

To the Board of Trustees  
Dukes County Pooled OPEB Trust Fund  
Vineyard Haven, Massachusetts 02568

We have audited the financial statements of Dukes County Pooled OPEB Trust Fund (Trust) as of June 30, 2016, and for the period July 1, 2014 through June 30, 2016, and have issued our report thereon dated December 9, 2016. We have previously communicated to you information about our responsibilities under auditing standards generally accepted in the United States of America and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

**Significant audit findings**

***Qualitative aspects of accounting practices***

*Accounting policies*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Trust are described in Note 2 to the financial statements.

We noted no transactions entered into by the Trust during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

*Accounting estimates*

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate(s) affecting the financial statements was (were):

- Management's estimate and disclosure of the actuarial accrued OPEB liability is based on a certified actuarial valuation, which contains multiple assumptions regarding mortality, health care cost trend rate, etc. We evaluated the key factors and assumptions used to develop the liability in determining that it is reasonable in relation to the financial statements taken as a whole.

*Financial statement disclosures*

The financial statement disclosures are neutral, consistent, and clear.

***Difficulties encountered in performing the audit***

We encountered no significant difficulties in dealing with management in performing and completing our audit.

***Uncorrected misstatements***

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management did not identify and we did not notify them of any uncorrected financial statement misstatements.

***Corrected misstatements***

The attached schedule summarizes all adjustments and misstatements (material and immaterial), detected as a result of audit procedures, that were required to present the Trust's financial statements in accordance with GAAP. Management has accepted responsibility for such adjustments in its December 9, 2016 management representation letter.

***Disagreements with management***

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. No such disagreements arose during our audit.

***Management representations***

We have requested certain representations from management that are included in the management representation letter dated December 9, 2016.

***Management consultations with other independent accountants***

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the plan's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

***Significant issues discussed with management prior to engagement***

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to engagement as the plan's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our engagement.

***Other audit findings or issues***

We have provided a separate letter to you dated December 9, 2016, communicating internal control related matters identified during the audit.

**Other information in documents containing audited financial statements**

With respect to the required supplementary information (RSI) accompanying the financial statements, we made certain inquiries of management about the methods of preparing the RSI, including whether the RSI has been measured and presented in accordance with prescribed guidelines, whether the methods of measurement and preparation have been changed from the prior period and the reasons for any such changes, and whether there were any significant assumptions or interpretations underlying the measurement or presentation of the RSI. We compared the RSI for consistency with management's responses to the foregoing inquiries, the financial statements, and other knowledge obtained during the audit of the financial statements. Because these limited procedures do not provide sufficient evidence, we did not express an opinion or provide any assurance on the RSI.

With respect to the combining statement of changes in plan net position by employer (the supplementary information) accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period or the reasons for such changes, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. We have issued our report thereon dated December 9, 2016.

Our auditors' opinion, the audited financial statements, and the notes to financial statements should only be used in their entirety. Inclusion of the audited financial statements in a document you prepare, such as an annual report, should be done only with our prior approval and review of the document.

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This communication is intended solely for the information and use of the Trustees and management and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

**CliftonLarsonAllen LLP**

Boston, Massachusetts  
December 9, 2016

**Duke's County OPEB Trust**  
**FY15-16 Audit**  
**Journal Entries**

**Reclassifying Journal Entries**

**Reclassifying Journal Entries JE # 1**

To properly state investment balances as of June 30, 2016.

1010	Money Market Mutual Funds	85,961.00	
1200	Fixed Income Securities	1,781,190.00	
1210	Pooled Fixed Income Securities	948,060.00	
1220	Equity Securities	2,015,664.00	
1230	Pooled Equity Securities	1,666,621.00	
1000	Cash		6,497,496.00

**Reclassifying Journal Entries JE # 2**

To adjust investment activity to tie to Rockland Trust.

4002	Dividend, Interest (Securities)	1,201.10	
4100	Net Appreciation (Depreciation) in Fair Value of Investments	530.09	
5000	Bank Wire Fees		62.43
5270	Investment Fees		1,668.76

**Reclassifying Journal Entries JE # 3**

To reclassify reimbursed expenditures posted to contributions in error.

4800	Reimbursed Expenses	4,859.00	
4010	Other Revenue		4,859.00