

**DUKES COUNTY POOLED OTHER POSTEMPLOYMENT  
BENEFITS (OPEB) TRUST FUND**

**FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2018**



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**DUKES COUNTY POOLED OPEB TRUST FUND  
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## INDEPENDENT AUDITORS' REPORT

Board of Trustees  
Dukes County Pooled OPEB Trust Fund  
Oak Bluffs, Massachusetts

### **Report on the Financial Statements**

We have audited the accompanying statement of fiduciary net position of the Dukes County Pooled OPEB Trust Fund (Trust) as of June 30, 2018, and the related statement of changes in fiduciary net position for the year ended June 30, 2018, and the related notes to the 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.

### ***Auditors' Responsibility***

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 opinion.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the fiduciary net position of the Trust as of June 30, 2018, and the change in fiduciary net position for the year ended June 30, 2018, in accordance with accounting principles generally accepted in the United States of America.

***Other Matters***

***Required Supplementary Information***

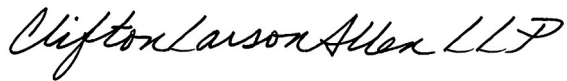
Accounting principles generally accepted in the United States of America require that management's discussion and analysis (located on pages 4 through 6) and certain investment information (located on page 15) be presented to supplement the basic financial statements. Such information, although not a 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.

***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements. The combining statement of changes in fiduciary net position by employer (supplementary information) is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information is the responsibility of management and was 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 supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2019, on our consideration of the Trust's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Trust's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Trust's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

**CliftonLarsonAllen LLP**

Boston, Massachusetts  
March 27, 2019

**DUKES COUNTY POOLED OPEB TRUST FUND  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2018**

As Management of the Dukes County Pooled Other Post-Employment Benefits (OPEB) Trust Fund (Trust), we offer readers of these financial statements this narrative overview and analysis of the Trust's financial activities for the year ended June 30, 2018. Please refer to the audited *Financial Statements* when reading this management's discussion and analysis.

***Overview of the Trust***

The Trust was established November 1, 2010, and is an agent multiple-employer defined benefit OPEB plan that covers retired employees and survivors of the Trust's member employers. The Trust's membership includes the County of Dukes County, the Towns of Aquinnah, Chilmark, Oak Bluffs, Edgartown, Tisbury, and West Tisbury, the Martha's Vineyard Regional High School District, the Up-Island Regional School District, the Martha's Vineyard Commission, the Martha's Vineyard Refuse District and the Martha's Vineyard Transit Authority.

***Financial Highlights***

The Trust's funding objective is to meet long-term OPEB obligations through contributions and investment income.

The Trust's fiduciary net position increased by \$3,686,235, or 44.1%, when compared to the prior year. Net position is the residual of the Trust's assets in excess of the Trust's liabilities as of the statement date. The Trust's assets are restricted to meet future OPEB payments of the Trust's member employers.

***Overview of the Financial Statements***

The financial statements are comprised of a statement of fiduciary net position, statement of changes in fiduciary net position, notes to financial statements, required supplementary information and supplementary information.

The **statement of fiduciary net position** presents information on the Trust's assets and liabilities and the resulting net position restricted for postemployment benefits other than pensions. This is calculated using the following formula: Assets – Liabilities = Net Position restricted for postemployment benefits other than pensions. This statement reflects the Trust's investments at fair value, as well as cash and liabilities. The statement of fiduciary net position reports the financial position of the Trust at June 30, 2018. Over time, the increase or decrease in net position serves as a useful indicator of the Trust's financial health.

The **statement of changes in fiduciary net position** presents information showing how the Trust's fiduciary net position changed for the year ended June 30, 2018. It reflects contributions by its member employers along with deductions for administrative expenses. Investment income during the period is also presented showing income from investing activities.

The **notes to the financial statements** provide additional information that is essential for the reader to gain a full understanding of the data provided in the financial statements.

The **required supplementary information** includes historical data regarding the schedule of investment returns.

**DUKES COUNTY POOLED OPEB TRUST FUND  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2018**

***Supplementary Information***

In addition to the financial statements and accompanying notes, this report also presents supplementary information. Presented in this information is the combining statement of changes in fiduciary net position by employer. This additional information can be found on page 16.

***Financial Statement Analysis***

The following tables present current and prior year data on the Trust's financial statements.

**Fiduciary Net Position**

The Trust's assets exceeded liabilities by \$12,043,595 as of June 30, 2018 and are summarized as follows:

	<u>2018</u>	<u>2017</u>
<b>Assets</b>		
Cash and Cash Equivalents	\$ 167,485	\$ 184,805
Investments	11,901,101	8,172,555
Accounts Receivable	14,468	-
Total Assets	<u>12,083,054</u>	<u>8,357,360</u>
<b>Liabilities</b>		
Accounts Payable and Accrued Expenses	13,500	-
Securities Payable	25,959	-
Total Liabilities	<u>39,459</u>	<u>-</u>
<b>Net Position Restricted for Postemployment Benefits Other Than Pensions</b>	<u>\$ 12,043,595</u>	<u>\$ 8,357,360</u>

**DUKES COUNTY POOLED OPEB TRUST FUND  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2018**

**Changes in Fiduciary Net Position**

For the year ended June 30, 2018, the Trust's fiduciary net position increased by \$3,686,235. In the prior year, the Trust's fiduciary net position increased by \$1,858,328. These amounts are summarized as follows:

	<u>2018</u>	<u>2017</u>
<b>Additions</b>		
Contributions		
Employer	\$ 3,299,302	\$ 1,551,544
Net Investment Income	442,687	323,184
Other	836	3,324
Total Additions	3,742,825	1,878,052
<b>Deductions</b>		
Administrative Expenses	56,590	19,724
Net Increase in Net Position	3,686,235	1,858,328
Fiduciary Net Position - Beginning of Year	8,357,360	6,499,032
Fiduciary Net Position - End of Year	<u>\$ 12,043,595</u>	<u>\$ 8,357,360</u>

**Additions to Fiduciary Net Position**

The primary additions of the trust are voluntary employer contributions and investment income. Employer contributions totaled \$3,299,302, or 88.1%, of total additions, while net investment income totaled \$442,687, or 11.8%, of total additions, as compared to \$1,551,544 and \$323,184, respectively, in the prior year.

**Deductions to Fiduciary Net Position**

The primary deductions of the Trust are for administrative expenses related to actuary fees, fiduciary insurance and audit fees. Total deductions were \$56,590 during the current year versus \$19,724 in the previous year.

***Requests for Information***

This financial report is designed to provide a general overview of the Trust's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report should be addressed to the Trustees, 33 New York Avenue, Oak Bluffs, Massachusetts, 02557.



**DUKES COUNTY POOLED OPEB TRUST FUND**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**JUNE 30, 2018**

**Assets**

Cash and Cash Equivalents	<u>\$ 167,485</u>
Investments:	
Fixed Income	3,648,897
Pooled Fixed Income	1,679,344
Equity Securities	3,600,369
Pooled Equities	<u>2,972,491</u>
Total Investments	11,901,101
Accounts Receivable	<u>14,468</u>
Total Assets	<u>12,083,054</u>

**Liabilities**

Accounts Payable and Accrued Expenses	13,500
Securities Payable	<u>25,959</u>
Total Liabilities	<u>39,459</u>

**Net Position Restricted for Postemployment Benefits  
Other Than Pensions**

\$ 12,043,595

*See accompanying Notes to Financial Statements.*

**DUKES COUNTY POOLED OPEB TRUST FUND  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
YEAR ENDED JUNE 30, 2018**

**Additions:**

Contributions:

Employer - Unfunded Actuarial Accrued Liability	\$ 3,244,588
Employer - Administrative	54,714
Total Contributions	<u>3,299,302</u>

Investment Income (Loss):

Interest and Dividends	239,130
Net Realized and Unrealized Gains	240,886
Less: Investment Fees	<u>(37,329)</u>
Net Investment Income	<u>442,687</u>

Other	836
Total Additions	<u>3,742,825</u>

**Deductions:**

Administrative Expenses	<u>56,590</u>
Net Increase in Net Position	3,686,235

**Net Position Restricted for Postemployment Benefits  
Other Than Pensions**

Beginning of Year	<u>8,357,360</u>
End of Year	<u><u>\$ 12,043,595</u></u>

*See accompanying Notes to Financial Statements.*

**DUKES COUNTY POOLED OPEB TRUST FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**NOTE 1 DESCRIPTION OF PLAN**

**A. Plan Administration**

The Dukes County Pooled Other Post-Employment Benefits (OPEB) Trust Fund (Trust) is an agent multiple-employer defined benefit OPEB plan that covers retired employees and survivors of the Trust's member employers. The Trust was established November 1, 2010, pursuant to Chapter 149 of the Acts of 2010, for the purpose of holding, managing and administering the funding of the unfunded liability of OPEB accrued by each member employers' participants. Participation in the Plan is voluntary upon commencement of employment for a permanent employee who regularly works not less than 20 hours per week.

The initial two employer members of the Trust were the County of Dukes County and the Martha's Vineyard Regional High School District. Subsequent to the initial declaration of Trust by its founding member employers, the Towns of Aquinnah, Chilmark, Edgartown, Oak Bluffs, West Tisbury, the Up-Island Regional School District, the Martha's Vineyard Commission, the Martha's Vineyard Refuse District, the Martha's Vineyard Transit Authority, and the Town of Tisbury executed Trust Joinder Agreements to join the Trust.

The Trust is governed (and managed) by an 12 member Board of Trustees, which are appointed by each participating member employers Board.

**B. Plan Membership**

At June 30, 2018, plan membership consisted of the following:

Active Employees	900
Retirees, Survivors, and Covered Spouses	<u>441</u>
Total	<u><u>1,341</u></u>

**C. Benefits Provided**

The Trust accumulates assets for the purpose of providing its member employers funds to provide future health, life and dental insurance coverage for their retirees and survivors. Chapter 32B of the MGL assigns authority to establish and amend benefit provisions. Changes to member employer plan designs and contribution rates must be accomplished through each member employer's collective bargaining process. No benefits are provided directly through the Trust.

**D. Contributions**

The contributions made to the Trust are voluntary and determined by the participating employer. For the year ended June 30, 2018, member contributions totaled \$3,299,302.

**DUKES COUNTY POOLED OPEB TRUST FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Basis of Accounting**

The basic financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles.

The significant accounting policies are described herein.

**B. Measurement Focus, Basis of Accounting and Basis of Presentation**

The Trust's financial statements have been prepared using the accrual basis of accounting in accordance with GASB Statement No. 74, "Financial Reporting for Postemployment Benefit Plans Other than Pension Plans". This statement establishes standards of financial reporting for separately issued financial reports of state and local government OPEB plans.

**C. Cash, Cash Equivalents, and Investments**

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, as further discussed in Note 3.

**D. Basis of Investment Transactions**

Purchases and sales of investments are recorded on the trade date. Transactions remaining unsettled as of year-end are recorded as payables for securities purchased and as a receivable for securities sold.

**E. Revenue Recognition**

Contributions are recognized in the fiscal year to which they are provided. Investment income is recognized when earned.

**DUKES COUNTY POOLED OPEB TRUST FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**F. Benefits**

Benefits are recognized when an authorized written request is received from a Trust member. No benefits have been paid out of the Trust through June 30, 2018. Current benefits are being paid directly from the individual member employers.

**G. Administrative Expenses**

Administrative expenses are financed by employer contributions.

**H. Use of Estimates**

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

**NOTE 3 DEPOSITS AND INVESTMENTS**

Deposits and investments made by the Trust are governed by Massachusetts General Law, Chapter 203C (or the Massachusetts Prudent Investment Act).

*Investment Policy.* The Trustees have the authority for establishing and amending investment policy decisions. The Trustees have implemented an investment policy that prohibits purchasing equity securities on margin, selling short, investing in individual commodities, unregistered letter stock, individual foreign securities which trade only on non-US exchanges (other than those evidenced by ADR's, GDR's or mandated to manage an international portfolio), warrants (unless received through a current holding), real estate mortgages, all options and futures, real or personal property, private oil and gas property, loans of portfolio securities, venture capital issues, private placements, securities of a contributing employer and, derivatives, including collateralized mortgage obligations, interest only and principal only strips, and currency swaps or other specialized investment activities.

Based on the investment objectives and constraints of the Trust, and based on an annual review of the asset allocation and asset classes, the Trustees will specify a long-term target allocation for each class of permissible assets. These targets will be expressed as a percentage of the total portfolio, and will have ranges surrounding them, allowing for the portfolio to maintain policy through market fluctuations.

The long-term target allocations are intended as strategic goals. Thus, it is permissible for the overall asset allocation to deviate from the long-term target, as would likely occur during manager transitions, asset class restructurings, and other temporary changes in the Trust. Surplus cash flows are utilized to maintain the asset management structure. Should these cash flows not be sufficient to reallocate the Plan according to policy, the transfer of assets may occur between managers. At least annually, the Trustees reevaluate the portfolio weightings by asset class and adjustments are made accordingly.

**DUKES COUNTY POOLED OPEB TRUST FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)**

The following was the Board's adopted asset allocation policy as of June 30, 2018.

<u>Asset Class</u>	<u>Target Allocation</u>
Domestic Equities	40%
Fixed Income	50%
International Equities	10%

*Rate of Return.* For the year ended June 30, 2018, the annual money-weighted rate of return on investments, net of investment expense, was 4.33%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**Deposits - Custodial Credit Risk**

Custodial credit risk for deposits is the risk that, in the event of a bank failure, the Trust's deposits may not be recovered. The Trust does not have a policy for custodial credit risk of deposits. As of June 30, 2018, the Trust was not exposed to custodial credit risk. The carrying value of the Trust's deposits totaled \$1,240 at June 30, 2018.

**Investments Summary**

The Trust's investments at June 30, 2018 are presented below. All investments are presented by investment type, with debt securities presented by maturity (using segmented time distribution).

Investment Type	Fair Value	Investment Maturities (in Years)		
		Less Than 1	1 - 5	6 - 10
Debt Securities:				
U.S. Treasuries	\$ 1,315,333	\$ 50,155	\$ 820,817	\$ 444,361
U.S. Agencies	1,267,187	372,649	587,860	306,678
Corporate Bonds	1,066,377	134,735	584,404	347,238
Money Market Mutual Funds	166,245	166,245	-	-
Fixed Income Mutual Funds	1,679,344	1,679,344	-	-
Total Debt Securities	<u>\$ 5,494,486</u>	<u>\$ 2,403,128</u>	<u>\$ 1,993,081</u>	<u>\$ 1,098,277</u>
Other Investments:				
Equity Mutual Funds	2,972,491			
Equity Securities	3,600,369			
Total Other Investments	<u>6,572,860</u>			
Total Investments	<u>\$ 12,067,346</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 Trust's policy for interest rate risk of debt securities is the portfolio is expected to perform at a rate greater than the Barclays Capital Intermediate Government/Credit Index and/or in the top 50% of an appropriate broad market fixed income universe.

**DUKES COUNTY POOLED OPEB TRUST FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)**

**Investments - Custodial Credit Risk**

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the Trust will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Trust's policy for custodial credit risk of investments intends that all investments are either in the name of the Trust or in the name of its nominee, provided the nominee is authorized by the Board. As of June 30, 2018, the Trust was not exposed to custodial credit risk.

**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 Trust does not have a policy for credit risk of debt securities.

As of June 30, 2018, the credit quality ratings of the Trust's debt securities (excluding U.S. Treasury Securities) are as follows:

Investment Type	Fair Value	Quality Ratings *							
		AAA	AA+	AA	AA-	A+	A	BBB	Unrated
U.S. Agency Securities	\$ 1,267,187	\$ -	\$ 1,267,187	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Corporate Bonds	1,066,377	-	34,893	108,729	253,555	274,258	370,320	24,622	-
Money Market Mutual Funds	166,245	-	-	-	-	-	-	-	166,245
Fixed Income Mutual Funds	1,679,344	1,679,344	-	-	-	-	-	-	-
Total	<u>\$ 4,179,153</u>	<u>\$ 1,679,344</u>	<u>\$ 1,302,080</u>	<u>\$ 108,729</u>	<u>\$ 253,555</u>	<u>\$ 274,258</u>	<u>\$ 370,320</u>	<u>\$ 24,622</u>	<u>\$ 166,245</u>

\* Per the rating scale of Moody's, a nationally recognized statistical rating organization.

**Deposits and Investments – Foreign Currency Risk**

Foreign currency risk is the risk that fluctuations in exchange rates will adversely affect the fair value of an investment or a deposit. The Trust's policy regarding foreign currency risk prohibits the investment in individual foreign securities which trade only on non-US exchanges (other than those evidenced by ADR's, GDR's or mandated to manage an international portfolio). As of June 30, 2018, the Trust had no exposure to foreign currency risk.

**Investments – Concentration of Credit Risk**

Concentration of credit risk is the risk of loss attributed to the magnitude of the Trust's investment in a single issuer. The Trust does not have a policy for concentration of credit risk. As of June 30, 2018, the Trust was exposed to concentration of credit risk as follows:

Issuer	Fair Value	Percentage of Total Investments
Federal National Mortgage Association (FNMA)	\$ 724,848	6.0%
Fidelity Diversified International Fund (FDIVX)	706,690	5.9%

**DUKES COUNTY POOLED OPEB TRUST FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)**

**Investments – Fair Value Measurements**

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

The Trust has the following recurring fair value measurements as of June 30, 2018:

Investment Type	Fair Value	Fair Value Measurements Using		
		Quoted Prices in Assets Assets (Level 1)	Significant Inputs (Level 2)	Significant Inputs (Level 3)
<u>Debt Securities:</u>				
U.S. Treasury Securities	\$ 1,315,333	\$ 1,315,333	\$ -	\$ -
U.S. Agency Securities	1,267,187	1,267,187	-	-
Corporate Bonds	1,066,377	-	1,066,377	-
Money Market Mutual Funds	166,245	166,245	-	-
Fixed Income Mutual Funds	1,679,344	1,679,344	-	-
Total Debt Securities	5,494,486	4,428,109	1,066,377	-
<u>Equity Securities:</u>				
Equity Securities	3,600,369	3,600,369	-	-
Equity Mutual Funds	2,972,491	2,972,491	-	-
Total Equity Securities	6,572,860	6,572,860	-	-
Total Investments by Fair Value Level	\$ 12,067,346	\$ 11,000,969	\$ 1,066,377	\$ -

Investments classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities.

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



**DUKES COUNTY POOLED OPEB TRUST FUND  
REQUIRED SUPPLEMENTARY INFORMATION  
YEAR ENDED JUNE 30, 2018  
(SEE INDEPENDENT AUDITORS' REPORT)**

**SCHEDULE OF INVESTMENT RETURNS (1)**

	2018	2017
Annual Money-Weighted Rate of Return	4.33%	3.53%

(1) Data is being accumulated annually to present 10 years of the reported information.

**DUKES COUNTY POOLED OPEB TRUST FUND**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION BY EMPLOYER**  
**YEAR ENDED JUNE 30, 2018**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

	Dukes County	Aquinnah	Chilmark	Edgartown	West Tisbury	Oak Bluffs	MVRHS	Up-Island RSD	MV Commission	MV Refuse District	MV Transit Authority	Tisbury	Oak Bluffs Water District	MV Land Bank	Total
<b>Additions:</b>															
Contributions:															
Employer - Unfunded Actuarial															
Accrued Liability	\$ 120,000	\$ 50,000	\$ 150,000	\$ 250,000	\$ 200,000	\$ 100,000	\$ 488,783	\$ 570,677	\$ 30,500	\$ -	\$ 39,104	\$ 1,245,524	\$ -	\$ -	\$ 3,244,588
Employer - Administrative	2,015	951	1,787	11,407	1,749	9,163	10,875	5,437	494	456	304	10,076	-	-	54,714
Total Contributions	122,015	50,951	151,787	261,407	201,749	109,163	499,658	576,114	30,994	456	39,408	1,255,600	-	-	3,299,302
Investment Income (Loss):															
Interest and Dividends	17,204	8,917	27,717	42,959	39,908	3,791	34,730	26,776	2,754	1,038	15,174	18,162	-	-	239,130
Net Realized and Unrealized Gains	19,161	9,986	31,065	45,841	44,172	3,893	37,578	11,081	3,016	1,078	17,199	16,816	-	-	240,886
Less: Investment Fees	(2,692)	(1,396)	(4,341)	(6,685)	(6,257)	(587)	(5,414)	(4,165)	(430)	(161)	(2,380)	(2,821)	-	-	(37,329)
Net Investment Income	33,673	17,507	54,441	82,115	77,823	7,097	66,894	33,692	5,340	1,955	29,993	32,157	-	-	442,687
Other	-	-	-	-	-	-	-	-	-	-	-	-	494	342	836
Total Additions	155,688	68,458	206,228	343,522	279,572	116,260	566,552	609,806	36,334	2,411	69,401	1,287,757	494	342	3,742,825
<b>Deductions:</b>															
Administrative Expenses	2,053	969	1,821	11,624	1,782	9,337	11,081	5,541	503	465	310	10,268	494	342	56,590
Total Deductions	2,053	969	1,821	11,624	1,782	9,337	11,081	5,541	503	465	310	10,268	494	342	56,590
Net Increase in Net Position	153,635	67,489	204,407	331,898	277,790	106,923	555,471	604,265	35,831	1,946	69,091	1,277,489	-	-	3,686,235
<b>Net Position Restricted for Postemployment Benefits Other Than Pensions:</b>															
Beginning of Year	661,316	352,988	1,101,557	1,724,927	1,651,330	84,222	1,126,732	868,884	96,257	49,836	639,311	-	-	-	8,357,360
<b>End of Year</b>	<b>\$ 814,951</b>	<b>\$ 420,477</b>	<b>\$ 1,305,964</b>	<b>\$ 2,056,825</b>	<b>\$ 1,929,120</b>	<b>\$ 191,145</b>	<b>\$ 1,682,203</b>	<b>\$ 1,473,149</b>	<b>\$ 132,088</b>	<b>\$ 51,782</b>	<b>\$ 708,402</b>	<b>\$ 1,277,489</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 12,043,595</b>

