-	939,987	-	(3,132,572)
Sanitation.....	8,666,575	958	21,638	-	(8,643,979)
Engineering.....	1,999,040	126,228	-	-	(1,872,812)
Health and Human Services					
Public health & human services.....	10,866,542	137,408	266,848	16,579	(10,445,707)
Senior services.....	871,713	16,165	339,204	-	(516,344)
Veteran services.....	581,041	-	412,493	-	(168,548)
Culture and Recreation					
Libraries.....	8,207,484	129,245	510,533	-	(7,567,706)
Parks & recreation.....	11,725,675	3,962,059	524,487	-	(7,239,129)
Newton History museum.....	452,217	-	513	-	(451,704)
Debt Service-Interest.....	10,945,881	-	213,611	-	(10,732,270)
Total Governmental Activities.....	<u>463,925,481</u>	<u>32,651,120</u>	<u>67,774,244</u>	<u>4,232,242</u>	<u>(359,267,875)</u>
Business-Type Activities:					
Water.....	19,439,528	24,752,428	292,043	7,415	5,612,358
Sewer.....	24,958,975	32,012,050	251,397	2,788,986	10,093,458
Stormwater.....	1,295,988	2,299,894	2,353	-	1,006,259
Total Business-Type Activities.....	<u>45,694,491</u>	<u>59,064,372</u>	<u>545,793</u>	<u>2,796,401</u>	<u>16,712,075</u>
Total Primary Government.....	<u>\$ 509,619,972</u>	<u>\$ 91,715,492</u>	<u>\$ 68,320,037</u>	<u>\$ 7,028,643</u>	<u>\$ (342,555,800)</u>
Component Units:					
Newton Commonwealth Foundation, Inc.....	\$ 240,512	\$ 424,862	\$ 4,348	\$ -	\$ 188,698
Newton Community Development Authority.....	390,385	59	106,394	-	(283,932)
Total Component Units.....	<u>\$ 630,897</u>	<u>\$ 424,921</u>	<u>\$ 110,742</u>	<u>\$ -</u>	<u>\$ (95,234)</u>

CITY OF NEWTON, MASSACHUSETTS
STATEMENT OF ACTIVITIES (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
CHANGES IN NET POSITION				
Net (Expense) Revenue (From Previous Page).....	\$ (359,267,875)	\$ 16,712,075	\$ (342,555,800)	\$ (95,234)
General Revenues:				
Real estate and personal property taxes, levied for general purposes.....	309,686,267	-	309,686,267	-
Real estate and personal property taxes, levied for community preservation purposes.....	2,945,936	-	2,945,936	-
Motor Vehicle and Other Excise Taxes.....	13,061,883	-	13,061,883	-
Hotel Room Occupancy Taxes.....	2,444,007	-	2,444,007	-
Meals Taxes.....	1,880,428	-	1,880,428	-
Penalties and Interest on Taxes.....	1,282,596	-	1,282,596	-
Payments in Lieu of Taxes.....	461,586	-	461,586	-
Grants and Contributions not Restricted to Specific Programs.....	6,309,128	-	6,309,128	-
Unrestricted Investment Income.....	483,866	-	483,866	-
Other.....	3,305,255	-	3,305,255	-
Transfers, Net.....	2,594,730	(2,594,730)	-	-
Total General Revenues and Transfers.....	344,455,682	(2,594,730)	341,860,952	-
CHANGE IN NET POSITION	(14,812,193)	14,117,345	(694,848)	(95,234)
Net Position - Beginning of Year (as Restated).....	(145,705,121)	95,623,539	(50,081,582)	7,257,779
NET POSITION - END OF YEAR.....	\$ (160,517,314)	\$ 109,740,884	\$ (50,776,430)	\$ 7,162,545

CITY OF NEWTON, MASSACHUSETTS
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2016

ASSETS	General	Community Preservation	High School Improvements	Angier School Improvement	Nonmajor Governmental Funds	Total Governmental Funds
Cash and Cash Equivalents.....	\$ 78,398,224	\$ -	\$ -	\$ -	\$ 1,554,522	\$ 79,952,746
Receivables, Net of Allowance for Uncollectible Amounts:						
Real Estate and Personal Property Taxes.....	6,536,815	-	-	-	-	6,536,815
Real Estate Tax Deferrals.....	3,020,590	-	-	-	-	3,020,590
Tax Liens.....	8,554,586	-	-	-	-	8,554,586
Motor Vehicle and Other Excise Taxes.....	1,212,175	-	-	-	-	1,212,175
Community Preservation Surcharges.....	-	39,965	-	-	-	39,965
User Charges.....	36,008	-	-	-	558,914	594,922
Departmental and Other.....	4,820,362	-	-	-	645	4,821,007
Intergovernmental.....	666,491	561,633	-	-	1,585,302	2,813,426
Special Assessments.....	236,429	-	-	-	106,064	342,493
Due from Other Funds.....	627,329	-	-	-	-	627,329
Other Assets.....	-	-	-	-	30,000	30,000
Restricted Assets:						
Cash and Cash Equivalents.....	2,814,268	15,504,442	-	3,029,791	39,162,695	60,511,196
Investments.....	-	-	-	-	527,012	527,012
Total Assets.....	<u>\$ 106,923,277</u>	<u>\$ 16,106,040</u>	<u>\$ -</u>	<u>\$ 3,029,791</u>	<u>\$ 43,525,154</u>	<u>\$ 169,584,262</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
LIABILITIES						
Warrants Payable.....	\$ 2,277,040	\$ 122,177	\$ -	\$ 973,981	\$ 1,606,549	\$ 4,979,747
Accrued Liabilities.....	915,141	45,076	-	1,160,635	3,221,971	5,342,823
Accrued Payroll.....	17,526,772	1,434	-	-	712,482	18,240,688
Revenue Refunds Payable.....	5,284,600	-	-	-	-	5,284,600
Other Liabilities.....	195,491	-	-	-	289,584	485,075
Abandoned Property.....	623,037	-	-	-	-	623,037
Liabilities Due Depositors.....	256,142	-	-	-	-	256,142
Due to Other Funds.....	-	-	-	-	627,329	627,329
Short-Term Notes Payable.....	-	-	-	-	761,000	761,000
Total Liabilities.....	<u>27,078,223</u>	<u>168,687</u>	<u>-</u>	<u>2,134,616</u>	<u>7,218,915</u>	<u>36,600,441</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable Revenue.....	22,386,357	587,599	-	-	286,276	23,260,232
FUND BALANCES						
Nonspendable.....	-	-	-	-	397,049	397,049
Restricted.....	2,814,268	15,349,754	-	895,175	34,068,392	53,127,589
Committed.....	8,851,803	-	-	-	1,554,522	10,406,325
Assigned.....	2,176,104	-	-	-	-	2,176,104
Unassigned.....	43,616,522	-	-	-	-	43,616,522
Total Fund Balances.....	<u>57,458,697</u>	<u>15,349,754</u>	<u>-</u>	<u>895,175</u>	<u>36,019,963</u>	<u>109,723,589</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 106,923,277</u>	<u>\$ 16,106,040</u>	<u>\$ -</u>	<u>\$ 3,029,791</u>	<u>\$ 43,525,154</u>	<u>\$ 169,584,262</u>

See notes to basic financial statements.

**CITY OF NEWTON, MASSACHUSETTS
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TOTAL FUND BALANCES TO THE STATEMENT OF NET POSITION**

JUNE 30, 2016

Total Governmental Fund Balances	\$	109,723,589
Capital assets (net of accumulated depreciation) used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.....		502,921,661
Other assets are not available to pay for current period expenditures and, therefore, are reported as deferred inflows of resources in the governmental funds.....		23,260,232
In the statement of net position, interest is accrued on outstanding long-term debt, whereas in the governmental funds interest is not reported until due.....		(2,972,814)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Bonds and Notes Payable.....		(265,560,962)
Landfill Post-Closure.....		(652,603)
Compensated Absences.....		(8,748,203)
Net OPEB Obligation.....		(255,597,407)
Net Pension Liability.....		(306,971,064)
In the statement of net position, deferred outflows of resources are reported for amounts related to pensions.....		31,260,484
In the statement of net position, deferred inflows of resources are reported for amounts related to pensions.....		(3,116,632)
Internal service funds are used by management to account for health insurance workers' compensation, building insurance and liability insurance activities. The assets and liabilities of the internal service funds are reported as governmental activities in the statement of net position.....		<u>15,936,405</u>
Net Position of Governmental Activities.....	\$	<u><u>(160,517,314)</u></u>

See notes to basic financial statements.

CITY OF NEWTON, MASSACHUSETTS
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	General	Community Preservation	High School Improvements	Angier School Improvement	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES						
Real Estate and Personal Property Taxes.....	\$ 308,965,868	\$ -	\$ -	\$ -	\$ -	\$ 308,965,868
Motor Vehicle and Other Excise Taxes.....	13,122,277	-	-	-	-	13,122,277
Hotel/Motel Tax.....	2,444,007	-	-	-	-	2,444,007
Meals Taxes.....	1,880,428	-	-	-	-	1,880,428
Payments in Lieu of Taxes.....	476,083	-	-	-	-	476,083
Community Preservation Surcharges.....	-	2,946,847	-	-	-	2,946,847
Charges for Services.....	1,586,701	-	-	-	18,539,805	20,126,506
Intergovernmental.....	27,820,174	839,889	-	6,764,771	25,102,803	60,527,637
Special Assessments.....	45,694	-	-	-	123,894	169,588
Penalties and Interest on Taxes.....	1,282,596	-	-	-	-	1,282,596
Licenses and Permits.....	9,242,905	-	-	-	1,240,119	10,483,024
Fines and Forfeitures.....	1,800,214	-	-	-	246,175	2,046,389
Contributions.....	-	-	-	-	1,446,969	1,446,969
Investment Income (loss).....	437,596	51,836	-	-	1,442	490,874
Other.....	824,032	92,256	-	-	211,611	1,127,899
Total Revenues.....	369,928,575	3,930,828	-	6,764,771	46,912,818	427,536,992
EXPENDITURES						
Current:						
General Government						
Legislative & Executive.....	2,710,237	-	-	-	19,835	2,730,072
Financial Administration.....	3,861,704	-	-	-	-	3,861,704
Administrative Support.....	4,569,763	-	-	-	-	4,569,763
Planning & Development.....	1,487,646	837,881	-	-	4,789,626	7,115,153
Public Building Maintenance & Operations..	4,886,784	961,706	-	-	6,713,838	12,562,328
Public Safety						
Police.....	20,564,833	-	-	-	4,106,200	24,671,033
Fire.....	19,500,428	-	-	-	830,571	20,330,999
Inspectional Services.....	1,346,324	-	-	-	6,306	1,352,630
Education.....	202,704,374	-	-	20,548,338	49,792,271	273,044,983
Public Works						
Streets & Sidewalks.....	7,039,749	-	-	-	6,011,696	13,051,445
Control of Snow & Ice.....	3,662,221	-	-	-	-	3,662,221
Sanitation.....	7,795,295	-	-	-	-	7,795,295
Vehicle Maintenance.....	2,191,024	-	-	-	2,390	2,193,414
Engineering.....	1,059,824	-	-	-	125,420	1,185,244
Administration & Support.....	1,147,237	-	-	-	-	1,147,237
Health and Human Services						
Health and Human Services.....	3,252,722	-	-	-	239,721	3,492,443
Senior Services.....	609,103	-	-	-	369,354	978,457
Veteran Services.....	448,432	-	-	-	4,928	453,360
Culture and Recreation						
Libraries.....	5,399,875	-	-	-	572,917	5,972,792
Parks & Recreation.....	6,127,565	275,463	-	-	3,519,381	9,922,409
Newton History Museum.....	244,573	114,413	-	-	2,164	361,150
Retirement Benefits.....	31,235,486	-	-	-	-	31,235,486
Worker's Compensation Insurance.....	1,150,000	-	-	-	-	1,150,000
Property and Liability Insurance.....	468,006	-	-	-	-	468,006
Claims and Judgments.....	244,752	-	-	-	-	244,752
State and County Charges.....	6,113,282	-	-	-	-	6,113,282
Debt Service:						
Principal.....	10,492,967	255,000	-	-	-	10,747,967
Interest.....	8,163,295	14,344	-	-	-	8,177,639
Total Expenditures.....	358,477,501	2,458,807	-	20,548,338	77,106,618	458,591,264
EXCESS (DEFICIENCY) OF REVENUES						
OVER EXPENDITURES.....	11,451,074	1,472,021	-	(13,783,567)	(30,193,800)	(31,054,272)
OTHER FINANCING SOURCES (USES)						
Proceeds of Bonds and Notes.....	-	-	-	4,955,000	50,385,000	55,340,000
Premium from Issuance of Bonds and Notes.....	3,955,263	-	-	-	-	3,955,263
Proceeds of Refunding Bonds.....	-	-	18,301,050	-	1,308,950	19,610,000
Premium from Issuance of Refunding Bonds.....	-	-	2,260,128	-	170,117	2,430,245
Sale of Capital Assets.....	85,000	-	-	-	44,179	129,179
Transfers In.....	6,490,377	-	-	351,159	3,159,986	10,001,522
Transfers Out.....	(3,046,681)	-	-	-	(4,225,748)	(7,272,429)
Payments to Refunding Bonds Escrow.....	-	-	(20,561,178)	-	(1,479,067)	(22,040,245)
Total Other Financing Sources (Uses).....	7,483,959	-	-	5,306,159	49,363,417	62,153,535
NET CHANGE IN FUND BALANCES.....	18,935,033	1,472,021	-	(8,477,408)	19,169,617	31,099,263
Fund Balances - Beginning of Year (As Restated).....	38,523,664	13,877,733	-	9,372,583	16,850,346	78,624,326
FUND BALANCES - END OF YEAR.....	\$ 57,458,697	\$ 15,349,754	\$ -	\$ 895,175	\$ 36,019,963	\$ 109,723,589

See notes to basic financial statements.

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

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Net Change in Fund Balances - Total Governmental Funds.....	\$	31,099,263
<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. These amounts represent the related activity of the current period.</p>		
Capital Outlays.....		65,876,734
Depreciation.....		(19,867,735)
<p>In the statement of activities, the loss on the disposals of capital assets is reported, whereas in the governmental funds the disposals are not reported as financial resources. As a result, the change in net position differs from the change in fund balance by the net book value of the capital assets disposed.....</p>		
		(65,800)
<p>Revenues in the statement of activities that do not provide current financial resources are reported as deferred inflows of resources in the governmental funds. Therefore, the recognition of revenue for various types of accounts receivable (i.e., real estate and personal property, motor vehicle excise, etc.) differ between the two statements. This amount represents the net change in deferred inflows of resources.....</p>		
		916,368
<p>The issuance of long-term debt (e.g., bonds and leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the financial resources of governmental funds. Neither transaction, however, has any impact on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. These amounts represent the related activity of the current period.</p>		
Proceeds of Bonds.....		(55,340,000)
Proceeds of Refunding Bonds.....		(19,610,000)
Retirement of Refunded Bonds.....		20,080,000
Bond Maturities.....		10,747,967
Bond Premiums.....		(6,385,508)
Net Amortization of Bond Premiums.....		213,611
<p>In the statement of activities, interest is accrued on outstanding long-term debt, whereas in the governmental funds interest is not reported until due. This amount represents the net change in accrued interest payable.....</p>		
		(807,998)
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported in the governmental funds. These amounts represent the net changes:</p>		
Landfill closure and other environmental liabilities.....		70,747
Compensated Absences.....		80,106
Net OPEB Obligation.....		(28,764,173)
Net Pension Liability.....		(18,236,390)
<p>In the statement of activities, deferred outflows related to pensions are amortized and recognized as pension expense. This amount represents the net change in deferred outflows related to pensions.....</p>		
		9,223,232
<p>In the statement of activities, deferred inflows related to pensions are amortized and recognized as pension expense. This amount represents the net change in deferred inflows related to pensions.....</p>		
		(3,116,632)
<p>Internal service funds are used by management to account for health insurance, worker's compensation building insurance and liability insurance activities. The net activity of the internal service funds is reported with governmental activities.....</p>		
		(925,985)
Changes in Net Position of Governmental Activities.....	\$	<u>(14,812,193)</u>

See notes to basic financial statements.

CITY OF NEWTON, MASSACHUSETTS
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Original Budget	Final Budget	Actual Budgetary Amounts	Variance to Final Budget Positive/ (Negative)
REVENUES				
Real estate and personal property taxes.....	\$ 299,564,701	299,404,279	\$ 304,217,591	\$ 4,813,312
Motor vehicle excise taxes.....	12,700,000	12,700,000	12,903,047	203,047
Hotel room occupancy taxes.....	2,400,000	2,400,000	2,444,007	44,007
Meals tax.....	1,800,000	1,800,000	1,880,428	80,428
Penalties and interest on taxes.....	1,055,000	1,055,000	1,282,596	227,596
Licenses and permits.....	5,915,663	5,915,663	9,242,905	3,327,242
Intergovernmental.....	27,286,110	27,510,132	27,849,826	339,694
Charges for services.....	1,675,847	1,675,847	1,586,701	(89,146)
Fines and forfeitures.....	1,691,000	1,691,000	1,800,214	109,214
Investment income.....	210,000	210,000	345,221	135,221
Payments in lieu of taxes.....	435,963	435,963	476,083	40,120
Miscellaneous.....	715,000	715,000	504,682	(210,318)
Special assessments.....	60,000	60,000	45,694	(14,306)
TOTAL REVENUES.....	355,509,284	355,572,884	364,578,995	9,006,111
EXPENDITURES				
Current:				
General government:				
Legislative & executive.....	2,919,410	3,017,937	2,710,237	307,700
Financial administration.....	4,350,937	5,353,665	3,861,703	1,491,962
Administrative support.....	4,549,619	5,209,810	4,569,763	640,047
Planning & development.....	1,992,458	2,114,379	1,487,646	626,733
Public building maintenance & operations.....	4,882,260	5,434,758	4,886,784	547,974
Public safety:				
Police.....	20,067,484	20,367,484	20,102,112	265,372
Fire.....	19,800,102	20,638,070	19,820,543	817,527
Inspectional services.....	1,407,994	1,570,055	1,346,324	223,731
Education.....	204,487,037	203,905,393	203,058,375	847,018
Public works:				
Streets & sidewalks.....	8,073,160	8,221,998	7,039,749	1,182,249
Control of snow & ice.....	1,022,010	4,765,633	3,662,221	1,103,412
Sanitation.....	7,412,161	7,831,700	7,738,461	93,239
Vehicle maintenance.....	2,403,726	2,339,480	2,191,024	148,456
Engineering.....	1,186,238	1,169,004	1,059,824	109,180
Administration & support.....	1,284,026	1,256,022	1,147,237	108,785
Health and human services:				
Health & human services.....	3,471,848	3,498,183	3,252,721	245,462
Senior services.....	606,973	611,352	609,103	2,249
Veteran services.....	372,448	525,751	448,432	77,319
Culture and recreation:				
Libraries.....	5,406,698	5,404,548	5,399,875	4,673
Parks & recreation.....	6,271,151	6,809,916	6,127,565	682,351
Newton History museum.....	267,923	273,924	244,573	29,351
Retirement benefits.....	31,571,646	31,471,596	31,235,486	236,110
Workers' compensation insurance.....	1,150,000	1,150,000	1,150,000	-
Property and liability insurance.....	517,052	517,052	468,006	49,046
Claims and judgments.....	102,718	376,285	369,752	6,533
Reserve fund.....	3,750,000	107,867	-	107,867
State assessments & charges.....	6,000,544	6,026,701	6,113,282	(86,581)
Debt service:				
Principal.....	10,453,407	10,471,330	10,471,330	-
Interest.....	8,611,310	8,593,387	8,123,735	469,652
TOTAL EXPENDITURES.....	364,392,340	369,033,280	358,695,863	10,337,417
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES.....	(8,883,056)	(13,460,396)	5,883,132	19,343,528
OTHER FINANCING SOURCES (USES)				
Transfers in.....	4,892,352	7,041,255	7,041,315	60
Premium from issuance of bonds and notes.....	-	-	3,955,263	3,955,263
Sale of assets.....	-	-	85,000	85,000
Transfers out.....	(2,150,000)	(5,550,138)	(5,550,138)	-
TOTAL OTHER FINANCING SOURCES (USES).....	2,742,352	1,491,117	5,531,440	4,040,323
NET CHANGE IN FUND BALANCE.....	(6,140,704)	(11,969,279)	11,414,572	23,383,851
FUND BALANCE AT BEGINNING OF YEAR.....	29,666,121	29,666,121	29,666,121	-
FUND BALANCE AT END OF YEAR.....	\$ 23,525,417	\$ 17,696,842	\$ 41,080,693	\$ 23,383,851

See notes to basic financial statements.

CITY OF NEWTON, MASSACHUSETTS
COMMUNITY PRESERVATION FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Original Budget	Final Budget	Actual Budgetary Amounts	Variance to Final Budget Positive/ (Negative)
REVENUES				
Community preservation surcharges.....	\$ 2,843,904	\$ 2,843,904	\$ 2,947,336	\$ 103,432
Intergovernmental	499,417	499,417	839,889	340,472
Investment income.....	-	-	51,836	51,836
Miscellaneous.....	-	-	92,256	92,256
TOTAL REVENUES.....	3,343,321	3,343,321	3,931,317	587,996
EXPENDITURES				
Current:				
General government:				
Legislative & executive.....	20,000	20,000	-	20,000
Planning & development.....	3,623,350	5,859,868	837,881	5,021,987
Public building maintenance & operations.....	861,143	1,069,534	961,706	107,828
Culture and recreation:				
Parks & recreation.....	1,202,980	1,252,980	275,463	977,517
Newton History museum.....	210,876	210,876	114,413	96,463
Reserve fund.....	2,795,407	2,324,290	-	2,324,290
Debt service:				
Principal.....	255,000	255,000	255,000	-
Interest.....	14,344	14,344	14,344	-
TOTAL EXPENDITURES.....	8,983,100	11,006,892	2,458,807	8,548,085
NET CHANGE IN FUND BALANCE.....	(5,639,779)	(7,663,571)	1,472,510	9,136,081
FUND BALANCE AT BEGINNING OF YEAR.....	13,863,244	13,863,244	13,863,244	-
FUND BALANCE AT END OF YEAR.....	\$ 8,223,465	\$ 6,199,673	\$ 15,335,754	\$ 9,136,081

See notes to basic financial statements.

CITY OF NEWTON, MASSACHUSETTS
 PROPRIETARY FUNDS
 STATEMENT OF FUND NET POSITION
 JUNE 30, 2016

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Sewer	Water	Nonmajor Stormwater	Total	
ASSETS					
Current Assets:					
Cash and Cash Equivalents.....	\$ 13,688,844	\$ 6,735,637	\$ 703,175	\$ 21,127,656	\$ -
Restricted Cash and Cash Equivalents.....	15,935,605	5,274,691	668,509	21,878,805	20,261,097
Restricted Investments.....	-	-	-	-	10,203,014
Interest and Dividends.....	-	-	-	-	13,881
Receivables, Net of Allowance for Uncollectible Amounts:					
User Charges.....	8,468,622	6,633,323	594,285	15,696,230	-
Utility Liens.....	125,761	97,692	4,465	227,918	-
Departmental and Other.....	-	-	-	-	177,066
Intergovernmental.....	236,259	-	-	236,259	-
Working Capital Deposit.....	-	-	-	-	398,015
Total Current Assets.....	38,455,091	18,741,343	1,970,434	59,166,868	31,053,073
Noncurrent Assets:					
Receivables, Net of Allowance for Uncollectible Amounts:					
Special Assessments.....	20,781	-	-	20,781	-
Intergovernmental.....	908,544	-	-	908,544	-
Capital Assets					
Nondepreciable.....	26,245	262,885	59,464	348,594	-
Depreciable, Net of Accumulated Depreciation.....	44,472,049	49,052,010	1,967,902	95,491,961	-
Total Noncurrent Assets.....	45,427,619	49,314,895	2,027,366	96,769,880	-
Total Assets.....	83,882,710	68,056,238	3,997,800	155,936,748	31,053,073
DEFERRED OUTFLOWS OF RESOURCES					
Related to Pension.....	451,860	506,571	70,165	1,028,596	-
LIABILITIES					
Current Liabilities:					
Warrants Payable.....	80,472	585,930	1,142	667,544	72,341
Accrued Liabilities.....	418,536	258,270	2,973	679,779	258,486
Accrued Payroll.....	29,917	45,808	9,594	85,319	14,019
Other Liabilities.....	373	-	-	373	1,816,058
Liabilities Payable from Restricted Assets.....	165,671	379,637	-	545,308	-
Accrued Interest.....	97,716	104,752	12,160	214,628	-
Accrued Health Claims Payable.....	-	-	-	-	4,655,547
Workers' Compensation Claims.....	-	-	-	-	1,474,065
Compensated Absences.....	14,993	20,441	1,529	36,963	-
Long-Term Bonds and Notes Payable.....	1,767,049	2,754,507	29,705	4,551,261	-
Total Current Liabilities.....	2,574,727	4,149,345	57,103	6,781,175	8,290,516
Noncurrent Liabilities:					
Workers' Compensation Claims.....	-	-	-	-	6,826,152
Compensated Absences.....	134,939	183,965	13,765	332,669	-
Net Pension Liability.....	4,437,162	4,974,415	689,005	10,100,582	-
Net OPEB Obligation.....	2,801,978	3,311,935	51,575	6,165,488	-
Long-Term Bonds and Notes Payable.....	11,420,965	11,533,981	787,051	23,741,997	-
Total Noncurrent Liabilities.....	18,795,044	20,004,296	1,541,396	40,340,736	6,826,152
Total Liabilities.....	21,369,771	24,153,641	1,598,499	47,121,911	15,116,668
DEFERRED INFLOWS OF RESOURCES					
Related to Pension.....	45,050	50,504	6,995	102,549	-
FUND NET POSITION					
Net Investment in Capital Assets.....	47,245,885	40,301,098	1,879,119	89,426,102	-
Unrestricted.....	15,673,864	4,057,566	583,352	20,314,782	15,936,405
Total Net Position.....	\$ 62,919,749	\$ 44,358,664	\$ 2,462,471	\$ 109,740,884	\$ 15,936,405

See notes to basic financial statements.

CITY OF NEWTON, MASSACHUSETTS
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Business-Type Activities - Enterprise Funds				Internal Service Funds
	Sewer	Water	Nonmajor Stormwater	Total	
OPERATING REVENUES					
Charges for Services.....	\$ 32,010,803	\$ 24,752,428	\$ 2,299,894	\$ 59,063,125	\$ -
Special Assessments.....	1,247	-	-	1,247	-
Employer Contributions.....	-	-	-	-	47,495,341
Plan Member Contributions.....	-	-	-	-	12,228,686
Total Operating Revenues.....	32,012,050	24,752,428	2,299,894	59,064,372	59,724,027
OPERATING EXPENSES					
Salaries, Wages and Employee Benefits.....	2,416,610	3,483,187	1,208,530	7,108,327	-
Other Operating Expense.....	698,725	1,020,388	-	1,719,113	3,983,491
MWRA Assessment.....	19,710,607	12,205,271	-	31,915,878	-
Worker's Compensation.....	252,465	382,422	-	634,887	-
Self Insurance Claims.....	-	-	-	-	56,594,759
Depreciation.....	1,388,555	1,831,810	75,298	3,295,663	-
Total Operating Expenses.....	24,466,962	18,923,078	1,283,828	44,673,868	60,578,250
OPERATING INCOME (LOSS).....	7,545,088	5,829,350	1,016,066	14,390,504	(854,223)
NONOPERATING REVENUES (EXPENSES)					
Intergovernmental	2,999,883	292,043	-	3,291,926	-
Premium from Issuance of Bonds and Notes.....	2,514	-	2,353	4,867	-
Interest Income.....	37,986	7,415	-	45,401	62,601
Interest Expense.....	(492,013)	(516,450)	(12,160)	(1,020,623)	-
Total Nonoperating Revenues (Expenses), Net.....	2,548,370	(216,992)	(9,807)	2,321,571	62,601
INCOME (LOSS) BEFORE TRANSFERS.....	10,093,458	5,612,358	1,006,259	16,712,075	(791,622)
TRANSFERS					
Transfers In.....	531,892	-	-	531,892	-
Transfers Out.....	(1,215,125)	(1,758,224)	(153,273)	(3,126,622)	(134,363)
Total Transfers.....	(683,233)	(1,758,224)	(153,273)	(2,594,730)	(134,363)
CHANGE IN FUND NET POSITION.....	9,410,225	3,854,134	852,986	14,117,345	(925,985)
Fund Net Position - Beginning of Year.....	53,509,524	40,504,530	1,609,485	95,623,539	16,862,390
FUND NET POSITION - END OF YEAR.....	\$ 62,919,749	\$ 44,358,664	\$ 2,462,471	\$ 109,740,884	\$ 15,936,405

See notes to basic financial statements.

CITY OF NEWTON, MASSACHUSETTS
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Sewer	Water	Nonmajor Stormwater	Total	
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from Customers and Users.....	\$ 31,520,228	\$ 23,872,079	\$ 1,815,623	\$ 57,207,930	\$ 12,228,686
Receipts from Interfund Services Provided.....	-	-	-	-	47,318,275
Payments to Vendors/Providers.....	(22,683,303)	(14,850,917)	(527,135)	(38,061,355)	(59,602,851)
Payments to Employees.....	(1,226,571)	(1,807,126)	(705,228)	(3,738,925)	-
Net Cash Provided by Operating Activities.....	<u>7,610,354</u>	<u>7,214,036</u>	<u>583,260</u>	<u>15,407,650</u>	<u>(55,890)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers In.....	531,892	-	-	531,892	-
Transfers Out.....	(1,215,125)	(1,758,224)	(153,273)	(3,126,622)	(134,363)
Net Cash Provided by Noncapital Financing Activities.....	<u>(683,233)</u>	<u>(1,758,224)</u>	<u>(153,273)</u>	<u>(2,594,730)</u>	<u>(134,363)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Proceeds from the Issuance of Bonds and Notes.....	1,317,000	1,360,200	725,000	3,402,200	-
Premium from the Issuance of Bonds and Notes	75,428	-	94,109	169,537	-
Intergovernmental Revenues.....	2,751,000	-	-	2,751,000	-
Acquisition and Construction of Capital Assets.....	(5,345,759)	(3,335,684)	(59,464)	(8,740,907)	-
Principal Payments on Bonds and Notes.....	(1,391,973)	(2,877,089)	-	(4,269,062)	-
Interest Expense.....	(245,600)	(235,193)	-	(480,793)	-
Net Cash Used by Capital and Related Financing Activities.....	<u>(2,839,904)</u>	<u>(5,087,766)</u>	<u>759,645</u>	<u>(7,168,025)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase and sales of Investments, net.....	-	-	-	-	218,119
Investment Income.....	37,985	7,415	-	45,400	66,216
Net Cash Provided by Investing Activities.....	<u>37,985</u>	<u>7,415</u>	<u>-</u>	<u>45,400</u>	<u>284,335</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS.....	4,125,202	375,461	1,189,632	5,690,295	94,082
Cash and Cash Equivalents - Beginning of Year (Includes \$15,710,142, \$6,645,331, \$182,052 and \$20,167,015 Reported as Restricted in the Sewer, Water, and Stormwater Enterprise Funds and Internal Service Funds Respectively).....	25,499,247	11,634,867	182,052	37,316,166	20,167,015
CASH AND CASH EQUIVALENTS AT END OF YEAR (Includes \$15,935,605, \$5,274,691, \$668,509, and \$20,261,097 Reported as Restricted in the Sewer, Water, and Stormwater Enterprise Funds and Internal Service Funds Respectively).....	<u>\$ 29,624,449</u>	<u>\$ 12,010,328</u>	<u>\$ 1,371,684</u>	<u>\$ 43,006,461</u>	<u>\$ 20,261,097</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES					
Operating Income (Loss).....	\$ 7,545,088	\$ 5,829,350	\$ 1,016,066	\$ 14,390,504	\$ (854,223)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:					
Changes in Assets and Liabilities not Requiring Current Cash Flows:					
Depreciation.....	1,388,555	1,831,810	75,298	3,295,663	-
Net Pension Liability.....	9,100	(107,811)	(10,243)	(108,954)	-
Net OPEB Obligation.....	270,472	363,603	5,103	639,178	-
Effect of Changes in Operating Assets and Liabilities:					
Utility Liens.....	(2,663)	2,361	(298)	(600)	-
User Charges.....	(493,692)	(882,710)	(483,973)	(1,860,375)	-
Special Assessments.....	4,533	-	-	4,533	-
Departmental and Other.....	-	-	-	-	(177,066)
Prepaid Expenses.....	-	-	-	-	57,445
Working Capital Deposit.....	-	-	-	-	(46,130)
Warrants Payable.....	(651,358)	66,479	(144)	(585,023)	(256,305)
Accrued Liabilities.....	(388,454)	115,141	(16,617)	(289,930)	222,486
Accrued Payroll.....	(13,847)	(13,160)	(3,539)	(30,546)	(8,680)
Other Liabilities.....	(63,997)	(44,731)	-	(108,728)	8,226
Liabilities payable from restricted assets.....	7,315	20,117	-	27,432	-
Accrued Health Claims Payable.....	-	-	-	-	1,121,679
Workers' Compensation Claims.....	-	-	-	-	(123,322)
Compensated Absences.....	(698)	33,587	1,607	34,496	-
Total Adjustments.....	<u>65,266</u>	<u>1,384,686</u>	<u>(432,806)</u>	<u>1,017,146</u>	<u>798,333</u>
Net Cash Provided by Operating Activities.....	<u>\$ 7,610,354</u>	<u>\$ 7,214,036</u>	<u>\$ 583,260</u>	<u>\$ 15,407,650</u>	<u>\$ (55,890)</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES					
Intergovernmental Debt Subsidies (MCWT).....	\$ 482,230	\$ 292,043	\$ -	\$ 774,273	\$ -

See notes to basic financial statements.

CITY OF NEWTON, MASSACHUSETTS
 FIDUCIARY FUNDS
 STATEMENT OF FIDUCIARY NET POSITION
 JUNE 30, 2016

ASSETS	Pension Trust Fund (As of 12/31/15)	OPEB Trust Fund	Private Purpose Trust Funds	Agency Funds
Cash and Cash Equivalents.....	\$ 10,513,410	\$ 154,307	\$ 1,364,182	\$ 3,023,710
Investments:				
Fixed Income	-	-	2,697,498	-
Equities.....	-	-	6,029,908	-
External Investment Pool.....	278,786,808	3,415,427	-	-
Interest and Dividends.....	-	-	11,525	-
Receivables, Net of Allowance for Uncollectible Amounts:				
Intergovernmental.....	650,221	-	-	-
Prepaid Expenses.....	6,502	-	-	-
	<u>289,956,941</u>	<u>3,569,734</u>	<u>10,103,113</u>	<u>\$ 3,023,710</u>
LIABILITIES				
Warrants Payable.....	25,372	-	20,800	-
Payroll Withholding.....	-	-	-	584,106
Other Liabilities.....	-	-	-	2,439,604
	<u>25,372</u>	<u>-</u>	<u>20,800</u>	<u>\$ 3,023,710</u>
NET POSITION				
Restricted for Pensions, Other Post Employment Benefits and Other Purposes.....	\$ <u>289,931,569</u>	\$ <u>3,569,734</u>	\$ <u>10,082,313</u>	

See notes to basic financial statements.

CITY OF NEWTON, MASSACHUSETTS
 FIDUCIARY FUNDS
 STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Pension Trust Fund (As of 12/31/15)	OPEB Trust Fund	Private Purpose Trust Funds
ADDITIONS			
Contributions:			
Employer.....	\$ 21,670,552	\$ 1,372,288	\$ -
Plan Members.....	8,842,379	-	-
Private Donations.....	-	-	158,325
Total Contributions.....	<u>30,512,931</u>	<u>1,372,288</u>	<u>158,325</u>
Net Investment Income:			
Net Appreciation in Fair Value of Investments.....	(3,863,950)	-	-
Interest and Dividends.....	<u>7,476,246</u>	<u>78,708</u>	<u>34,835</u>
Total Investment Income.....	3,612,296	78,708	34,835
Less: Investment Expense.....	<u>(1,465,371)</u>	<u>-</u>	<u>-</u>
Net Investment Income.....	<u>2,146,925</u>	<u>78,708</u>	<u>34,835</u>
Other.....	<u>3,205,912</u>	<u>-</u>	<u>-</u>
Total Additions.....	<u>35,865,768</u>	<u>1,450,996</u>	<u>193,160</u>
DEDUCTIONS			
Administration.....	303,724	-	30,472
Retirement Benefits and Refunds.....	36,652,624	-	-
Transfers to Other Systems.....	2,902,188	-	-
Scholarships Awarded.....	<u>-</u>	<u>-</u>	<u>374,850</u>
Total Deductions.....	<u>39,858,536</u>	<u>-</u>	<u>405,322</u>
CHANGE IN NET POSITION.....	(3,992,768)	1,450,996	(212,162)
Net Position - Beginning of Year.....	<u>293,924,337</u>	<u>2,118,738</u>	<u>10,294,475</u>
NET POSITION - END OF YEAR.....	\$ <u>289,931,569</u>	\$ <u>3,569,734</u>	\$ <u>10,082,313</u>

See notes to basic financial statements.

**CITY OF NEWTON, MASSACHUSETTS
COMPONENT UNITS
COMBINING STATEMENT OF FUND NET POSITION**

JUNE 30, 2016

	Component Units		
	Newton Commonwealth Foundation, Inc. (As of 12/31/15)	Newton Community Development Authority	Total
ASSETS			
Current assets:			
Cash and cash equivalents.....	\$ 806,378	\$ -	\$ 806,378
Restricted cash and cash equivalents.....	-	3,201	3,201
Interest and dividends.....	-	480,243	480,243
Receivables, net of allowance for uncollectibles:			
Departmental and other.....	13,588	-	13,588
Loans.....	-	49,712	49,712
Prepaid expenses.....	6,194	-	6,194
Total current assets.....	<u>826,160</u>	<u>533,156</u>	<u>1,359,316</u>
Noncurrent assets:			
Receivables, net of allowance for uncollectible amounts:			
Loans.....	-	3,853,878	3,853,878
Capital assets:			
Depreciable, net of accumulated depreciation.....	<u>2,010,852</u>	<u>-</u>	<u>2,010,852</u>
Total noncurrent assets.....	<u>2,010,852</u>	<u>3,853,878</u>	<u>5,864,730</u>
Total assets.....	<u>2,837,012</u>	<u>4,387,034</u>	<u>7,224,046</u>
LIABILITIES			
Current liabilities:			
Warrants payable.....	58,300	-	58,300
Accrued liabilities.....	-	3,201	3,201
Total current liabilities.....	<u>58,300</u>	<u>3,201</u>	<u>61,501</u>
FUND NET POSITION			
Net investment in capital assets.....	2,010,852	-	2,010,852
Unrestricted.....	<u>767,860</u>	<u>4,383,833</u>	<u>5,151,693</u>
Total fund net position.....	<u>\$ 2,778,712</u>	<u>\$ 4,383,833</u>	<u>\$ 7,162,545</u>

See notes to basic financial statements.

CITY OF NEWTON, MASSACHUSETTS
COMPONENT UNITS
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Component Units		
	Newton Commonwealth Foundation, Inc. (As of 12/31/15)	Newton Community Development Authority	Total
OPERATING REVENUES			
Charges for services.....	\$ 424,862	\$ -	\$ 424,862
Intergovernmental.....	-	67,564	67,564
Other.....	-	59	59
TOTAL OPERATING REVENUES.....	424,862	67,623	492,485
OPERATING EXPENSES			
Salaries, wages and employee benefits.....	20,286	-	20,286
Other operating expenses.....	50,000	390,385	440,385
Depreciation.....	170,226	-	170,226
TOTAL OPERATING EXPENSES.....	240,512	390,385	630,897
OPERATING INCOME (LOSS).....	184,350	(322,762)	(138,412)
NONOPERATING REVENUES (EXPENSES)			
Investment/interest income.....	4,348	38,830	43,178
CHANGE IN FUND NET POSITION.....	188,698	(283,932)	(95,234)
FUND NET POSITION AT BEGINNING OF YEAR.....	2,590,014	4,667,765	7,257,779
FUND NET POSITION AT END OF YEAR.....	\$ 2,778,712	\$ 4,383,833	\$ 7,162,545

See notes to basic financial statements.

CITY OF NEWTON, MASSACHUSETTS

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2016

Note 1 - Summary of Significant Accounting Policies

A. Reporting Entity

The City of Newton, Massachusetts (the City) is a municipal corporation governed by an elected Mayor, who serves a four - year term, and a twenty-four member City Council, who serve two-year terms. Sixteen of the members of the City Council are elected at large, and eight members are elected from one of the City's eight wards. The current city charter was approved by the voters of the City on November 2, 1971, and became effective January 1972.

The financial statements of the City have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the standard setting body for governmental accounting and financial reporting.

The accompanying financial statements present the activities of the City and its component units, legally separate organizations for which the City is financially accountable or integrated.

Blended Component Unit

The following component unit provides services or benefits exclusively or almost exclusively to the City or its employees and is therefore blended and reported as if it were part of the City:

The Newton Contributory Retirement System (the System) was established to provide retirement benefits to City employees, Newton Housing Authority employees and their respective beneficiaries. The System is governed by a five member board comprised of the City Comptroller (ex officio); an appointee of the Mayor; two members elected by the active and retired members of the System, and one member appointed by the other four members. The System is presented using the accrual basis of accounting and is reported as a pension trust fund in the fiduciary funds financial statements.

The System does not issue a separate audited financial statement. The System issues a publicly available unaudited financial report in accordance with guidelines established by the Commonwealth of Massachusetts' Public Employee Retirement Administration Commission. That report may be obtained by contacting the System located at 1000 Commonwealth Avenue, Newton, Massachusetts 02459.

Discretely Presented Component Units

The following component units are discretely presented in the government-wide financial statements because of the nature and/or significance of their relationships with the City. Each of the component units described below are considered major component units.

The Newton Commonwealth Foundation, Inc. (the Foundation) was established for the management of the Newton Commonwealth Golf Course on the site formerly known as the Chestnut Hill Country Club. The Foundation is governed by a fifteen member board appointed by the Mayor and are subject to confirmation approval by a majority of the City Council. The annual operating budget of the Foundation is subject to approval by the Mayor. Complete audited financial statements may be obtained by writing to the Foundation Chairman at Newton City Hall, 1000 Commonwealth Avenue, Newton, Massachusetts 02469.

The Newton Community Development Authority (the Authority) was established in 1975 pursuant to Chapter 705 of the Massachusetts General Laws to develop housing programs for low and moderate income families, the elderly and handicapped residents of the City. The Authority is governed solely by the City's Director of Planning and Development, who is appointed by the Mayor, subject to confirmation approval by a majority of the City Council. The Authority does not issue a separate audited financial statement.

CITY OF NEWTON, MASSACHUSETTS

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2016

B. Basis of Presentation, Basis of Accounting

Government-wide Statements: The statement of net position and the statement of activities display information about the primary government (the City) including its aggregate discretely presented component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize double counting of internal activities. These statements distinguish between the *governmental* and *business-type* activities of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the City and for each major function/service program of the City's governmental activities. Direct expenses are those that are specifically associated with a program and, therefore, are clearly identifiable to a particular service. Vehicle maintenance; retirement benefits; workers' compensation; property and liability insurance; health insurance subsidies; claims and judgments; other; and state assessments and charges costs have been allocated to major functions/programs in order to present a more accurate and complete picture of the cost of City services. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the major programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the City's funds, including its fiduciary funds and blended component unit. Separate statements for each fund category – *governmental*, *proprietary*, and *fiduciary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, with each displayed in a separate column in their respective governmental funds and proprietary funds financial statements. All remaining governmental funds are aggregated and reported in a separate column.

Internal service funds of the City (which provide services primarily to other funds of the City) are presented, in summary form, as part of the proprietary funds financial statements. Since the principal users of the internal services are the City's governmental activities, financial statements of the internal service funds are presented in the governmental activities column when presented at the government-wide level. The costs of these services are allocated to the appropriate function/program (general government, public safety, education, public works, health and human services, and culture and recreation) in the statement of activities.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from exchange transactions (charges for services) associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. All revenues and expenses not meeting this definition, such as intergovernmental subsidies and investment earnings, are reported as nonoperating revenues and expenses.

The City reports the following major governmental funds:

General Fund: The fund is used to account for and report all financial resources not accounted for and reported in another fund.

Community Preservation Fund: This fund accounts for the 1% local property tax surcharge that the voters of the City approved in November of 2001 for open space, historic resource and affordable housing purposes. The Commonwealth of Massachusetts currently matches (in the subsequent fiscal year) local surcharge revenue on a percentage basis that can change annually.

The City Council has appropriation authority over all community preservation funds; however, all appropriation recommendations must originate with the nine member community preservation committee.

CITY OF NEWTON, MASSACHUSETTS

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2016

High School Improvements Fund: This fund accounts for major improvements that are being made to the City's two high schools, and are being financed by the sale of long term debt and state grants.

Angier School Improvements Fund: This fund accounts for the cost of reconstructing the Angier Elementary School, and are being financed by the sale of long term debt and state grants.

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

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

Permanent funds are used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the government's programs and benefit the government or its citizenry.

The City also reports the following enterprise funds:

Sewer Fund: This major fund accounts for the operation and maintenance of the City's sanitary sewer collection and disposal system. The City is charged an annual assessment by the Massachusetts Water Resources Authority (MWRA) for disposal of sanitary sewerage.

Water Fund: This major fund accounts for the operation and maintenance of the City's water supply and distribution system. The City is charged an annual assessment by the Massachusetts Water Resources Authority (MWRA) for water supply.

Stormwater Fund: This fund accounts for the operation and maintenance of the City's storm water drainage activities. These activities were previously accounted for within a special revenue fund.

The City also reports the following fund types:

Internal Service Funds: These funds account for group health, workers' compensation, building and general liability insurance protection to City departments on a cost reimbursement basis.

Pension Trust Fund: This fund is used to account for the activities of the System, which accumulates resources for defined benefit pension benefit payments to qualified employees and retirees and their survivors. This fund is excluded from the City's government-wide financial statements.

Other Postemployment Benefits (OPEB) Trust Fund: This fund is an irrevocable trust fund established for other postemployment benefits, which accumulates resources to reduce the unfunded actuarial liability of health care and other postemployment benefits.

Private Purpose Trust Funds: These funds are used to account for resources legally held in trust for the benefit of persons and organizations other than the City. Since such funds cannot be used for purposes of providing City services, they are excluded from the City's government-wide financial statements.

CITY OF NEWTON, MASSACHUSETTS

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2016

Agency Fund: This fund is used to account for monies held on behalf of parties other than the City, such as state and federal agencies; independent not-for-profit organizations for which the City collects private donations; the Metro Fire District; and public school student activities. This fund is excluded from the City's government-wide financial statements.

Measurement Focus and Basis of Accounting

Government-wide, Proprietary, and Fiduciary Funds Financial Statements: The government-wide, proprietary, and fiduciary funds financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time that liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property, motor excise and hotel room occupancy taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Derived tax revenues, such as hotel room occupancy taxes, that result from assessments imposed by the City on exchange transactions are recognized when the underlying exchange occurs. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Funds Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The City considers revenues reported in the governmental funds to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within sixty days after year-end. Property taxes, motor excise taxes, charges for service, investment income, and in lieu of tax payments are considered to be susceptible to accrual. Revenue from grants, entitlements, and donations is recognized when all eligibility requirements have been satisfied and they are measurable and available.

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long term debt, compensated absences, landfill post closure monitoring costs (and other environmental liabilities) and claims and judgments, which are recognized as expenditures only to the extent that they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long term debt and acquisitions under capital leases are reported as other financing sources.

C. Implementation of New Accounting Principles

For the year ending June 30, 2016, the City implemented the following pronouncements issued by the GASB:

- GASB Statement No. 72, *Fair Value Measurement and Application*
- GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*
- GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*
- GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*

The implementation of GASB Statement No. 72 required certain disclosures to be made about fair value measurements, the fair value hierarchy, and valuation techniques related to the City's investments.

The implementation of GASB Statement No.'s 73, 76, and 79 had no reporting impact for the City.

CITY OF NEWTON, MASSACHUSETTS

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2016

D. Assets, Liabilities and Equity

Cash and Cash Equivalents and Investments

The City'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.

Restricted Cash and Cash Equivalents and Investments

Permanent fund cash and cash equivalents and investments and cash and cash equivalents associated with certain development and water and sewer utility deposits are classified as restricted. Other assets are classified as restricted when their use is restricted by third-party covenants.

Receivables

All trade and property tax receivables are shown net of an allowance for doubtful collections. Outstanding personal property taxes, motor excise taxes and parking violations that are three or more years old have been classified as uncollectible for financial reporting purposes.

Based upon an analysis of water and sewer receivable activity over the past three years, 1% of outstanding water, sewer, and storm water user charges receivable have been assigned to an allowance for doubtful collections. Real estate taxes receivable are secured by tax liens, and therefore are considered 100% collectible. Intergovernmental receivables are considered 100% collectible.

Property taxes: The City is responsible for assessment and collection of all property taxes. The Board of Assessors determine the estimated fair value of all real and personal property, subject to the property tax, each January 1. Taxes are then levied on each property based upon the budget that is adopted by the Mayor and City Council net of the amount of state aid and other revenues. Property taxes are due in quarterly installments - August 1, November 1, February 1 and May 1, and subject to penalties and 14% interest if not paid by the due date. Taxes due on August 1 and November 1 are estimated based upon the prior year tax bill since the tax rate is generally not finalized until late November or December. The February 1 and May 1 tax bills are adjusted to reflect the actual tax levy. It is the City's policy to perfect tax liens on delinquent properties within one year of the date that the tax is levied.

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

Community preservation surcharges: Community preservation surcharges are levied annually and at a rate of 1% of residents' real estate tax bills with exemptions for the first \$100,000 of residential property and property owned by qualified persons with low income and seniors (60+) with low or moderate income as defined by Massachusetts Department of Revenue (DOR) guidelines. The surcharge is due with the real estate tax 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. Overdue surcharges are included on the tax liens processed on delinquent real estate taxes. Surcharges are recorded as receivables in the fiscal year of the levy.

Water, Sewer, and Storm Water User Charges: Water and sewer user fees are billed quarterly based on individual meter readings and are subject to penalties and interest if they are not paid by the respective due date. Storm water charges are billed quarterly based upon an authorized flat fee and are subject to penalties and interest if they are not paid by the respective due date. Water, sewer, and storm water liens are processed in December of every year and are included as a lien on the property owner's tax bill. Water, sewer, and storm water charges and related liens are recorded as receivables in the fiscal year of the levy. Unbilled amounts are estimated based upon actual billing amounts subsequent to year-end.

CITY OF NEWTON, MASSACHUSETTS

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2016

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

Special assessments: Special assessments consist of street and sidewalk betterments and are recorded as receivables in the fiscal year accrued.

Capital Assets

Purchased or constructed capital assets are recorded at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend the assets' useful lives are not capitalized.

Capital assets are defined by the City as assets with an initial, individual cost of \$15,000 or more and an estimated useful life of more than a single year. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Land improvements	7-20 years
Buildings and improvements	20-50 years
Machinery and equipment	3-20 years
Infrastructure	20-50 years

Inter-fund Transactions

Inter-fund transactions are reflected as either loans, services provided, reimbursements, or transfers. Loans are reported as receivables and payables as appropriate and are subject to elimination in the government-wide statements. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other inter-fund transactions are treated as transfers and are reported "gross" in the fund financial statements. Transfers between governmental funds are eliminated in the conversion to the government-wide financial statements, while transfers between governmental and proprietary funds are reported "net".

Deferred Outflows of Resources

The statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflow of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time.

The government has one item that qualifies for reporting in this category. It is as follows:

- Deferred outflows related to pensions are reported in the government-wide and proprietary funds financial statements in accordance with GASB Statement No. 68.

CITY OF NEWTON, MASSACHUSETTS

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2016

Deferred Inflows of Resources

The statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

The government has two items that qualify for reporting in this category. They are as follows:

- Deferred inflows related to pensions are reported in the government-wide and proprietary funds financial statements in accordance with GASB Statement No. 68
- Unavailable revenue is reported in the governmental funds balance sheet. Unavailable revenue 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.

Net Position and Fund Balances

Government – wide and Proprietary Funds Financial Statements (Net Position) – Net position is reported as restricted when constraints placed on net position use are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. Net position has been reported as restricted for the following purposes:

- Community preservation activities represent amounts restricted by state statute for open space; historic preservation, and affordable housing under the Community Preservation program.
- Education activities represent amounts received from the U.S. Department of Education, the Commonwealth of Massachusetts' Department of Education, and various private donors for public education services.
- Debt service represents amounts accumulated for future payment of long-term debt service costs associated with school construction. This amount will be amortized over the life of the long-term debt.
- Receipts reserved represent amounts for a variety of local revenues whose use is legally restricted by state law
- Community development block grant represents amounts restricted for federal community development block grant funds
- Municipal federal grants represent amounts restricted for federal grant funds other than school-related funds
- Municipal state grants represent amounts restricted for state grant funds other than school-related funds
- Permanent funds – expendable represents amounts held in trust for which the expenditures are restricted by various trust agreements.
- Permanent funds – non-expendable represents amounts held in trust for which only investment earnings may be expended.
- Other specific purposes represent restrictions placed on assets by other outside parties.

Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by outstanding borrowings attributable to those assets.

CITY OF NEWTON, MASSACHUSETTS

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2016

Unrestricted net position is the difference between total net position and net investment in capital assets and restricted net position.

Governmental Funds Statements (Fund Balances)

The following fund balance classifications describe the relative strength of the spending constraints:

Nonspendable — represents amounts that cannot be spent either because they are in nonspendable form (i.e., prepaid amounts) or because they are legally or contractually required to be maintained intact (i.e., principal of permanent fund).

Restricted — represents amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed — represents amounts that can be used only for specific purposes imposed by a formal action of the City Council, which is the highest level of decision-making authority for the City. Committed amounts may be established, modified, or rescinded only through actions approved by the City Council.

Assigned — represents amounts that do not meet the criteria to be classified as restricted or committed but are intended to be used for specific purposes. Under the City's structure, only authorized assignments for non-contractual encumbrances can be made by individual department heads.

Unassigned — represents the residual fund balance for the General Fund and the negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting assigned fund balance amounts.

In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is depleted in the order of restricted, committed, assigned and unassigned.

Encumbrance amounts have been assigned for specific purposes for which resources already have been allocated.

Long term debt

Government-wide and Proprietary Funds Financial Statements – Long term debt is reported as a liability in the government wide and proprietary funds statements 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 premium or discount.

Governmental Funds Financial Statements – The face amount of governmental funds long term debt is reported as other financing sources in the Governmental Fund Financial Statements. 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, are reported as General Government (financial administration) expenditures.

Investment Income

Excluding the permanent funds, investment income derived from major and non-major governmental funds is legally assigned to the General Fund, unless otherwise directed by legal or contractual provisions.

Investment income from enterprise operating funds is voluntarily assigned to the general fund. Investment income from internal service funds is retained in the funds.

CITY OF NEWTON, MASSACHUSETTS

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2016

Compensated Absences

Employees are granted vacation leave, special leave (sick, religious observance, personal leave), and enhanced longevity benefits based upon collective bargaining agreements and city ordinance. These benefit costs are accrued when earned in the government-wide and proprietary fund financial statements. A liability is reported in the governmental funds only if the benefit had been earned at June 30 as a result of a retirement, resignation, or termination, and the benefit is expected to be paid immediately after the start of the new fiscal year. Vacation pay is classified as a current liability, while special leave and school enhanced longevity benefits are classified as non-current liabilities.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the System and additions to/deductions from the System's fiduciary net position have been determined on the same basis as they are reported by the System. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the System are recognized when due and the employer has made a formal commitment to provide the contributions. Investments are reported at fair value.

Post Retirement Benefits

In addition to providing pension benefits and as more fully described in Note 12, the City provides health and life insurance coverage for current and future retirees and their spouses.

Use of Estimates

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 of contingent assets and liabilities at the date of the basic financial statements and the reported amounts of the revenues and expenditures/expenses during the fiscal year. Actual results could vary from estimates that were used.

Total Column

Government-wide financial statements – The total column presented in the government-wide financial statements represents consolidated financial information.

Fund financial statements – The total column presented 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 - Stewardship, Compliance, and Accountability

A. Budget Information

The municipal finance laws of the Commonwealth of Massachusetts require that the Mayor and City Council adopt a balanced budget each fiscal year. The City Charter requires that the Mayor submit a recommended budget to the City Council and that the Council adopt the budget, with or without amendments, within forty-five days following the day the budget is received. The City Council may approve, reduce or reject any budget recommendation of the Mayor by majority vote, but may not increase an appropriation without the concurrence of the Mayor. Annual appropriations are recommended and approved for the General Fund and Community Preservation Fund for personal services (salaries and wages), expenses (supplies and services), debt service and capital outlay/improvements, and fringe benefits. A single bottom-line appropriation budget is recommended and voted for the Newton Public Schools.

CITY OF NEWTON, MASSACHUSETTS

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2016

Amendments to the original budget; transfers between municipal departments; and transfers between departmental appropriation units require prior approval of the Mayor and City Council, and in the case of a transfer from one department to another, the approval of the head of the department from which funds are being transferred is also required.

The Comptroller's Office has responsibility for making certain that the budget is executed in accordance with the plan approved by the Mayor and City Council, and monthly appropriation status reports are provided to the Mayor and Council. Budgetary control is exercised on a line item basis for all municipal departments and transfers between line items within departmental appropriation units require advance approval of the Comptroller. Encumbrance accounting is used as an additional control measure. Encumbrances outstanding at year-end are reported as reservations of fund balance and do not constitute expenditures or liabilities since goods and services have not been received.

Although unobligated annual appropriation balances generally lapse at year-end, it is the City's policy to continue certain appropriations into the following year under certain limited circumstances. These are limited to amounts voted as special (multi-year) appropriations (generally capital outlay and improvements), capital maintenance funds, property tax revaluation program appropriations and funds included in the annual budget for settlement of collective bargaining contracts that have not been settled at year-end.

An annual budget is adopted in conformity with the guidelines described above. The original fiscal year 2016 General Fund and Community Preservation Fund budgets authorized \$366,542,340 and \$8,983,100 (including prior year encumbrances and continuing appropriations), respectively, in appropriations and other amounts to be raised. During the fiscal year, the Mayor and City Council authorized supplemental appropriations for the General Fund and Community Preservation Fund totaling \$8,041,078, and \$2,023,792, for total budgets of \$374,583,418 and \$11,006,892, respectively.

Total General Fund expenditures and transfers to other funds totaled \$364,246,001, and \$6,966,190 in appropriation balances were carried forward into fiscal year 2016 to support encumbrances and continuing appropriations.

Total Community Preservation Fund expenditures and transfers to other funds were \$2,458,807, and \$6,192,435 in appropriation balances were carried forward into fiscal year 2016 to support encumbrances and continuing appropriations.

B. Deficit Net Position

At June 30, 2016, the net position of governmental activities and the primary government have a deficit balance of \$160,517,314 and \$50,776,430, respectively. The primary causes of the deficits are the net pension liability and net OPEB obligation. At June 30, 2016, these liabilities total \$562,568,471 and \$578,834,541 for governmental activities and the primary government, respectively.

C. Excess of Expenditures over Appropriations

For the fiscal year June 30, 2016, expenditures exceeded appropriations for state and county charges. These expenditures will be funded by taxes during fiscal year 2017.

CITY OF NEWTON, MASSACHUSETTS

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2016

D. Budget to GAAP Reconciliation

Accounting principles followed for purposes of preparing the financial statements on a budgetary basis differ from those used to present financial statements in accordance with GAAP. A reconciliation of the budgetary-basis to GAAP-basis results for the General Fund and Community Preservation Fund for the fiscal year ended June 30, 2016 are presented below:

	General Fund		
	Revenues	Expenditures	Other Financing Sources (Uses)
Budgetary basis as reported on the statement of revenues, expenditures and changes in fund balance - budget and actual.....	\$ 364,578,995	\$ 358,695,863	\$ 5,531,440
<u>Reclassifications</u>			
Activity of stabilization fund recorded in the general fund for GAAP purposes.....	92,375	-	1,952,519
<u>Adjustments</u>			
Net change in recording 60-day receipts.....	219,230	-	-
Net change in recording tax refunds payable.....	4,748,277	-	-
To record activity for landfill closure subsidy.....	61,197	61,197	-
Net change in recording other revenues.....	228,501	-	-
Net change in recording other expenditures.....	-	(279,559)	-
GAAP basis as reported on the statement of revenues, expenditures and changes in fund balances.....	\$ 369,928,575	\$ 358,477,501	\$ 7,483,959

	Community Preservation Fund
	Revenues
Budgetary basis as reported on the statement of revenues, expenditures and changes in fund balance - budget and actual.....	\$ 3,931,317
<u>Adjustment</u>	
Net change in recording 60-day receipts.....	(489)
GAAP basis as reported on the statement of revenues, expenditures and changes in fund balances.....	\$ 3,930,828

CITY OF NEWTON, MASSACHUSETTS

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2016

Note 3 - Deposits and Investments

A. Summary of Deposit and Investment Balances

City (Excluding the Pension Trust Fund)

The municipal finance laws of the Commonwealth authorize the City to invest temporarily idle cash in bank term deposits and certificates of deposits, and treasury and agency obligations of the United States government, with maturities of one year or less; U.S. treasury or agency repurchase agreements with maturities of not more than 90 days; money market accounts; and the state treasurer's investment pool – the Massachusetts Municipal Depository Trust (MMDT).

The MMDT meets the criteria of an external investment pool and operates in accordance with applicable state laws and regulations. The Treasurer of the Commonwealth serves as Trustee. The reported value of the pool is the same as the fair value of pool shares.

The municipal finance laws allow the City to invest private purpose trust funds in securities other than mortgages or collateral loans that are legal for the investment of funds of savings banks under the laws of the Commonwealth of Massachusetts.

Investments for the City are reported at fair value.

The City maintains a cash and short term investment pool that is available for use by all funds with unrestricted cash and investments. The deposits and investments of private purpose and pensions trust funds are held separately from other City funds.

Deposits - Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of a bank failure, the City's deposits may not be recovered. The City does not have a policy for custodial credit risk of deposits. As of June 30, 2016, \$94,186,607 of the City's bank balance of \$118,215,946 was uninsured and uncollateralized.

CITY OF NEWTON, MASSACHUSETTS

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2016

Investments Summary

The City's investments at June 30, 2016 are presented below. All investments are presented by investment type, with debt securities presented by maturity.

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 - 5	6 - 10	More Than 10
<u>Debt Securities:</u>					
U.S. Treasuries.....	\$ 1,207,415	\$ -	\$ 362,308	\$ 145,610	\$ 699,497
U.S. Agencies.....	31,775	-	-	31,775	-
Corporate bonds.....	180,663	-	180,663	-	-
Money market mutual funds.....	831,101	831,101	-	-	-
Mutual bond funds.....	4,515,304	4,515,304	-	-	-
External investment pools.....	100,834,343	100,834,343	-	-	-
Total debt securities.....	107,600,601	\$ 106,180,748	\$ 542,971	\$ 177,385	\$ 699,497
<u>Other Investments:</u>					
Domestic equities.....	6,907,251				
Equity mutual funds.....	5,045,392				
International equities.....	1,903,079				
Total other investments.....	13,855,722				
Total investments.....	\$ 121,456,323				

Investments - Interest Rate Risk of Debt Securities

Interest rate risk for debt securities is the risk that changes in interest rates of debt securities will adversely affect the fair value of an investment. The City does not have a policy for interest rate risk of debt securities.

CITY OF NEWTON, MASSACHUSETTS

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2016

Investments - Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City does not have a policy for custodial credit risk of investments. As of June 30, 2016, \$20,621,980 of the City's investments of \$121,456,323 were uninsured, not registered in the name of the City and exposed to custodial credit risk as follows:

Investment Type	Fair Value	Held by Counterparty	Held by Counterparty's Trust or Agent
U.S. Treasuries.....	\$ 1,207,415	\$ 845,108	\$ 362,307
U.S. Agencies.....	31,775	-	31,775
Corporate bonds.....	180,663	-	180,663
Money market mutual funds.....	831,101	831,101	-
Mutual bond funds.....	4,515,304	2,771,085	1,744,219
Equity mutual funds.....	5,045,392	2,590,612	2,454,780
Domestic equities.....	6,907,251	3,988,526	2,918,725
International equities.....	1,903,079	1,903,079	-
Total.....	<u>\$ 20,621,980</u>	<u>\$ 12,929,511</u>	<u>\$ 7,692,469</u>

Investments - Credit Risk of Debt Securities

Credit risk for investments is the risk that an issuer or other counterparty to a debt security will not fulfill its obligations. The City does not have a policy for credit risk of debt securities. As of June 30, 2016, the credit quality ratings of the City's investments in debt securities are as follows:

Investment Type	Fair Value	Quality Ratings *					
		AA+	AA-	A+	BBB+	BBB-	Unrated
Corporate bonds.....	\$ 180,663	\$ 30,873	\$ 59,963	\$ 30,977	\$ 33,299	\$ 25,551	\$ -
Money market mutual funds....	831,101	-	-	-	-	-	831,101
Mutual bond funds.....	4,515,304	-	-	-	-	-	4,515,304
External investment pools.....	100,834,343	-	-	-	-	-	100,834,343
Total.....	<u>\$ 106,361,411</u>	<u>\$ 30,873</u>	<u>\$ 59,963</u>	<u>\$ 30,977</u>	<u>\$ 33,299</u>	<u>\$ 25,551</u>	<u>\$ 106,180,748</u>

* Per the rating scale of Moody's and Standard and Poor's (national credit rating organizations)

CITY OF NEWTON, MASSACHUSETTS

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2016

Investments – Fair Value Measurements

The City 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 market prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The City has the following recurring fair value measurements as of June 30, 2016:

Investments by Fair Value Level	Fair Value	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)
<u>Debt Securities:</u>				
U.S. Treasuries.....	\$ 1,207,415	\$ 1,207,415	\$ -	\$ -
U.S. Agencies.....	31,775	31,775	-	-
Corporate bonds.....	180,663	180,663	-	-
Mutual bond funds.....	4,515,304	4,515,304	-	-
Total Debt Securities.....	<u>5,935,157</u>	<u>5,935,157</u>	<u>-</u>	<u>-</u>
<u>Equity Securities:</u>				
Domestic equities.....	6,907,251	6,907,251	-	-
Equity mutual funds.....	5,045,392	5,045,392	-	-
International equities.....	1,903,079	1,903,079	-	-
Total Equity Securities.....	<u>13,855,722</u>	<u>13,855,722</u>	<u>-</u>	<u>-</u>
Total Investments by Fair Value Level	<u>19,790,879</u>	<u>\$ 19,790,879</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Investments measured at the net asset value (NAV)</u>				
PRIT Fund.....	<u>3,415,427</u>			
Total Investments measured at Fair Value	<u>\$ 23,206,306</u>			

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities.

Investments Measured at the NAV

The City owns units, or shares in the State Retiree Benefits Trust Fund reported in the City’s OPEB Trust Fund. By law, such investments are required to be invested in the Pension Reserves Investment Trust (“PRIT”) Fund. The investments are irrevocable and invested for the sole purpose to provide funding for the City’s post-employment benefits for the exclusive benefit of the City’s retired employees and their eligible dependents; and for defraying the reasonable expenses of the Trust in accordance with the Trust agreement. The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the City’s ownership of the fund.

CITY OF NEWTON, MASSACHUSETTS

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2016

Pension Trust Fund (The System)

PRIT meets the criteria of an external investment pool and operates in accordance with applicable state laws and regulations. The Treasurer of the Commonwealth serves as Trustee and provides regulatory oversight. The reported value of the pool is the same as the fair value of the City's position in pool shares.

Deposits - Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of a bank failure, the System's deposits may not be recovered. The System does not have a policy for custodial credit risk of deposits. As of December 31, 2015, the System is not exposed to custodial credit risk.

Investments Summary

The System's investments at December 31, 2015 are presented below. All investments are presented by investment type, with debt securities presented by maturity.

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in Years) Less Than 1</u>
<u>External Investment Pools:</u>		
Pension Reserve Investment Trust.....	\$ 278,986,859	\$ 278,986,859
Massachusetts Municipal Depository Trust.....	<u>10,313,359</u>	<u>10,313,359</u>
Total investments.....	<u>\$ 289,300,218</u>	<u>\$ 289,300,218</u>

Investments - Interest Rate Risk of Debt Securities

Interest rate risk for debt securities is the risk that changes in interest rates of debt securities will adversely affect the fair value of an investment. The System's policy is that at least 15%, but no more than 30% of the portfolio must be invested in fixed income securities.

Investments - Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the System will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The System does not have a policy for custodial credit risk of investments. The custodial arrangements are reflective of the fact that System assets are invested in pooled funds as opposed to individual securities. As of December 31, 2015, the System's investments were not exposed to custodial credit risk.

CITY OF NEWTON, MASSACHUSETTS

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2016

Investments - Credit Risk of Debt Securities

Credit risk for debt securities is the risk that an issuer or other counterparty to a debt security will not fulfill its obligations. The System's policy is that for underlying investments in external investment pools, bonds shall have a minimum quality rating of Baa or equivalent as rated by one or more recognized bond rating services, however, 5% of the total investment portfolio may be invested in bonds with a minimum quality rating of CCC as rated by Standard & Poor's Corporate and Municipal Rating Service. As of December 31, 2015, the System's debt security investments were in external investment pools unrated by national credit rating organizations.

Investments – Fair Value Measurements – System

The System is a participating retirement system in the PRIT fund. The System owns units, or shares in the PRIT fund, which is a pooled investment trust. The investments made by the System are governed by Chapter 32 of the MGL. The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the System's ownership in the pool.

Note 4 - Receivables

At June 30, 2016, receivables for the individual major governmental funds and non-major governmental, internal service and fiduciary funds in the aggregate, including applicable allowances for amounts estimated to be uncollectible, are as follows:

	Gross	Allowance	
	Amount	for	Net
	<u>Amount</u>	Uncollectibles	<u>Amount</u>
<u>Receivables:</u>			
Real estate and personal property taxes.....	\$ 7,028,438	\$ (491,623)	\$ 6,536,815
Real estate tax deferrals.....	3,020,590	-	3,020,590
Tax liens.....	8,554,586	-	8,554,586
Motor vehicle excise taxes.....	2,563,625	(1,351,450)	1,212,175
Community preservation surcharges.....	39,965	-	39,965
User charges.....	594,922	-	594,922
Special assessments.....	342,493	-	342,493
Departmental and other.....	8,781,008	(3,782,935)	4,998,073
Intergovernmental.....	3,463,647	-	3,463,647
	<u>\$ 34,389,274</u>	<u>\$ (5,626,008)</u>	<u>\$ 28,763,266</u>

CITY OF NEWTON, MASSACHUSETTS

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2016

At June 30, 2016, receivables for the Enterprise Funds consist of the following:

	Gross Amount	Allowance for Uncollectibles	Net Amount
Receivables:			
Charges for services.....	\$ 15,854,187	\$ (157,957)	\$ 15,696,230
Utility liens.....	227,918	-	227,918
Special assessments.....	20,781	-	20,781
Intergovernmental.....	1,144,803	-	1,144,803
	<u>\$ 17,247,689</u>	<u>\$ (157,957)</u>	<u>\$ 17,089,732</u>

Note 5 – Capital Assets

Capital asset activity for governmental activities for the fiscal year ended June 30, 2016 was as follows:

	July 1, 2015			June 30, 2016
	Balance	Increases	Decreases	Balance
Governmental activities:				
Capital assets not being depreciated:				
Land.....	\$ 25,046,952	\$ 5,987,200	\$ -	\$ 31,034,152
Intangible assets.....	2,238,261	-	-	2,238,261
Construction in progress.....	27,452,476	15,021,365	(23,357,853)	19,115,988
Sub-total	<u>54,737,689</u>	<u>21,008,565</u>	<u>(23,357,853)</u>	<u>52,388,401</u>
Capital assets being depreciated:				
Buildings and improvements.....	462,033,980	56,020,110	-	518,054,090
Equipment and machinery.....	78,790,102	6,212,572	(403,068)	84,599,606
Road network.....	86,040,682	5,993,340	-	92,034,022
Sub-total.....	<u>626,864,764</u>	<u>68,226,022</u>	<u>(403,068)</u>	<u>694,687,718</u>
Less: accumulated depreciation:				
Buildings and improvements.....	(141,872,369)	(12,420,429)	-	(154,292,798)
Equipment and machinery.....	(54,482,562)	(5,197,156)	337,268	(59,342,450)
Road network.....	(28,269,060)	(2,250,150)	-	(30,519,210)
Sub-total.....	<u>(224,623,991)</u>	<u>(19,867,735)</u>	<u>337,268</u>	<u>(244,154,458)</u>
Capital assets being depreciated, net.....	<u>402,240,773</u>	<u>48,358,287</u>	<u>(65,800)</u>	<u>450,533,260</u>
Governmental capital assets, net.....	<u>\$ 456,978,462</u>	<u>\$ 69,366,852</u>	<u>\$ (23,423,653)</u>	<u>\$ 502,921,661</u>

CITY OF NEWTON, MASSACHUSETTS

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2016

Depreciation was charged to governmental fund programs in the Statement of Activities as follows:

Legislative & executive.....	\$ 7,223
Administrative support.....	207,395
Public building maintenance and operations.....	250,104
Police.....	662,810
Fire.....	965,235
Inspectional services.....	4,085
Education.....	13,275,349
Streets and sidewalks.....	2,896,178
Control of snow and ice.....	78,302
Solid waste.....	998
Health & human services.....	2,822
Senior services.....	5,404
Libraries.....	1,018,899
Parks and recreation.....	480,386
Newton history museum.....	12,545
Total depreciation expense - governmental activities....	<u>\$ 19,867,735</u>

Capital asset activity for individual enterprise funds for the fiscal year ended June 30, 2016 is as follows:

	July 1, 2015			June 30, 2016
	Balance	Increases	Decreases	Balance
Water system:				
<u>Capital assets not being depreciated:</u>				
Land.....	\$ 258,540	\$ -	\$ -	\$ 258,540
Construction in progress.....	4,345	-	-	4,345
Sub-total	<u>262,885</u>	<u>-</u>	<u>-</u>	<u>262,885</u>
 Capital assets being depreciated:				
Buildings and improvements.....	2,455,492	-	-	2,455,492
Equipment and machinery.....	13,498,930	407,371	-	13,906,301
Water system.....	51,660,497	2,928,313	-	54,588,810
Sub-total.....	<u>67,614,919</u>	<u>3,335,684</u>	<u>-</u>	<u>70,950,603</u>
 Less: accumulated depreciation:				
Buildings and improvements.....	(1,205,882)	(45,762)	-	(1,251,644)
Equipment and machinery.....	(5,943,620)	(729,979)	-	(6,673,599)
Water system.....	(12,917,281)	(1,056,069)	-	(13,973,350)
Sub-total.....	<u>(20,066,783)</u>	<u>(1,831,810)</u>	<u>-</u>	<u>(21,898,593)</u>
Capital assets being depreciated, net.....	<u>47,548,136</u>	<u>1,503,874</u>	<u>-</u>	<u>49,052,010</u>
Water system capital assets, net.....	\$ <u>47,811,021</u>	\$ <u>1,503,874</u>	\$ <u>-</u>	\$ <u>49,314,895</u>

CITY OF NEWTON, MASSACHUSETTS

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2016

	July 1, 2015			June 30, 2016
	<u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u>
Sewer system				
Capital assets not being depreciated:				
Land.....	\$ 26,245	\$ -	\$ -	\$ 26,245
Capital assets being depreciated:				
Buildings and improvements.....	1,867,659	-	-	1,867,659
Equipment and machinery.....	3,211,590	299,020	-	3,510,610
Sanitary sewer system.....	58,122,901	5,046,739	-	63,169,640
Sub-total.....	<u>63,202,150</u>	<u>5,345,759</u>	<u>-</u>	<u>68,547,909</u>
Less: accumulated depreciation:				
Buildings and improvements.....	(820,520)	(39,127)	-	(859,647)
Equipment and machinery.....	(1,832,975)	(195,003)	-	(2,027,978)
Sanitary sewer system.....	(20,033,810)	(1,154,425)	-	(21,188,235)
Sub-total.....	<u>(22,687,305)</u>	<u>(1,388,555)</u>	<u>-</u>	<u>(24,075,860)</u>
Capital assets being depreciated, net.....	<u>40,514,845</u>	<u>3,957,204</u>	<u>-</u>	<u>44,472,049</u>
Sewer system capital assets, net.....	\$ <u>40,541,090</u>	\$ <u>3,957,204</u>	\$ <u>-</u>	\$ <u>44,498,294</u>

	July 1, 2015			June 30, 2016
	<u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u>
Stormwater system				
Capital assets not being depreciated:				
Construction in progress.....	\$ -	\$ 59,464	\$ -	\$ 59,464
Capital assets being depreciated:				
Storm drainage system.....	3,429,542	-	-	3,429,542
Less: accumulated depreciation				
Storm drainage system.....	(1,386,342)	(75,298)	-	(1,461,640)
Capital assets being depreciated, net.....	<u>2,043,200</u>	<u>(75,298)</u>	<u>-</u>	<u>1,967,902</u>
Stormwater system capital assets, net.....	\$ <u>2,043,200</u>	\$ <u>(15,834)</u>	\$ <u>-</u>	\$ <u>2,027,366</u>

Capital asset activity for the Newton Commonwealth Foundation component unit for the fiscal year ended June 30, 2016 is as follows:

	Beginning			Ending
	<u>Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balances</u>
Golf course:				
Capital assets being depreciated:				
Land improvements.....	\$ 3,386,281	\$ 195,340	\$ -	\$ 3,581,621
Buildings and improvements.....	94,420	6,061	-	100,481
Equipment and machinery.....	71,838	15,023	-	86,861
Sub-total.....	<u>3,552,539</u>	<u>216,424</u>	<u>-</u>	<u>3,768,963</u>
Less: accumulated depreciation:				
Land improvements.....	(1,470,779)	(163,417)	-	(1,634,196)
Buildings and improvements.....	(60,399)	(1,702)	-	(62,101)
Equipment and machinery.....	(56,707)	(5,107)	-	(61,814)
Sub-total.....	<u>(1,587,885)</u>	<u>(170,226)</u>	<u>-</u>	<u>(1,758,111)</u>
Golf course, net.....	\$ <u>1,964,654</u>	\$ <u>46,198</u>	\$ <u>-</u>	\$ <u>2,010,852</u>

CITY OF NEWTON, MASSACHUSETTS

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2016

Note 6 – Net Investment in Capital Assets

Net investment in capital assets at June 30, 2016 is summarized as follows:

Governmental Activities

Capital assets, net of accumulated depreciation.....	\$ 502,921,661
Less: total long-term debt outstanding.....	(265,560,962)
Add: long-term debt outstanding not related to asset acquisition.....	497,400
Less: total short-term debt outstanding.....	(761,000)
Add: unspent BAN/bond proceeds.....	<u>23,666,393</u>
 Net investment in capital assets.....	 <u><u>\$ 260,763,492</u></u>

Business-Type Activities

	<u>Water</u>	<u>Sewer</u>	<u>Stormwater</u>	Total Enterprise Funds/ Business-Type Activities
Capital assets, net of accumulated depreciation.....	\$ 49,314,895	\$ 44,498,294	\$ 2,027,366	\$ 95,840,555
Less: total long-term debt outstanding.....	(14,288,488)	(13,188,014)	(816,756)	(28,293,258)
Add: unspent BAN/bond proceeds.....	<u>5,274,691</u>	<u>15,935,605</u>	<u>668,509</u>	<u>21,878,805</u>
 Net investment in capital assets.....	 <u><u>\$ 40,301,098</u></u>	 <u><u>\$ 47,245,885</u></u>	 <u><u>\$ 1,879,119</u></u>	 <u><u>\$ 89,426,102</u></u>

Note 7 – Inter-fund Receivables, Payables and Transfers

Receivables and payables between funds at June 30, 2016, are summarized as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Street Improvements Fund - non major governmental fund	\$ 463,839 {1}
General Fund	School Federal Grant Fund - non major governmental fund	<u>163,490 {1}</u>
	Total	<u><u>\$ 627,329</u></u>

{1} Advance funding pending receipt of grant reimbursement

CITY OF NEWTON, MASSACHUSETTS

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2016

Inter-fund transfer activity for the fiscal year ended June 30, 2016 consisted of the following:

	General Fund	Angier School Improvements Fund	Nonmajor Governmental Funds	Water Enterprise Fund	Sewer Enterprise Fund	Stormwater Enterprise Fund	Internal Service Funds	Total All Funds
Solid Waste Program receipts reserved - FY 2016 operating budget	\$ 162,000	\$ -	\$ (162,000)	\$ -	\$ -	\$ -	\$ -	\$ -
Parking Meter receipts reserved - FY 2016 operating budget	1,527,000	-	(1,527,000)	-	-	-	-	-
BAA Marathon receipts reserved - FY 2016 operating budget	162,750	-	(162,750)	-	-	-	-	-
Sale of Recycling Materials receipts reserved - FY 2016 operating budget	25,000	-	(25,000)	-	-	-	-	-
CATV licensing fees receipts reserved - FY 2016 operating budget	215,378	-	(215,378)	-	-	-	-	-
NCGF golf day receipts reserved - FY 2016 operating budget	28,787	-	(28,787)	-	-	-	-	-
Sewer fund indirect cost reimbursement - FY 2016 operating budget	1,213,730	-	-	-	(1,213,730)	-	-	-
Water fund indirect cost reimbursement - FY 2016 operating budget	1,226,332	-	-	(1,226,332)	-	-	-	-
Stormwater fund indirect cost reimbursement - FY 2016 operating budget	150,854	-	-	-	-	(150,854)	-	-
Water fund indirect cost reimbursement to Sewer fund - FY 2015 operating budget	-	-	-	(531,892)	-	-	-	(531,892)
Water fund indirect cost reimbursement to Sewer fund - FY 2015 operating budget	-	-	-	-	531,892	-	-	531,892
Angier Debt exclusion bond premium appropriation (reduce borrowing)	(351,159)	351,159	-	-	-	-	-	-
Cabot Debt exclusion bond premium appropriation (reduce borrowing)	(17,865)	-	17,865	-	-	-	-	-
Federal Grant Fund (FEMA reimbursement) Snow & ice control	939,987	-	(939,987)	-	-	-	-	-
ISD training (Violation Fines Reserved for Appropriation)	12,061	-	(12,061)	-	-	-	-	-
Bond sale issuance costs (Sewer Fund)	1,395	-	-	-	(1,395)	-	-	-
Bond sale issuance costs (Stormwater Fund)	2,419	-	-	-	-	(2,419)	-	-
E-rate Receipts reserved - School technology	116,913	-	(116,913)	-	-	-	-	-
CATV licensing fees receipts reserved - Municipal technology improvements	500,000	-	(500,000)	-	-	-	-	-
Development mitigation funds (Lower Falls traffic mitigation)	50,508	-	(50,508)	-	-	-	-	-
Development mitigation funds (Commonwealth Ave beautification)	20,900	-	(20,900)	-	-	-	-	-
Legal Settlement (Liability Self Insurance Fund)	125,000	-	-	-	-	-	(125,000)	-
Legal Settlement (Liability Self Insurance Fund)	9,363	-	-	-	-	-	(9,363)	-
Energy Conservation improvements (Capital Stabilization Fund)	(905,046)	-	-	-	-	-	-	(905,046)
Energy Conservation improvements (Municipal Building Improvement Fund)	-	-	905,046	-	-	-	-	905,046
Auburndale Square Traffic Improvements (Free Cash)	(278,569)	-	278,569	-	-	-	-	-
Auburndale Square Traffic Improvements (Traffic Mitigation Funds)	-	-	(136,711)	-	-	-	-	(136,711)
Auburndale Square Traffic Improvements (Traffic Mitigation Funds)	-	-	136,711	-	-	-	-	136,711
Auburndale Square Traffic Improvements (School Building Improvement Fund)	-	-	(308,278)	-	-	-	-	(308,278)
Auburndale Square Traffic Improvements	-	-	308,278	-	-	-	-	308,278
Auburndale Square Traffic Improvements (Municipal Building Improvement Fund)	-	-	(19,475)	-	-	-	-	(19,475)
Auburndale Square Traffic Improvements	-	-	19,475	-	-	-	-	19,475
Auburndale Square Traffic Improvements (Capital Stabilization Fund)	(40,813)	-	-	-	-	-	-	(40,813)
Auburndale Square Traffic Improvements	-	-	40,813	-	-	-	-	40,813
Aquinas window project (Capital Stabilization Fund)	(397,800)	-	-	-	-	-	-	(397,800)
Aquinas window project (School Building Improvement Fund)	-	-	397,800	-	-	-	-	397,800
Newton Public Schools Athletic Revolving Fund Subsidy	(1,021,000)	-	1,021,000	-	-	-	-	-
Close out special appropriation balances to Development Mitigation receipts reserved	(34,429)	-	34,429	-	-	-	-	-
Transfers from other funds	<u>6,490,377</u>	<u>351,159</u>	<u>3,159,986</u>	<u>-</u>	<u>531,892</u>	<u>-</u>	<u>-</u>	<u>10,533,414</u>
Transfers to other funds	<u>(3,046,681)</u>	<u>-</u>	<u>(4,225,748)</u>	<u>(1,758,224)</u>	<u>(1,215,125)</u>	<u>(153,273)</u>	<u>(134,363)</u>	<u>(10,533,414)</u>

Note 8 - Short-Term Debt

Short term debt may be authorized and issued to fund current operating costs prior to the collection of revenues through the issuance of revenue (RAN's) or tax anticipation notes (TAN's), or to finance capital project expenditures prior to the issuance of permanent long-term debt, through the issuance of bond (BAN's) or grant anticipation notes (GAN's).

Short term loans are general obligations and carry maturity dates that are limited by statute. Interest expenditures for short term borrowing are accounted for in the general fund.

CITY OF NEWTON, MASSACHUSETTS

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2016

Details related to the short-term debt activity for the fiscal year ended June 30, 2016 is as follows:

Notes Payable – Governmental Funds

Type	Description	Origination Date	Maturity Date	Interest Rate	Balance at 6/30/2015	Increases	Decreases	Balance at 6/30/2016
BAN	Zervas Elementary Construction.....	06/25/15	03/15/16	1.25%	\$ 1,250,000	\$ -	\$ (1,250,000)	\$ -
BAN	General Obligation BAN.....	06/29/16	02/17/17	0.51%	-	761,000	-	761,000
Total.....					\$ 1,250,000	\$ 761,000	\$ (1,250,000)	\$ 761,000

Note 9 - Long-Term Obligations

The follow represents a summary of changes that occurred in long-term obligations during the fiscal year ended June 30, 2016:

	Balance June 30, 2015	Increases	Decreases	Balance June 30, 2016	Current Portion
Governmental Activities:					
Bonds and notes payable.....	\$ 215,267,032	\$ 81,335,508	\$ (31,041,578)	\$ 265,560,962	\$ 12,674,889
Landfill closure and other environmental....	723,350	108,853	(179,600)	652,603	82,368
Workers' compensation.....	8,423,539	1,475,827	(1,599,149)	8,300,217	1,474,065
Compensated absences.....	8,828,309	-	(80,106)	8,748,203	3,220,491
Net pension liability.....	288,734,674	18,236,390	-	306,971,064	-
Net OPEB obligation.....	226,833,234	48,020,979	(19,256,806)	255,597,407	-
Total.....	\$ 748,810,138	\$ 149,177,557	\$ (52,157,239)	\$ 845,830,456	\$ 17,451,813
Business-type Activities:					
Bonds and notes payable.....	\$ 29,228,797	\$ 3,571,737	\$ (4,507,276)	\$ 28,293,258	\$ 4,551,261
Compensated absences.....	335,136	34,496	-	369,632	36,963
Net pension liability.....	9,996,324	104,258	-	10,100,582	-
Net OPEB obligation.....	5,526,310	1,146,528	(507,350)	6,165,488	-
Total.....	\$ 45,086,567	\$ 4,857,019	\$ (5,014,626)	\$ 44,928,960	\$ 4,588,224

Internal service funds predominantly serve the governmental funds. Accordingly, the internal service fund's long-term liabilities are included as part of the governmental activities totals above. At fiscal year-end, \$8,300,217 of the internal service funds accrued liabilities (workers' compensation claims) is included above.

The outstanding long-term debt related to land acquisition (Rogers Street) will be funded from the community preservation fund (major fund).

Except for the amounts related to the internal service funds and community preservation fund, the governmental activities long term liabilities are generally liquidated by the general fund.

CITY OF NEWTON, MASSACHUSETTS

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2016

Note 10 - Long-Term Debt

Information on the City's long term debt at June 30, 2016, along with future year debt service requirements, is presented as follows.

Bonds Payable – Governmental Funds

	Date of Issue	Interest Rate (%)	Outstanding July 1, 2015	Issued	Redeemed	Outstanding June 30, 2016
MCWT landfill closure.....	2/15/1998	4.6%	\$ 653,700	\$ -	\$ (156,300)	\$ 497,400
School renovations.....	2/15/2006	3.0-4.3%	595,000	-	(595,000)	-
Road improvements.....	2/15/2006	3.0-4.3%	50,000	-	(50,000)	-
Public works equipment.....	2/15/2006	3.0-4.3%	60,000	-	(60,000)	-
Fire equipment.....	2/15/2006	3.0-4.3%	55,000	-	(55,000)	-
School renovations.....	2/01/2007	4.0-5.0%	960,000	-	(480,000)	480,000
Fire station improvements.....	2/01/2007	4.0-5.0%	40,000	-	(20,000)	20,000
Public works equipment.....	2/01/2007	4.0-5.0%	100,000	-	(50,000)	50,000
Rogers St. Land acquisition (CPA).....	11/01/2007	3.98%	510,000	-	(255,000)	255,000
Fire station improvements.....	11/01/2007	3.98%	110,000	-	(35,000)	75,000
School renovations.....	11/01/2007	3.98%	30,000	-	(10,000)	20,000
School new construction.....	11/01/2007	3.98%	2,850,000	-	(950,000)	1,900,000
School new construction.....	6/15/2008	4.37%	20,265,000	-	(19,155,000)	1,110,000
School renovations.....	6/15/2008	3.80%	1,430,000	-	(1,210,000)	220,000
Fire equipment.....	6/15/2008	3.80%	240,000	-	(180,000)	60,000
Public works equipment.....	6/15/2008	3.80%	320,000	-	(240,000)	80,000
School new construction.....	4/1/2009	2.0-5.0%	66,385,000	-	(1,570,000)	64,815,000
School renovations.....	4/1/2009	2.0-5.0%	1,400,000	-	(100,000)	1,300,000
School renovations.....	4/1/2009	2.0-5.0%	135,000	-	(10,000)	125,000
School renovations.....	4/1/2009	2.0-5.0%	535,000	-	(40,000)	495,000
School athletic fields.....	4/1/2009	2.0-5.0%	1,925,000	-	(215,000)	1,710,000
Fire station improvements.....	4/1/2009	2.0-5.0%	1,465,000	-	(170,000)	1,295,000
City Hall boiler.....	4/1/2009	2.0-5.0%	140,000	-	(10,000)	130,000
Road improvements.....	4/1/2009	2.0-5.0%	65,000	-	(20,000)	45,000
Fire equipment.....	4/1/2009	2.0-5.0%	470,000	-	(55,000)	415,000
Parks equipment.....	4/1/2009	2.0-5.0%	50,000	-	(10,000)	40,000
Public works equipment.....	4/1/2009	2.0-5.0%	360,000	-	(40,000)	320,000
School new construction.....	4/27/2010	3.0-4.0%	9,700,000	-	(390,000)	9,310,000
Fire station renovations.....	4/27/2010	2.0-4.0%	3,375,000	-	(225,000)	3,150,000
Underground fuel tanks.....	4/27/2010	2.0-4.0%	225,000	-	(45,000)	180,000
Modular classrooms.....	4/27/2010	2.0-4.0%	925,000	-	(95,000)	830,000
School renovations.....	4/27/2010	2.0-4.0%	850,000	-	(110,000)	740,000
Energy conservation.....	4/27/2010	2.0-4.0%	2,445,000	-	(245,000)	2,200,000
Fire equipment.....	4/27/2010	2.0-4.0%	250,000	-	(50,000)	200,000
Public works equipment.....	4/27/2010	2.0-4.0%	950,000	-	(190,000)	760,000
School new construction.....	3/30/2011	2.00%	9,533,332	-	(366,667)	9,166,665
School renovations.....	4/14/2011	3.0-4.5%	1,770,000	-	(125,000)	1,645,000
City Hall windows.....	4/14/2011	3.0-4.5%	70,000	-	(15,000)	55,000
Public works equipment.....	4/14/2011	3.0-4.5%	145,000	-	(70,000)	75,000
Elementary modular classrooms.....	4/12/2012	2.0 - 3.0%	725,000	-	(65,000)	660,000
Elementary modular classrooms.....	4/12/2012	2.0 - 3.0%	60,000	-	(5,000)	55,000
Elementary sprinkler design.....	4/12/2012	2.0 - 3.0%	70,000	-	(10,000)	60,000
Elementary sprinkler systems.....	4/12/2012	2.0 - 3.0%	1,170,000	-	(100,000)	1,070,000
FA Day Middle School design.....	4/12/2012	2.0 - 3.0%	250,000	-	(125,000)	125,000
School accessibility upgrades.....	4/12/2012	2.0 - 3.0%	240,000	-	(20,000)	220,000
School electrical system upgrades.....	4/12/2012	2.0 - 3.0%	155,000	-	(15,000)	140,000
School generator replacement.....	4/12/2012	2.0 - 3.0%	240,000	-	(20,000)	220,000
School heating system improvements.....	4/12/2012	2.0 - 3.0%	360,000	-	(30,000)	330,000
Public works equipment.....	4/12/2012	2.0 - 3.0%	60,000	-	(30,000)	30,000

(continued)

CITY OF NEWTON, MASSACHUSETTS

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2016

Bonds Payable – Governmental Funds (Continued)

	Date of Issue	Interest Rate (%)	Outstanding July 1, 2015	Issued	Redeemed	Outstanding June 30, 2016
Public works equipment.....	4/12/2012	2.0 - 3.0%	210,000	-	(10,000)	200,000
Gath Pool improvements.....	4/12/2012	2.0 - 3.0%	70,000	-	(10,000)	60,000
Braceland Park improvements.....	4/12/2012	2.0 - 3.0%	120,000	-	(10,000)	110,000
Fire engine replacement.....	4/12/2012	2.0 - 3.0%	420,000	-	(60,000)	360,000
School advance refunding.....	4/12/2013	2.0 - 4.0%	4,750,000	-	(475,000)	4,275,000
School renovations.....	4/12/2013	2.0 - 4.0%	7,380,000	-	(410,000)	6,970,000
Public works equipment.....	4/12/2013	2.0 - 4.0%	130,000	-	(20,000)	110,000
Gath Pool improvements.....	4/12/2013	2.0 - 4.0%	120,000	-	(15,000)	105,000
City Hall improvements.....	4/12/2013	2.0 - 4.0%	530,000	-	(35,000)	495,000
Crafts St DPW garage improvements.....	4/12/2013	2.0 - 4.0%	190,000	-	(35,000)	155,000
Energy conservation.....	4/12/2013	2.0 - 4.0%	240,000	-	(80,000)	160,000
Fire equipment.....	4/12/2013	2.0 - 4.0%	860,000	-	(70,000)	790,000
Elementary modular classrooms.....	3/06/2014	2.75% - 5.0%	2,240,000	-	(160,000)	2,080,000
Mason Rice School sprinklers.....	3/06/2014	2.75% - 5.0%	445,000	-	(35,000)	410,000
Carr School renovatons.....	3/06/2014	2.75% - 5.0%	11,540,000	-	(215,000)	11,325,000
Angier demoliton & construction.....	3/06/2014	2.75% - 5.0%	4,910,000	-	(90,000)	4,820,000
Community Ctr renovations.....	3/06/2014	2.75% - 5.0%	255,000	-	(20,000)	235,000
DPW equipment.....	3/06/2014	2.75% - 5.0%	250,000	-	(30,000)	220,000
Snow melting equipment.....	3/06/2014	2.75% - 5.0%	225,000	-	(25,000)	200,000
Salt shed & garage.....	3/06/2014	2.75% - 5.0%	475,000	-	(25,000)	450,000
School renovation adv refunding.....	1/29/2015	2.0-3.0%	5,274,500	-	-	5,274,500
DPW equip adv refunding.....	1/29/2015	2.0-3.0%	244,000	-	-	244,000
Fire ladder adv refunding.....	1/29/2015	2.0-3.0%	268,400	-	-	268,400
School renovation adv refunding.....	1/29/2015	2.0-3.0%	3,842,890	-	-	3,842,890
Fire station adv refunding.....	1/29/2015	2.0-3.0%	99,200	-	-	99,200
DPW equip adv refunding.....	1/29/2015	2.0-3.0%	198,200	-	-	198,200
Fire station adv refunding.....	1/29/2015	2.0-3.0%	169,500	-	-	169,500
School construction adv refunding.....	1/29/2015	2.0-3.0%	9,538,310	-	-	9,538,310
Cabot Feasibility study.....	1/29/2015	2.0-5.0%	990,000	-	(200,000)	790,000
Bigelow staircase.....	1/29/2015	2.0-5.0%	465,000	-	(50,000)	415,000
Angier construction.....	1/29/2015	2.0-5.0%	15,000,000	-	(185,000)	14,815,000
Fire station #10 renovations.....	1/29/2015	2.0-5.0%	6,100,000	-	(305,000)	5,795,000
Publ Bldg Energy Conservation.....	1/29/2015	2.0-5.0%	2,610,000	-	(135,000)	2,475,000
DPW equipment.....	1/29/2015	2.0-5.0%	340,000	-	(35,000)	305,000
North High School adv refunding.....	1/28/2016	3.0 -5.0%	-	18,301,050	-	18,301,050
Brown Windows adv refunding.....	1/28/2016	3.0 -5.0%	-	983,800	-	983,800
Fire Pumper adv refunding.....	1/28/2016	3.0 -5.0%	-	139,450	-	139,450
DPW Equipment adv refunding.....	1/28/2016	3.0 -5.0%	-	185,700	-	185,700
Zervas Elementary construction.....	1/28/2016	3.0 -5.0%	-	20,000,000	-	20,000,000
Angier Elementary construction.....	1/28/2016	3.0 -5.0%	-	4,955,000	-	4,955,000
Aquinas Acquisition.....	1/28/2016	3.0 -5.0%	-	17,350,000	-	17,350,000
FA Day Hot Water Heater.....	1/28/2016	3.0 -5.0%	-	150,000	-	150,000
NNHS Baseball Backstop.....	1/28/2016	3.0 -5.0%	-	350,000	-	350,000
Fire Station #3 Improvements.....	1/28/2016	3.0 -5.0%	-	3,645,000	-	3,645,000
Senior Center HVAC.....	1/28/2016	3.0 -5.0%	-	150,000	-	150,000
City Hall War Memorial Elevator.....	1/28/2016	3.0 -5.0%	-	1,140,000	-	1,140,000
Manet Rd Communications Building.....	1/28/2016	3.0 -5.0%	-	766,000	-	766,000
Main Library Improvements.....	1/28/2016	3.0 -5.0%	-	250,000	-	250,000
City Hall Roof Trace Wiring.....	1/28/2016	3.0 -5.0%	-	100,000	-	100,000
DPW Snowblower.....	1/28/2016	3.0 -5.0%	-	150,000	-	150,000
Library Automated Circulation Eqmt.....	1/28/2016	3.0 -5.0%	-	203,000	-	203,000
Fire Pumper.....	1/28/2016	3.0 -5.0%	-	650,000	-	650,000
Fire SCBA Equipment.....	1/28/2016	3.0 -5.0%	-	504,000	-	504,000
Fire Bucket Truck.....	1/28/2016	3.0 -5.0%	-	227,000	-	227,000
NSHS Tennis Courts.....	1/28/2016	3.0 -5.0%	-	750,000	-	750,000
Traffic Signal Improvements.....	1/28/2016	3.0 -5.0%	-	800,000	-	800,000
Auburndale Sq Traffic Improvements.....	1/28/2016	3.0 -5.0%	-	1,200,000	-	1,200,000
Eliot St Bridge Replacement.....	1/28/2016	3.0 -5.0%	-	2,000,000	-	2,000,000
Subtotal.....			\$ 215,267,032	\$ 74,950,000	\$ (30,827,967)	\$ 259,389,065
Unamortized Premiums.....			-	6,385,508	(213,611)	6,171,897
Total Governmental Funds.....			\$ 215,267,032	\$ 81,335,508	\$ (31,041,578)	\$ 265,560,962

CITY OF NEWTON, MASSACHUSETTS

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2016

Advanced Refunding – January 2016

The City issued \$19,610,000 of general obligation refunding bonds (with a premium of \$2,430,245) to provide resources to purchase U.S. Government Securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of \$20,080,000 of previously issued general obligation bonds relating to school construction as well as fire department and public works vehicles. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the government-wide financial statements. The reacquisition price exceeded the net carrying amount of the old debt by \$1,960,245. This amount was expensed in the current fiscal year. This advance refunding was undertaken to reduce total debt service payments over the next 14 years by \$3,050,487 and resulted in an economic gain of \$2,080,733.

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

Fiscal Year Ending	Principal	Interest	Total
2017	\$ 12,247,667	\$ 9,812,583	\$ 22,060,250
2018	11,922,467	9,506,954	21,429,421
2019	11,737,267	9,068,702	20,805,969
2020	11,696,667	8,617,573	20,314,240
2021	11,286,667	8,160,138	19,446,805
2022	11,281,667	7,700,654	18,982,321
2023	11,326,667	7,243,587	18,570,254
2024	11,446,667	6,806,587	18,253,254
2025	11,181,667	6,336,617	17,518,284
2026	10,316,667	5,936,094	16,252,761
2027	9,576,667	5,538,931	15,115,598
2028	9,346,667	5,173,054	14,519,721
2029	8,686,667	4,816,539	13,503,206
2030	8,641,667	4,457,475	13,099,142
2031	8,691,667	4,120,616	12,812,283
2032	8,736,667	3,780,634	12,517,301
2033	9,056,667	3,421,471	12,478,138
2034	9,346,667	3,077,330	12,423,997
2035	9,651,667	2,719,352	12,371,019
2036	9,551,667	2,352,726	11,904,393
2037	9,691,667	1,977,780	11,669,447
2038	10,066,667	1,593,521	11,660,188
2039	8,696,667	1,192,656	9,889,323
2040	4,226,667	827,024	5,053,691
2041	3,951,657	686,714	4,638,371
2042	3,705,000	558,963	4,263,963
2043	3,835,000	434,500	4,269,500
2044	3,960,000	302,938	4,262,938
2045	3,145,000	166,969	3,311,969
2046	2,380,000	77,350	2,457,350
Total	\$ 259,389,065	\$ 126,466,034	\$ 385,855,099

CITY OF NEWTON, MASSACHUSETTS

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2016

Bonds Payable – Water Enterprise Fund

	Date of Issue	Interest Rate (%)	Outstanding July 1, 2015	Issued	Redeemed	Outstanding June 30, 2016
MWRA Water	5/18/2006	0.00	\$ 258,601	\$ -	\$ (258,601)	-
MWRA Water	5/31/2007	0.00	517,203	-	(258,602)	258,601
Water Meters.....	4/1/2009	2.0-5.0	2,400,000	-	(600,000)	1,800,000
MWRA Water	5/21/2009	0.00	1,440,000	-	(360,000)	1,080,000
MWRA Water	5/20/2010	0.00	1,112,200	-	(222,440)	889,760
MWRA Water	2/15/2011	0.00	1,160,193	-	(193,366)	966,827
Water Meters.....	4/14/2011	3.0-4.5	1,800,000	-	(300,000)	1,500,000
MWRA Water	5/14/2012	0.00	952,140	-	(136,020)	816,120
MWRA Water	8/20/2012	0.00	1,088,160	-	(136,020)	952,140
Water Mains.....	4/12/2013	2.0-4.0	2,428,980	-	(135,000)	2,293,980
Water Garage.....	4/12/2013	2.0-4.0	62,500	-	(5,000)	57,500
MWRA Water	8/15/2013	0.00	1,225,200	-	(136,020)	1,089,180
MWRA Water	11/17/2014	0.00	1,360,200	-	(136,020)	1,224,180
MWRA Water	11/19/2015	0.00	-	1,360,200	-	1,360,200
Total Water.....			\$ 15,805,377	\$ 1,360,200	\$ (2,877,089)	\$ 14,288,488

The Massachusetts Water Resources Authority (MWRA) offers water system rehabilitation and sanitary sewer infiltration and inflow reduction financial assistance programs to member communities in order to assist with the on-going maintenance of water and sewer system infrastructure. During the fiscal year ended June 30, 2016, the City was the recipient of a \$1,360,200 ten-year interest free water system rehabilitation loan.

At June 30, 2016, the City had \$7,670,181 in MWRA water rehabilitation loans outstanding. Interest subsidies on these loans for the year ended June 30, 2016 totaled \$292,043.

Debt service requirements for future year principal and interest for water enterprise fund debt is as follows:

Fiscal Year Ending	Principal	Interest	Total
2017	\$ 2,754,507	\$ 200,993	\$ 2,955,500
2018	2,495,906	166,794	2,662,700
2019	2,495,905	129,693	2,625,598
2020	1,535,905	91,094	1,626,999
2021	1,313,465	71,993	1,385,458
2022	820,100	52,894	872,994
2023	684,080	47,293	731,373
2024	548,060	41,694	589,754
2025	412,040	36,093	448,133
2026	276,020	32,944	308,964
2027	140,000	28,744	168,744
2028	137,500	24,544	162,044
2029	135,000	20,419	155,419
2030	135,000	16,369	151,369
2031	135,000	12,319	147,319
2032	135,000	8,269	143,269
2033	135,000	4,219	139,219
Total	\$ 14,288,488	\$ 986,368	\$ 15,274,856

CITY OF NEWTON, MASSACHUSETTS

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2016

Bonds Payable – Sewer Enterprise Fund

	Date of Issue	Interest Rate (%)	Outstanding July 1, 2015	Issued	Redeemed	Outstanding June 30, 2016
MCWT Sewer.....	10/06/1999	5.16%	\$ 1,990,000	\$ -	\$ (370,000)	\$ 1,620,000
MCWT Sewer.....	11/10/2000	5.20%	2,791,000	-	(431,000)	2,360,000
MCWT Sewer.....	7/03/2002	-	60,000	-	(5,000)	55,000
Sewer system improvements.....	4/27/2010	2.0-4.0%	375,000	-	(25,000)	350,000
MWRA Sewer.....	8/25/2011	-	230,120	-	(115,060)	115,060
Sewer system improvements.....	4/3/2012	2.0-3.0%	1,930,000	-	(115,000)	1,815,000
Sewer I& I removal.....	4/12/2013	2.0-4.0%	3,805,000.00	-	(215,000)	3,590,000
Water Garage.....	4/12/2013	2.0-4.0%	62,500	-	(5,000)	57,500
MWRA Sewer.....	8/18/2014	-	1,262,800	-	(252,560)	1,010,240
MWRA Sewer.....	12/15/2014	-	917,000	-	(91,700)	825,300
MWRA Sewer.....	11/19/2015	-	-	917,000	-	917,000
Sewer Vehicle.....	1/20/2016	3.0 -5.0%	-	400,000	-	400,000
Subtotal.....			\$ 13,423,420	\$ 1,317,000	\$ (1,625,320)	\$ 13,115,100
Unamortized Premium.....			-	75,428	(2,514)	72,914
Total Sewer.....			\$ 13,423,420	\$ 1,392,428	\$ (1,627,834)	\$ 13,188,014

The MWRA’s sanitary sewer infiltration/inflow reduction financial assistance program provides financial assistance for eligible projects in the form of a combination of grants and five-year interest-free loans. At June 30, 2016, the City had \$2,867,600 in MWRA sewer infiltration/inflow reduction loans outstanding. During fiscal year 2016, the City was the recipient of MWRA grants totaling \$2,751,000 and ten year interest free sewer infiltration/flow reduction loans totaling \$917,000.

The City has also entered into (3) ten-year subsidized loan agreements with the Massachusetts Clean Water Trust (MCWT) for additional sanitary sewer system infiltration and inflow reduction projects. At June 30, 2016 the City had \$4,035,000 in loans outstanding under this project. Interest and principal subsidies on these loans for the year ended June 30, 2016 were \$248,883 and \$233,347, respectively.

Debt service requirements for future year principal and interest for sewer enterprise fund debt is as follows:

Fiscal Year	Ending	Principal	Interest	Total
2017	\$	1,762,020	\$ 382,779	\$ 2,144,799
2018		1,681,960	325,242	2,007,202
2019		1,711,960	269,923	1,981,883
2020		1,731,960	214,344	1,946,304
2021		1,069,400	164,608	1,234,008
2022		573,400	137,601	711,001
2023		573,400	123,375	696,775
2024		563,400	110,226	673,626
2025		563,400	96,498	659,898
2026		476,700	86,787	563,487
2027		385,000	74,962	459,962
2028		377,500	63,137	440,637
2029		380,000	51,237	431,237
2030		380,000	39,162	419,162
2031		355,000	27,162	382,162
2032		320,000	16,162	336,162
2033		210,000	6,562	216,562
Total	\$	13,115,100	\$ 2,189,767	\$ 15,304,867

CITY OF NEWTON, MASSACHUSETTS

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2016

Bonds Payable – Stormwater Enterprise Fund

	Date of Issue	Interest Rate (%)	Outstanding July 1, 2015	Issued	Redeemed	Outstanding June 30, 2016
Dedham St Drainage.....	1/20/2016	3.0 -5.0%	\$ -	\$ 725,000	\$ -	\$ 725,000
Unamortized Premium.....			-	94,109	(2,353)	91,756
Total Stormwater.....			\$ -	\$ 819,109	\$ (2,353)	\$ 816,756

Debt service requirements for future year principal and interest for stormwater enterprise fund debt is as follows:

Fiscal Year Ending	Principal	Interest	Total
2017	\$ 25,000	\$ 28,820	\$ 53,820
2018	25,000	28,900	53,900
2019	25,000	27,900	52,900
2020	25,000	26,650	51,650
2021	25,000	25,400	50,400
2022	30,000	24,150	54,150
2023	30,000	22,650	52,650
2024	30,000	21,450	51,450
2025	35,000	19,950	54,950
2026	35,000	18,550	53,550
2027	35,000	16,800	51,800
2028	40,000	15,050	55,050
2029	40,000	13,050	53,050
2030	40,000	11,050	51,050
2031	45,000	9,450	54,450
2032	45,000	7,650	52,650
2033	45,000	5,850	50,850
2034	50,000	4,500	54,500
2035	50,000	3,000	53,000
2036	50,000	1,500	51,500
Total	\$ 725,000	\$ 332,320	\$ 1,057,320

Water, sewer, and stormwater debt is expected to be funded from water, sewer, and stormwater enterprise fund revenue.

Authorized and Unissued Debt

At June 30, 2016 the City had a total of \$42,240,877 in authorized (by the City Council) and unissued debt, which is summarized as follows:

	Beginning of Year	Increases	Decreases	End of Year
School improvements.....	\$ 53,246,036	1,760,000	(25,666,159)	29,339,877
Public works equipment.....	-	150,000	(150,000)	-
Sewer system improvements	536,655	1,317,000	(1,853,655)	-
Storm drainage improvement.....	-	725,000	(725,000)	-
Water main rehabilitation - MWRA.....	8,161,200	-	(1,360,200)	6,801,000
Water main improvement.....	-	2,700,000	-	2,700,000
Fire engine and station repairs.....	3,658,119	4,781,000	(5,039,119)	3,400,000
Tennis court reconstruction.....	-	750,000	(750,000)	-
Public works improvements.....	-	3,200,000	(3,200,000)	-
Public building improvements.....	-	1,319,000	(1,319,000)	-
15 Walnut Park land acquisition.....	17,350,000	-	(17,350,000)	-
Senior Center HVAC improvements.....	150,000	-	(150,000)	-
FA Day hot water heater replacement.....	150,000	-	(150,000)	-
City Hall war memorial elevator.....	1,140,000	-	(1,140,000)	-
Traffic signal improvements.....	800,000	-	(800,000)	-
Total.....	85,192,010	16,702,000	(59,653,133)	42,240,877

CITY OF NEWTON, MASSACHUSETTS

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2016

Subsequent Event

Advanced Refunding – July 2016

The City advance refunded \$63,620,000 in general obligation bonds with a final maturity of April 1, 2039. In order to defease the debt, the City issued \$65,775,000 in general obligation refunding bonds dated July 28, 2016, with a final maturity of April 1, 2039. The refunding bonds will generate debt service savings of \$12,925,377 over the remaining life of the bonds, with an economic gain of \$10,226,706.

Note 11 – Landfill Closure and Post-closure Care Costs

State and federal laws and regulations mandated that the City close its old landfill site when it ceases accepting waste and to perform certain maintenance and monitoring activities at the site after closure. On June 28, 1996 the City signed a consent agreement with the Commonwealth of Massachusetts’ Department of Environmental Protection that established a schedule for closure of the Rumford Avenue landfill. This landfill ceased operations in 1976 and was capped during 1998, which was in compliance with the consent agreement. The City has recorded a liability of \$652,603 at June 30, 2016 for future year landfill site monitoring and maintenance. Estimated costs per year total \$30,500. The current estimate is based upon current costs and may require modification in future years due to price inflation, changes in technology or changes in state/federal law and regulations.

Note 12 – Other Post Employment Benefits

Plan Description – The City provides health and life insurance coverage for its retirees and their survivors (hereinafter referred to as the “Plan”) as a single-employer defined benefit Other Post Employment Benefit (OPEB) plan. Chapter 32B of the MGL assigns authority to establish and amend benefit provisions. Changes to plan design and contribution rates must be accomplished through the collective bargaining process. The Plan does not issue a stand-alone financial report.

The number of participants as of June 30, 2016, the latest actuarial valuation, is as follows:

Active employees.....	2,442
Retired employees and beneficiaries.....	<u>2,791</u>
Total.....	<u>5,233</u>

Funding Policy - The contribution requirements of Plan members and the City are established and may be amended by the City. The required health insurance contribution rates of Plan members and the City are 25%/30% and 75%/70%, respectively. In addition, the City reimburses retirees and their spouses \$925 each per year for Medicare Part B premiums. The Plan members and City each contribute 50% towards a \$5,000 term life insurance premium. In addition to the City contributing money to the Plan to satisfy current obligations on a pay-as-you-go basis, the City contributed 3% of compensation for all employees enrolling in the City health plan on or after July 1, 2012. The costs of administering the Plan are paid by the City.

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

CITY OF NEWTON, MASSACHUSETTS

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2016

The following table shows the components of the City's annual OPEB cost for the year, the actual amount contributed to the plan, and changes in the total net OPEB obligation:

	<u>Amount</u> <u>(in thousands)</u>	
Annual required contribution.....	\$	54,630
Interest on net OPEB obligation.....		4,787
Adjustment to annual required contribution.....		<u>(10,250)</u>
Annual OPEB cost.....		49,167
Contributions made.....		<u>(19,764)</u>
Increase in net OPEB obligation.....		29,403
Net OPEB obligation at beginning of year.....		<u>232,360</u>
Net OPEB obligation at end of year.....	\$	<u><u>261,763</u></u>

Trend information regarding annual pension cost, the percentage of the annual pension cost contributed and the net pension obligation is as follows:

	<u>Dollar Amounts in Thousands</u>		
<u>Fiscal Year</u> <u>Ending</u>	<u>Annual</u> <u>OPEB Cost</u> <u>(AOPEBC)</u>	<u>Percentage</u> <u>of AOPEBC</u> <u>Contributed</u>	<u>Net</u> <u>OPEB</u> <u>Obligation</u>
June 30, 2014.....	\$ 42,134	40.5%	\$ 202,591
June 30, 2015.....	48,071	38.1%	232,360
June 30, 2016.....	49,167	40.2%	261,763

Funded Status and Funding Progress – The funded status of the Plan at June 30, 2016, the most recent actuarial valuation, was as follows:

	<u>Dollar Amounts in Thousands</u>					
<u>Actuarial</u> <u>Valuation</u> <u>Date</u>	<u>Actuarial</u> <u>Value of</u> <u>Assets</u> <u>(A)</u>	<u>Actuarial</u> <u>Liability (AAL)</u> <u>Projected Unit</u> <u>Credit</u> <u>(B)</u>	<u>Unfunded</u> <u>AAL</u> <u>(UAAL)</u> <u>(B-A)</u>	<u>Funded</u> <u>Ratio</u> <u>(A/B)</u>	<u>Covered</u> <u>Payroll</u> <u>(C)</u>	<u>UAAL as a</u> <u>Percentage</u> <u>of Covered</u> <u>Payroll</u> <u>((B-A)/C)</u>
06/30/16	\$ 3,570	\$ 722,762	\$ 719,192	0.5%	\$ 210,597	342%

CITY OF NEWTON, MASSACHUSETTS

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2016

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

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

The significant methods and assumptions as of the latest actuarial valuation are as follows:

Valuation date:	June 30, 2016
Actuarial cost method:	Entry Age Normal
Amortization method:	Level dollar
Remaining amortization period:	30 years (open)
Interest discount rate:	2.06%
Healthcare/Medical cost trend rate:	7.93% for 2017; 7.47% for 2018; 7.00% for 2019; 6.54% starting in 2020 to an ultimate level of 6.08% per year.

CITY OF NEWTON, MASSACHUSETTS

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2016

Allocation of AOPEBC – AOPEBC costs were allocated to the City’s functions as follows:

Governmental Activities:

Legislative & Executive.....	\$ 573,791
Financial administration.....	585,329
Administrative support.....	664,128
Planning & development.....	267,051
Public building maintenance & operation.....	587,815
Police.....	4,672,301
Fire.....	4,824,241
Inspectional services.....	289,042
Education.....	30,610,518
Streets & sidewalks.....	1,424,995
Collection & disposal of solid waste.....	109,171
Equipment maintenance.....	390,633
Engineering.....	229,692
Administration & support.....	235,854
Public health.....	686,617
Senior services.....	45,649
Veteran services.....	24,309
Libraries.....	942,579
Parks & recreation.....	832,229
Newton history museum.....	25,035
	<hr/>
Total AOPEBC - governmental activities.....	48,020,979

Business-Type Activities:

Water.....	608,008
Stormwater.....	86,243
Sewer.....	452,277
	<hr/>
Total AOPEBC - business-type activities.....	1,146,528
	<hr/>
Total AOPEBC.....	\$ 49,167,507

Note 13 – Risk Financing

The City is exposed to various risks of loss related to general liability, property and casualty, workers’ compensation, unemployment, and employee health insurance claims. The City is self-insured for general liability risks, however, Chapter 258 of the Massachusetts General Laws limits the liability to a maximum of \$100,000 per claim in all matters except actions relating to federal civil rights, eminent domain, and breach of contract. The City is also self-insured for workers’ compensation and unemployment claims.

CITY OF NEWTON, MASSACHUSETTS

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2016

The City has medical plans with Tufts and Harvard-Pilgrim, under which it makes actual claims payments. The medical plan providers act as claims processors and a transfer of risk does not occur. City employees currently contribute between 20% and 30% of the cost of health care, and retirees contribute between 25% and 30% of their health care costs, and the remainder is funded by the City. The City purchased stop loss insurance for individual claims in excess of \$250,000 per year, which are incurred during the fiscal year and paid within eighteen months after June 30.

During the fiscal year ended June 30, 2012 the City implemented several changes in health care plan design for active employees and their dependents through the collective bargaining process. The changes include introduction of annual deductibles; increased co-payments, and an increase in health premium contributions for new employees from 20% to either 25% or 30%, depending upon bargaining unit.

At June 30, 2016, the City's health claims liability totaled \$4,655,547 and is based on approximately one month claims paid average. Changes in the reported liability since July 1, 2014 are as follows:

	Balance at Beginning of Fiscal Year	Current Year Claims and Changes in Estimate	Claims Payments	Balance at Fiscal Year-end
Fiscal year 2015.....	\$ 3,333,157	\$ 51,314,952	\$ (51,114,241)	\$ 3,533,868
Fiscal year 2016.....	3,533,868	55,261,029	(54,139,350)	4,655,547

Workers' compensation claims are administered by the City's Personnel Department. The City contracts for an annual actuarial valuation of the program, and based on this study, has recorded a liability of \$8,300,217 at June 30, 2016, of which \$1,474,065 has been recorded as a current liability based upon the City's expectation that this amount will be paid within the fiscal year ending June 30, 2017. The liability includes an estimate of the IBNR claims.

The June 30, 2016 plan valuation is based upon the use of a combination of the paid loss development method and the Bornhuetter-Ferguson Paid Loss method. US Life Tables 2010 Vital Statistics for Males and Females have been used to determine annuity values for long term claims, using a 5.0% annual rate of interest.

Changes in the reported liability since July 1, 2014 are as follows:

	Balance at Beginning of Fiscal Year	Current Year Claims and Changes in Estimate	Claims Payments	Balance at Fiscal Year-end
Fiscal year 2015.....	\$ 8,099,755	\$ 1,992,661	\$ (1,668,877)	\$ 8,423,539
Fiscal year 2016.....	8,423,539	1,475,827	(1,599,149)	8,300,217

CITY OF NEWTON, MASSACHUSETTS

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2016

Note 14 – Fund Balances

The constraints on fund balances as listed in aggregate in the Governmental Funds Balance Sheet are detailed as follows:

	<u>General</u>	<u>Community Preservation</u>	<u>Angier School Improvements</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Nonspendable:					
Permanent fund principal.....	\$ -	\$ -	\$ -	\$ 397,049	\$ 397,049
Restricted:					
Debt service.....	2,803,983	-	-	-	2,803,983
General government.....	-	-	-	4,004,343	4,004,343
Public safety.....	-	-	-	1,150,088	1,150,088
Education.....	-	-	-	2,260,433	2,260,433
School construction.....	-	-	895,175	13,079,779	13,974,954
Pre-school program.....	-	-	-	145,199	145,199
Summer school.....	-	-	-	244,659	244,659
Continuing education.....	-	-	-	1,018,430	1,018,430
Public works.....	-	-	-	3,680,200	3,680,200
Health and human services.....	-	-	-	417,846	417,846
Culture and recreation.....	-	-	-	2,786,014	2,786,014
Recreation activities/classes.....	-	-	-	838,610	838,610
Camp programs.....	-	-	-	1,654,372	1,654,372
Community preservation.....	-	8,794,993	-	-	8,794,993
CPA- community housing.....	-	2,931,001	-	-	2,931,001
CPA- historic resources.....	-	2,278,991	-	-	2,278,991
CPA- community recreation.....	-	1,344,769	-	-	1,344,769
Capital.....	10,285	-	-	-	10,285
School lunch.....	-	-	-	143,485	143,485
Insurance proceeds.....	-	-	-	7,010	7,010
Receipts reserved.....	-	-	-	2,637,924	2,637,924
Sub-total - Restricted.....	<u>2,814,268</u>	<u>15,349,754</u>	<u>895,175</u>	<u>34,068,392</u>	<u>53,127,589</u>
Committed:					
Subsequent year's expenditures.....	1,598,546	-	-	-	1,598,546
Capital.....	2,168,821	-	-	-	2,168,821
Continuing appropriations.....	5,084,436	-	-	-	5,084,436
Receipts reserved.....	-	-	-	1,554,522	1,554,522
Sub-total - Committed.....	<u>8,851,803</u>	<u>-</u>	<u>-</u>	<u>1,554,522</u>	<u>10,406,325</u>
Assigned:					
Encumbrances.....	1,881,754	-	-	-	1,881,754
Capital.....	294,350	-	-	-	294,350
Sub-total - Assigned.....	<u>2,176,104</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,176,104</u>
Unassigned.....	<u>43,616,522</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>43,616,522</u>
Total.....	<u>\$ 57,458,697</u>	<u>\$ 15,349,754</u>	<u>\$ 895,175</u>	<u>\$ 36,019,963</u>	<u>\$ 109,723,589</u>

CITY OF NEWTON, MASSACHUSETTS

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2016

Note 15 – Stabilization Funds

The City maintains capital and rainy day stabilization funds. Appropriations in and out of the stabilization funds require approval of the Mayor and City Council. Investment income is retained by the funds.

The balance of the capital and rainy day stabilization funds at June 30, 2016 total \$2,473,456 and \$18,841,239 respectively, and are reported in the general fund as restricted (\$10,285), committed (\$2,168,821), assigned (\$294,350) and unassigned (\$18,841,239).

Note 16 - Donor Restricted Endowments

Permanent Fund and Private Purpose Trust Fund donors have placed restrictions on the expenditure of certain Permanent Fund and Private Purpose Trust Fund endowments. Local policy prohibits the expenditure of unrealized gains and, as a result, only realized gains and investment income on all such funds is available for expenditure. Furthermore, the expenditure of investment income is restricted by individual donor trust agreements.

Amounts available for expenditure related to Permanent Funds are reported as expendable perpetual funds in the Statement of Net position and restricted fund balance in the Governmental Funds Balance Sheet. Amounts available for expenditure related to Private Purpose Trust Funds are reported as held in trust for other purposes in the Fiduciary Funds Statement of Fiduciary Net Position.

Note 17 – Pension Plan (System)

A – Plan Description

The City contributes to the System, a cost-sharing multiple-employer defined benefit pension plan administered by the Newton Contributory Retirement Board (NCRB). Substantially all employees of the City are members of the System, except for public school teachers and certain school administrative personnel who are members of the MTRS. The System also covers eligible employees of the Newton Housing Authority.

At December 31, 2015, the System’s membership consisted of the following:

Active members.....	1,732
Inactive - entitled to or receiving benefits.....	36
Inactive - not entitled to or not receiving benefits.....	586
Retirees and beneficiaries currently receiving benefits.....	<u>1,305</u>
Total members.....	<u><u>3,659</u></u>
Number of participating employers.....	<u><u>2</u></u>

The System is governed by a five member board comprised of the City Comptroller (ex officio); an appointee of the Mayor; two members elected by the active and retired members of the System, and one member appointed by the other four members.

CITY OF NEWTON, MASSACHUSETTS

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2016

B – Benefits Provided

The System provides retirement, disability and death benefits to plan members and beneficiaries, pursuant to Massachusetts General Law Chapter 32, up to a maximum of 80% of the average of a member’s three or five highest consecutive years’ regular compensation. In addition to regular compensation, benefits are based upon a member’s age, length of creditable service and group classification. Members become vested after ten years of creditable service. A normal retirement allowance may be received after the completion of 20 years of service or upon reaching age 55 or 60, with 10 years of service. Normal retirement for most employees occurs at age 65 or 67, except for certain hazardous duty and public safety employees who attain normal retirement at age 55 or 57.

City employees with World War II military veteran status, at least 30 years of service to the City, and who began work prior to July 1, 1939, are entitled to a non-contributory pension benefit equal to 72% of their highest annual rate of regular compensation. Non contributory retirees are eligible for an annual cost of living adjustment of not more than 3% on the first \$12,000 of their annual retirement benefit.

A retirement allowance consists of two parts, an annuity and a pension. A member’s accumulated total retirement deductions, plus interest, constitutes the annuity. The difference between the total retirement benefit and the annuity is the pension.

C - Contributions

Chapter 32 of the MGL assigns authority to establish and amend contribution requirements of the System. In 1984 the City began funding the System on an actuarial reserve basis. This funding includes both current year service and the amortization of past service liability. It is the policy of the NCRB to contract for an annual actuarial valuation of the System to determine whether the contributions are sufficient to meet accruing liabilities and to demonstrate what adjustments, if any, are necessary on the basis of actual experience. Active member contribution rates are based upon date of hire: Prior to January 1, 1975 - 5% of regular compensation; January 1, 1975-December 31, 1984 - 7% of regular compensation; January 1, 1985-June 30, 1996 - 8% of regular compensation and July 1, 1996 to date - 9% of regular compensation. Members hired on or after January 1, 1979 contribute an additional 2% of annual regular compensation in excess of \$30,000.

For the year ended December 31, 2015, active member contributions totaled \$8,842,379 and employer contributions totaled \$21,670,552. Contributions to the System from the City were \$21,453,967 for the year ended June 30, 2016.

D – Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The components of the net pension liability of the System at December 31, 2015, were as follows:

Total pension liability	\$ 610,204,160
Plan fiduciary net position	<u>(289,931,569)</u>
Net pension liability	<u>\$ 320,272,591</u>
Plan fiduciary net position as a percentage of the total pension liability	47.51%

CITY OF NEWTON, MASSACHUSETTS

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2016

At June 30, 2016, the City reported a liability of \$317,071,646 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability was also determined by an actuarial valuation as of December 31, 2015. The City's proportion of the net pension liability is the proportionate share of employer contributions to the System for the year ended December 31, 2015, actuarially determined. At December 31, 2015, the City's proportion was 99.000556 percent.

For the year ended June 30, 2016, the City recognized pension expense of \$33,474,806 associated with the System. At June 30, 2016, the City reported deferred outflows of resources related to pensions of \$32,289,080, and deferred inflows of resources of \$3,219,181 from the following sources:

	<u>Deferred Outflows</u> <u>of Resources</u>	<u>Deferred Inflows</u> <u>of Resources</u>
Differences between expected and actual experience.....	\$ 1,396,129	\$ 3,161,863
Changes of assumptions.....	15,410,515	-
Net difference between projected and actual earnings on System investments.....	15,482,436	-
Changes in proportion and differences between employer contributions and proportionate share of contributions.....	-	57,318
	<u>\$ 32,289,080</u>	<u>\$ 3,219,181</u>

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

<u>Year Ended June 30:</u>	<u>Amount</u>
2017	\$ 8,688,987
2018	8,688,987
2019	8,688,984
2020	3,002,941

Actuarial Assumptions – The total pension liability in the December 31, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial cost method:	Entry Age Normal
Amortization method:	Increasing payments 9.60% per year
Remaining amortization period:	13 years (closed)
Asset valuation method:	Sum of actuarial value at beginning of year, contributions and investment earnings based on actuarial interest assumption less benefit payments plus 25% of the market value at the end of the year in excess of that sum, plus additional adjustment toward market value as necessary so that final actuarial value is within 20% of market value
Investment rate of return:	7.35%, net of pension plan investment expense, including inflation

CITY OF NEWTON, MASSACHUSETTS

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2016

Inflation rate:	2.5% per year
Salary increases:	3.5% per year
Cost of living adjustment:	3.0% on the first \$12,000 in benefits
Mortality rates:	Pre-Retirement - RP-2000 Employee Mortality Table projected generationally from 2005 using Scale BB
	Healthy Retiree - RP-2000 Healthy Annuitant Mortality Table projected generationally from 2005 using Scale BB
	Disabled Retiree - RP-2000 Healthy Annuitant Mortality Table projected generationally from 2005 using Scale BB, set forward three years

The actuarial assumptions used in the December 31, 2015 valuation were based on the results of an actuarial experience study for the period January 1, 2015 to December 31, 2015.

Investment Policies and Rates of Return - Deposits and investments made by the System are governed by Chapter 32 of the MGL. The NCRB is responsible for the adoption of a formal asset allocation policy, the selection of professional investment managers to execute the investment policies, and the appointment of an investment consultant to assist with the evaluation of investment manager performance. All investment activities of the NCRB are subject to oversight by the Commonwealth of Massachusetts' Public Employee Retirement Administration Commission (PERAC).

For the year ended December 31, 2015, the annual money-weighted rate of return on System investments, net of investment expense, was 0.74%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. The System's current funding schedule is based upon a 7.35% assumed rate of return.

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

CITY OF NEWTON, MASSACHUSETTS

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2016

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	20.0%	6.49%
International Equity - Developed Markets	16.0%	7.16%
International Equity - Emerging Markets	6.0%	9.46%
Core Fixed Income	17.5%	1.68%
High-Yield Fixed Income	5.5%	4.76%
Real Estate	10.0%	4.37%
Commodities	4.0%	4.13%
Hedge Funds	11.0%	3.60%
Private Equity	10.0%	11.04%
Cash	0.0%	1.11%

Discount Rate - The discount rate used to measure the total pension liability was 7.35 percent; which was the same discount rate used to measure the total pension liability in the prior year. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from employers will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following presents the net pension liability of the System calculated using the discount rate of 7.35 percent, as well as what the System's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.35 percent) or 1-percentage-point higher (8.35 percent) than the current rate:

	1% Decrease (6.35%)	Current Discount Rate (7.35%)	1% Increase (8.35%)
System's net pension liability	\$ 386,789,315	\$ 320,272,591	\$ 264,170,764

The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.35 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.35 percent) or 1-percentage-point higher (8.35 percent) than the current rate:

	1% Decrease (6.35%)	Current Discount Rate (7.35%)	1% Increase (8.35%)
City's proportionate share of the net pension liability	\$ 382,923,572	\$ 317,071,646	\$ 261,530,525

CITY OF NEWTON, MASSACHUSETTS

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2016

Legally Required Reserve Accounts – The balance in the System’s legally required reserves as of December 31, 2015 are as follows:

Description	Amount	Purpose
Annuity Savings Fund.....	\$ 89,207,262	Active members' contribution balance
Annuity Reserve Fund....	29,126,575	Retired members' contribution account
Military Service Fund.....	65,603	Military leave of absence contribution balance
Pension Fund.....	<u>171,532,129</u>	Remaining net reserves
Total.....	\$ <u><u>289,931,569</u></u>	

Note 18 – Pension Plan (Massachusetts Teachers Retirement System)

A - General Information about the Pension Plan

Plan description - Public school teachers and certain administrators are provided with pensions through the Massachusetts Teachers’ Retirement System (MTRS), a cost-sharing multiple-employer defined benefit pension plan administered by the Massachusetts Teachers’ Retirement Board. The MTRS is part of the Commonwealth of Massachusetts’ (Commonwealth) reporting entity and does not issue a stand-alone audited financial report. The MTRS is reported as a Pension Trust Fund in the Commonwealth’s audited financial statements that can be obtained at <http://www.mass.gov/osc/publications-and-reports/financial-reports/cafr-reports.html>.

Benefits provided - MTRS provides retirement, disability, survivor and death benefits to members and their beneficiaries. Massachusetts General Laws (MGL) establishes uniform benefit requirements. These requirements provide for superannuation retirement allowance benefits up to a maximum of 80% of a member’s highest three-year average annual rate of regular compensation. For employees hired after April 1, 2012, retirement allowances are calculated on the basis of the last five years or any five consecutive years, whichever is greater in terms of compensation. Benefit payments are based upon a member’s age, length of creditable service, and group creditable service, and group classification. The authority for amending these provisions rests with the Legislature.

Members become vested after ten years of creditable service. A superannuation retirement allowance may be received upon the completion of twenty years of creditable service or upon reaching the age of 55 with ten years of service. Normal retirement for most employees occurs at age 65. Most employees who joined the system after April 1, 2012 cannot retire prior to age 60.

Contributions - The MTRS’ funding policies have been established by Chapter 32 of the MGL. The Legislature has the authority to amend these policies. The annuity portion of the MTRS retirement allowance is funded by employees, who contribute a percentage of their regular compensation. Member contributions for MTRS vary depending on the most recent date of membership, ranging from 5-11% of regular compensation. Members hired in 1979 or subsequent contribute an additional 2% of regular compensation in excess of \$30,000.

The Commonwealth is a nonemployer contributor and is required by statute to make all actuarially determined employer contributions on behalf of the member employers. Therefore, the City 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 contributing entity in MTRS.

CITY OF NEWTON, MASSACHUSETTS

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2016

B - Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Since the City does not contribute directly to MTRS, the City does not report a proportionate share of the net pension liability of the MTRS at June 30, 2016. The Commonwealth's net pension liability associated with the City was \$337,530,133.

The MTRS' net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2015 rolled forward to June 30, 2015.

For the year ended June 30, 2016, the City recognized pension expense of \$16,834,464 associated with MTRS and revenue of the same amount for support provided by the Commonwealth.

Actuarial assumptions - The MTRS' total pension liability for the June 30, 2015 measurement date was determined by an actuarial valuation as of January 1, 2015 rolled forward to June 30, 2015. This valuation used the following assumptions:

Investment rate of return:	7.50%
Salary increases:	Salary increases are based on analyses of past experience but range from 4.00% to 7.50% depending on length of service
Mortality Rates:	Pre-retirement - reflects RP-2014 Employees table projected generationally with Scale BB and a base year of 2014 (gender distinct) Post-retirement – reflects RP-2014 Healthy Annuitant table projected generationally with a Scale BB and a base year of 2014 (gender distinct) Disability – assumed to be in accordance with the RP-2014 Healthy Annuitant Table projected generationally with Scale BB and a base year 2014 set forward 4 years
Other:	3.50% interest rate credited to the annuity savings fund 3.00% cost of living increase per year

Investment assets of the MTRS are with the Pension Reserves Investment Trust (PRIT) Fund. 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 rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage. Best estimates of geometric rates of return for each major asset class included in the PRIT Fund's target asset allocation as of June 30, 2015 are summarized in the following table:

CITY OF NEWTON, MASSACHUSETTS

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2016

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	40.00%	6.90%
Core Fixed Income	13.00%	2.40%
Private Equity	10.00%	8.50%
Real Estate	10.00%	6.50%
Value Added Fixed Income	10.00%	5.80%
Hedge Funds	9.00%	5.80%
Portfolio Completion Strategies	4.00%	5.50%
Timber/Natural Resources	4.00%	6.60%
Totals	100.00%	

Discount rate - The discount rate used to measure the MTRS' total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rates and the Commonwealth's contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rates. Based on those assumptions, the 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.

Pension plan fiduciary net position - Detailed information about the MTRS' fiduciary net position is available in the Commonwealth's audited financial statements.

Note 19 – Commitments and Contingencies

Significant commitments include the continuing appropriations and encumbrances outstanding for the general fund and CPA fund, for which outstanding balances at June 30, 2016, totaled \$6,966,190 and \$6,192,435, respectively.

The City has an Infrastructure Development Assistance Agreement (IDAA) with the Commonwealth of Massachusetts and the developers of the Chestnut Hill Square commercial development along State Route 9. Under the terms of the agreement the Commonwealth issued debt to reimburse the developers for \$10 million in public infrastructure improvements that were necessary to accommodate the Chestnut Hill Square development. All funding for the 30 years of debt service associated with the infrastructure improvement reimbursement is expected to be derived from incremental state sales and income tax revenue generated from the commercial development project, however, in the event of a short-fall, the City is responsible for reimbursing the Commonwealth for the difference between the annual debt service on the project debt and the actual incremental state sales and income tax revenues generated from the project. According to Article 4(a) of the agreement, "Local Infrastructure Development Assistance shall constitute a general obligation of the City to which its full faith and credit shall be pledged." In order to minimize the City's financial exposure for such an event, the IDAA authorizes the City to levy and collect an Infrastructure Assessment against development real estate for any short fall and further requires that the developer fund a Municipal Liquidity Reserve equal to two years of annual debt service requirements (\$1,163,000), to be held by the City. The developer and any successors or assigns are obligated to replenish the Municipal Liquidity Reserve if any draw occurs. During fiscal year 2016, the City was not obligated to reimburse the Commonwealth for any debt service related to the IDAA.

The City participates in a number of state and federal award programs. These programs are still subject to separate 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, will be immaterial.

CITY OF NEWTON, MASSACHUSETTS

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2016

Various additional legal actions and claims are pending. Litigation is subject to many uncertainties and the outcome of individual litigated matters is not always predictable. Although the amount of liability, if any at June 30, 2016 cannot be ascertained, management believes any resulting liability should not materially affect the financial position of the City at June 30, 2016.

Note 20 – Prior Period Restatement

In the previous fiscal year, the City’s stormwater fund was reported as a nonmajor governmental fund. Effective July 1, 2015, the City implemented new user charge policies for its stormwater fund which were based upon full cost recovery. As such, effective July 1, 2015, the fund met the criteria of GASB Statement No. 34 to be presented as an enterprise fund. This requires the restatement of the June 30, 2015 net position of the governmental activities, business-type activities, and stormwater enterprise fund and the restatement of the June 30, 2015 fund balance of the nonmajor governmental funds, as shown as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Nonmajor Governmental Funds</u>	<u>Stormwater Enterprise Fund</u>
Net Position (Deficit), June 30, 2015, as Previously Reported.....	\$ (144,095,636)	\$ 94,014,054	\$ 17,107,938	\$ -
Cumulative Affect of Restatement.....	<u>(1,609,485)</u>	<u>1,609,485</u>	<u>(257,592)</u>	<u>1,609,485</u>
Net Position (Deficit), June 30, 2015, as Restated.....	<u><u>\$ (145,705,121)</u></u>	<u><u>\$ 95,623,539</u></u>	<u><u>\$ 16,850,346</u></u>	<u><u>\$ 1,609,485</u></u>

Required Supplementary Information



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CITY OF NEWTON, MASSACHUSETTS

Required Supplementary Information

Fiscal Year Ended June 30, 2016

PENSION PLAN SCHEDULES

**SCHEDULE OF CHANGES IN EMPLOYERS' NET PENSION LIABILITY AND RELATED RATIOS
(SYSTEM)**

	<u>2015</u>	<u>2014</u>
<u>Total pension liability</u>		
Service cost	\$ 11,948,894	\$ 10,445,973
Interest	43,307,330	41,588,936
Differences between expected and actual experience	(3,992,229)	2,350,371
Changes of assumptions	-	25,943,483
Benefit payments, including refunds of member contributions	<u>(36,652,624)</u>	<u>(35,872,446)</u>
Net change in total pension liability	14,611,371	44,456,317
Total pension liability - beginning	<u>595,592,789</u>	<u>551,136,472</u>
Total pension liability - ending (a)	<u><u>\$ 610,204,160</u></u>	<u><u>\$ 595,592,789</u></u>
<u>Plan fiduciary net position</u>		
Contributions - employer	\$ 21,670,552	\$ 19,972,859
Contributions - member	8,842,379	8,661,238
Net investment income	2,146,925	20,748,803
Benefit payments, including refunds of member contributions	<u>(36,652,624)</u>	<u>(35,872,446)</u>
Net change in plan fiduciary net position	(3,992,768)	13,510,454
Plan fiduciary net position - beginning	<u>293,924,337</u>	<u>280,413,883</u>
Plan fiduciary net position - ending (b)	<u><u>\$ 289,931,569</u></u>	<u><u>\$ 293,924,337</u></u>
Net pension liability - ending (a) - (b)	<u><u>\$ 320,272,591</u></u>	<u><u>\$ 301,668,452</u></u>
Plan fiduciary net position as a percentage of the total pension liability	47.51%	49.35%
Covered-employee payroll	\$ 92,136,867	\$ 86,807,549
Net pension liability as a percentage of covered-employee payroll	347.61%	347.51%

CITY OF NEWTON, MASSACHUSETTS

Required Supplementary Information

Fiscal Year Ended June 30, 2016

SCHEDULE OF EMPLOYER CONTRIBUTIONS (SYSTEM)

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Actuarially determined contribution	\$ 21,670,552	19,972,859	18,363,516	16,343,094	16,252,351
Contributions in relation to the actuarially determined contribution	<u>21,670,552</u>	<u>19,972,859</u>	<u>18,363,516</u>	<u>16,343,094</u>	<u>16,252,351</u>
Contribution deficiency (excess)	\$ <u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Covered-employee payroll	\$ 92,136,867	86,807,549	86,807,549	82,970,000	80,337,000
Contributions as a percentage of covered-employee payroll	23.52%	23.01%	21.15%	19.70%	20.23%
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Actuarially determined contribution	\$ 15,029,827	13,547,778	12,843,635	11,747,762	10,667,820
Contributions in relation to the actuarially determined contribution	<u>15,029,827</u>	<u>13,547,778</u>	<u>12,843,635</u>	<u>11,747,762</u>	<u>10,667,820</u>
Contribution deficiency (excess)	\$ <u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Covered-employee payroll	\$ 81,378,000	83,844,000	82,014,000	79,206,000	74,197,000
Contributions as a percentage of covered-employee payroll	18.47%	16.16%	15.66%	14.83%	14.38%

SCHEDULE OF INVESTMENT RETURNS (SYSTEM)

	<u>2015</u>	<u>2014</u>
Annual money-weighted rate of return, net of investment expense	0.74%	7.51%

CITY OF NEWTON, MASSACHUSETTS

Required Supplementary Information

Fiscal Year Ended June 30, 2016

SCHEDULE OF CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (SYSTEM)

	<u>2016*</u>	<u>2015*</u>
City's proportion of the net pension liability	99.000556%	99.026264%
City's proportionate share of the net pension liability	317,071,646	298,730,998
City's covered-employee payroll	90,939,864	85,643,310
City's proportionate share of the net pension liability as a percentage of its covered-employee payroll	348.66%	348.81%
Plan fiduciary net position as a percentage of the total pension liability	47.51%	49.35%

*The amounts presented were determined as of 12/31/15 and 12/31/14

SCHEDULE OF CITY'S CONTRIBUTIONS (SYSTEM)

	<u>2016</u>	<u>2015</u>
Actuarially Required Contribution	\$ 21,453,967	\$ 19,778,376
Contributions in Relation to the Actuarially Required Contribution	21,453,967	19,778,376
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>
 City's Covered-Employee Payroll	 \$ 90,939,864	 \$ 85,643,310
 Contributions as a Percentage of Covered Employee Payroll	 23.59%	 23.09%

SCHEDULE OF CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (MTRS)

	<u>2016*</u>	<u>2015*</u>
City's proportion of the net pension liability	0.00%	0.00%
City's proportionate share of the net pension liability	\$ -	\$ -
Commonwealth's proportionate share of the net pension liability associated with the City	<u>337,530,133</u>	<u>260,194,376</u>
Total	<u>\$ 337,530,133</u>	<u>\$ 260,194,376</u>
 City's covered-employee payroll	 \$ 104,421,833	 \$ 100,361,397
City's proportionate share of the net pension liability as a percentage of its covered-employee payroll	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	55.38%	61.64%

*The amounts presented were determined as of June 30, 2015 and June 30, 2014.

CITY OF NEWTON, MASSACHUSETTS

Required Supplementary Information

Fiscal Year Ended June 30, 2016

SCHEDULE OF CITY'S CONTRIBUTIONS (MTRS)

	<u>2016*</u>	<u>2015*</u>
Contractually required contribution	\$ -	\$ -
Contributions in relation to the contractually required contribution	<u>-</u>	<u>-</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
City's covered-employee payroll	\$ 104,421,833	\$ 100,361,397
Contributions as a percentage of covered-employee payroll	N/A	N/A

*The amounts presented were determined as of June 30, 2015 and June 30, 2014.

CITY OF NEWTON, MASSACHUSETTS

Required Supplementary Information

Fiscal Year Ended June 30, 2016

OTHER POSTEMPLOYMENT BENEFITS SCHEDULE

The following schedule provides information related to the City's other postemployment benefits plan:

SCHEDULES OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Accrued Liability (AAL) Projected Unit Credit (B)	Unfunded AAL (UAAL) (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	UAAL as a Percentage of Covered Payroll ((B-A)/C)
06/30/16	\$ 3,570	\$ 722,762	\$ 719,192	0.5%	\$ 210,597	342%
06/30/15	2,119	703,630	701,511	0.3%	200,641	350%
06/30/14	1,120	555,377	554,257	0.2%	191,423	290%
06/30/13	538	602,309	601,771	0.1%	182,513	330%
06/30/12	-	601,300	601,300	-	176,525	341%
06/30/11	-	639,110	639,110	-	176,191	363%

CITY OF NEWTON, MASSACHUSETTS
Notes to Required Supplementary Information
Fiscal Year Ended June 30, 2016

Note A – Methods and Assumptions Used in Calculations of Actuarially Determined Contributions

The actuarially determined contribution rates in the schedules of contributions are calculated as of January 1, one year prior to the end of the fiscal year in which contributions are reported. The following actuarial methods and assumptions were used to determine contribution rates reported in those schedules:

Actuarial cost method (2006-2015):	Entry Age Normal
Amortization method (2006):	Level percentage of payroll
Amortization method (2007-2009):	Payment increases 4.50% per year
Amortization method (2010-2012):	Payment increases 3.75% per year
Amortization method (2013):	Payment increases 8.50% per year
Amortization method (2014):	Payment increases 8.75% per year
Amortization method (2015):	Payment increases 9.60% per year
Remaining amortization period (2006):	21 years
Remaining amortization period (2007):	21 years
Remaining amortization period (2008):	20 years
Remaining amortization period (2009):	20 years
Remaining amortization period (2010):	27 years
Remaining amortization period (2011):	26 years
Remaining amortization period (2012):	24 years
Remaining amortization period (2013):	15 years
Remaining amortization period (2014):	14 years
Remaining amortization period (2015):	13 years
Asset valuation method (2006-2007):	5-year smoothed market value
Asset valuation method (2008-2009):	Market value
Asset valuation method (2010-2015):	Sum of actuarial value at beginning of year, contributions and investment earnings based on actuarial interest assumption less benefit payments plus 25% of the market value at the end of the year in excess of that sum, plus additional adjustment toward market value as necessary so that final actuarial value is within 20% of market value
Inflation (2006-2012):	3.0%
Inflation (2013):	2.0 – 2.5%
Inflation (2014-2015):	2.5%
Salary increases (2006-2008):	3.00 – 5.25%
Salary increases (2009):	4.00 – 5.25%
Salary increases (2010-2011):	2.0 – 3.5%
Salary increases (2012):	2.5 – 3.5%
Salary increases (2013):	3.0 – 3.5%
Salary increases (2014-2015):	3.5%
Investment rate of return (2006-2009):	8.00%
Investment rate of return (2010-2012):	7.75%
Investment rate of return (2013):	7.65%
Investment rate of return (2014-2015):	7.35%

Combining and Individual Fund Statements and Schedules



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Nonmajor Governmental Funds

Special Revenue Funds

School Lunch Fund:

This fund is used to account for the operations of the Newton Public School Department's student lunch program. Revenues are generated from the sale of lunches, state and federal reimbursement grants, and investment income. A formal budget is not adopted for this fund; however, expenditures cannot exceed revenues plus the beginning fund balance. Any difference between fund revenues and expenditures is financed with a transfer from the School Department's general fund operating budget. It is the policy of the Newton Public school department to subsidize all fund employee benefit costs.

Revolving Fund

The Revolving Fund is used to account for a variety of municipal functions that are expected to be self-supporting, such as departmental private duty details. All revolving funds, except for damage recoveries of less than \$20,000; private duty details and assignments; wetlands protection and development review activities; and police asset forfeitures are authorized annually by vote of the City Council under Massachusetts General Law Chapter 44, Section 53E 1/2. Fund expenditures are limited to the lesser of actual available resources or the annual spending limit authorized by the City Council.

Receipts Reserved Fund

This fund is used to account for a variety of local revenues whose use is either legally restricted by state law, or has been restricted by vote of the City's City Council, for specific purposes and can only be spent with the prior appropriation of the City Council. The fund is used to account for proceeds from the sale of surplus real estate, parking meter receipts, development mitigation funds, and revenues generated from cable television license agreements and the sale of recyclable materials. No expenditures can be made directly from the fund; rather, resources are appropriated and transferred to the City's general fund for expenditure.

Community Development Block Grant Fund

This fund is used to account for activities undertaken with federal Community Development Block Grant funds. The Mayor and City Council approve each year's grant budget. This is a reimbursement grant.

Municipal Federal Grant Fund

This fund is used to account for a variety of categorical municipal federal grants. The City Council approve annual grant budgets and grant budget obligations are generally limited to the lesser of actual available resources or the annual spending limit authorized by the Council.

Municipal State Grant Fund

This fund is used to account for a variety of categorical municipal state grants other than ARRA grants. The City Council approve annual grant budgets and grant budget obligations are limited to the lesser of actual available resources or the annual spending limit authorized by the Council.

School State Grant Fund

This fund is used to account for all categorical public education state grants. The School Committee approves annual grant budgets and grant budgets are recorded upon receipt of approved grant agreements.

School Federal Grant Fund

This fund is used to account for all categorical public education federal grants other than ARRA grants. The School Committee approves annual grant budgets and grant budgets are recorded upon receipt of approved grant agreements.

Gift Fund

This fund is used to account for private gifts and donations that are unrelated to any other fund. Expenditures are limited to the lesser of actual available resources or the annual spending limit authorized by the City Council and School Committee.

Capital Projects Funds

Public Building Improvements Fund

This fund is used to account for the acquisition, construction, reconstruction, and/or major renovation of buildings (and related fields and facilities) other than school-related projects. Financing is generally derived from the issuance of bonds or notes. City Council appropriations are for the term of the projects. The Public Building Commissioner is responsible for all projects accounted for in this fund. A separate sub-fund is maintained within the fund for each major capital project.

School Building Improvements Fund

This fund is used to account for the acquisition, construction, reconstruction, and/or major renovation of school-related buildings (and related fields and facilities). Financing is generally derived from the issuance of bonds or notes. City Council appropriations are for the term of the project. The Public Building Commissioner is responsible for all projects accounted for in this fund. A separate sub-fund is maintained within the fund for each major capital project.

Street Improvements Fund

This fund is used to account for the revenues and expenditures of the Commonwealth of Massachusetts Chapter 90 highway construction grant funds and state construction grant for certain road and intersection improvements. Grant budgets are recorded based upon annual grant awards from the Commonwealth, City Council authorization of annual spending authority, and approval of specific construction projects by the Massachusetts Highway Department. Chapter 90 highway construction grants are paid to the City on a reimbursement basis. The City finances grant expenditures internally until reimbursements are received from the Commonwealth. Grant revenue is recognized when approved expenditures are incurred and submitted to the Commonwealth for reimbursement.

Municipal Equipment Replacement Fund

This fund is used to account for the acquisition of public safety and public works motor equipment, financed with the issuance of debt.

Permanent Funds

Municipal Fund

This fund is used to account for a variety of municipal purposes. A detailed report may be obtained from the Comptroller's Office.

Library Common Fund

This fund is used to account for the purchase of library supplies and materials and the enhancement of public library services in Newton. The Newton Library Board of Trustees maintains custody of fund assets.



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CITY OF NEWTON, MASSACHUSETTS
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET

JUNE 30, 2016

Special Revenue Funds

ASSETS	School Lunch	Revolving	Receipts Reserved	Community Development Block Grant	Municipal Federal Grant
Cash and cash equivalents.....	\$ -	\$ -	\$ 1,554,522	\$ -	\$ -
Restricted cash and cash equivalents.....	1,109,238	6,559,006	2,637,924	513,752	247,933
Restricted investments.....	-	-	-	-	-
Receivables, net of allowance for uncollectible amounts:					
Charges for services.....	-	558,914	-	-	-
Special assessments.....	-	106,064	-	-	-
Departmental and other.....	-	-	-	-	-
Intergovernmental.....	54,628	-	-	3,200	181,389
Other assets.....	-	-	-	-	-
TOTAL ASSETS.....	\$ 1,163,866	\$ 7,223,984	\$ 4,192,446	\$ 516,952	\$ 429,322
LIABILITIES					
Warrants payable.....	\$ 34	\$ 234,914	\$ -	\$ 2,888	\$ 204,401
Accrued liabilities.....	732,948	30,124	-	273	35,154
Accrued payroll.....	-	254,790	-	7,054	881
Other liabilities.....	287,399	-	-	1,143	1,042
Due to other funds.....	-	-	-	-	-
Short-term notes payable.....	-	-	-	-	-
TOTAL LIABILITIES.....	1,020,381	519,828	-	11,358	241,478
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue.....	-	286,276	-	-	-
FUND BALANCES					
Nonspendable.....	-	-	-	-	-
Restricted.....	143,485	6,417,880	2,637,924	505,594	187,844
Committed.....	-	-	1,554,522	-	-
TOTAL FUND BALANCES.....	143,485	6,417,880	4,192,446	505,594	187,844
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES.....	\$ 1,163,866	\$ 7,223,984	\$ 4,192,446	\$ 516,952	\$ 429,322

Special Revenue Funds

Municipal State Grant	School State Grant	School Federal Grant	Gift	Sub-total
\$ -	\$ -	\$ -	\$ -	\$ 1,554,522
329,517	788,703	-	997,362	13,183,435
-	-	-	-	-
-	-	-	-	558,914
-	-	-	-	106,064
-	-	-	-	-
172,226	76,920	454,513	-	942,876
-	-	-	-	-
<u>501,743</u>	<u>865,623</u>	<u>454,513</u>	<u>997,362</u>	<u>16,345,811</u>
\$ 25,819	\$ 4,898	\$ 41,384	\$ 31,080	\$ 545,418
-	150	-	3,209	801,858
17,401	195,645	232,076	4,635	712,482
-	-	-	-	289,584
-	-	163,490	-	163,490
-	-	-	-	-
<u>43,220</u>	<u>200,693</u>	<u>436,950</u>	<u>38,924</u>	<u>2,512,832</u>
-	-	-	-	286,276
-	-	-	-	-
458,523	664,930	17,563	958,438	11,992,181
-	-	-	-	1,554,522
<u>458,523</u>	<u>664,930</u>	<u>17,563</u>	<u>958,438</u>	<u>13,546,703</u>
<u>501,743</u>	<u>865,623</u>	<u>454,513</u>	<u>997,362</u>	<u>16,345,811</u>

(Continued)

**CITY OF NEWTON, MASSACHUSETTS
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET**

JUNE 30, 2016

Capital Projects Funds

ASSETS	Public Building Improvements	School Building Improvements	Street Improvements	Municipal Equipment Replacement	Sub-total
Cash and cash equivalents.....	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted cash and cash equivalents.....	3,766,629	15,897,901	4,073,938	1,100,097	24,838,565
Restricted investments.....	-	-	-	-	-
Receivables, net of allowance for uncollectible amounts:					
Charges for services.....	-	-	-	-	-
Special assessments.....	-	-	-	-	-
Departmental and other.....	-	-	-	-	-
Intergovernmental.....	-	-	642,426	-	642,426
Other assets.....	-	-	-	-	-
TOTAL ASSETS.....	\$ 3,766,629	\$ 15,897,901	\$ 4,716,364	\$ 1,100,097	\$ 25,480,991
LIABILITIES					
Warrants payable.....	\$ 685,031	\$ 105,418	\$ 161,949	\$ 87,045	\$ 1,039,443
Accrued liabilities.....	204,136	1,951,706	264,271	-	2,420,113
Accrued payroll.....	-	-	-	-	-
Other liabilities.....	-	-	-	-	-
Due to other funds.....	-	-	463,839	-	463,839
Short-term notes payable.....	-	761,000	-	-	761,000
TOTAL LIABILITIES.....	889,167	2,818,124	890,059	87,045	4,684,395
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue.....	-	-	-	-	-
FUND BALANCES:					
Nonspendable.....	-	-	-	-	-
Restricted.....	2,877,462	13,079,777	3,826,305	1,013,052	20,796,596
Committed.....	-	-	-	-	-
TOTAL FUND BALANCES.....	2,877,462	13,079,777	3,826,305	1,013,052	20,796,596
TOTAL LIABILITIES AND FUND BALANCES.....	\$ 3,766,629	\$ 15,897,901	\$ 4,716,364	\$ 1,100,097	\$ 25,480,991

Permanent Funds

Municipal	Library Common	Sub-total	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ 1,554,522
607,172	533,523	1,140,695	39,162,695
-	527,012	527,012	527,012
-	-	-	558,914
-	-	-	106,064
-	645	645	645
-	-	-	1,585,302
<u>30,000</u>	<u>-</u>	<u>30,000</u>	<u>30,000</u>
\$ <u>637,172</u>	\$ <u>1,061,180</u>	\$ <u>1,698,352</u>	\$ <u>43,525,154</u>
\$ 21,688	\$ -	\$ 21,688	\$ 1,606,549
-	-	-	3,221,971
-	-	-	712,482
-	-	-	289,584
-	-	-	627,329
<u>-</u>	<u>-</u>	<u>-</u>	<u>761,000</u>
<u>21,688</u>	<u>-</u>	<u>21,688</u>	<u>7,218,915</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>286,276</u>
397,049	-	397,049	397,049
218,435	1,061,180	1,279,615	34,068,392
<u>-</u>	<u>-</u>	<u>-</u>	<u>1,554,522</u>
<u>615,484</u>	<u>1,061,180</u>	<u>1,676,664</u>	<u>36,019,963</u>
\$ <u>637,172</u>	\$ <u>1,061,180</u>	\$ <u>1,698,352</u>	\$ <u>43,525,154</u>

(Concluded)

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

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Special Revenue Funds

	School Lunch	Revolving	Receipts Reserved	Community Development Block Grant	Municipal Federal Grant
REVENUES					
Licenses and permits.....	\$ -	\$ -	\$ 1,240,119	\$ -	\$ -
Intergovernmental.....	684,960	5,278	-	3,001,790	2,738,336
Charges for services.....	2,357,166	14,536,252	1,644,716	-	-
Fines and forfeitures.....	-	233,525	12,650	-	-
Investment income (loss).....	2,781	3,816	286	-	-
Contributions and donations.....	-	212,579	136,000	-	-
Miscellaneous.....	-	63,027	148,584	-	-
Special assessments.....	-	123,894	-	-	-
TOTAL REVENUES.....	3,044,907	15,178,371	3,182,355	3,001,790	2,738,336
EXPENDITURES					
Current:					
General government:					
Legislative & executive.....	-	1,801	-	-	-
Planning & development.....	-	102,801	-	2,821,084	1,777,893
Public building maintenance & operations.....	-	3,074	-	-	-
Public safety:					
Police.....	-	3,666,613	-	-	153,546
Fire.....	-	307,673	-	-	-
Inspectional services.....	-	6,306	-	-	-
Education.....	2,995,200	7,742,077	-	-	-
Public works:					
Streets & sidewalks.....	-	233,590	-	-	-
Vehicle maintenance.....	-	2,390	-	-	-
Engineering.....	-	125,420	-	-	-
Health and human services:					
Health & human services.....	-	37	-	-	89,162
Senior services.....	-	156,659	-	-	-
Veteran services.....	-	-	-	-	-
Culture and recreation:					
Libraries.....	-	33,585	-	-	14,209
Parks & recreation.....	-	2,764,429	-	-	-
Newton History museum.....	-	2,164	-	-	-
TOTAL EXPENDITURES.....	2,995,200	15,148,619	-	2,821,084	2,034,810
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES.....	49,707	29,752	3,182,355	180,706	703,526
OTHER FINANCING SOURCES (USES)					
Transfers in.....	-	1,021,000	34,429	-	-
Issuance of general obligation bonds.....	-	-	-	-	-
Proceeds of refunding bonds.....	-	-	-	-	-
Premium from issuance of refunding bonds.....	-	-	-	-	-
Sale of assets.....	-	44,179	-	-	-
Transfers out.....	-	-	(2,958,008)	-	(939,987)
Payments to refunding bond escrow agent.....	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES).....	-	1,065,179	(2,923,579)	-	(939,987)
NET CHANGE IN FUND BALANCES.....	49,707	1,094,931	258,776	180,706	(236,461)
FUND BALANCES AT BEGINNING OF YEAR.....	93,778	5,322,949	3,933,670	324,888	424,305
FUND BALANCES AT END OF YEAR.....	\$ 143,485	\$ 6,417,880	\$ 4,192,446	\$ 505,594	\$ 187,844

Special Revenue Funds

Municipal State Grant	School State Grant	School Federal Grant	Gift	Sub-total
\$ -	\$ -	\$ -	\$ -	\$ 1,240,119
1,238,991	7,926,659	5,141,711	-	20,737,725
-	-	-	-	18,538,134
-	-	-	-	246,175
31	-	-	772	7,686
-	-	-	543,513	892,092
-	-	-	-	211,611
-	-	-	-	123,894
<u>1,239,022</u>	<u>7,926,659</u>	<u>5,141,711</u>	<u>544,285</u>	<u>41,997,436</u>
18,034	-	-	-	19,835
69,498	-	-	18,350	4,789,626
246,718	-	-	-	249,792
284,151	-	-	1,890	4,106,200
41,828	-	-	-	349,501
-	-	-	-	6,306
-	8,816,380	5,155,456	412,178	25,121,291
-	-	-	-	233,590
-	-	-	-	2,390
-	-	-	-	125,420
146,568	-	-	3,954	239,721
209,084	-	-	3,611	369,354
-	-	-	4,928	4,928
22,536	-	-	-	70,330
15,337	-	-	165,529	2,945,295
-	-	-	-	2,164
<u>1,053,754</u>	<u>8,816,380</u>	<u>5,155,456</u>	<u>610,440</u>	<u>38,635,743</u>
<u>185,268</u>	<u>(889,721)</u>	<u>(13,745)</u>	<u>(66,155)</u>	<u>3,361,693</u>
-	-	-	-	1,055,429
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	44,179
-	-	-	-	(3,897,995)
-	-	-	-	-
-	-	-	-	(2,798,387)
185,268	(889,721)	(13,745)	(66,155)	563,306
<u>273,255</u>	<u>1,554,651</u>	<u>31,308</u>	<u>1,024,593</u>	<u>12,983,397</u>
<u>\$ 458,523</u>	<u>\$ 664,930</u>	<u>\$ 17,563</u>	<u>\$ 958,438</u>	<u>\$ 13,546,703</u>

(Continued)

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

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Capital Projects Funds

	Public Building Improvements	School Building Improvements	Street Improvements	Municipal Equipment Replacement	Sub-total
REVENUES					
Licenses and permits.....	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental.....	-	154,981	4,210,097	-	4,365,078
Charges for services.....	-	338	-	-	338
Fines and forfeitures.....	-	-	-	-	-
Investment income (loss).....	-	-	-	-	-
Contributions and donations.....	-	-	-	-	-
Miscellaneous.....	-	-	-	-	-
Special assessments.....	-	-	-	-	-
TOTAL REVENUES.....	-	155,319	4,210,097	-	4,365,416
EXPENDITURES					
Current:					
General government:					
Legislative & executive.....	-	-	-	-	-
Planning & development.....	-	-	-	-	-
Public building maintenance & operations.....	6,463,289	-	-	-	6,463,289
Public safety:					
Police.....	-	-	-	-	-
Fire.....	-	-	-	481,070	481,070
Inspectional services.....	-	-	-	-	-
Education.....	-	24,670,980	-	-	24,670,980
Public works:					
Streets & sidewalks.....	-	-	5,300,286	477,820	5,778,106
Vehicle maintenance.....	-	-	-	-	-
Engineering.....	-	-	-	-	-
Health and human services:					
Health & human services.....	-	-	-	-	-
Senior services.....	-	-	-	-	-
Veteran services.....	-	-	-	-	-
Culture and recreation:					
Libraries.....	-	-	-	203,000	203,000
Parks & recreation.....	534,086	-	-	-	534,086
Newton History museum.....	-	-	-	-	-
TOTAL EXPENDITURES.....	6,997,375	24,670,980	5,300,286	1,161,890	38,130,531
EXCESS (DEFICIENCY) OF REVENUES					
OVER EXPENDITURES.....	(6,997,375)	(24,515,661)	(1,090,189)	(1,161,890)	(33,765,115)
OTHER FINANCING SOURCES (USES)					
Transfers in.....	905,046	415,665	783,846	-	2,104,557
Issuance of general obligation bonds.....	6,801,000	37,850,000	4,000,000	1,734,000	50,385,000
Proceeds of refunding bonds.....	-	983,800	-	325,150	1,308,950
Premium from issuance of refunding bonds.....	-	121,512	-	48,605	170,117
Sale of assets.....	-	-	-	-	-
Transfers out.....	(19,475)	(308,278)	-	-	(327,753)
Payments to refunding bond escrow agent.....	-	(1,105,312)	-	(373,755)	(1,479,067)
TOTAL OTHER FINANCING SOURCES (USES).....	7,686,571	37,957,387	4,783,846	1,734,000	52,161,804
NET CHANGE IN FUND BALANCES.....	689,196	13,441,726	3,693,657	572,110	18,396,689
FUND BALANCES AT BEGINNING OF YEAR.....	2,188,266	(361,949)	132,648	440,942	2,399,907
FUND BALANCES AT END OF YEAR.....	\$ 2,877,462	\$ 13,079,777	\$ 3,826,305	\$ 1,013,052	\$ 20,796,596

Permanent Funds

Municipal	Library Common	Sub-total	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ 1,240,119
-	-	-	25,102,803
1,333	-	1,333	18,539,805
-	-	-	246,175
673	(6,917)	(6,244)	1,442
200,000	354,877	554,877	1,446,969
-	-	-	211,611
-	-	-	123,894
<u>202,006</u>	<u>347,960</u>	<u>549,966</u>	<u>46,912,818</u>
-	-	-	19,835
-	-	-	4,789,626
757	-	757	6,713,838
-	-	-	4,106,200
-	-	-	830,571
-	-	-	6,306
-	-	-	49,792,271
-	-	-	6,011,696
-	-	-	2,390
-	-	-	125,420
-	-	-	239,721
-	-	-	369,354
-	-	-	4,928
-	299,587	299,587	572,917
40,000	-	40,000	3,519,381
-	-	-	2,164
<u>40,757</u>	<u>299,587</u>	<u>340,344</u>	<u>77,106,618</u>
<u>161,249</u>	<u>48,373</u>	<u>209,622</u>	<u>(30,193,800)</u>
-	-	-	3,159,986
-	-	-	50,385,000
-	-	-	1,308,950
-	-	-	170,117
-	-	-	44,179
-	-	-	(4,225,748)
-	-	-	(1,479,067)
-	-	-	49,363,417
161,249	48,373	209,622	19,169,617
<u>454,235</u>	<u>1,012,807</u>	<u>1,467,042</u>	<u>16,850,346</u>
<u>\$ 615,484</u>	<u>\$ 1,061,180</u>	<u>\$ 1,676,664</u>	<u>\$ 36,019,963</u>

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Internal Service Funds

Health Insurance Fund

This fund is used to account for group health benefits for active and retired employees of the City. The City funds 70%/75% of group health benefits, and employees contribute 25%/30% of the cost through payroll deductions. The City maintains separate sub-funds for plans administered by Tufts Associated Health Plan and Harvard-Pilgrim Health.

Workers' Compensation Insurance Fund

This fund is used to account for workers' compensation benefits, replacement wages and medical benefits for qualified employees. The fund is also used to account for the cost of providing medical benefits to public safety employees who are injured in the line of duty. Replacement wages for public safety employees are accounted for in the General Fund operating budgets of the police and fire departments.

Building Insurance Fund

This fund is used to generate annual income, which is used to finance the City's annual property insurance premiums. Funds are transferred to the General Fund, based upon an annual authorization vote of the City Council.

Liability Insurance Fund

This fund is used to accumulate resources to pay liability claims in excess of \$50,000. Liability claims of \$15,000 or more are financed from a judgment and settlement appropriation in the City's Solicitor's General Fund annual appropriation. Claims greater than \$5,000, but less than \$50,000 are financed with a transfer from the Reserve Fund annual appropriation in the General Fund.

CITY OF NEWTON, MASSACHUSETTS
INTERNAL SERVICE FUNDS
 COMBINING STATEMENT OF FUND NET POSITION

JUNE 30, 2016

ASSETS	Health Insurance	Workers' Compensation Insurance	Building Insurance	Liability Insurance	Total
Current assets:					
Restricted cash and cash equivalents.....	\$ 19,815,320	\$ 441,376	\$ -	\$ 4,401	\$ 20,261,097
Restricted investments.....	-	10,203,014	-	-	10,203,014
Interest and dividends.....	-	13,881	-	-	13,881
Receivables, net of allowance for uncollectible amounts:					
Departmental and other.....	177,066	-	-	-	177,066
Working capital deposit.....	398,015	-	-	-	398,015
Total assets.....	<u>20,390,401</u>	<u>10,658,271</u>	<u>-</u>	<u>4,401</u>	<u>31,053,073</u>
LIABILITIES					
Current liabilities:					
Warrants payable.....	54,115	18,226	-	-	72,341
Accrued liabilities.....	212,186	46,300	-	-	258,486
Accrued payroll.....	-	14,019	-	-	14,019
Other liabilities.....	1,816,058	-	-	-	1,816,058
Accrued health claims payable.....	4,655,547	-	-	-	4,655,547
Workers' compensation claims.....	-	1,474,065	-	-	1,474,065
Total current liabilities.....	<u>6,737,906</u>	<u>1,552,610</u>	<u>-</u>	<u>-</u>	<u>8,290,516</u>
Noncurrent liabilities:					
Workers' compensation claims.....	-	6,826,152	-	-	6,826,152
Total liabilities.....	<u>6,737,906</u>	<u>8,378,762</u>	<u>-</u>	<u>-</u>	<u>15,116,668</u>
FUND NET POSITION					
Unrestricted.....	<u>\$ 13,652,495</u>	<u>\$ 2,279,509</u>	<u>\$ -</u>	<u>\$ 4,401</u>	<u>\$ 15,936,405</u>

CITY OF NEWTON, MASSACHUSETTS
INTERNAL SERVICE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Health Insurance	Workers' Compensation Insurance	Building Insurance	Liability Insurance	Total
OPERATING REVENUES					
Employer contributions.....	\$ 45,845,341	\$ 1,650,000	\$ -	\$ -	\$ 47,495,341
Plan member contributions.....	12,228,686	-	-	-	12,228,686
TOTAL OPERATING REVENUES.....	58,074,027	1,650,000	-	-	59,724,027
OPERATING EXPENSES					
Change in incurred but not reported liability.....	209,448	(91,292)	-	-	118,156
Self insurance claims.....	54,877,455	1,599,148	-	-	56,476,603
Administrative expenses.....	3,872,360	111,131	-	-	3,983,491
TOTAL OPERATING EXPENSES.....	58,959,263	1,618,987	-	-	60,578,250
OPERATING INCOME (LOSS).....	(885,236)	31,013	-	-	(854,223)
NONOPERATING REVENUES (EXPENSES)					
Investment income.....	240,644	(178,113)	-	70	62,601
INCOME (LOSS) BEFORE TRANSFERS.....	(644,592)	(147,100)	-	70	(791,622)
TRANSFERS					
Transfers out.....	-	-	-	(134,363)	(134,363)
CHANGE IN FUND NET POSITION.....	(644,592)	(147,100)	-	(134,293)	(925,985)
FUND NET POSITION AT BEGINNING OF YEAR.....	14,297,087	2,426,609	-	138,694	16,862,390
FUND NET POSITION AT END OF YEAR.....	\$ 13,652,495	\$ 2,279,509	\$ -	\$ 4,401	\$ 15,936,405

**CITY OF NEWTON, MASSACHUSETTS
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS**

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Health Insurance	Workers' Compensation Insurance	Building Insurance	Liability Insurance	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers and users.....	\$ 12,228,686	\$ -	\$ -	\$ -	\$ 12,228,686
Receipts from interfund services provided.....	45,668,275	1,650,000	-	-	47,318,275
Payments to vendors/providers.....	(57,779,982)	(1,822,869)	-	-	(59,602,851)
NET CASH FROM OPERATING ACTIVITIES.....	116,979	(172,869)	-	-	(55,890)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers out.....	-	-	-	(134,363)	(134,363)
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase and sales of investments, net.....	-	218,119	-	-	218,119
Investment income.....	240,644	(174,498)	-	70	66,216
NET CASH FROM INVESTING ACTIVITIES.....	240,644	43,621	-	70	284,335
NET CHANGE IN CASH AND CASH EQUIVALENTS.....	357,623	(129,248)	-	(134,293)	94,082
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR (restricted).....	19,457,697	570,624	-	138,694	20,167,015
CASH AND CASH EQUIVALENTS AT END OF YEAR (restricted).....	\$ 19,815,320	\$ 441,376	\$ -	\$ 4,401	\$ 20,261,097
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES					
Operating income (loss).....	\$ (885,236)	\$ 31,013	\$ -	\$ -	\$ (854,223)
Adjustments to reconcile operating income (loss) to net cash from operating activities:					
Changes in assets and liabilities:					
Departmental and other.....	(177,066)	-	-	-	(177,066)
Working capital deposit.....	(46,130)	-	-	-	(46,130)
Prepaid expenses.....	57,445	-	-	-	57,445
Warrants payable.....	(174,125)	(82,180)	-	-	(256,305)
Accrued payroll.....	-	(8,680)	-	-	(8,680)
Other liabilities.....	8,226	-	-	-	8,226
Accrued liabilities.....	212,186	10,300	-	-	222,486
Accrued health claims payable.....	1,121,679	-	-	-	1,121,679
Workers' compensation.....	-	(123,322)	-	-	(123,322)
Total adjustments.....	1,002,215	(203,882)	-	-	798,333
NET CASH FROM OPERATING ACTIVITIES.....	\$ 116,979	\$ (172,869)	\$ -	\$ -	\$ (55,890)

Private Purpose Trust Funds

Chaffin Education Fund

This fund is used to account for higher education loans and grants issued to Newton high school graduates who are unable to afford the cost of college education. Revenues consist primarily of investment income on fund cash and investments.

Scovell Education Fund

This fund is used to account for prizes and awards to students for distinguished scholarships awarded at Newton high schools. The prizes are subject to approval of the School Committee. Revenues consist primarily of investment income on fund cash and investments.

Gorin Education Fund

This fund is used to account for loans to Newton high school graduates for attending institutions of higher education. Revenues consist primarily of investment income on fund cash and investments.

Cousens Welfare Fund

This fund is used to account for loans and or grants to Newton residents who qualify as poor. At least 90% of the annual income of the fund is to be distributed to the deserving poor and not more than 20% of this sum may be loaned to individuals who are temporarily in financial need. Revenues consist primarily of investment income on fund cash and investments.

School Scholarship Fund

This fund is used to account for a variety of public school scholarship funds. Detailed fund information is available from the City Comptroller's Office.

Kendrick Welfare Fund

This fund is used to account for distributions to needy industrious poor of Newton, especially widows and orphans.

Read Charity Fund

This fund is used to account for the perpetual maintenance of the donor's grave site, an annual sleigh ride or picnic for the children of the Newton Corner section of Newton, free lectures on scientific subjects in Newton Corner, library book purchases, and assistance to poor widows of the City. Revenues consist primarily of investment income on fund cash and investments.

Spear Infirmary Fund

The terms of the gift of this fund calls for the income to be used to "...provide cheer for the inmates of the City farm." The fund has been inactive for a number of years.

Mabel Riley Senior Fund

The terms of the gift of this fund calls for the income to be used for "...special treats for residents of nursing homes and homes for the elderly on holidays and for comforts for the sick throughout the year."

Elderly Tax Relief Fund

The City has accepted Massachusetts General Law Chapter 60, Section 3D, which authorizes the implementation of a voluntary tax check-off program for purposes of defraying real estate taxes for elderly and disabled Newton taxpayers with low incomes. This fund is used to account for the receipt of voluntary donations and awards voted by the Taxation Aid Committee.

Arnold Daniels Fund

Pursuant to the terms of the Arnold S. Daniels, Jr. Revocable Trust, dated July 20, 2000, this fund is used to assist needy residents of Newton by providing them with monetary distributions to provide food, shelter, and clothing.

CITY OF NEWTON, MASSACHUSETTS
PRIVATE PURPOSE TRUST FUNDS
 COMBINING STATEMENT OF FIDUCIARY NET POSITION

JUNE 30, 2016

	Chaffin Education	Scovell Education	Cousens Welfare	School Scholarship
ASSETS				
Cash and cash equivalents.....	\$ 208,132	\$ 37,324	\$ 394,932	\$ 628,930
Investments:				
Fixed Income.....	1,410,774	467,853	549,192	269,679
Equities.....	3,562,891	745,318	1,309,151	412,548
Interest and dividends.....	2,375	2,391	5,855	904
Total assets.....	5,184,173	1,252,886	2,259,131	1,312,059
LIABILITIES				
Warrants payable.....	19,050	-	-	1,750
NET POSITION				
Assets held in trust for other purposes.....	\$ 5,165,123	\$ 1,252,886	\$ 2,259,131	\$ 1,310,309

<u>Kendrick Welfare</u>	<u>Read Charity</u>	<u>Spear Infirmary</u>	<u>Mabel Riley Senior</u>	<u>Elderly Tax Relief</u>	<u>Arnold Daniels Fund</u>	<u>Total</u>
\$ 3,135	\$ 43,557	\$ 4,703	\$ 38,361	\$ 1,470	\$ 3,638	\$ 1,364,182
-	-	-	-	-	-	2,697,498
-	-	-	-	-	-	6,029,908
-	-	-	-	-	-	11,525
<u>3,135</u>	<u>43,557</u>	<u>4,703</u>	<u>38,361</u>	<u>1,470</u>	<u>3,638</u>	<u>10,103,113</u>
-	-	-	-	-	-	20,800
<u>\$ 3,135</u>	<u>\$ 43,557</u>	<u>\$ 4,703</u>	<u>\$ 38,361</u>	<u>\$ 1,470</u>	<u>\$ 3,638</u>	<u>\$ 10,082,313</u>

CITY OF NEWTON, MASSACHUSETTS
PRIVATE PURPOSE TRUST FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Chaffin Education	Scovell Education	Cousens Welfare	School Scholarship
ADDITIONS				
Contributions:				
Private donations.....	\$ 200	\$ -	\$ 10,300	\$ 146,109
Net investment income:				
Interest.....	(55,778)	(2,590)	94,512	(1,633)
TOTAL ADDITIONS.....	(55,578)	(2,590)	104,812	144,476
DEDUCTIONS				
Administration expense.....	1,176	-	29,296	-
Educational scholarships & awards.....	202,500	26,000	35,574	100,846
TOTAL DEDUCTIONS.....	203,676	26,000	64,870	100,846
CHANGE IN NET POSITION.....	(259,254)	(28,590)	39,942	43,630
NET POSITION AT BEGINNING OF YEAR.....	5,424,377	1,281,476	2,219,189	1,266,679
NET POSITION AT END OF YEAR.....	\$ 5,165,123	\$ 1,252,886	\$ 2,259,131	\$ 1,310,309

<u>Kendrick Welfare</u>	<u>Read Charity</u>	<u>Spear Infirmary</u>	<u>Mabel Riley Senior</u>	<u>Elderly Tax Relief</u>	<u>Arnold Daniels Fund</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ -	\$ 1,716	\$ -	\$ 158,325
<u>7</u>	<u>147</u>	<u>15</u>	<u>124</u>	<u>6</u>	<u>25</u>	<u>34,835</u>
<u>7</u>	<u>147</u>	<u>15</u>	<u>124</u>	<u>1,722</u>	<u>25</u>	<u>193,160</u>
-	-	-	-	-	-	30,472
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,201</u>	<u>8,729</u>	<u>374,850</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,201</u>	<u>8,729</u>	<u>405,322</u>
7	147	15	124	521	(8,704)	(212,162)
<u>3,128</u>	<u>43,410</u>	<u>4,688</u>	<u>38,237</u>	<u>949</u>	<u>12,342</u>	<u>10,294,475</u>
<u>\$ 3,135</u>	<u>\$ 43,557</u>	<u>\$ 4,703</u>	<u>\$ 38,361</u>	<u>\$ 1,470</u>	<u>\$ 3,638</u>	<u>\$ 10,082,313</u>

Agency Fund

This fund is used to account for monies held on behalf of parties other than the City, such as state and federal agencies; independent not-for-profit organizations for which the City collects private donations; the Metro Fire District; and public school student activities.

CITY OF NEWTON, MASSACHUSETTS
AGENCY FUND
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Cash and cash equivalents.....	\$ 2,953,519	\$ 145,059,464	\$ (144,989,273)	\$ 3,023,710
LIABILITIES				
Payroll withholdings.....	\$ 618,015	\$ 142,705,344	\$ (142,739,253)	\$ 584,106
Other liabilities.....	2,335,504	2,354,120	(2,250,020)	2,439,604
Total liabilities.....	\$ 2,953,519	\$ 145,059,464	\$ (144,989,273)	\$ 3,023,710



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General Fund

This is the City's primary operating fund. It accounts for all financial resources of the government, except those required to be accounted for in another fund.

CITY OF NEWTON, MASSACHUSETTS
GENERAL FUND
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET TO ACTUAL - LEGAL LEVEL OF CONTROL

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Encumbrances/ Continued Appropriations	FY 2016 Original Budget	FY 2016 Budget Revisions
City Clerk/Clerk of the Board			
Personal Services	\$ -	\$ 1,267,813	\$ 48,663
Expenses	9,935	170,408	10,570
Capital Outlay	-	5,000	3,900
Fringe Benefits	-	319,067	625
Total City Clerk/Clerk of the Board	<u>9,935</u>	<u>1,762,288</u>	<u>63,758</u>
Executive			
Personal Services	-	841,527	-
Expenses	-	64,990	-
Fringe Benefits	-	134,529	(18,231)
Total Mayor's Office	<u>-</u>	<u>1,041,046</u>	<u>(18,231)</u>
Comptroller's Office/Property Insurance/Audit			
Personal Services	-	451,379	-
Expenses	69,597	566,800	-
Fringe Benefits	-	79,354	1,685
Total Comptroller's Office/Property Insurance	<u>69,597</u>	<u>1,097,533</u>	<u>1,685</u>
Purchasing/General Services			
Personal Services	-	342,427	-
Expenses	28	49,130	-
Fringe Benefits	-	80,344	2,933
Total Purchasing/General Services	<u>28</u>	<u>471,901</u>	<u>2,933</u>
Assessing Department			
Personal Services	-	1,084,076	25,000
Expenses	-	58,025	-
Capital Outlay	10,000	-	-
Fringe Benefits	-	124,851	4,219
Total Assessing Department	<u>10,000</u>	<u>1,266,952</u>	<u>29,219</u>
Treasury & Collection Department			
Personal Services	-	685,170	-
Expenses	4,525	471,550	225,583
Capital Outlay	-	-	28,226
Fringe Benefits	-	109,132	(16,575)
Total Treasury & Collection Department	<u>4,525</u>	<u>1,265,852</u>	<u>237,234</u>
City Solicitor/Judgments & Settlements			
Personal Services	-	1,178,855	(25,000)
Expenses	2,727	212,320	298,468
Fringe Benefits	-	155,611	(30,900)
Total City Solicitor's Office/Settlements	<u>2,727</u>	<u>1,546,786</u>	<u>242,568</u>

FY 2016 Budget As Amended	Total Revised FY 2016 Budget	Expenditures and Transfers	Encumbrances/ Continued Appropriations	Closed to Fund Balance
\$ 1,316,476	\$ 1,316,476	\$ 1,263,791	\$ -	\$ 52,685
180,978	190,913	162,502	26,591	1,820
8,900	8,900	8,290	532	78
319,692	319,692	310,894	-	8,798
<u>1,826,046</u>	<u>1,835,981</u>	<u>1,745,477</u>	<u>27,123</u>	<u>63,381</u>
841,527	841,527	781,755	-	59,772
64,990	64,990	57,811	-	7,179
116,298	116,298	101,149	-	15,149
<u>1,022,815</u>	<u>1,022,815</u>	<u>940,715</u>	<u>-</u>	<u>82,100</u>
451,379	451,379	443,763	-	7,616
566,800	636,397	542,341	93,711	345
81,039	81,039	81,037	-	2
<u>1,099,218</u>	<u>1,168,815</u>	<u>1,067,141</u>	<u>93,711</u>	<u>7,963</u>
342,427	342,427	339,670	-	2,757
49,130	49,158	28,431	29	20,698
83,277	83,277	83,226	-	51
<u>474,834</u>	<u>474,862</u>	<u>451,327</u>	<u>29</u>	<u>23,506</u>
1,109,076	1,109,076	1,077,895	-	31,181
58,025	58,025	40,843	-	17,182
-	10,000	7,278	-	2,722
129,070	129,070	125,999	-	3,071
<u>1,296,171</u>	<u>1,306,171</u>	<u>1,252,015</u>	<u>-</u>	<u>54,156</u>
685,170	685,170	627,265	-	57,905
697,133	701,658	621,830	4,743	75,085
28,226	28,226	-	28,226	-
92,557	92,557	86,765	-	5,792
<u>1,503,086</u>	<u>1,507,611</u>	<u>1,335,860</u>	<u>32,969</u>	<u>138,782</u>
1,153,855	1,153,855	1,079,657	-	74,198
510,788	513,515	489,434	19,695	4,386
124,711	124,711	116,849	-	7,862
<u>1,789,354</u>	<u>1,792,081</u>	<u>1,685,940</u>	<u>19,695</u>	<u>86,446</u>

(Continued)

CITY OF NEWTON, MASSACHUSETTS
GENERAL FUND
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET TO ACTUAL - LEGAL LEVEL OF CONTROL (CONTINUED)

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Encumbrances/ Continued Appropriations	FY 2016 Original Budget	FY 2016 Budget Revisions
Human Resources Department			
Personal Services	-	595,317	25,000
Expenses	16,859	160,972	133,133
Fringe Benefits	-	231,187	30,900
Total Human Resources Department	<u>16,859</u>	<u>987,476</u>	<u>189,033</u>
Information Technology Department			
Personal Services	-	855,153	50,000
Expenses	4,630	232,970	-
Capital Outlay	29,019	200,000	-
Fringe Benefits	-	147,834	(776)
Total Information Technology Department	<u>33,649</u>	<u>1,435,957</u>	<u>49,224</u>
Financial Information Systems			
Personal Services	-	332,281	25,000
Expenses	4,630	208,100	-
Fringe Benefits	-	45,362	16,600
Total Financial Information Systems	<u>4,630</u>	<u>585,743</u>	<u>41,600</u>
Planning & Development Department			
Personal Services	-	1,176,363	(200,000)
Expenses	375,035	126,343	-
Capital Outlay	73,487	25,000	-
Fringe Benefits	-	196,230	(3,079)
Total Planning & Development Department	<u>448,522</u>	<u>1,523,936</u>	<u>(203,079)</u>
Public Building Department			
Personal Services	-	2,366,357	(90,000)
Expenses	36,977	1,334,505	92,523
Capital Outlay	47,322	79,375	-
Fringe Benefits	-	446,065	-
Total Public Building Department	<u>84,299</u>	<u>4,226,302</u>	<u>2,523</u>
GENERAL GOVERNMENT TOTAL			
	<u>684,771</u>	<u>17,211,772</u>	<u>638,467</u>
Police Department			
Personal Services	-	16,134,874	277,000
Expenses	-	863,954	23,000
Capital Outlay	-	408,000	-
Fringe Benefits	-	2,630,444	-
Total Police Department	<u>-</u>	<u>20,037,272</u>	<u>300,000</u>

<u>FY 2016 Budget As Amended</u>	<u>Total Revised FY 2016 Budget</u>	<u>Expenditures and Transfers</u>	<u>Encumbrances/ Continued Appropriations</u>	<u>Closed to Fund Balance</u>
620,317	620,317	590,983	-	29,334
294,105	310,964	265,162	39,640	6,162
262,087	262,087	228,834	-	33,253
<u>1,176,509</u>	<u>1,193,368</u>	<u>1,084,979</u>	<u>39,640</u>	<u>68,749</u>
905,153	905,153	817,579	-	87,574
232,970	237,600	234,693	2,907	-
200,000	229,019	223,318	3,940	1,761
147,058	147,058	143,336	-	3,722
<u>1,485,181</u>	<u>1,518,830</u>	<u>1,418,926</u>	<u>6,847</u>	<u>93,057</u>
357,281	357,281	321,922	-	35,359
208,100	212,730	175,747	6,025	30,958
61,962	61,962	61,929	-	33
<u>627,343</u>	<u>631,973</u>	<u>559,598</u>	<u>6,025</u>	<u>66,350</u>
976,363	976,363	903,133	-	73,230
126,343	501,378	396,073	94,711	10,594
25,000	98,487	38,766	59,721	-
193,151	193,151	149,674	-	43,477
<u>1,320,857</u>	<u>1,769,379</u>	<u>1,487,646</u>	<u>154,432</u>	<u>127,301</u>
2,276,357	2,276,357	2,271,793	-	4,564
1,427,028	1,464,005	1,418,102	45,471	432
79,375	126,697	126,204	-	493
446,065	446,065	410,132	-	35,933
<u>4,228,825</u>	<u>4,313,124</u>	<u>4,226,231</u>	<u>45,471</u>	<u>41,422</u>
<u>17,850,239</u>	<u>18,535,010</u>	<u>17,255,855</u>	<u>425,942</u>	<u>853,213</u>
16,411,874	16,411,874	16,249,921	-	161,953
886,954	886,954	878,065	-	8,889
408,000	408,000	402,816	-	5,184
2,630,444	2,630,444	2,571,310	-	59,134
<u>20,337,272</u>	<u>20,337,272</u>	<u>20,102,112</u>	<u>-</u>	<u>235,160</u>

(Continued)

CITY OF NEWTON, MASSACHUSETTS
GENERAL FUND
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET TO ACTUAL - LEGAL LEVEL OF CONTROL (CONTINUED)

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Encumbrances/ Continued Appropriations	FY 2016 Original Budget	FY 2016 Budget Revisions
Fire Department			
Personal Services	-	15,788,999	700,000
Expenses	42,047	918,743	21,898
Capital Outlay	82,328	167,000	-
Fringe Benefits	-	2,497,798	9,394
Total Fire Department	<u>124,375</u>	<u>19,372,540</u>	<u>731,292</u>
Inspectional Services Department			
Personal Services	-	1,068,249	150,000
Expenses	17,711	68,999	-
Fringe Benefits	-	208,810	-
Total Inspectional Services Department	<u>17,711</u>	<u>1,346,058</u>	<u>150,000</u>
PUBLIC SAFETY TOTAL	<u>142,086</u>	<u>40,755,870</u>	<u>1,181,292</u>
NEWTON PUBLIC SCHOOLS	<u>616,367</u>	<u>203,710,912</u>	<u>(986,000)</u>
Public Works Department			
Personal Services	-	7,861,082	(73,879)
Expenses	457,018	10,814,105	2,850,014
Capital Outlay	154,507	170,000	-
Fringe Benefits	-	1,712,136	(26,335)
Total Public Works Department	<u>611,525</u>	<u>20,557,323</u>	<u>2,749,800</u>
PUBLIC WORKS TOTAL	<u>611,525</u>	<u>20,557,323</u>	<u>2,749,800</u>

<u>FY 2016 Budget As Amended</u>	<u>Total Revised FY 2016 Budget</u>	<u>Expenditures and Transfers</u>	<u>Encumbrances/ Continued Appropriations</u>	<u>Closed to Fund Balance</u>
16,488,999	16,488,999	16,402,127	-	86,872
940,641	982,688	811,356	22,027	149,305
167,000	249,328	81,301	168,027	-
2,507,192	2,507,192	2,507,192	-	-
<u>20,103,832</u>	<u>20,228,207</u>	<u>19,801,976</u>	<u>190,054</u>	<u>236,177</u>
1,218,249	1,218,249	1,081,840	-	136,409
68,999	86,710	69,961	1,202	15,547
208,810	208,810	194,523	-	14,287
<u>1,496,058</u>	<u>1,513,769</u>	<u>1,346,324</u>	<u>1,202</u>	<u>166,243</u>
<u>41,937,162</u>	<u>42,079,248</u>	<u>41,250,412</u>	<u>191,256</u>	<u>637,580</u>
<u>202,724,912</u>	<u>203,341,279</u>	<u>202,612,822</u>	<u>727,580</u>	<u>877</u>
7,787,203	7,787,203	7,388,299	-	398,904
13,664,119	14,121,137	13,538,374	348,195	234,568
170,000	324,507	262,345	62,091	71
1,685,801	1,685,801	1,559,498	-	126,303
<u>23,307,123</u>	<u>23,918,648</u>	<u>22,748,516</u>	<u>410,286</u>	<u>759,846</u>
<u>23,307,123</u>	<u>23,918,648</u>	<u>22,748,516</u>	<u>410,286</u>	<u>759,846</u>

(Continued)

CITY OF NEWTON, MASSACHUSETTS
GENERAL FUND
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET TO ACTUAL - LEGAL LEVEL OF CONTROL (CONTINUED)

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Encumbrances/ Continued Appropriations	FY 2016 Original Budget	FY 2016 Budget Revisions
Health & Human Services Department			
Personal Services	-	2,578,632	-
Expenses	-	418,130	-
Fringe Benefits	-	436,316	26,335
Total Public Health Department	<u>-</u>	<u>3,433,078</u>	<u>26,335</u>
Senior Services Department			
Personal Services	-	267,959	-
Expenses	-	288,163	-
Fringe Benefits	-	50,851	4,379
Total Human Services Department	<u>-</u>	<u>606,973</u>	<u>4,379</u>
Veteran Services Department			
Personal Services	-	91,338	(20,000)
Expenses	-	256,135	67,500
Fringe Benefits	-	20,275	(1,497)
Total Veteran Services Department	<u>-</u>	<u>367,748</u>	<u>46,003</u>
<hr/>			
HEALTH & HUMAN SERVICES TOTAL	<u>-</u>	<u>4,407,799</u>	<u>76,717</u>
<hr/>			
Newton Public Library			
Personal Services	-	3,728,355	(44,823)
Expenses	4,295	1,024,925	42,300
Capital Outlay	409	6,000	-
Fringe Benefits	-	642,714	373
Total Newton Public Library	<u>4,704</u>	<u>5,401,994</u>	<u>(2,150)</u>
Parks & Recreation Department			
Personal Services	-	3,223,853	(31,720)
Expenses	9,919	1,803,288	555,585
Capital Outlay	-	210,000	-
Fringe Benefits	-	568,317	(6,000)
Total Parks & Recreation Department	<u>9,919</u>	<u>5,805,458</u>	<u>517,865</u>
Newton History Museum			
Personal Services	-	221,629	-
Expenses	484	24,417	-
Fringe Benefits	-	13,183	6,001
Total Newton History Museum	<u>484</u>	<u>259,229</u>	<u>6,001</u>
<hr/>			
CULTURE & RECREATION TOTAL	<u>15,107</u>	<u>11,466,681</u>	<u>521,716</u>

<u>FY 2016 Budget As Amended</u>	<u>Total Revised FY 2016 Budget</u>	<u>Expenditures and Transfers</u>	<u>Encumbrances/ Continued Appropriations</u>	<u>Closed to Fund Balance</u>
2,578,632	2,578,632	2,424,332	-	154,300
418,130	418,130	364,159	5,839	48,132
462,651	462,651	443,724	-	18,927
<u>3,459,413</u>	<u>3,459,413</u>	<u>3,232,215</u>	<u>5,839</u>	<u>221,359</u>
267,959	267,959	265,764	-	2,195
288,163	288,163	288,163	-	-
55,230	55,230	55,175	-	55
<u>611,352</u>	<u>611,352</u>	<u>609,102</u>	<u>-</u>	<u>2,250</u>
71,338	71,338	68,931	-	2,407
323,635	323,635	322,490	-	1,145
18,778	18,778	1,011	-	17,767
<u>413,751</u>	<u>413,751</u>	<u>392,432</u>	<u>-</u>	<u>21,319</u>
<u>4,484,516</u>	<u>4,484,516</u>	<u>4,233,749</u>	<u>5,839</u>	<u>244,928</u>
3,683,532	3,683,532	3,679,534	-	3,998
1,067,225	1,071,520	1,071,011	189	320
6,000	6,409	6,318	-	91
643,087	643,087	643,012	-	75
<u>5,399,844</u>	<u>5,404,548</u>	<u>5,399,875</u>	<u>189</u>	<u>4,484</u>
3,192,133	3,192,133	3,103,141	-	88,992
2,358,873	2,368,792	2,271,584	91,630	5,578
210,000	210,000	180,968	29,032	-
562,317	562,317	537,515	-	24,802
<u>6,323,323</u>	<u>6,333,242</u>	<u>6,093,208</u>	<u>120,662</u>	<u>119,372</u>
221,629	221,629	203,798	-	17,831
24,417	24,901	21,415	-	3,486
19,184	19,184	16,622	-	2,562
<u>265,230</u>	<u>265,714</u>	<u>241,835</u>	<u>-</u>	<u>23,879</u>
<u>11,988,397</u>	<u>12,003,504</u>	<u>11,734,918</u>	<u>120,851</u>	<u>147,735</u>

(Continued)

CITY OF NEWTON, MASSACHUSETTS
GENERAL FUND
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET TO ACTUAL - LEGAL LEVEL OF CONTROL (CONTINUED)

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Encumbrances/ Continued Appropriations	FY 2016 Original Budget	FY 2016 Budget Revisions
DEBT SERVICE (PRINCIPAL & INTEREST)			
Debt Service	-	19,064,717	-
RETIREMENT			
Personal Services	-	215,109	-
Expenses	-	77,280	-
Fringe Benefits	-	31,279,257	(100,050)
Total Retirement	-	31,571,646	(100,050)
APPROPRIATED RESERVES			
Wage & Salary Reserve	-	750,000	(650,000)
Reserve Fund (Budget Reserve)	-	500,000	(492,133)
Reserve Fund (Snow & Ice)	-	2,500,000	(2,500,000)
Total Budgetary Reserves	-	3,750,000	(3,642,133)
STATE & COUNTY ASSESSMENTS	-	6,000,544	26,157
SPECIAL APPROPRIATIONS	2,475,220	200,000	4,174,974
TOTAL EXPENDITURES	4,545,076	358,697,264	4,640,940
TRANSFERS TO OTHER FUNDS:			
Workers Comp Self Insurance Fund - Municipal	-	800,000	-
Workers Comp Self Insurance Fund - School	-	-	350,000
School Athletic Revolving Fund - School	-	-	1,021,000
Angier Elementary Improvement Fund	-	-	351,159
Cabot Capital Project Fund	-	-	17,865
Capital Stabilization Fund	-	2,400,000	10,285
Rainy Day Stabilization Fund	-	100,000	1,336,831
Traffic Mitigation Receipts Reserved Fund	-	-	34,429
Street Improvement Fund	-	-	278,569
Total Transfers to Other Funds	-	3,300,000	3,400,138
TOTAL EXPENDITURES AND TRANSFERS	\$ 4,545,076	\$ 361,997,264	\$ 8,041,078

<u>FY 2016 Budget As Amended</u>	<u>Total Revised FY 2016 Budget</u>	<u>Expenditures and Transfers</u>	<u>Encumbrances/ Continued Appropriations</u>	<u>Closed to Fund Balance</u>
<u>19,064,717</u>	<u>19,064,717</u>	<u>18,595,065</u>	<u>-</u>	<u>469,652</u>
215,109	215,109	215,109	-	-
77,280	77,280	77,280	-	-
<u>31,179,207</u>	<u>31,179,207</u>	<u>30,943,097</u>	<u>-</u>	<u>236,110</u>
<u>31,471,596</u>	<u>31,471,596</u>	<u>31,235,486</u>	<u>-</u>	<u>236,110</u>
100,000	100,000	-	-	100,000
7,867	7,867	-	-	7,867
-	-	-	-	-
<u>107,867</u>	<u>107,867</u>	<u>-</u>	<u>-</u>	<u>107,867</u>
<u>6,026,701</u>	<u>6,026,701</u>	<u>6,113,282</u>	<u>-</u>	<u>(86,581)</u>
<u>4,374,974</u>	<u>6,850,194</u>	<u>1,765,758</u>	<u>5,084,436</u>	<u>-</u>
<u>363,338,204</u>	<u>367,883,280</u>	<u>357,545,863</u>	<u>6,966,190</u>	<u>3,371,227</u>
800,000	800,000	800,000	-	-
350,000	350,000	350,000	-	-
1,021,000	1,021,000	1,021,000	-	-
351,159	351,159	351,159	-	-
17,865	17,865	17,865	-	-
2,410,285	2,410,285	2,410,285	-	-
1,436,831	1,436,831	1,436,831	-	-
34,429	34,429	34,429	-	-
<u>278,569</u>	<u>278,569</u>	<u>278,569</u>	<u>-</u>	<u>-</u>
<u>6,700,138</u>	<u>6,700,138</u>	<u>6,700,138</u>	<u>-</u>	<u>-</u>
<u>370,038,342</u> \$	<u>374,583,418</u> \$	<u>364,246,001</u> \$	<u>6,966,190</u> \$	<u>3,371,227</u>

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Community Preservation Fund

This fund accounts for the 1% local property tax surcharge that the voters of the City approved in November of 2001 for open space, historic resource and affordable housing purposes. The Commonwealth of Massachusetts currently matches local surcharge revenue on a dollar for dollar basis.

The City Council has appropriation authority over all community preservation funds; however, all appropriation recommendations must originate with the nine member community preservation committee.

CITY OF NEWTON, MASSACHUSETTS
COMMUNITY PRESERVATION FUND
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET TO ACTUAL - LEGAL LEVEL OF CONTROL

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Encumbrances/ Continued Appropriations	Current Year Appropriations	Original Budget
Administration & operations	\$ -	\$ 150,485	\$ 150,485
2016 CPA appropriation reserve	-	2,080,905	2,080,905
Open space:			
Open space reserve	-	357,251	357,251
Historic resources:			
Historic preservation reserve	-	357,251	357,251
Historical burial grounds restoration	2,048	-	2,048
Historical burial grounds restoration Phase Iia	8,337	-	8,337
Newton History Museum Archives Project	861,143	-	861,143
City Archives Strategic Plan	20,000	-	20,000
Nathan Allen House Preservation/Rehabilitation	31,587	-	31,587
East Parish Burial Ground Restoration	202,539	-	202,539
New Arts Center Renovation Plan Grant	-	-	-
M. Compris Mural Restoration - NNHS	-	-	-
Total - Historic preservation	<u>1,125,654</u>	<u>357,251</u>	<u>1,482,905</u>
Community housing:			
Community housing reserve	-	357,251	357,251
12 & 18-20 Curve St. Affordable Housing	910,179	-	910,179
Newton Homebuyer Assistance Program II	55,771	-	55,771
Newton Homebuyer Assistance Program III	475,000	-	475,000
Taft Ave housing	584,029	-	584,029
Newton Homebuyer Assistance Program - IV - Planning	1,057,000	-	1,057,000
Crescent Street site assessment	-	-	-
10-12 Cambria St Housing	-	-	-
Total - community housing	<u>3,081,979</u>	<u>357,251</u>	<u>3,439,230</u>
Community recreation:			
20 Rogers Street debt service - Treasury	-	269,344	269,344
Newton Highlands Playground Strategic Design	181,000	-	181,000
Farlow Park Preservation/Restoration	476,780	-	476,780
Waban Hill Reservoir Land Acquisition	545,200	-	545,200
Crescent Street site assessment	-	-	-
Total - community recreation	<u>1,202,980</u>	<u>269,344</u>	<u>1,472,324</u>
TOTAL CPA FUND	<u>\$ 5,410,613</u>	<u>\$ 3,572,487</u>	<u>\$ 8,983,100</u>

Budget Revisions	Final Budget	Expended	Encumbrances/ Continued Appropriations	Closed to Fund Balance
\$ -	\$ 150,485	\$ 114,200	\$ 4,925	\$ 31,360
(113,866)	1,967,039	-		1,967,039
-	357,251	-	-	357,251
(357,251)	-	-	-	-
-	2,048	-	2,048	-
-	8,337	275	8,062	-
93,491	954,634	918,494	36,140	-
-	20,000	20,000	-	-
2,000,000	2,031,587	31,587	2,000,000	-
-	202,539	114,138	88,401	-
72,652	72,652	-	72,652	-
114,900	114,900	43,212	71,688	-
1,923,792	3,406,697	1,127,706	2,278,991	-
(357,251)	-	-	-	-
-	910,179	8,835	901,344	-
-	55,771	2,002	53,769	-
-	475,000	-	475,000	-
-	584,029	376,703	207,326	-
-	1,057,000	-	1,057,000	-
50,000	50,000	39,228	10,772	-
471,117	471,117	245,327	225,790	-
163,866	3,603,096	672,095	2,931,001	-
-	269,344	269,344	-	-
-	181,000	171,000	10,000	-
-	476,780	7,730	469,050	-
-	545,200	96,732	448,468	-
50,000	50,000	-	50,000	-
50,000	1,522,324	544,806	977,518	-
\$ 2,023,792	\$ 11,006,892	\$ 2,458,807	\$ 6,192,435	\$ 2,355,650



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Additional Information

CITY OF NEWTON, MASSACHUSETTS
CAPITAL PROJECTS FUND
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET TO ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Continued Appropriations	FY 2016 Appropriations	Transfers
School Building Improvement Fund:			
Newton South High Athletic Field Improvements - 2009	\$ 72,189	\$ -	\$ (72,189)
Mason-Rice Sprinkler System - 2013	13,269	-	(13,269)
Carr Elementary Evaluation/Design - 2012	1,674	-	-
Carr Elementary Renovations - 2013	231,886	-	(196,459)
Bigelow Middle School Staircase Replacement - 2014	1,361	-	(1,361)
Land Acquisition: 15 Walnut Park (Aquinas) - 2015	17,350,000	-	-
FA Day Water Heater	50,046	-	(25,000)
Aquinas Window Replacement - 2016	-	-	397,800
NNHS Baseball Backstop - 2016	-	350,000	-
Total School Building Improvement Fund	17,720,425	350,000	89,522
Angier School Improvement Fund			
Angier Elementary School Construction	23,036,401	-	-
Zervas School Improvement Fund			
Zervas Elementary Renovation	35,370,195	-	-
1316 Beacon Street Land Taking	15,000	-	-
1330 Beacon Street Land Taking	13,974	-	-
Total Zervas School Improvement Fund	35,399,169	-	-
Cabot School Improvement Fund			
Cabot Elementary School Feasibility Study	510,791	-	-
Cabot Elementary School Design - 2016	-	400,000	-
23 Parkview Ave Land Taking - 2016	-	1,010,000	-
Total Cabot School Improvement Fund	510,791	1,410,000	-
Municipal Building Improvement Fund			
Manet Rd Communications Building Replacement - 2014	6,662	-	-
Main Library HVAC Repairs - 2013	32,096	-	-
Crafts St Garage Masonry & Roof Design Svs - 2013	10,485	-	(10,485)
Fire Station #3/HQ Design - 2014	12,033	-	-
Fire Station #3/HQ Design - 2015	3,614,402	(823)	-
Fire Station #3/HQ Design - 2016	-	3,400,000	-
City Hall Window Replacement/Repairs - 2011	85,594	-	-
Public Building Energy Conservation - 2014	1,273,027	-	-
Fire Station #10 Renovations	1,031,848	(12,296)	-
City Hall War Memorial Elevator - 2015	1,091,171	-	-
Senior Center HVAC improvements - 2015	103,787	-	-
Energy Conservation Improvements - 2016	-	-	905,046
City Hall Roof Heat Trace Wiring - 2016	-	100,000	-
Main Library Improvements - 2016	-	250,000	-
Manet Road Public Safety Communications Building - 2016	-	766,000	-
Total Municipal Building Improvement Fund	7,270,650	4,502,881	885,571

<u>Expended</u>	<u>Encumbered</u>	<u>Balance</u>
\$ -	\$ -	\$ -
-	-	-
-	-	1,674
-	-	35,427
-	-	-
15,760,932	1,589,068	-
-	-	25,046
161,721	-	236,079
278,372	-	71,628
<u>16,201,025</u>	<u>1,589,068</u>	<u>369,854</u>
<u>20,201,437</u>	<u>1,290,505</u>	<u>1,544,459</u>
7,031,704	24,882,112	3,456,379
15,000	-	-
13,974	-	-
<u>7,060,678</u>	<u>24,882,112</u>	<u>3,456,379</u>
409,505	96,060	5,226
-	-	400,000
999,772	-	10,228
<u>1,409,277</u>	<u>96,060</u>	<u>415,454</u>
6,662		-
32,096		-
-		-
4,646		7,387
2,199,962	1,408,980	4,637
12,280	2,919,512	468,208
		85,594
1,243,246		29,781
741,500	5,637	272,415
1,051,044	1,903	38,224
59,796	-	43,991
455,102	366,612	83,332
36,269	-	63,731
133,399	111,688	4,913
486,732	250,105	29,163
<u>6,463,289</u>	<u>5,064,437</u>	<u>1,131,376</u>

(Continued)

CITY OF NEWTON, MASSACHUSETTS
CAPITAL PROJECTS FUND
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET TO ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Continued Appropriations	FY 2016 Appropriations	Transfers
CH 90 Highway Improvement Fund:			
Unallocated	123,077	-	(83,693)
Approved projects	4,477,621	2,323,422	83,693
Total CH 90 Highway Improvement Fund	4,600,698	2,323,422	-
Massworks Road Improvement Fund:			
2016 Grant Award	1,675,000	-	-
Municipal Equipment Replacement Fund:			
DPW Construction Equipment Replacement - 2014	340,000	-	-
Fire Ladder Replacement - 2013	28,630	-	-
Fire Engine Replacement - 2012	72,312	-	-
DPW Snow Equipment - 2016	-	150,000	-
Sewer Cleaner Equipment - 2016	-	400,000	-
Library Automation Equipment - 2016	-	203,000	-
Fire Pumper Replacement - 2016	-	650,000	-
Fire SCBA Replacement - 2016	-	504,000	-
Fire Bucket Truck Replacement - 2016	-	227,000	-
Total Municipal Equipment Replacement Fund	440,942	2,134,000	-
Street Improvement Fund			
Traffic Signal & Other Improvements - 2015	800,000	-	-
Auburndale Square Traffic Improvements - 2016	-	1,200,000	783,846
Elliot St. Bridge Replacement - 2016	-	2,000,000	-
LED Street Lighting - 2014	40	-	-
Total Street Improvement Fund	800,040	3,200,000	783,846
Park Improvement Fund			
Lower Falls Community Ctr Accessibility - 2013	4,492	-	-
Braceland Playground Improvements - 2012	8,243	-	-
NSHS Tennis Courts - 2016	-	750,000	-
Total Park Improvement Fund	12,735	750,000	-
Water System Improvement Fund:			
MWRA - Water System - Accumulated Interest Income	54,304	7,416	-
MWRA - Water System Improvements - Loan of 2011	10,921	-	-
MWRA - Water System Improvements - Loan of 2013	584	-	-
MWRA - Water System Improvements - Loan of 2014	314,602	-	-
MWRA - Water System Improvements - Loan of 2015	1,346,066	-	-
MWRA - Water System Improvements - Loan of 2016	-	1,360,200	-
Water Meter Replacement - 2009	133,928	-	-
Water Main Cleaning & Relining - 2013	124,984	-	-
Water Main Cleaning & Relining - 2014	1,126,311	-	-
Water Main Improvements - 2015	2,700,000	-	-
Water Main Improvements - 2016	-	2,700,000	-
Waban Hill Reservoir Improvements - 2001/2003	250,467	-	-
Total Water System Improvement Fund	6,062,167	4,067,616	-

<u>Expended</u>	<u>Encumbered</u>	<u>Balance</u>
-	-	39,384
<u>4,181,783</u>	<u>2,327,647</u>	<u>375,306</u>
<u>4,181,783</u>	<u>2,327,647</u>	<u>414,690</u>
<u>28,315</u>	<u>29,521</u>	<u>1,617,164</u>
340,000	-	-
-	28,630	-
-	72,312	-
137,820	-	12,180
-	359,590	40,410
203,000	-	-
-	517,258	132,742
481,070	3,920	19,010
-	213,175	13,825
<u>1,161,890</u>	<u>1,194,885</u>	<u>218,167</u>
486,637	-	313,363
335,577	1,648,269	-
267,934	1,732,066	-
40	-	-
<u>1,090,188</u>	<u>3,380,335</u>	<u>313,363</u>
-	-	4,492
-	-	8,243
<u>534,086</u>	<u>127,768</u>	<u>88,146</u>
<u>534,086</u>	<u>127,768</u>	<u>100,881</u>
-	-	61,720
-	-	10,921
-	-	584
125,758	-	188,844
372,624	971,177	2,265
-	-	1,360,200
91,630	8,500	33,798
124,984	-	-
781,253	7,699	337,359
1,450,245	1,079,670	170,085
-	-	2,700,000
-	-	250,467
<u>2,946,494</u>	<u>2,067,046</u>	<u>5,116,243</u>

(Continued)

CITY OF NEWTON, MASSACHUSETTS
CAPITAL PROJECTS FUND
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET TO ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Continued Appropriations	FY 2016 Appropriations	Transfers
Sanitary Sewer Improvement Fund:			
Sewer Emergency Repairs (City of Newton)	10,000	-	-
Cochituate Sewer Repair (Town of Wellesley Contb)	135,478	-	-
Central Avenue Sewer Improvements - 2010	19,886	-	-
Sewer Improvements - 2011	-	-	207,745
Central Avenue Sewer Improvements - 2011	13,684	-	(13,684)
Old Farm Rd Sewer Improvements - 2011	511	-	(511)
Aspen Ave /Hawthorne Ave/Studio Ed Ext - 2011	253,637	-	-
Quinobequin Rd Sewer Repairs - 2011	27,132	-	(27,132)
Grodon Rd Sewer Repairs - 2011	6,419	-	(6,419)
Wood End Rd Sewer Repairs - 2011	160,000	-	(160,000)
Phase I Underground Infrastructure Impv Plan - 2012	453,726	-	-
Project Area II (Local Share) - 2014	2,249,195	-	-
Project Area III & IV - 2014	8,732	-	1
Project Area III/IV/V - 2015	5,400,000	-	-
Sewer I&I - 2016	-	-	1,666,556
MWRA - Sewer I&I - Accumulated Interest Income	35,508	37,984	-
MWRA - Infiltration/Inflow - 2007	-	-	-
MWRA - Infiltration/Inflow - 2007	-	-	-
MWRA - Infiltration/Inflow - 2009	-	-	-
MWRA - Infiltration/Inflow - 2010	34,807	-	-
MWRA - Infiltration/Inflow - 2011	281,633	-	-
MWRA - Infiltration/Inflow - 2014 (Project Area II)	2,296,000	-	-
MWRA - Infiltration/Inflow - 2015 (Project Area II - V)	3,388,448	-	-
MWRA - Infiltration/Inflow - 2015 (Project Area II & IV)	-	3,668,000	-
Total Sanitary Sewer Improvement Fund	<u>14,774,796</u>	<u>3,705,984</u>	<u>1,666,556</u>
Storm Drainage Improvement Fund			
Dedham Street Storm Drainage Improvements	-	725,000	-
Capital Stabilization Fund:			
Reserved for Debt Funded Projects	13,752	-	(13,752)
Designated for Fire Station Renovations	10,830	5,566	-
Designated for Energy Conservation Projects	905,046	319,350	(930,046)
Designated for 2013 Override Capital Projects	676,164	-	1,476,261
Designated for Ordinary Capital Appropriations	27,061	-	(16,776)
Total Capital Stabilization Fund	<u>1,632,853</u>	<u>324,916</u>	<u>515,687</u>
Total Capital Projects Funds	<u>\$ 113,936,667</u>	<u>\$ 23,493,819</u>	<u>\$ 3,941,182</u>

<u>Expended</u>	<u>Encumbered</u>	<u>Balance</u>
-	-	10,000
-	-	135,478
19,886	-	-
137,023	62,578	8,144
-	-	-
-	-	-
253,637	-	-
-	-	-
-	-	-
-	-	-
217,971	33,357	202,398
2,043,860	205,335	-
-	1,631	7,102
103,500	103,500	5,193,000
-	-	1,666,556
-	-	73,492
-	-	-
-	-	-
-	-	-
34,807	-	-
56,708	-	224,925
1,948,053	347,947	-
229,121	3,159,327	-
2,172	3,618,507	47,321
<u>5,046,738</u>	<u>7,532,182</u>	<u>7,568,416</u>
<u>59,464</u>	<u>-</u>	<u>665,536</u>
-	-	-
-	-	16,396
-	-	294,350
-	1,442,340	710,085
-	-	10,285
<u>-</u>	<u>1,442,340</u>	<u>1,031,116</u>
<u>\$ 66,384,664</u>	<u>\$ 51,023,906</u>	<u>\$ 23,963,098</u>

(Concluded)

CITY OF NEWTON, MASSACHUSETTS
SEWER ENTERPRISE FUND
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET TO ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Continued <u>Appropriations</u>	FY 2016 <u>Original Budget</u>	FY 2016 <u>Budget Revisions</u>
Sewer Maintenance & Operation			
Personal Services	\$ -	\$ 1,783,409	\$ -
Expenses	440,342	1,171,809	-
Capital Outlay	1,428,341	949,500	-
Fringe Benefits	-	399,178	-
Total	<u>1,868,683</u>	<u>4,303,896</u>	<u>-</u>
MWRA Sewer Assessment			
Intergovernmental	<u>-</u>	<u>19,913,984</u>	<u>-</u>
Legal settlements	<u>44,500</u>	<u>50,000</u>	<u>-</u>
Debt Maturities & Interest	<u>-</u>	<u>1,642,445</u>	<u>-</u>
Retirement	<u>-</u>	<u>471,042</u>	<u>-</u>
Operating Reserve	<u>-</u>	<u>1,627,374</u>	<u>(1,334)</u>
Transfer - Workers Compensation Fund	<u>-</u>	<u>250,000</u>	<u>-</u>
Transfer - Sewer Capital Project Fund	<u>-</u>	<u>1,666,556</u>	<u>-</u>
Transfer - General Fund	<u>-</u>	<u>1,213,790</u>	<u>1,334</u>
Total Sewer Enterprise Fund	<u>\$ 1,913,183</u>	<u>\$ 31,139,087</u>	<u>\$ -</u>

<u>FY 2016 Budget As Amended</u>	<u>Total Revised FY 2016 Budget</u>	<u>Expended</u>	<u>Encumbrances/ Continued Appropriations</u>	<u>Closed to Fund Balance</u>
\$ 1,783,409	\$ 1,783,409	\$ 1,316,179	\$ -	\$ 467,230
1,612,151	1,612,151	903,327	516,493	192,331
2,377,841	2,377,841	712,360	1,633,391	32,090
399,178	399,178	331,352	-	67,826
<u>6,172,579</u>	<u>6,172,579</u>	<u>3,263,218</u>	<u>2,149,884</u>	<u>759,477</u>
<u>19,913,984</u>	<u>19,913,984</u>	<u>19,710,607</u>	<u>-</u>	<u>203,377</u>
<u>50,000</u>	<u>94,500</u>	<u>-</u>	<u>44,500</u>	<u>50,000</u>
<u>1,642,445</u>	<u>1,642,445</u>	<u>1,637,575</u>	<u>-</u>	<u>4,870</u>
<u>471,042</u>	<u>471,042</u>	<u>455,313</u>	<u>-</u>	<u>15,729</u>
<u>1,626,040</u>	<u>1,626,040</u>	<u>-</u>	<u>-</u>	<u>1,626,040</u>
<u>250,000</u>	<u>250,000</u>	<u>250,000</u>	<u>-</u>	<u>-</u>
<u>1,666,556</u>	<u>1,666,556</u>	<u>1,666,556</u>	<u>-</u>	<u>-</u>
<u>1,215,124</u>	<u>1,215,124</u>	<u>1,215,124</u>	<u>-</u>	<u>-</u>
<u>\$ 33,007,770</u>	<u>\$ 33,052,270</u>	<u>\$ 28,198,393</u>	<u>\$ 2,194,384</u>	<u>\$ 2,659,493</u>

CITY OF NEWTON, MASSACHUSETTS
WATER ENTERPRISE FUND
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET TO ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Continued <u>Appropriations</u>	FY 2016 <u>Original Budget</u>	FY 2016 <u>Budget Revisions</u>
Water Maintenance & Operation			
Personal Services	\$ -	\$ 2,250,024	\$ -
Expenses	114,703	1,432,750	-
Capital Outlay	729,866	335,000	-
Fringe Benefits	-	391,059	-
Total	<u>844,569</u>	<u>4,408,833</u>	<u>-</u>
Debt Maturities & Interest	<u>-</u>	<u>3,112,283</u>	<u>-</u>
Retirement	<u>-</u>	<u>602,389</u>	<u>-</u>
MWRA/DEP Assessments & Charges	<u>-</u>	<u>12,243,271</u>	<u>-</u>
Operating Reserve	<u>-</u>	<u>1,500,000</u>	<u>-</u>
Transfer - Sewer Fund	<u>-</u>	<u>531,892</u>	<u>-</u>
Transfer - General Fund	<u>-</u>	<u>1,226,332</u>	<u>-</u>
Transfer - Workers Compensation Fund	<u>-</u>	<u>250,000</u>	<u>-</u>
Total Water Enterprise Fund	<u>\$ 844,569</u>	<u>\$ 23,875,000</u>	<u>\$ -</u>

	<u>FY 2016 Budget As Amended</u>	<u>Total Revised FY 2016 Budget</u>	<u>Expended</u>	<u>Encumbrances/ Continued Appropriations</u>	<u>Closed to Fund Balance</u>
\$	2,250,024	\$ 2,250,024	\$ 2,197,747	\$ -	\$ 52,277
	1,547,453	1,547,453	980,430	486,690	80,333
	1,064,866	1,064,866	428,583	636,283	-
	391,059	391,059	385,036	-	6,023
	<u>5,253,402</u>	<u>5,253,402</u>	<u>3,991,796</u>	<u>1,122,973</u>	<u>138,633</u>
	<u>3,112,283</u>	<u>3,112,283</u>	<u>3,112,283</u>	<u>-</u>	<u>-</u>
	<u>602,389</u>	<u>602,389</u>	<u>583,961</u>	<u>-</u>	<u>18,428</u>
	<u>12,243,271</u>	<u>12,243,271</u>	<u>12,232,897</u>	<u>-</u>	<u>10,374</u>
	<u>1,500,000</u>	<u>1,500,000</u>	<u>-</u>	<u>-</u>	<u>1,500,000</u>
	<u>531,892</u>	<u>531,892</u>	<u>531,892</u>	<u>-</u>	<u>-</u>
	<u>1,226,332</u>	<u>1,226,332</u>	<u>1,226,332</u>	<u>-</u>	<u>-</u>
	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>	<u>-</u>	<u>-</u>
\$	<u><u>24,719,569</u></u>	\$ <u><u>24,719,569</u></u>	\$ <u><u>21,929,161</u></u>	\$ <u><u>1,122,973</u></u>	\$ <u><u>1,667,435</u></u>

CITY OF NEWTON, MASSACHUSETTS
STORMWATER ENTERPRISE FUND
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
BUDGET TO ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Continued <u>Appropriations</u>	FY 2016 <u>Original Budget</u>	FY 2016 <u>Budget Revisions</u>
Stormwater Maintenance & Operation			
Personal Services	\$ -	\$ 770,403	\$ -
Expenses	97,892	600,328	(132,260)
Capital Outlay	9,005	27,792	132,260
Fringe Benefits	-	159,453	-
Total	<u>106,897</u>	<u>1,557,976</u>	<u>-</u>
Retirement	<u>-</u>	<u>91,170</u>	<u>-</u>
Operating Reserve	<u>-</u>	<u>150,000</u>	<u>(2,419)</u>
Transfer - General Fund	<u>-</u>	<u>150,854</u>	<u>2,419</u>
Total Stormwater Enterprise Fund	\$ <u>106,897</u>	\$ <u>1,950,000</u>	\$ <u>-</u>

<u>FY 2016 Budget As Amended</u>	<u>Total Revised FY 2016 Budget</u>	<u>Expended</u>	<u>Encumbrances/ Continued Appropriations</u>	<u>Closed to Fund Balance</u>
\$ 770,403	\$ 770,403	\$ 710,247	\$ -	\$ 60,156
565,960	565,960	359,557	190,563	15,840
169,057	169,057	-	169,005	52
159,453	159,453	95,639	-	63,814
<u>1,664,873</u>	<u>1,664,873</u>	<u>1,165,443</u>	<u>359,568</u>	<u>139,862</u>
<u>91,170</u>	<u>91,170</u>	<u>46,620</u>	<u>-</u>	<u>44,550</u>
<u>147,581</u>	<u>147,581</u>	<u>-</u>	<u>-</u>	<u>147,581</u>
<u>153,273</u>	<u>153,273</u>	<u>153,273</u>	<u>-</u>	<u>-</u>
<u>\$ 2,056,897</u>	<u>\$ 2,056,897</u>	<u>\$ 1,365,336</u>	<u>\$ 359,568</u>	<u>\$ 331,993</u>



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STATISTICAL SECTION

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

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

This schedule offers demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information

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

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

NET POSITION BY COMPONENT
(ACCRUAL BASIS OF ACCOUNTING)

LAST TEN FISCAL YEARS

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Governmental Activities					
Net investment in capital assets.....	\$ 167,543,474	\$ 174,706,210	\$ 150,650,131	\$ 194,301,691	\$ 211,763,420
Restricted.....	13,842,544	35,459,940	104,838,430	52,363,403	34,096,760
Unrestricted.....	<u>67,671,362</u>	<u>39,781,710</u>	<u>(2,265,544)</u>	<u>(27,083,933)</u>	<u>(65,309,262)</u>
Total governmental activities net position.....	<u>\$ 249,057,380</u>	<u>\$ 249,947,860</u>	<u>\$ 253,223,017</u>	<u>\$ 219,581,161</u>	<u>\$ 180,550,918</u>
Business-Type Activities					
Net investment in capital assets.....	\$ 43,120,013	\$ 52,946,101	\$ 48,352,902	\$ 52,125,768	\$ 54,124,183
Unrestricted.....	<u>13,295,771</u>	<u>9,359,270</u>	<u>12,871,360</u>	<u>9,980,661</u>	<u>15,055,372</u>
Total business-type activities net position.....	<u>\$ 56,415,784</u>	<u>\$ 62,305,371</u>	<u>\$ 61,224,262</u>	<u>\$ 62,106,429</u>	<u>\$ 69,179,554</u>
Primary Government					
Net investment in capital assets.....	\$ 210,663,487	\$ 227,652,311	\$ 183,345,085	\$ 232,929,470	\$ 258,565,946
Restricted.....	13,842,544	35,459,940	120,496,378	65,861,392	41,418,417
Unrestricted.....	<u>80,967,133</u>	<u>49,140,980</u>	<u>10,605,816</u>	<u>(17,103,272)</u>	<u>(50,253,891)</u>
Total primary government net position.....	<u>\$ 305,473,164</u>	<u>\$ 312,253,231</u>	<u>\$ 314,447,279</u>	<u>\$ 281,687,590</u>	<u>\$ 249,730,472</u>

<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
\$ 227,091,798	\$ 238,374,247	\$ 248,739,230	\$ 258,490,143	\$ 260,763,492
27,700,568	27,981,384	29,816,361	32,723,876	34,250,976
<u>(93,548,399)</u>	<u>(122,355,108)</u>	<u>(138,654,442)</u>	<u>(436,919,140)</u>	<u>(455,531,782)</u>
<u>\$ 161,243,967</u>	<u>\$ 144,000,523</u>	<u>\$ 139,901,149</u>	<u>\$ (145,705,121)</u>	<u>\$ (160,517,314)</u>
\$ 55,890,406	\$ 56,271,350	\$ 66,943,719	\$ 83,521,987	\$ 89,426,102
<u>21,130,465</u>	<u>26,098,363</u>	<u>23,050,090</u>	<u>12,101,552</u>	<u>20,314,782</u>
<u>\$ 77,020,871</u>	<u>\$ 82,369,713</u>	<u>\$ 89,993,809</u>	<u>\$ 95,623,539</u>	<u>\$ 109,740,884</u>
\$ 269,287,104	\$ 294,645,597	\$ 315,682,949	\$ 342,012,130	\$ 350,189,594
41,395,668	27,981,384	29,816,361	32,723,876	34,250,976
<u>(72,417,934)</u>	<u>(96,256,745)</u>	<u>(115,604,352)</u>	<u>(424,817,588)</u>	<u>(435,217,000)</u>
<u>\$ 238,264,838</u>	<u>\$ 226,370,236</u>	<u>\$ 229,894,958</u>	<u>\$ (50,081,582)</u>	<u>\$ (50,776,430)</u>

GOVERNMENTAL ACTIVITIES
CHANGES IN NET POSITION (ACCRUAL BASIS OF ACCOUNTING)

LAST TEN FISCAL YEARS

	2007	2008	2009	2010	2011
Expenses					
General government.....	\$ 20,617,999	\$ 25,791,496	\$ 22,581,716	\$ 24,623,302	\$ 26,974,952
Public safety.....	44,207,931	48,896,370	52,614,816	52,168,801	55,800,259
Education.....	188,026,627	218,716,994	236,024,500	245,946,308	252,413,006
Public works.....	21,643,562	25,208,763	27,229,098	26,138,843	28,410,758
Health and human services.....	9,273,626	9,980,301	10,463,388	10,672,057	10,757,372
Culture and recreation.....	13,471,254	15,864,538	16,806,140	16,245,112	15,092,035
Other.....	-	24,080	-	-	-
Debt service - interest.....	2,237,287	2,494,422	4,375,013	7,234,167	7,670,746
Total expenses.....	<u>299,478,286</u>	<u>346,976,964</u>	<u>370,094,671</u>	<u>383,028,590</u>	<u>397,119,128</u>
Program Revenues					
Charges for services.....	22,854,391	21,185,123	21,413,394	20,969,889	21,915,225
Operating grants and contributions.....	54,150,398	60,500,259	66,344,326	65,706,164	66,976,636
Capital grants and contributions.....	11,118,572	21,684,895	30,179,116	1,960,084	1,764,258
Total program revenues.....	<u>88,123,361</u>	<u>103,370,277</u>	<u>117,936,836</u>	<u>88,636,137</u>	<u>90,656,119</u>
Net (expense)/revenue.....	<u>(211,354,925)</u>	<u>(243,606,687)</u>	<u>(252,157,835)</u>	<u>(294,392,453)</u>	<u>(306,463,009)</u>
General Revenues and Other Changes in Net Position					
Real estate and personal property taxes.....	209,105,186	211,886,334	226,800,860	232,774,689	239,761,554
Motor vehicle and other excise taxes.....	10,396,428	10,859,789	10,479,922	9,860,220	10,541,624
Hotel/motel taxes.....	1,138,921	1,103,549	1,108,199	1,168,095	1,588,882
Meal taxes.....	-	-	-	382,934	1,308,191
Penalties and interest on taxes.....	1,049,712	1,055,344	1,223,300	1,026,507	1,038,225
Payments in lieu of taxes.....	2,851,122	767,439	273,359	3,270,902	515,471
Community preservation surcharges.....	2,032,942	2,114,805	2,193,701	2,288,314	2,352,389
Grants and contributions not restricted to specific programs.....	9,289,181	8,705,545	7,435,280	5,891,287	5,596,391
Unrestricted investment income.....	4,757,698	4,306,424	2,610,098	934,313	454,365
Gain (Loss) on sale of capital assets.....	-	-	-	24,347	32,280
Other.....	1,302,478	2,522,970	1,761,048	1,752,802	3,002,856
Transfers, net.....	<u>1,223,658</u>	<u>1,264,968</u>	<u>1,457,225</u>	<u>1,376,187</u>	<u>1,240,538</u>
Total general revenues and other changes in net position.....	<u>243,147,326</u>	<u>244,587,167</u>	<u>255,342,992</u>	<u>260,750,597</u>	<u>267,432,766</u>
Change in net position.....	<u>\$ 31,792,401</u>	<u>\$ 980,480</u>	<u>\$ 3,185,157</u>	<u>\$ (33,641,856)</u>	<u>\$ (39,030,243)</u>

	2012	2013	2014	2015	2016
\$	21,992,988	\$ 22,997,802	\$ 22,716,559	\$ 26,440,640	\$ 28,489,575
	56,061,495	56,962,698	61,290,201	68,685,178	74,526,967
	252,922,994	264,655,220	272,447,586	273,738,170	287,559,898
	24,221,365	28,194,390	29,223,056	33,419,187	29,698,488
	10,684,932	11,323,484	11,328,446	11,625,318	12,319,296
	16,216,945	16,177,118	15,164,811	17,759,803	20,385,376
	-	-	-	-	-
	<u>7,559,469</u>	<u>7,989,634</u>	<u>7,714,546</u>	<u>9,906,400</u>	<u>10,945,881</u>
	<u>389,660,188</u>	<u>408,300,346</u>	<u>419,885,205</u>	<u>441,574,696</u>	<u>463,925,481</u>
	25,732,684	28,970,340	28,321,486	28,572,429	32,651,120
	65,780,261	69,319,711	74,285,730	64,031,611	67,774,244
	<u>2,519,356</u>	<u>5,975,327</u>	<u>5,053,677</u>	<u>3,703,180</u>	<u>4,232,242</u>
	<u>94,032,301</u>	<u>104,265,378</u>	<u>107,660,893</u>	<u>96,307,220</u>	<u>104,657,606</u>
	<u>(295,627,887)</u>	<u>(304,034,968)</u>	<u>(312,224,312)</u>	<u>(345,267,476)</u>	<u>(359,267,875)</u>
	249,340,011	258,590,398	278,426,655	289,075,613	309,686,267
	10,514,832	11,404,708	11,953,727	12,670,852	13,061,883
	1,814,792	2,051,414	2,218,759	2,330,724	2,444,007
	1,403,261	1,407,803	1,557,737	1,786,617	1,880,428
	1,146,496	1,011,590	1,160,092	1,509,583	1,282,596
	529,294	524,906	557,065	476,899	461,586
	2,431,863	2,501,875	2,697,187	2,818,748	2,945,936
	5,263,525	6,276,114	5,716,482	5,968,282	6,309,128
	278,106	202,473	230,699	265,809	483,866
	-	-	-	-	-
	2,169,238	1,492,956	1,622,541	2,304,964	3,305,255
	<u>1,429,518</u>	<u>1,640,260</u>	<u>1,983,994</u>	<u>2,088,882</u>	<u>2,594,730</u>
	<u>276,320,936</u>	<u>287,104,497</u>	<u>308,124,938</u>	<u>321,296,973</u>	<u>344,455,682</u>
\$	<u>(19,306,951)</u>	<u>(16,930,471)</u>	<u>(4,099,374)</u>	<u>(23,970,503)</u>	<u>(14,812,193)</u>

BUSINESS-TYPE ACTIVITIES
CHANGES IN NET POSITION (ACCRUAL BASIS OF ACCOUNTING)

LAST TEN FISCAL YEARS

	2007	2008	2009	2010	2011
Expenses					
Sewer.....	\$ 20,033,778	\$ 21,208,637	\$ 21,879,634	\$ 23,347,392	\$ 23,468,371
Water.....	11,467,754	12,212,234	13,623,595	13,780,687	14,260,631
Stormwater.....	-	-	-	-	-
Total expenses.....	<u>31,501,532</u>	<u>33,420,871</u>	<u>35,503,229</u>	<u>37,128,079</u>	<u>37,729,002</u>
Program Revenues					
Charges for services.....	33,084,089	39,034,143	33,761,633	38,405,378	45,171,479
Operating grants and contributions.....	835,397	814,428	857,561	732,948	847,004
Capital grants and contributions.....	1,544,708	726,855	1,260,151	245,331	24,182
Total program revenues.....	<u>35,464,194</u>	<u>40,575,426</u>	<u>35,879,345</u>	<u>39,383,657</u>	<u>46,042,665</u>
Net (expense)/revenue.....	<u>3,962,662</u>	<u>7,154,555</u>	<u>376,116</u>	<u>2,255,578</u>	<u>8,313,663</u>
General Revenues and Transfers					
Gain on sale of capital asset.....	-	-	-	2,776	-
Transfers, net.....	<u>(1,223,658)</u>	<u>(1,264,968)</u>	<u>(1,457,225)</u>	<u>(1,376,187)</u>	<u>(1,240,538)</u>
Change in net position.....	<u>\$ 2,739,004</u>	<u>\$ 5,889,587</u>	<u>\$ (1,081,109)</u>	<u>\$ 882,167</u>	<u>\$ 7,073,125</u>

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
\$	24,953,457	\$ 25,359,689	\$ 25,557,836	\$ 26,254,561	\$ 24,958,975
	15,185,784	15,896,034	16,702,263	17,503,699	19,439,528
	-	-	-	1,118,476	1,295,988
	<u>40,139,241</u>	<u>41,255,723</u>	<u>42,260,099</u>	<u>44,876,736</u>	<u>45,694,491</u>
	48,273,768	47,175,932	51,347,815	54,741,671	59,064,372
	646,975	1,059,085	514,894	506,547	545,793
	<u>489,333</u>	<u>9,808</u>	<u>5,480</u>	<u>3,797,829</u>	<u>2,796,401</u>
	<u>49,410,076</u>	<u>48,244,825</u>	<u>51,868,189</u>	<u>59,046,047</u>	<u>62,406,566</u>
	<u>9,270,835</u>	<u>6,989,102</u>	<u>9,608,090</u>	<u>14,169,311</u>	<u>16,712,075</u>
	-	-	-	-	-
	<u>(1,429,518)</u>	<u>(1,640,260)</u>	<u>(1,983,994)</u>	<u>(2,088,882)</u>	<u>(2,594,730)</u>
\$	<u><u>7,841,317</u></u>	<u><u>5,348,842</u></u>	<u><u>7,624,096</u></u>	<u><u>12,080,429</u></u>	<u><u>14,117,345</u></u>

PRIMARY GOVERNMENT
 CHANGES IN NET POSITION (ACCRUAL BASIS OF ACCOUNTING)

LAST TEN FISCAL YEARS

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Total expenses.....	\$ 330,979,818	\$ 380,397,835	\$ 405,597,900	\$ 420,156,669	\$ 434,848,130
Total program revenues.....	<u>123,587,555</u>	<u>143,945,703</u>	<u>153,816,181</u>	<u>128,019,794</u>	<u>136,698,784</u>
Net (expense)/revenue.....	(207,392,263)	(236,452,132)	(251,781,719)	(292,136,875)	(298,149,346)
Total general revenues, transfers and other changes in net position.....	<u>241,923,668</u>	<u>243,322,199</u>	<u>253,885,767</u>	<u>259,377,186</u>	<u>266,192,228</u>
Change in net position.....	\$ <u>34,531,405</u>	\$ <u>6,870,067</u>	\$ <u>2,104,048</u>	\$ <u>(32,759,689)</u>	\$ <u>(31,957,118)</u>

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
\$	429,799,429	449,556,069	\$ 462,145,304	\$ 486,451,432	\$ 509,619,972
	<u>143,442,377</u>	<u>152,510,203</u>	<u>159,529,082</u>	<u>155,353,267</u>	<u>167,064,172</u>
	(286,357,052)	(297,045,866)	(302,616,222)	(331,098,165)	(342,555,800)
	<u>274,891,418</u>	<u>285,464,237</u>	<u>306,140,944</u>	<u>319,208,091</u>	<u>341,860,952</u>
\$	<u><u>(11,465,634)</u></u>	<u><u>(11,581,629)</u></u>	<u><u>3,524,722</u></u>	<u><u>(11,890,074)</u></u>	<u><u>(694,848)</u></u>

GOVERNMENTAL FUNDS
FUND BALANCES (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

LAST TEN FISCAL YEARS

	2007	2008	2009	2010	2011 (1)
General Fund					
Reserved.....	\$ 3,884,714	\$ 3,091,164	\$ 4,595,043	\$ 5,746,263	\$ -
Unreserved.....	19,724,693	16,342,052	15,574,235	13,566,282	-
Restricted.....	-	-	-	-	928,722
Committed.....	-	-	-	-	14,877,088
Assigned.....	-	-	-	-	844,441
Unassigned.....	-	-	-	-	14,123,323
Total general fund.....	\$ 23,609,407	\$ 19,433,216	\$ 20,169,278	\$ 19,312,545	\$ 30,773,574
All Other Governmental Funds					
Reserved.....	\$ 6,181,855	\$ 7,904,778	\$ 8,153,969	\$ 25,926,689	\$ -
Unreserved, reported in:					
Special revenue funds.....	7,213,248	10,478,029	13,253,604	10,704,933	-
Capital projects funds.....	17,319,824	38,560,162	93,303,737	28,167,213	-
Permanent funds.....	925,527	817,614	736,678	740,024	-
Nonspendable.....	-	-	-	-	445,570
Restricted.....	-	-	-	-	28,989,163
Committed.....	-	-	-	-	886,894
Unassigned.....	-	-	-	-	(354,498)
Total all other governmental funds.....	\$ 31,640,454	\$ 57,760,583	\$ 115,447,988	\$ 65,538,859	\$ 29,967,129

(1) Starting in fiscal year 2011 governmental fund balances are being reported in accordance with Governmental Accounting Standards Board Statement #54, Fund Balance Reporting and Governmental Fund Type Definitions.

	2012	2013	2014	2015	2016
\$	-	-	-	-	-
	-	-	-	-	-
	938,274	3,164,616	2,849,507	3,006,074	2,814,268
	9,816,666	5,348,800	4,889,216	5,308,421	8,851,803
	2,583,061	3,110,521	2,677,990	2,451,384	2,176,104
	<u>14,886,340</u>	<u>21,091,447</u>	<u>26,259,064</u>	<u>27,757,785</u>	<u>43,616,522</u>
\$	<u>28,224,341</u>	<u>32,715,384</u>	<u>36,675,777</u>	<u>38,523,664</u>	<u>57,458,697</u>
\$	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	446,818	447,206	397,250	397,170	397,049
	28,617,216	26,869,665	30,289,935	38,421,915	50,313,321
	1,745,209	1,718,332	1,736,249	1,281,577	1,554,522
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
\$	<u>30,809,243</u>	<u>29,035,203</u>	<u>32,423,434</u>	<u>40,100,662</u>	<u>52,264,892</u>

GOVERNMENTAL FUNDS
CHANGES IN FUND BALANCES (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

LAST TEN FISCAL YEARS

	2007	2008	2009	2010	2011
REVENUES					
Real estate and personal property taxes.....	\$ 207,245,638	\$ 211,435,422	\$ 224,437,442	\$ 233,726,177	\$ 240,732,647
Motor vehicle and other excise taxes.....	10,197,596	11,131,712	10,098,579	10,222,534	10,463,796
Hotel/motel tax.....	1,138,921	1,103,549	1,108,199	1,168,095	1,588,882
Meals tax.....	-	-	-	382,934	1,308,191
Payments in lieu of taxes.....	411,841	358,957	489,108	3,095,059	439,721
Community preservation surcharges.....	2,027,379	2,107,392	2,207,442	2,296,523	2,365,422
Charges for services.....	14,110,021	14,088,742	14,209,678	14,821,694	14,674,078
Intergovernmental.....	75,564,011	78,760,492	122,879,420	75,443,469	73,856,678
Special assessments.....	215,216	157,281	218,438	158,481	254,638
Penalties and interest on taxes.....	1,049,712	1,055,344	1,223,300	1,026,507	1,038,224
Licenses and permits.....	5,764,582	4,928,179	4,575,496	4,564,508	5,523,613
Fines and forfeitures.....	1,850,503	1,899,661	2,022,175	2,101,518	1,907,471
Contributions.....	796,807	1,395,023	1,320,527	1,185,340	1,382,243
Investment income.....	4,960,859	4,435,423	2,642,189	1,016,818	554,473
Miscellaneous/other.....	947,985	1,813,990	1,686,507	667,540	1,676,863
	<u>326,281,071</u>	<u>334,671,167</u>	<u>389,118,500</u>	<u>351,877,197</u>	<u>357,766,940</u>
EXPENDITURES					
Current:					
General government.....	18,456,441	22,190,508	21,756,050	22,007,737	27,495,142
Public safety.....	36,540,065	36,960,093	37,438,138	37,999,263	37,725,281
Education.....	166,363,295	202,577,476	252,917,406	254,430,394	214,802,244
Public works.....	23,001,792	24,844,231	24,944,049	26,357,440	24,730,797
Health and human services.....	4,054,211	3,989,849	4,080,313	4,305,785	4,177,515
Culture and recreation.....	14,441,900	12,837,823	12,438,606	12,637,414	11,232,808
Retirement benefits.....	42,079,659	44,134,609	47,480,693	49,940,948	53,157,157
Insurance.....	1,666,576	1,690,977	1,891,488	1,676,169	1,445,803
Claims and judgments.....	143,335	97,254	250,509	100,453	160,733
Health insurance subsidy.....	173,495	-	-	-	-
Other.....	-	24,080	-	-	-
State and county charges.....	5,375,365	5,512,027	5,453,169	5,619,317	5,472,487
Debt service:					
Principal.....	8,472,050	6,146,900	7,652,100	8,548,500	9,460,500
Interest.....	2,129,315	2,378,302	3,694,574	7,079,256	7,509,703
	<u>322,897,499</u>	<u>363,384,129</u>	<u>419,997,095</u>	<u>430,702,676</u>	<u>397,370,170</u>
EXCESS (DEFICIENCY) OF REVENUES					
OVER EXPENDITURES.....	<u>3,383,572</u>	<u>(28,712,962)</u>	<u>(30,878,595)</u>	<u>(78,825,479)</u>	<u>(39,603,230)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in.....	9,793,750	12,584,287	15,539,377	8,860,150	6,386,643
Proceeds of bonds and notes.....	10,600,000	48,792,000	86,010,000	25,548,000	13,770,000
Premium from issuance of bonds and notes.....	92,732	262,441	1,557,255	815,357	168,147
Proceeds of refunding bonds.....	-	-	-	-	-
Premium from issuance of refunding bonds.....	-	-	-	-	-
Sale of capital assets.....	40,752	49,909	-	42,491	36,262
Transfers out.....	(8,292,510)	(11,031,737)	(13,804,570)	(7,206,381)	(4,868,523)
Payments to refunding bond escrow agent.....	-	-	-	-	-
	<u>12,234,724</u>	<u>50,656,900</u>	<u>89,302,062</u>	<u>28,059,617</u>	<u>15,492,529</u>
EXTRAORDINARY ITEM					
Proceeds of structured settlement contract.....	<u>2,850,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES.....	\$ <u>18,468,296</u>	\$ <u>21,943,938</u>	\$ <u>58,423,467</u>	\$ <u>(50,765,862)</u>	\$ <u>(24,110,701)</u>
DEBT SERVICE EXPENDITURES AS A PERCENTAGE					
OF NONCAPITAL EXPENDITURES.....	3.3%	2.3%	2.7%	3.6%	4.3%

	2012	2013	2014	2015	2016
\$	248,503,570	\$ 257,225,856	\$ 277,636,527	\$ 288,700,477	\$ 308,965,868
	10,567,479	11,351,368	12,057,191	12,486,356	13,122,277
	1,814,792	2,051,414	2,218,759	2,330,724	2,444,007
	1,403,261	1,407,803	1,557,737	1,786,617	1,880,428
	479,617	521,643	475,741	465,822	476,083
	2,427,905	2,508,969	2,689,198	2,814,155	2,946,847
	17,340,467	17,702,424	19,090,133	19,628,195	20,126,506
	73,036,706	81,971,057	83,629,746	53,128,480	60,527,637
	350,639	224,503	189,547	190,603	169,588
	1,146,496	1,011,591	1,160,091	1,508,259	1,282,596
	6,081,388	9,291,263	7,538,284	7,621,990	10,483,024
	2,017,085	2,029,860	1,889,935	1,808,854	2,046,389
	1,299,748	833,888	1,112,823	1,016,439	1,446,969
	271,250	257,726	328,015	270,552	490,874
	1,222,231	593,712	737,709	1,606,532	1,127,899
	<u>367,962,634</u>	<u>388,983,077</u>	<u>412,311,436</u>	<u>395,364,055</u>	<u>427,536,992</u>
	21,216,365	18,961,966	22,784,656	27,381,322	30,839,020
	39,687,309	40,232,455	42,177,396	43,368,473	46,354,662
	196,486,485	210,372,992	230,391,740	236,571,691	273,044,983
	21,918,256	28,939,827	31,082,397	33,411,422	29,034,856
	4,123,498	4,358,995	4,656,637	4,545,590	4,924,260
	13,839,046	13,634,682	12,443,344	13,867,205	16,256,351
	56,055,483	57,813,067	60,134,090	29,199,509	31,235,486
	1,559,274	1,722,006	1,778,619	2,000,027	1,618,006
	58,504	128,950	171,221	232,282	244,752
	-	-	-	-	-
	-	-	-	-	-
	5,503,956	5,722,550	5,783,939	5,875,034	6,113,282
	9,408,367	9,596,167	10,367,425	9,824,367	10,747,967
	7,574,440	7,568,326	7,411,724	8,009,057	8,177,639
	<u>377,430,983</u>	<u>399,051,983</u>	<u>429,183,188</u>	<u>414,285,979</u>	<u>458,591,264</u>
	<u>(9,468,349)</u>	<u>(10,068,906)</u>	<u>(16,871,752)</u>	<u>(18,921,924)</u>	<u>(31,054,272)</u>
	8,413,437	7,732,178	10,802,542	9,399,205	10,001,522
	5,734,000	10,812,558	20,936,000	25,505,000	55,340,000
	131,379	590,740	749,963	1,197,352	3,955,263
	-	-	-	19,635,000	19,610,000
	-	-	-	1,759,523	2,430,245
	67,610	55,325	27,419	13,300	129,179
	(6,585,196)	(6,091,919)	(8,295,548)	(7,264,297)	(7,272,429)
	-	-	-	(21,798,044)	(22,040,245)
	<u>7,761,230</u>	<u>13,098,882</u>	<u>24,220,376</u>	<u>28,447,039</u>	<u>62,153,535</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
\$	<u>(1,707,119)</u>	<u>\$ 3,029,976</u>	<u>\$ 7,348,624</u>	<u>\$ 9,525,115</u>	<u>\$ 31,099,263</u>
	4.5%	4.3%	4.1%	4.3%	4.1%

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY (1)

LAST TEN FISCAL YEARS

Fiscal Year	Assessed Value (2)			Total Assessed Value	Total Direct Tax Rate	Estimated Actual Value (3)	Assessed Value as a Percentage of Actual Value
	Residential Real Property	Commercial and Industrial Real Property	Personal Property				
2007	\$ 18,780,465,279	\$ 1,691,031,121	\$ 195,725,500	\$ 20,667,221,900	\$ 9.95	\$ 21,590,027,600	95.73%
2008	18,478,928,698	1,767,239,702	211,461,100	20,457,629,500	10.44	22,207,139,600	92.12%
2009	18,659,283,807	1,788,640,793	266,624,600	20,714,549,200	10.72	22,207,139,600	93.28%
2010	18,384,685,100	1,819,972,600	283,174,000	20,487,831,700	11.25	22,506,213,100	91.03%
2011	18,113,668,363	1,830,045,937	289,095,700	20,232,810,000	11.80	22,506,213,100	89.90%
2012	18,276,909,150	1,851,072,350	336,017,900	20,463,999,400	12.10	21,744,090,700	94.11%
2013	18,445,998,977	1,847,689,523	351,617,700	20,645,306,200	12.43	21,744,090,700	94.95%
2014	18,687,096,235	1,906,786,065	368,307,500	20,962,189,800	13.13	22,305,253,800	93.98%
2015	19,995,837,989	2,270,794,311	398,472,900	22,665,105,200	12.65	22,305,253,800	101.61%
2016	21,618,642,652	2,285,453,048	417,722,300	24,321,818,000	12.31	26,223,773,800	92.75%

Source: City of Newton Annual Tax Recap Sheet

(1) Does not include valuation affected by residential exemption

(2) As of January 1st

(3) Estimated actual value is based on equalized valuations determined biennially by the Commissioner of Revenue

DIRECT PROPERTY TAX RATES (1) (2)

LAST TEN FISCAL YEARS

Fiscal Year	Residential Real Property	Commercial and Industrial Real Property	Personal Property	Total Direct (3)
2007	\$ 9.33	\$ 17.64	\$ 17.64	9.95
2008	9.70	18.46	18.46	10.44
2009	9.96	19.00	19.00	10.72
2010	10.41	19.93	19.93	11.25
2011	10.90	20.89	20.89	11.80
2012	11.17	21.32	21.32	12.10
2013	11.49	21.93	21.93	12.43
2014	12.12	23.18	23.18	13.13
2015	11.61	22.38	22.38	12.65
2016	11.38	21.94	21.94	12.31

Source: City of Newton Tax Recap Sheets

(1) Rates are applicable to each \$1,000 of assessed value

(2) Per the initiatives of Proposition 2 1/2 adopted by the Commonwealth of Massachusetts, the City cannot levy more than 2.5 percent of the total full and fair cash value of all taxable real and personal property. The City's levy is also limited in that it cannot increase more than 2.5 percent from the prior year, with certain exceptions for new growth or through overrides and exclusions adopted by City voters.

(3) Calculated by dividing the net tax levy by total assessed value divided by 1,000

PRINCIPAL PROPERTY TAXPAYERS

CURRENT YEAR AND TEN YEARS AGO

Taxpayer	2016			2007		
	Assessed Valuation	Rank	Percentage of Total Tax Levy	Assessed Valuation	Rank	Percentage of Total Tax Levy
NStar Electric	\$ 3,185,306	1	1.04%	\$ 992,391	3	0.48%
Hines Global REIT	2,947,716	2	0.97%	N/A	N/A	N/A
Chestnut Hill Shopping Center, LLC	2,640,558	3	0.86%	N/A	N/A	N/A
Mall at Chestnut Hill, LLC	2,316,814	4	0.76%	N/A	N/A	N/A
CHS Commercial Owner LLC	2,134,801	5	0.70%	N/A	N/A	N/A
Chesapeake Hotel Lmt Partnership	1,836,641	6	0.60%	613,775	6	0.30%
Boston Gas/National Grid	1,493,969	7	0.49%	N/A	N/A	N/A
Thomas J. White TRS	1,397,150	8	0.46%	619,995	5	0.30%
Avalon Upper Falls LLC	835,630	9	0.27%	459,162	9	0.22%
NS Wells Aquistic	811,089	10	0.27%	530,006	7	0.26%
Riverside Project LLC	N/A	N/A	N/A	1,816,113	1	0.88%
Atrium Mall	N/A	N/A	N/A	1,196,332	2	0.58%
Julian Cohen & Daniel Rothenberg Trust	N/A	N/A	N/A	815,184	4	0.40%
Daniel Rothenberg	N/A	N/A	N/A	481,574	8	0.23%
Daniel Rothenberg	N/A	N/A	N/A	454,717	10	0.22%
Total	\$ 19,599,674		6.42%	\$ 7,979,249		3.87%

Source: City of Newton Board of Assessors.

PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN FISCAL YEARS

Fiscal Year	Net Tax Levy	Collected within the Fiscal Year of the Levy		Actual Subsequent Collections	Total Collections to Date	
		Current Tax Collections	Percent of Net Levy Collected		Total Tax Collections	Total Collections as a % of Net Levy (1)
2007	\$ 205,603,998	\$ 204,425,747	99.43%	\$ 2,475,729	\$ 206,901,476	100.63%
2008	213,670,594	211,782,357	99.12%	2,225,400	214,007,757	100.16%
2009	222,124,895	221,179,256	99.57%	1,089,387	222,268,643	100.06%
2010	230,471,466	228,861,998	99.30%	1,510,261	230,372,259	99.96%
2011	238,752,520	237,347,484	99.41%	2,108,169	239,455,653	100.29%
2012	247,532,017	246,717,069	99.67%	1,733,289	248,450,358	100.37%
2013	256,559,763	255,584,775	99.62%	2,050,596	257,635,371	100.42%
2014	275,166,240	274,820,049	99.87%	2,259,541	277,079,590	100.70%
2015	286,813,970	286,945,789	100.05%	2,692,105	289,637,894	100.98%
2016	299,404,279	300,308,851	100.30%	-	300,308,851	100.30%

Source: Annual Tax Recap Sheet and General Ledger records

(1) Total collections can exceed 100% due to the City's conservative statutory reserve for abatements, which reduces the net tax levy.

RATIOS OF OUTSTANDING DEBT BY TYPE

LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities		Business-Type Activities		Total Primary Government	Per Capita (1)
	General Obligation Bonds	General Obligation Bonds	MWRA/ MCWT Loans			
2007	\$ 49,682,800	\$ 80,000	\$ 24,790,065	\$	74,552,865	\$ 903
2008	92,327,900	40,000	22,117,941		114,485,841	1,415
2009	170,685,800	6,000,000	24,259,834		200,945,634	2,418
2010	187,685,300	5,900,000	23,261,750		216,847,050	2,597
2011	191,994,800	8,275,000	21,449,014		221,718,814	2,639
2012	188,320,433	9,627,000	19,699,017		217,646,450	2,556
2013	189,297,824	15,671,442	17,643,162		222,612,428	2,579
2014	199,866,399	14,265,000	15,726,829		229,858,228	2,663
2015	215,267,032	16,364,817	12,863,980		244,495,829	2,769
2016	265,560,962	12,753,651	15,539,608		293,854,221	3,309

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) See the "Demographic and Economic Statistics" schedule located in the Statistical Section for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING

LAST TEN FISCAL YEARS

Fiscal Year	Net General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property (1)	Percentage of Estimated Personal Income (2)
	General Obligation Bonds	Less: Resources Restricted for Debt Principal	Total Net General Bonded Debt		
2007	\$ 49,762,800	\$ -	\$ 49,762,800	0.23%	1.08%
2008	92,367,900	-	92,367,900	0.42%	2.04%
2009	170,685,800	(881,707)	169,804,093	0.76%	3.32%
2010	187,685,300	(749,640)	186,935,660	0.83%	3.64%
2011	191,994,800	(683,320)	191,311,480	0.85%	3.70%
2012	188,320,433	(2,946,430)	185,374,003	0.85%	3.54%
2013	189,297,824	(2,896,430)	186,401,394	0.86%	3.51%
2014	199,866,399	(2,835,755)	197,030,644	0.88%	3.71%
2015	215,267,032	(2,992,322)	212,274,710	0.95%	3.76%
2016	265,560,962	(2,803,983)	262,756,979	1.00%	4.59%

(1) See the "Assessed Value and Estimated Actual Value of Taxable Property" schedule located in the Statistical Section for property value data.

(2) See the "Demographic and Economic Statistics" schedule located in the Statistical Section for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

DIRECT AND OVERLAPPING DEBT

JUNE 30, 2016

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (1)	Estimated Share of Overlapping Debt
Massachusetts Water Resources Authority.....	\$ 5,775,115,000	5.10%	\$ <u>294,280,990</u>
City direct debt.....			<u>293,854,221</u>
Total direct and overlapping debt.....			<u>\$ 588,135,211</u>

Sources: MWRA, City of Newton Treasurer's Office

LEGAL DEBT MARGIN INFORMATION

LAST FIVE FISCAL YEARS

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Equalized valuation.....	\$ 26,223,773,800	\$ 22,305,253,800	\$ 22,305,253,800	\$ 21,744,090,700	\$ 21,744,090,700
Normal debt limit (5% of equalized valuation).....	1,311,188,690	1,115,262,690	1,115,262,690	1,087,204,535	1,087,204,535
Debt applicable to limit:					
Total bonded debt.....	293,854,221	244,495,829	229,858,228	222,612,428	217,646,450
Less: General obligation bonds exempted by authority of state legislature.....	<u>(14,230,992)</u>	<u>(37,987,881)</u>	<u>(17,377,352)</u>	<u>(17,643,162)</u>	<u>(19,699,017)</u>
Total net debt applicable to limit.....	<u>279,623,229</u>	<u>206,507,948</u>	<u>212,480,876</u>	<u>204,969,266</u>	<u>197,947,433</u>
Legal debt margin.....	<u>\$ 1,031,565,461</u>	<u>\$ 908,754,742</u>	<u>\$ 902,781,814</u>	<u>\$ 882,235,269</u>	<u>\$ 889,257,102</u>
Total net debt applicable to the limit as a percentage of normal debt limit.....	<u>21.3%</u>	<u>18.5%</u>	<u>19.1%</u>	<u>18.9%</u>	<u>18.2%</u>

DEMOGRAPHIC AND ECONOMIC STATISTICS

LAST TEN CALENDAR YEARS

Year	Population	Median Age	Per Capita Income	Estimated Personal Income	Median Family Income	Public School Enrollment	Unemployment Rate (%)
2006	82,578	38.7	55,891	4,615,366,998	124,893	11,501	3.7%
2007	80,917	38.7	55,891	4,522,532,047	124,893	11,570	3.9%
2008	83,112	38.7	61,530	5,113,881,360	113,416	11,570	6.3%
2009	83,501	38.7	61,530	5,137,816,530	113,416	11,607	6.5%
2010	84,024	40.5	61,530	5,169,996,720	113,416	11,775	5.0%
2011	85,146	39.9	61,530	5,239,033,380	113,416	12,172	4.1%
2012	86,307	40.2	61,530	5,310,469,710	113,416	12,170	4.1%
2013	86,307	40.2	61,530	5,310,469,710	113,416	12,441	4.1%
2014	88,287	40.1	63,872	5,639,067,264	119,148	12,503	4.1%
2015	88,817	41.9	64,475	5,726,476,075	118,639	12,508	3.3%

Sources: Population from City census

Per capita income, median age, and median family income is from U.S. Census for 2000 and 2005

Unemployment rates from Massachusetts Division of Unemployment Assistance for September of each year.

School enrollment represents October 1 total enrollment per Newton Public Schools.

EMPLOYEES BY FUNCTION/PROGRAM

LAST FIVE FISCAL YEARS

<u>Employees as of June 30</u>					
<u>Function/Program</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
General government.....	135	136	138	128	131
Public safety.....	403	380	372	364	371
Education.....	1,427	1,455	1,406	1,334	1,285
Public works	115	127	136	131	126
Health and human services.....	47	45	42	45	45
Culture and recreation.....	97	81	82	80	79
Water.....	29	28	29	28	29
Sewer.....	25	25	25	28	27
Total.....	<u>2,278</u>	<u>2,277</u>	<u>2,230</u>	<u>2,138</u>	<u>2,093</u>

Source: City of Newton payroll

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

LAST FIVE FISCAL YEARS

Function/Program	Fiscal Year				
	2016	2015	2014	2013	2012
Public safety					
Police					
Stations.....	1	1	1	1	1
Vehicles.....	69	69	69	69	69
Fire					
Stations.....	6	6	6	6	6
Firefighting Vehicles.....	9	9	9	9	9
Education					
Public school buildings.....	21	21	21	21	21
Public works					
Streets (miles).....	310	310	310	310	310
Streetlights.....	8,595	8,595	8,595	8,595	8,595
Traffic signals.....	98	98	98	98	98
Parking meters.....	1,671	1,671	1,671	1,671	1,671
Culture and recreation					
Public libraries					
Main library.....	1	1	1	1	1
Park & playground Acreage.....	595	595	590	590	590
Outdoor swimming facilities.....	2	2	2	2	2
Indoor swimming facilities.....	1	1	1	1	1
Public street trees	30,000	30,000	30,000	30,000	30,000
Water					
Water mains (miles).....	300	300	300	300	300
Fire hydrants.....	2,400	2,400	2,400	2,400	2,400
Storage capacity (thousands of gallons).....	26,000,000	26,000,000	26,000,000	26,000,000	26,000,000
Sewer					
Sanitary sewers (miles).....	300	300	300	300	300
Sewer pump stations.....	10	10	10	10	10
Stormwater					
Stormdrains (miles).....	324	324	324	324	324

Sources: Various departments of the City of Newton



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www.lockelord.com

(Date of Delivery)

James Reardon, Treasurer/Collector
City of Newton
Newton, Massachusetts

\$38,930,000
City of Newton, Massachusetts
General Obligation Municipal Purpose Loan of 2017 Bonds
Dated December 21, 2017

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

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

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

1. The Bonds are valid and binding general obligations of the City and, except to the extent they are paid from other sources, the principal of and interest on the Bonds are payable from taxes which may be levied upon all taxable property in the City, without limitation as to rate or amount, except as provided under Chapter 44, Section 20 of the General Laws, with respect to that portion of the principal and interest payments that the City has voted to exempt from the limit imposed by Chapter 59, Section 21C of the General Laws, and subject to the limit imposed by Chapter 59, Section 21C of the General Laws with respect to that portion of the principal and interest payments that the City has not voted to exempt from that limit.

2. Interest on the Bonds is excluded from the gross income of the owners of the Bonds for federal income tax purposes. In addition, interest on the Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes. However, such interest is included in adjusted current earnings when calculating corporate alternative minimum taxable income. In rendering the opinions set forth in this paragraph, we have assumed compliance by the City with all requirements of the Internal Revenue Code of

1986 that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, and continue to be, excluded from gross income for federal income tax purposes. The City has covenanted to comply with all such requirements. Failure by the City to comply with certain of such requirements may cause interest on the Bonds to become included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. We express no opinion regarding any other federal tax consequences arising with respect to the Bonds.

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

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

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

LOCKE LORD LLP

**PROPOSED FORM OF
CONTINUING DISCLOSURE CERTIFICATE**

This Continuing Disclosure Certificate (the “Disclosure Certificate”) is executed and delivered by the City of Newton, Massachusetts (the “Issuer”) in connection with the issuance of its \$38,930,000 General Obligation Municipal Purpose Loan of 2017 Bonds dated December 21, 2017 (the “Bonds”). The Issuer covenants and agrees as follows:

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

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

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

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

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

“Obligated Person” shall mean the Issuer.

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

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

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

SECTION 3. Provision of Annual Reports.

(a) The Issuer shall, not later than 270 days after the end of each fiscal year, provide to the MSRB an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the Issuer may be submitted when available separately from the balance of the Annual Report.

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

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

(a) quantitative information for the preceding fiscal year of the type presented in the Issuer's Official Statement dated December 12, 2017 relating to the Bonds regarding (i) the revenues and expenditures of the Issuer relating to its operating budget, (ii) capital expenditures, (iii) fund balances, (iv) property tax information, (v) outstanding indebtedness and overlapping debt of the Issuer, (vi) pension obligations of the Issuer, and (vii) other post-employment benefits liability of the Issuer, and

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

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

SECTION 5. Reporting of Significant Events.

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

1. Principal and interest payment delinquencies.
2. Non-payment related defaults, if material.
3. Unscheduled draws on debt service reserves reflecting financial difficulties.
4. Unscheduled draws on credit enhancements reflecting financial difficulties.
5. Substitution of credit or liquidity providers, or their failure to perform.
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds.

7. Modifications to rights of the Owners of the Bonds, if material.
 8. Bond calls, if material, and tender offers.
 9. Defeasances.
 10. Release, substitution or sale of property securing repayment of the Bonds, if material.
 11. Rating changes.
 12. Bankruptcy, insolvency, receivership or similar event of the Obligated Person.*
 13. The consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.
 14. Appointment of a successor or additional trustee or the change of name of a trustee, if material.
- (b) Upon the occurrence of a Listed Event, the Issuer shall, in a timely manner not in excess of ten (10) business days after the occurrence of the event, file a notice of such occurrence with the MSRB.

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

SECTION 7. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Certificate shall terminate upon the prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination in the same manner as for a Listed Event under Section 5(b).

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate and any provision of this Disclosure Certificate may be waived if such amendment or waiver is permitted by the Rule, as

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

evidenced by an opinion of counsel expert in federal securities law (which may include bond counsel to the Issuer), to the effect that such amendment or waiver would not cause the Disclosure Certificate to violate the Rule. The first Annual Report filed after enactment of any amendment to or waiver of this Disclosure Certificate shall explain, in narrative form, the reasons for the amendment or waiver and the impact of the change in the type of information being provided in the Annual Report.

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

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

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

Date: December 21, 2017

CITY OF NEWTON, MASSACHUSETTS

By: _____
Treasurer

Mayor

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