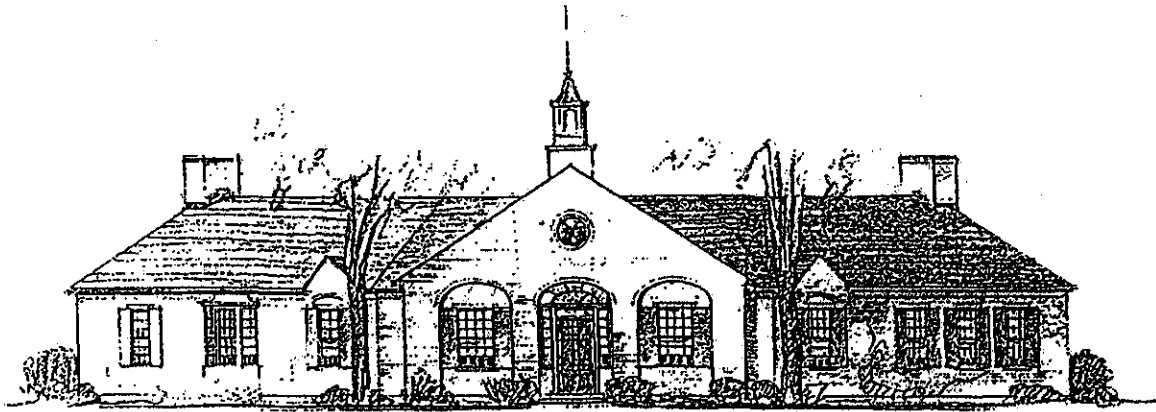


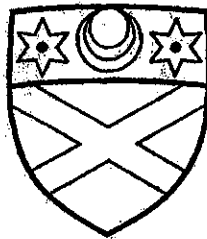
THE TOWN OF
BURRILLVILLE, RHODE ISLAND



Comprehensive Annual Financial Report

Fiscal Year Ended

June 30, 2009



TOWN OF BURRILLVILLE, RHODE ISLAND

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2009

PREPARED BY: JOHN P. MAINVILLE

FINANCE DIRECTOR

TOWN OF BURRILLVILLE, RHODE ISLAND
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2009

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TOWN OF BURRILLVILLE, RHODE ISLAND

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
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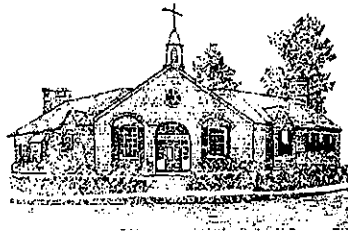
TOWN OF BURRILLVILLE

INTRODUCTORY SECTION



TOWN OF BURRILLVILLE

TOWN FINANCE OFFICE
105 Harrisville Main Street
Harrisville, RI 02830 - 1499



TOWN BUILDING
HARRISVILLE, R.I.

Phone (401) 568-4300
Ext. 121
Fax (401) 568-9473
TDD (401) 568-1710

Honorable Members of the Town Council
and Town Manager

As required by the Town Charter and State Law, the comprehensive annual financial report for fiscal year ending June 30, 2009 is hereby submitted. The ultimate responsibility for both the accuracy and fairness of the presented data rests with the Town of Burrillville's Finance Department. To the best of our knowledge and belief, the information enclosed is accurate in all material respects and the data is presented in a manner designed to fairly represent the financial position and the financial operation of the Town during the fiscal year ended June 30, 2009. The Town and its auditors, Cayer Caccia, LLP cooperated to prepare this information, which will enable you to obtain a better understanding of the Town's financial position and the costs associated with providing services. Various disclosures have been included to assist you in gaining an understanding of the Town's financial activities.

The comprehensive annual financial report consists of three sections: 1) Introductory, 2) Financial, and 3) Statistical. The Introductory section contains this transmittal letter, the Town's organizational chart, and a listing of principal officials. The Financial section contains the independent auditor's report on the basic financial statements and schedules. The Financial section also includes the Management's Discussion and Analysis [MD&A] which provides a narrative overview and analysis of significant financial issues and activities affecting the Town's financial position. The Statistical section contains essential financial and demographic information relative to the Town.

Copies of this report are on file in the Town Clerk's office and the public libraries. This report is forwarded to the Rhode Island Auditor General's Office, as required by State Law, and to various other state agencies, financial institutions, and rating agencies.

Profile of the Government

The Town of Burrillville is a Rhode Island municipal corporation, which provides a full range of services including general government administration, public safety, public works, social services, recreation, and educational opportunities to its residents. In addition, the Town operates a wastewater collection and treatment facility.

There are several other governmental entities having operations within the Town limits, which are separate, legal entities. The responsibility for the financial reporting of those entities does not rest with the Town government. These boards represent entities established in conformance with state laws and are not governed by the Town Charter. Some of the services provided by these entities include elderly housing, electricity, emergency medical services, fire protection, library services, street lighting, and water.

COMMUNITY DESCRIPTION

The Town of Burrillville is a mixed suburban and rural community located in the northwest corner of Rhode Island. Burrillville was established in 1730. This year represents Burrillville's 202nd anniversary since becoming incorporated on October 29, 1806. Since January 1, 1989, the Town has operated under a home rule charter, which was adopted at the November 8, 1988 general election after receiving legislative approval authorizing a referendum to seek voter acceptance of a home rule charter. The Charter was amended November 6, 1990, November 5, 1996, and November 9, 2004. The Town Council appoints the Town Manager and all boards and commission members. The seven member Council is elected at large at the regular biennial elections for staggered four-year terms.

Burrillville has an area of approximately 57 square miles (55.8 land; 1.5 water). The Town has 6 primary villages - Pascoag, Harrisville, Mapleville, Nasonville, Oakland, and Glendale. The Town's geography includes farmlands, several bodies of water, open space, woodlands, and wetlands.

FACTORS AFFECTING FINANCIAL CONDITION

Burrillville experienced significant population growth and residential real estate development during the late 1980s/early 1990's and again in the early 2000's. The majority of the Town's employers are State and local government agencies, service facilities and manufacturing facilities. Likewise, the Town's primary taxpayers are also involved with service, utility industries, and manufacturing.

The recently compiled 2000 census indicates that Burrillville has a population of 15,796 (a 434 [or 2.7%] decrease in population from the 1990 census). Even though the census indicates a drop in population, the number of new housing units continued to grow by an average of 39 units per year over the past 10 years. The 1990 census data indicated that Burrillville had a permanent population of 16,230, which represented a 23.3% increase of population from the 1980 census count of 13,164. Over the past two (2) decades, Burrillville has been one of the fastest growing communities in Rhode Island. This rate of growth presents the Town with many significant challenges and opportunities relative to the increased demands for educational and municipal services. Most Town residents commute to jobs in the northern RI and Providence area. The Town's labor force has increased from 7,956 to 9,892 since 1999. Employment opportunities within the Town are approximately 3,000.

As required by law, the Town completed its latest three [3] year statistical revaluation, which was effective December 31, 2006. This revaluation data was applied against the fiscal year ending 2008 tax levy. The last full revaluation affected property values assessed as of December 31, 2003. The Town completed its first State law required, three (3) year statistical revaluation in 2001. Effective for the assessment period of December 31, 1998, the Town received legislative authorization and has implemented a program whereby new construction after that date will be assessed on a pro-rata basis. The next statistical revaluation is currently ongoing and will be implemented effective December 31, 2009.

Net assessed values have increased nominally by \$12,126,351 (0.75%) over last year's valuations. Approximately 84.5% of the Town's tax base is residential. There have been approximately 390 new housing units constructed over the past ten years.

A profile of the Town is summarized below to illustrate various changes in population, housing, economic trends, and conditions that would influence the demand for services and facilities and the Town's ability to meet those needs. These indicators highlight the significant change that has taken place in Burrillville over the last ten years.

FACTORS AFFECTING FINANCIAL CONDITION (Continued)

<u>Category</u>	<u>1999</u>	<u>2009</u>	<u>% Change</u>
Population (est.)	16,102	15,796	(1.55%)
Labor Force	7,956	9,892	24.33%
Employed	7,590	8,903	17.30%
Unemployment Rate	4.20%	9.99%	137.86%
Median Age	32.9	37.5	13.98%
Per Capita Income	\$13,282	\$21,096	58.83%
Median Household Income	\$37,156	\$52,587	41.53%
School Enrollment	2,911	2,556	(12.16%)
High School Graduates	70.60%	85.18%	20.65%
Bachelor Degrees	15.90%	16.20%	1.89%
Net Assessed Values	\$662,544,960	\$1,635,020,818	146.78%
Median Selling Price (Single Family)	\$135,500	\$270,067	199.31%

Burrillville has three industrial parks. The Burrillville Industrial Park covers 53 acres, is the 23rd largest industrial park in the state, and is at capacity. A second 24-acre site (Clear River Drive Industrial Park) was acquired by the Industrial Foundation in FYE 1999. This site currently has four tenants and the remaining three lots are being marketed. In November 2002, the Burrillville Redevelopment Agency acquired a third industrial site, Burrillville Commerce Park – a 254 acre parcel located on Route 102. The Commerce Park currently has two tenants. The balance of the park is being marketed and engineered to determine the best use. The Town has also conducted a comprehensive analysis (Route 102 Master Plan) to determine the best method of developing Route 102, which is the primary transportation route that goes through the Town. Other activities include the renovation of the former Stillwater Mill site, which is the location of the recently completed library. A key component of the revitalization of this area includes the Burrillville Redevelopment Agency's sale of the former Clocktower building to Woonsocket Neighborhood Development Corporation [WNDC] for renovations, which has commenced.

In the interest of attracting industry to the Town, an act (Chapter 57, 1988) authorizing the Town to exempt from taxation or freeze the value of wholesale inventory was passed on July 26, 1988. In 1993, the Town received authorization to exempt retail inventory from local property taxes (Chapter 343, 1993). This authorization culminated in an ordinance being passed on May 28, 1997. When appropriate, the Town has granted tax stabilization to businesses interested in expanding and/or moving into Town, which results in additional jobs and tax base in Burrillville.

Regarding the available transportation network, Burrillville is located approximately 20 miles north of Providence, 22 miles south of Worcester, and 45 miles south of Boston. The Town is located 4 miles from Route 146, 8 miles from Route 295, and 18 miles from Routes 95 and 495. The Town is approximately 9 miles from North Central Airport located in Lincoln and 20 miles from T.F. Green Airport, the State's major airport, located to the south of Burrillville in Warwick, RI.

The Council adopted a revised Comprehensive Plan, which has been approved by the State and is good until March 2010. Incorporated within the plan is an economic development section. The new plan establishes goals, objectives, and implementation actions that will govern the Town's future growth and impact on the quality of life for many years to come. Additionally, the Town has adopted an Affordable Housing Strategy that is used as a State model.

ACCOUNTING SYSTEM AND BUDGET CONTROL

The accounting policies of the Town conform to generally accepted accounting principles applicable to governmental units. The modified accrual method is used for all Town funds except for Proprietary Fund Types, which are accounted for under the accrual method. Under the modified accrual method, revenues are recognized when they become both measurable and available to finance current operations. Property taxes are recognized in the fiscal year for which the taxes are levied and due provided that they are collected within the year or within sixty days of year end. Uncollected taxes are recorded as assets and credited to liability reserves in the same amount.

In developing, evaluating, and modifying the Town's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding:

- (1) The safeguarding of assets against loss from unauthorized use or disposition; and
- (2) The reliability of financial records for preparing financial statements and maintaining accountability for assets.

The concept of reasonable assurance recognizes that:

- (1) The cost of a control should not exceed the benefits likely to be derived; and
- (2) The evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe that the general government's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions. Internal controls are under constant review and improvements are adopted when recognized.

Because the Town is a recipient of federal and state funding, it is responsible for maintaining adequate internal controls that will assure compliance with any applicable regulations or laws associated with those programs. Our internal controls are subject to periodic evaluation by management as well as the Town's independent auditors.

As part of the Town's single audit, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the government has complied with applicable laws and regulations.

The annual budget for the Town General Government was adopted on June 11, 2008 [08-190] by the Town Council in conformance with Article 10 of the Burrillville Home Rule Charter. During the year there were two (2) supplemental budget appropriations adopted by the Town Council, which totaled \$954,189 - a \$1,530,441 increase [08-322] related to capital improvements carried forward from the prior year, which was offset by an unanticipated reduction in State education aid in the amount of \$576,252 [09-132].

The adopted budget provided for municipal operations, school operations, debt service, and capital improvements. Control of the budget is achieved in several ways. The ultimate objective of these controls is to assure compliance with the approved budget, Town Charter, and RI General Laws. The level of budgetary control starts with the general classification and appropriation of funds. Contingency funds that are available at year-end are utilized to cover any shortfalls that may have occurred within a given department. The Town's fiscal position is reported monthly by the Finance Department to the Town Council, Town Manager, and Town Departments. The monthly report compares actual revenues, expenditures, and encumbrances against budgeted revenues and expenditures within the limitations of the current computer system. Additionally, the Town's fiscal position is reported to the RI Department of Administration on a quarterly basis. Budgetary control is maintained through a purchase order system, which seeks to insure that funds are available prior to an obligation being created. This reduces the possibility of liabilities being incurred, which are greater than the balance in the appropriation.

ACCOUNTING SYSTEM AND BUDGET CONTROL (Continued)

Encumbrance accounting is an important tool utilized by the Town for budget control. The institution of encumbrance accounting offers an additional level of protection to the task of accomplishing budgetary control.

The Town is continuing the refinement of its computer system which will, among other things, significantly improve the automation of our financial reporting as it relates to accounting, budgeting, tax assessment, tax collections, and departmental revenues. All side funds have been automated and installed on the system. All unencumbered appropriations lapse at year-end. All receipts are processed through the collector's office. The statements and schedules provided in the financial section of this report illustrate the Town's ability to continue to meet its responsibility for providing sound financial management.

Specific capital projects are developed with financial plans designed to cover the length of the project. A five-year capital improvement plan is updated annually. The Town Council adopted the annual five-year capital improvement plan for fiscal year ending June 30, 2009 on March 26, 2008.

This process was modified in fiscal year ending June 30, 1998 following the adoption of a revised capital improvement ordinance (2-4.5 Capital Projects Program) approved by the Council on January 14, 1998. The ordinance change provides for the plan to be initially reviewed by the Budget Board and subsequently approved by the Council by the middle of April. In addition, the ordinance establishes a minimum amount of \$900,000 for municipal and school capital improvement projects along with a variable amount that is appropriated to a reserve for major capital projects. The final appropriation for capital improvement projects occurs when the total annual budget appropriation is adopted in June each year.

CASH MANAGEMENT

The Town General Fund held \$5,946,825 in cash and cash equivalents on June 30, 2009. This cash balance allowed the Town to meet its routine expenses on a timely basis as well as its significant financial obligations that included liabilities associated with either the close of the old fiscal year (i.e. School and Town accounts payable and accrued compensation paid in July/August), or the payment of obligations that came due at the beginning of the new fiscal year (i.e. debt service) before the tax bills are mailed out and property tax revenues start to arrive.

Failure to maintain adequate reserve funds could require the Town to issue tax anticipation notes (and to include the applicable interest cost in its annual budget) so that operating and debt expenditures can be paid in a timely manner. The cash needs of the Town can fluctuate significantly in a short period of time. Of particular concern is the fact that if the budget process and/or the mailing of tax bills are delayed the Town may be put into a borrowing situation to meet its outstanding obligations on a timely manner. Assuming there were no prior year obligations, the investments outstanding as of June 30, 2009 would only cover approximately 12.7% (less than two (2) months) of the annual budget allocation. When the prior contractual obligations noted above are factored in, outstanding investments are only sufficient to cover less than one month's activity during the current year.

Another fact that cannot be over emphasized is that only a portion of our Fund Balance is actually cash. As the designated portions of the general fund are drawn down when needed, there will be even less liquid funds available for utilization during periods of time when the inflow of tax revenues and other receipts are low. The use of temporary borrowing to meet current expenditure needs is viewed as a negative factor by credit rating agencies. Timeliness is critical in the adoption of the budget. The Town does not want to be in a situation whereby if the budget adoption is delayed for any reason and/or the bills are mailed late, the Town could be required to meet expenses through short-term borrowing.

CASH MANAGEMENT (Continued)

Any monies that are available during the year are invested in various instruments such as banker's acceptances, certificates of deposit, prime commercial paper, repurchase agreements, and short-term money market certificates with maturities ranging from 1 to 60 days depending upon their anticipated cash requirements during that period. A sweep account has been created and is used when feasible. This account allows for overnight interest earnings on idle monies that had previously been in non-interest bearing accounts. These investments are in conformance with the guidelines established by the investment policy, which was formally adopted by the Town Council in February 1991, and as amended.

Investment income for the General Fund for FYE 2009 was \$ 127,935. This income category was \$133,923 less than last year [\$261,858]. This variance was due to a decline in interest rates. Interest income is also generated for other funds under the care and custody of the Town finance department.

FUND BALANCE

As in the past, Town staff continues to recommend and maintain an Unreserved, Undesignated Fund Balance at a level equivalent to the higher of 12% of current budget appropriations or an amount equal to the Town's budgeted annual debt payment (\$5,587,287 or 11.9% of the FYE June 30, 2010 budget). Note that the annual debt service payments for the last ten (10) years have moderately exceeded 12% of current budget appropriations.

Based upon the results of the audit for FYE June 30, 2009, the Town's Unreserved, Undesignated Fund Balance [\$5,876,653] is approximately 12.5% of the 2010 budget, which is slightly more than the Town's Fund Balance policy by \$239,980. In the past, available funding has been used for a number of outstanding issues including unanticipated infrastructure demands (such as bridge/culvert replacements) or continued funding of the reserve funds (debt reduction, recreation/open space land acquisition, unfunded liabilities [vacation/sick leave], or major capital).

Maintaining the policy relative to a minimum level of fund balance is essential for several reasons including the following:

- The Town must continually strengthen its overall financial condition to maintain its improved credit rating - particularly during poor economic times. Our credit rating determines the interest rate that we must pay on borrowed money. When a town's credit rating declines, the interest to be paid by the taxpayer on any new debt would increase.
- The utilization of the unreserved, undesignated fund balance is a one-time benefit to the community that is typically impractical to replace in the following year.
- The unreserved fund balance provides a financial resource, which, if depleted, will force the Town to incur the additional costs associated with short-term borrowing in order to meet routine cash flow needs. Once the financial resources allocated towards our designated fund balance are eliminated, the Town will be in the position of having to borrow to meet financial obligations at the beginning of each fiscal year.
- Our unreserved, undesignated fund balance provides a margin of security when revenue sources are unreliable or when unforeseen situations occur (i.e. the State withholds funding previously promised). Our Fund Balance provides a level of protection should an unanticipated loss of revenue occur such as the State withholding promised financial aid during the year (which did occur in this fiscal year - 2009) or in the event that Ocean State Power should be placed in the position where it is not commercially operating.

FUND BALANCE (Continued)

- A reduction of unreserved fund balance directly affects the amount of funds that can be invested which results in a loss of income earnings and a higher tax rate.
- The current unreserved fund balance level helps to lessen the impact of implementing General Accounting Standards Board Statement Number 11, 34 and 45.
 - GASB 11 requires incorporation of such items as accrued compensated absences into the Town's annual operating results. Currently the cost of these benefits are projected to be approximately \$1,189,913 (\$155,159 to the Town and \$1,034,754 to the School Department). The Town has set up and appropriated monies for deposit in a fund designed to address the issue of unfunded vacation and sick leave benefits. This fund had a balance as of June 30, 2009 of \$51,115, which represents 32.9% of the Town's total liability (\$155,159 which consists solely of accrued vacation benefits). Note that the Town is no longer liable for any post employment accrued sick time obligation because that obligation was paid off in 2006. The School Department has not initiated a funding mechanism to meet their liability.
 - A key component of GASB 34 involves the inclusion of capital assets, including infrastructure, into the annual operating statements.
 - Finally, GASB 45, which has been implemented in this fiscal year [2009], requires the actuarial calculation of Other Post Employment Benefits [OPEB] related to health benefits available to retirees. Even though the Town has minimal exposure in terms of direct payment for retiree coverages, the actuarially determined amount of the Town's accrued liability for OPEB for the next 30 years is projected to be \$1,675,408 - \$1,557,516 [93.0%] of this amount relates to school employees, \$110,331 [6.5%] for municipal employees and \$7,561 [0.5%] for wastewater treatment employees. The recommended annual contribution rate [ARC] for 2009 was \$129,436. Of that amount \$106,868 was included with the payment of health insurance premiums during 2009.
- Another important interim use of general fund monies is for the purpose of either out-right funding or temporarily funding various capital projects in lieu of borrowing thereby avoiding the numerous costs (interest, legal, etc.) associated with temporary borrowing. Over the years the fund balance has helped support a number the projects including the police station renovation project, White Mill Park and Spring Lake Beach improvements, school renovation projects (Steere Farm Elementary and High School), library construction, and the cancellation of remaining sewer bond authorities. Currently the Whipple Avenue Landfill closure is benefiting from these available funds. Significant savings have been achieved on these endeavors because the Town did not need to borrow on an interim basis and the Town was allowed to time the sale of its bonds.
- A stable unreserved fund balance assists us when the timing of our cash flow is not predictable thereby providing us with sufficient resources to meet the Town's various daily demands throughout the fiscal year.

MAJOR INITIATIVES

Major initiatives during the fiscal year included the following:

- The Town of Burrillville has been recognized by RI Monthly, a statewide magazine, as the second healthiest and safest place to live in the entire state of Rhode Island. The northwest corner of the state had the top three communities – Burrillville, Glocester, and Foster.
- A Community Development Block Grant (CDBG) was awarded to the Town in the amount of \$64,500 in July 2008. The grant was to \$60,000 for Maplehill Road construction, \$1,500 for Community Housing Land Trust, and Program Administration \$3,000).
- In terms of economic development, the Burrillville Redevelopment Agency became a permanent agency of the Town by a Charter change that occurred in fiscal year 2005. The Town has continued working on a number of initiatives, including:
 - The Downtown Pascoag Association and Redevelopment Agency continued to work on improvements along Pascoag Main Street. The former Laundromat building was marketed and subsequently sold to a private party in July 2008.
 - Development of the Clear River Drive Industrial Park continued with the assistance of the Industrial Foundation and private developers.
 - Continued activity related to the redevelopment of the Stillwater Mill Redevelopment, which is a three phased project that is well underway and will be completed with the renovation of the Clock Tower. The Town acquired the former Clocktower building and transferred ownership over to the Burrillville Redevelopment Agency. The Agency in turn sold the property to the NeighborWorks of Blackstone River Valley on June 2008 for continuing the redevelopment of this site by creating a 47 unit residential development. The Town has worked with the developer in obtaining historical tax credits and grant funding.
- The Public Safety Department has been involved with several endeavors including the following:
 - Completion of the ninth full year of operating the Municipal Court.
 - Enhancement of the Citizens Police Academy (13th Graduating Class) and Juvenile Hearing Board.
 - Continued the expansion support of a variety of programs such as Click It or Ticket, Community Policing, Senior Citizen, Ride Along, Junior Achievement, and Child Safety Programs.
 - Concluded the design phase for the expansion and renovation of the existing police station. The construction contract for this project was awarded on April 8, 2009 [09-096] to Pariseault Builders, Inc. in an amount not to exceed \$1.97 million. Instead of utilizing general obligation bonds, the Major Capital Project Fund is paying for this project.
 - Acquired use of the former Buck Hill Fire Tower to improve radio communications.
 - The Animal Shelter continues to have a solid reputation in response to public safety and public education. The shelter continues to have high return-to-owner and adoption rates.

MAJOR INITIATIVES (Continued)

- Parks & Recreation, in addition to its normal duties and with the assistance of DPW when required, was busy in a number of areas:
 - Obtained grants for a variety of recreational activities including a DEM Open Space grant [\$20,700] that was awarded for improvements at Shippee bridge. The bridge is being restored by the State as a separate project once funding is found.
 - Overseeing the continued expansion of the after school program (Burrillville Extended Care) which operates at three sites. The BEC was formally placed under the Parks and Recreation Department by ordinance in January 2006. This year marks the 12th year of operations for BEC. Some projects funded through the BEC Program included playground equipment installed at Spring Lake Beach and kitchen renovations at Steere Farm Elementary School.
 - Successfully coordinated the Town's ninth annual Snakes Alive Road Race in Pascoag.
- The Public Works Department along with its normal duties:
 - Handled approximately 20 storms, 60 inches of snow and dealt with 11 roadway ice events.
 - Assisted formulating the design and implementation of the Warner Lane Bridge reconstruction.
 - Initiated engineering associated with repairs on the Mill Pond Dam and the capping of the former Whipple Avenue landfill. The Mill Pond Dam project was awarded to J.H. Lynch & Sons on February 11, 2009 [09-036] in the amount of \$558,100, which was budgeted in the Town's Capital Improvement budget. The contract to cap the Whipple Avenue landfill was awarded to DiGregorio & Sons on August 5, 2009 in the amount of \$1.7 million dollars. This project will be paid for by proceeds acquired from the RI Clean Water Agency.
 - Also initiated the engineering for the Shippee and Round Top bridges to accelerate their repairs by the State.
 - Continued implementation of the Infrastructure Program, which is designed to upgrade and expand the Town's program of sidewalk construction and road paving.
 - Carol Drive, Mowry Street, East Wallum Lake Road, Tarkiln Road and North Shore Road were paved. In some cases work on sidewalks, culverts and drainage were also completed as needed.
 - Mill Pond River Dam construction was completed.
 - The street sign replacement program continued.
 - Continued to sponsor the State DPW Annual Indoor and Outdoor equipment shows.
 - Assisted the Recreation Department in meeting its goals and objectives.

MAJOR INITIATIVES (Continued)

- Administration:
 - The Town received the Certificate of Achievement for Excellence in Financial Reporting award from the Government Finance Officers Association for the second consecutive year.
 - The Town joined Government Health Group of RI – a health insurance pool which resulted in significant savings on its health insurance costs.
 - Substantially completed the renovation of Carlton Brown building [the former Jesse Smith Library], which houses the Building, Planning and Information Services offices; thereby eliminating the need to continue to leasing space. The renovations were sufficiently completed to allow the offices to move in July 2008.
 - USI Consulting Group was hired to complete the actuarial study of the Town's Other Post Employment Benefit [OPEB] liability for fiscal years 2009 and 2010.
 - A Charter Review Commission was established with the task of ultimately bringing proposed charter amendment recommendations to the voters in November 2010.
 - The Town initiated a study to determine the feasibility of constructing a senior center. The study was completed but the initiative failed when it was brought to vote on September 15, 2009.
 - The Town, at the request of its residents, created an ordinance in March 2009 that established the Pascoag Reservoir/Echo Lake Dam Management District.
 - The Town's WEB site and GIS systems continue to be expanded and enhanced.

DEBT ADMINISTRATION

On January 8, 1997, the Town Council passed an ordinance establishing a Special Revenue Fund, which will be used solely for the prepayment of bonded indebtedness and unbudgeted capital expenses. The ordinance was created for two reasons; (1) to lessen the Town's reliance on Ocean State Power revenue, which is currently being used to fund operations before the PILOT agreement expires and (2) to address the Town's outstanding debt burden. It is projected that, under this program, the Town will either make an additional \$4.1 million in debt payments over the next three [3] years and/or directly pay for projects that it would have previously had to bond - thereby significantly reducing its existing debt obligations. The first phase of this debt reduction program was applied towards shortening the term of the debt associated with Steere Farm Elementary. The balance in this fund on June 30, 2009 was \$3,862,941 – however; a significant portion of this fund is currently unavailable pending the final resolution of funding for the library construction projects.

Existing state statutes limit the issuance of general obligation bonds to 3 percent of net assessed property values. Fiscal year ending June 30, 1995 marked the first time that the Town had elected to issue bonds under RIGL 45-12-2. Due to time constraints, the Town Council voted to bond \$4.5 million for renovating the former Meadow Glen Nursing Home under RIGL 45-12-2. A second issue for \$1 million, which was part of the \$8 million issue closed in 2000, was added to meet the remaining contractual obligations associated with the High School Renovation project. In December 2006, the Town issued \$3.5 million in RICWFA bonds under RIGL 45-12-2 to finance in the completion of ongoing expansion of sewer to the eastern portion of the Town. These three issues represent the only time that the Town has elected to issue bonds under RIGL 45-12-2. In fiscal year ending 2010, it is anticipated that a \$2.5 million RICW bond will be acquired under RIGL 45-12-2 in 2009 to pay for the capping of the Whipple Avenue Landfill project, which is scheduled to be completed in the spring of 2010.

DEBT ADMINISTRATION (Continued)

Withstanding these exceptions, all outstanding general obligation bond issues have been authorized through enabling legislation and voter approved referendum. On June 10, 1998, the Town Council voted to cancel the remaining sewer bond authority in the amount of \$240,400 (Agenda item #98-156). As of June 30, 2009, the Town's remaining authorized but unissued debt authority consists of the following - \$500,000 for open space projects (plus the balance of the RICW drawdowns) for wastewater projects.

When the Town went to the bond market in the summer of 2000, the Town received a rating upgrade by both Fitch's Investors Service (from A to A+) and Moody's Rating Agency (from A2 to A1). The Moody rating was reaffirmed and the Fitch rating was again upgraded to AA- when the Town went to market in October 2006 and reaffirmed in 2008. This was especially noteworthy in the economy at that time where there have been a significant number of rating downgrades (particularly in New England). The credit rating has remained consistent and improved moderately because the Town has a long history of stable, sound financial management, which includes the maintenance of an unrestricted fund balance sufficient to cover its pending debt obligations.

Historically the Town has utilized a significant amount of its Unreserved, Undesignated Fund Balance as an interim source of revenue for operations. For many years, this has allowed the Town to avoid borrowing in anticipation of taxes. As of FYE 1994, the Town returned to its reserve policy objective relative to maintaining an unreserved undesignated fund balance that was the greater of either (1) 12% fund balance or (2) one year's annual debt payment. With the results of this year's operations, the Town is slightly above (12.5%) its minimal goal of maintaining a sufficient undesignated, unreserved fund balance. Maintenance of this minimal balance should continue to be a priority as part of the overall process involved with improving our financial operations.

Bond rating companies look at four main factors when determining the credit worthiness of a municipal offering. The four factors are 1) debt, 2) economics, 3) fiscal, and 4) administrative. The Town has little control over its demographics and no control over the region's economy. The Town cannot control the fact that its median income is low or that it relies primarily on a residential tax base.

The Town can control its destiny in other areas such as carefully monitoring its debt burden, creating an effective program for capital improvements, limiting its tax rate and levy fluctuations, continued maintenance of a sufficient unrestricted fund balance to meet each current year debt obligations as well as interim cash flow needs, and the continued maintenance of a stable, professional management team.

In the interest of improving on our record of sound financial management, some additional goals being pursued include - improved budget reporting, improved interim reporting, improved utilization of available computer resources, completion of a fixed asset inventory system, implementation of various loss control and risk management practices, and finalization of a written financial manual, which would include the Town's accounting policies and procedures. The Town has begun to address some of these issues with the assistance of the Bryant University intern program and temporary staffing. Strengthening these areas will enable the Town to offset areas in which it is weak.

RISK MANAGEMENT

Burrillville is a member of the Rhode Island Interlocal Risk Management Trust (RIIRMT). The Trust was established by an act of the RI Legislature in July 1986 so that cities and towns could join together to assure the availability of insurance coverage and reasonably stable rates. The Town of Burrillville joined the Trust on October 1, 1986.

RISK MANAGEMENT (Continued)

The Trust provides all property, liability, worker's compensation, life, and police officers' injured on duty insurance coverage for the Town. The Trust treats the Municipality, School Department, and Wastewater Treatment Facility as separate entities for insurance purposes. The Town annually reviews its coverage to insure that its insurance levels are both adequate and cost effective. Burrillville has representatives on the Trust Board and its sub-committees. The Town actively participates in the Trust's operation as well as its educational and training programs, which promote loss control measures and safety training.

The Town (as a Medium Member) and Wastewater Treatment Plant (as a Small Member) were the recipients of the First Annual Loss Control Awards given by the Trust. Some loss control areas that the Town has been involved with since joining the Trust included the creation of a Safety Committee, development of a risk management manual, participation in various seminars/events sponsored by the Trust such as the new firearms simulator training system (FATS), and random drug and alcohol testing. In addition, where practical, the Town has adopted and updated formal risk management policies such as the Town's Sexual Harassment Policy revised on July 22, 1998 (#98-177) and its Controlled Substance and Alcohol Testing Policy revised on August 26, 1998 (#98-210). Updated personnel policies, including family and medical leave, were adopted on October 22, 2003 (#03-290).

As the scope of municipal services continues to expand, the Town will annually review its risk management policies to reduce exposure as much as is reasonably possible.

INDEPENDENT AUDIT

The Town Charter (Section 3.17) and state law requires an annual audit of the Town's financial condition by independent, certified public accountants. Cayer Caccia, LLP of Warwick, Rhode Island has audited the financial statements of the Town of Burrillville for fiscal year ending June 30, 2009.

Cayer Caccia, LLP is a member of the American Institute of Certified Public Accountants and as such is subject to an external quality control review (i.e. peer review) conducted by specially trained certified public accountants from other firms. The auditor's report on the Town's basic financial statements is attached.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Burrillville for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2008. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this annual financial report was made possible by the dedicated service provided by the staff in the Finance Department. The success of this department is based upon the daily efforts of its members as they carry out their respective duties and responsibilities. In addition, without the assistance and support of all Town Departments this report would not have been possible.

Sincerely,



John P. Mainville
Finance Director

TOWN OF BURRILLVILLE, RHODE ISLAND

MUNICIPAL OFFICERS

June 30, 2009

TOWN COUNCIL

Nancy F. Binns, President
Wallace F. Lees, Pro-tem
Robert A. Bishop
Margaret L. Dudley
Kevin D. Heike
John Michael Karmozyn, Jr.
Norman C. Mainville
Cynthia L. Roe

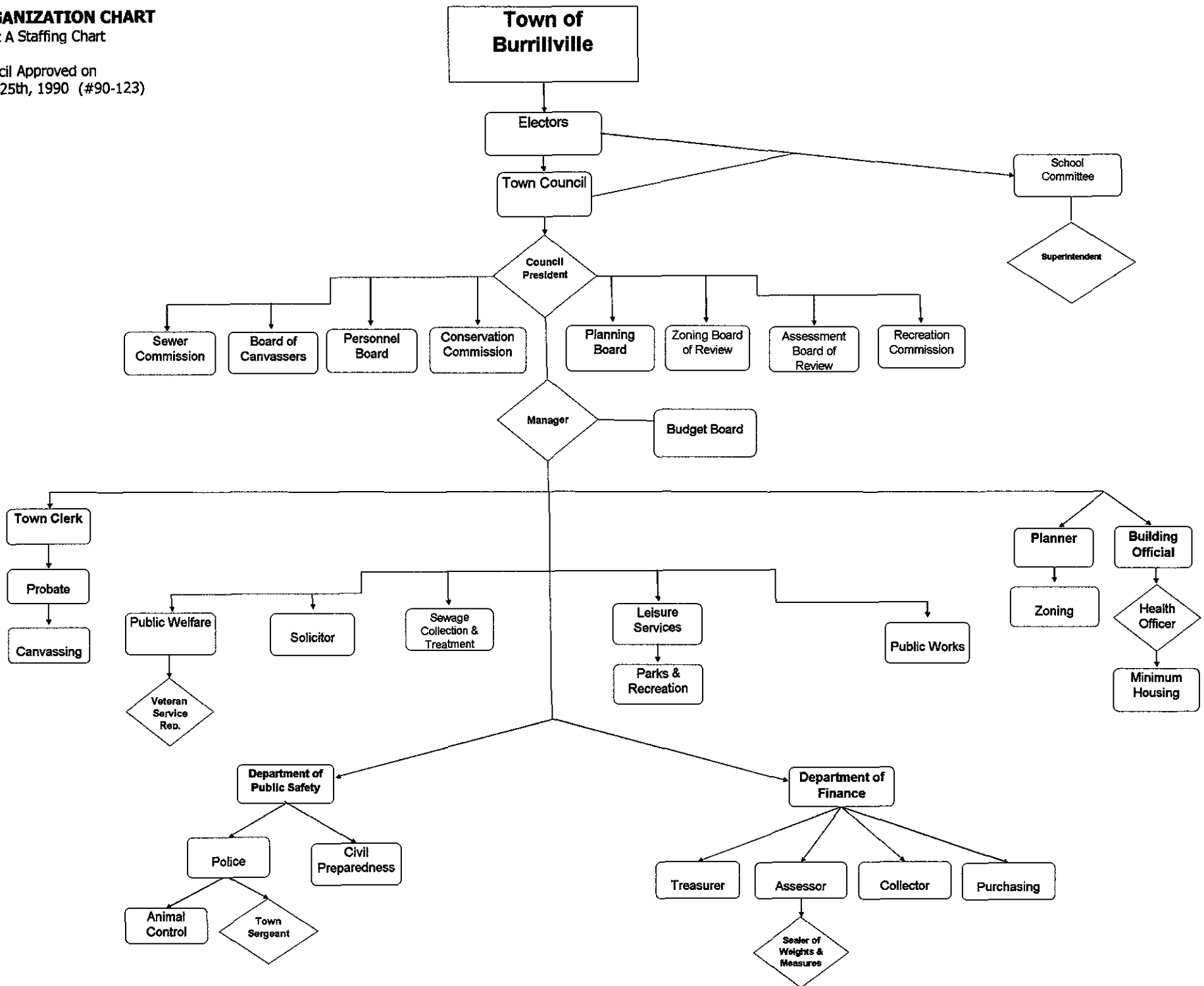
TOWN OFFICIALS

Town Manager	Michael C. Wood
Assessor	Raymond N. Doughty
Building Official	Joseph F. Raymond
Clerk	Louise R. Phaneuf, CMC
Emergency Management Director	Jason Rhodes
Finance Director	John P. Mainville, CGFM
Municipal Court Judge	Joseph P. Carroll
Planning/Economic Development Co-Ordinator	Thomas J. Kravitz, MCP
Police Chief	Col. Bernard E. Gannon
Probate Court Judge	Pierre G. Rondeau
Public Works-Director/Engineer	Richard A. Bernardo, PE
Recreation Director	Cheri R. Hall, CYLA, CPSI, CLA
Solicitor	Timothy F. Kane
Treasurer	Mark A. Adams
Wastewater Treatment Facility-Superintendent	John E. Martin III

ORGANIZATION CHART

* Not A Staffing Chart

Council Approved on
April 25th, 1990 (#90-123)



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Town of Burrillville
Rhode Island

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2008

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



A handwritten signature in black ink, appearing to read "M. L. R.", positioned above the title "President".

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Emer", positioned above the title "Executive Director".

Executive Director

TOWN OF BURRILLVILLE

FINANCIAL SECTION



Gerard R. Cayer
CPA, MST, CVA

Mark V. Caccia
CPA, MST, CVA

Donna T. Caccia
CPA, MST, CFP™

INDEPENDENT AUDITOR'S REPORT

To the Honorable Town Council
Burrillville, Rhode Island

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Town of Burrillville, Rhode Island, as of and for the year ended June 30, 2009, which collectively comprise the Town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town of Burrillville, Rhode Island's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Town of Burrillville, Rhode Island, as of June 30, 2009, and the respective changes in financial position, and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 24, 2009, on our consideration of the Town of Burrillville, Rhode Island'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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis, historical pension and other post employment benefit information and budgetary comparison information on pages 3 through 22 and 73 through 77, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Burrillville, Rhode Island's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, detailed budgetary comparison 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 nonmajor fund financial statements and detailed budgetary comparison information have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken 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 express no opinion on them.

Cayer Caccia, LLP

December 24, 2009

Town of Burrillville, Rhode Island
Management's Discussion and Analysis
JUNE 30, 2009

The Town of Burrillville (the Town) provides this Management Discussion and Analysis (MD&A), a format prescribed by the provisions of Government Accounting Standards Board Statement 34 (GASB 34). This narrative overview and analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Town's financial activity, (c) identify changes in the Town's financial position, (d) identify any material deviations from the financial plan, and (e) identify individual fund issues or concerns for fiscal year ending June 30, 2009. This is the seventh year that the Town has presented its financial statements under the reporting model required by GASB 34.

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year activities, resulting changes, and currently known facts, please read it in conjunction with the accompanying Transmittal Letter and the Town's financial statements.

Financial Highlights

- The total assets of the Town of Burrillville exceeded its liabilities at the close of the fiscal year ending June 30, 2009 by \$74.1 million (net assets). Of this amount, only \$4.1 million (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- As of June 30, 2009, the Town's governmental funds reported total net assets of \$46.9 million.
- The Town of Burrillville's total net assets increased by \$6.1 million, or 8.9%, for the year ended. Net assets of governmental activities increased by \$6.2 million, an 15.2% decrease from fiscal 2008. Net assets of business-type activities decreased by \$0.1 million, or 0.5% from 2008.
- The Town's general fund reported a fund balance of \$8.5 million at the end of fiscal year ending 2009. This compares to a fund balance of \$7.4 million at the end of fiscal 2008. The unreserved, undesignated fund balance for the year was \$5.9 million (\$5.1 million in 2008). This is a \$0.8 million increase over the prior year unreserved fund balance.
- The Town ended the fiscal year with a budgetary operating excess of revenue over expenditures of \$2,731,662 in 2009. Included in this amount is \$2,163,888 of capital improvement funds which has been carried over to fiscal year ending June 2010.

Financial Highlights (Continued)

- The School Department ended the fiscal year with a budgetary excess of \$124,718 (\$335,580 surplus in 2008).
- The Town's total long-term liabilities decreased by \$3,243,115 or 8.4% in 2009. The key factors in this decrease included additional drawdowns from RICWFA totaling \$319,597, loan proceeds of \$610,000 for purchase of land for future development, which was offset by a decline in landfill closure costs of \$560,000 and scheduled debt service payments of \$3,636,000.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the Town of Burrillville's basic financial statements. The Town's basic financial statements include three components: 1) *Government-wide Financial Statements*, 2) *Fund Financial Statements*, and 3) *Notes to the Basic Financial Statements*. This report also contains additional required supplementary information (budgetary schedules) and other supplementary information (combining financial statements) in addition to the basic financial statements themselves. These components are described below:

Basic Financial Statements

The *Government-wide Financial Statements* present the financial picture of the Town from the economic resources measurement focus using the accrual basis of accounting. The government-wide financial statements are designed to provide readers with a broad overview of the Town of Burrillville's finances, in a manner similar to a private-sector business. These statements include all assets of the Town (including infrastructure) as well as all liabilities (including long term debt). Additionally, certain eliminations have been made in regards to interfund activity, payables and receivables.

The *Fund Financial Statements* include statements for three categories of activities – governmental, proprietary, and fiduciary. The governmental activities are prepared using the current financial resources measurement focus and modified accrual basis of accounting. The proprietary funds are prepared using the economic resource measurement focus and the accrual basis of accounting. The fiduciary activities are agency funds, which only report a balance sheet and do not have a measurement focus. Reconciliation of the Fund Financial Statements to the Government-wide Financial Statements is provided to explain the differences created by the integrated approach.

Government-wide Financial Statements

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

Government-wide Financial Statements (Continued)

The *Statement of Net Assets* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, some revenues and expenses that are reported in this statement are for items that will only result in cash flows in future fiscal periods. This statement combines and consolidates governmental funds' current financial resources (short term spendable resources) with capital assets and long-term obligations. Other non-financial factors should also be taken into consideration, such as changes in the Town's property tax base and the condition of the Town's infrastructure (i.e. roads, drainage improvements, storm and sewer lines, etc.), to assess the overall health or financial condition of the Town.

The *Statement of Activities* presents information showing how the Town's net assets changed during the most recent fiscal year. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but not used vacation leave).

Both the *Statement of Net Assets* and the *Statement of Activities* are prepared utilizing the accrual basis of accounting as opposed to the modified accrual basis used in prior reporting models.

In the *Statement of Net Assets* and the *Statement of Activities*, the Town is divided into three kinds of activities:

- Governmental Activities – Most of the Town's basic services are reported here, including the police, planning and development, transportation, parks and recreation, and general administration. Property taxes and State Aid finance most of these activities.
- Business-type Activities - The Town charges a fee to customers to help it cover all or most of the cost of certain services it provides. The Town's sewer system, school cafeteria, rink and day care facilities are reported here.
- Component Units – The Town considered several important, separate legal entities in its report – including the Town's four fire districts (Harrisville, Nasonville, Oakland-Mapleville and Pascoag), the Harrisville Water District and the Pascoag Utility District. These entities are legally separate but did not meet the criteria set forth in GASB Statement 34. The Town also reviewed the Burrillville Redevelopment Agency and determined that the agency met the criteria to be disclosed as a discretely presented component unit.

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds – not the Town as a whole. Some funds are required to be established by state law and by bond covenants. However, the Town establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants and other money. The Town's two kinds of funds - *governmental* and *proprietary* – utilize different accounting approaches.

Fund Financial Statements (Continued)

- *Governmental Funds* – The majority of the Town’s basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method identified as the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted into cash. The governmental fund statements provide a detailed short-term view of the Town’s general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town’s programs. By comparing information presented for governmental funds with similar information presented for governmental activities in the government-wide statements, readers may better understand the long-term impact of the government’s near-term financing decisions. The relationships or differences between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds are detailed in a reconciliation following the fund financial statements.

The Town of Burrillville maintains numerous 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, and the School District, both of which are considered to be major funds. Data from the individual governmental funds are combined into a single, aggregated nonmajor fund presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

- *Proprietary Funds* – The Town charges customers for the services it provides, whether to outside customers or to other units within the Town. These services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Assets and the Statement of Activities. In fact, the Town’s enterprise funds (a component of proprietary funds) are identical to the business-type activities that are reported in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds.

The Town of Burrillville maintains four individual enterprise funds. The Town uses enterprise funds to account for its sewer, school cafeteria, Levy Rink and extended day care facilities. The funds provide the same type of information as the government-wide financial statements - only in more detail. The proprietary fund financial statements provide separate information for the sewer, school cafeteria, Levy Rink and day care activities.

The Town as Trustee - Reporting the Town’s Fiduciary Responsibilities

- *Fiduciary Funds* - The Town is the trustee, or fiduciary, for a number of different activities including student activity and scholarship programs. All of the Town’s fiduciary activities are reported in separate Statements of Fiduciary Net Assets and Changes in Fiduciary Net Assets. The activities of these funds are excluded from the Town’s government-wide financial statements because the Town cannot use these assets to finance its operations. The Town is responsible for ensuring that the assets reported in these funds are used for their intended purpose.

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 immediately following the basic financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information concerning the Town's progress in funding its obligation to provide pension benefits to the employees and budgetary comparative information for the Town general fund and the School District general fund.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The Town's Overall Operations

The Town of Burrillville has prepared the fiscal year ending June 30, 2009 financials in a format prescribed by the Government Accounting Standards Board Statement 34 (GASB 34).

June 30, 2009

The Town's combined net assets were \$74.1 million in 2009. Analyzing the net assets and net expenses of governmental and business-type activities separately, the governmental activities are \$46.9 million and the business-type activities net assets are \$27.2 million in 2009. This analysis focuses on the net assets (Table 1), changes in net assets - activities (Table 2), and changes in general revenues and significant expenses of the Town's governmental, and business-type activities.

June 30, 2008

The Town's combined net assets were \$68.1 million in 2008. Analyzing the net assets and net expenses of governmental and business-type activities separately, the governmental activities are \$40.7 million and the business-type activities net assets are \$27.4 million in 2008. This analysis focuses on the net assets (Table 1), changes in net assets - activities (Table 2), and changes in general revenues and significant expenses of the Town's governmental, and business-type activities.

By far the largest portion of the Town's net assets (93.7 percent) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Table 1

Town of Burrillville
Statement of Net Assets - Primary Government
Year Ended June 30

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2009</u>	<u>(As Restated) 2008</u>	<u>2009</u>	<u>(As Restated) 2008</u>	<u>2009</u>	<u>(As Restated) 2008</u>
Current and other assets	\$20,369,871	\$18,461,755	\$ 3,709,703	\$ 3,877,056	\$ 24,079,574	\$22,338,811
Capital assets	<u>67,234,354</u>	<u>66,796,260</u>	<u>23,772,455</u>	<u>23,837,317</u>	<u>91,006,809</u>	<u>90,633,577</u>
Total assets	<u>87,604,225</u>	<u>85,258,015</u>	<u>27,482,158</u>	<u>27,714,373</u>	<u>115,086,383</u>	<u>112,972,388</u>
Current liabilities	11,037,030	9,954,983	177,316	132,926	11,214,346	10,087,909
Noncurrent liabilities	<u>29,688,709</u>	<u>34,627,458</u>	<u>52,655</u>	<u>51,014</u>	<u>29,741,364</u>	<u>34,678,472</u>
Total liabilities	<u>40,725,739</u>	<u>44,582,441</u>	<u>229,971</u>	<u>183,940</u>	<u>40,955,710</u>	<u>44,766,381</u>
Net assets:						
Invested in capital assets, net of related debt	45,691,128	42,831,767	23,772,455	23,837,317	69,463,583	66,669,084
Restricted	509,946	490,529			509,946	490,529
Unrestricted	<u>677,412</u>	<u>(2,646,722)</u>	<u>3,479,732</u>	<u>3,564,337</u>	<u>4,157,144</u>	<u>917,615</u>
Total net assets	<u>\$46,878,486</u>	<u>\$40,675,574</u>	<u>\$27,252,187</u>	<u>\$27,401,654</u>	<u>\$74,130,673</u>	<u>\$68,077,228</u>

The increase in current and other assets of approximately \$1.7 million is due primarily to an increase in due from other governments of \$1.6 million. This increase was due to a delay in receiving certain state aid and a major taxpayer's payment in lieu of taxes, which were both received in July 2009. The decrease in noncurrent liabilities of \$4.9 million is primarily the result of repayment of general obligation bonds of \$3.6 million.

The net assets in Business-type activities decreased by \$0.1 million.

Table 2

Town of Burrillville
Statement of Activities - Primary Government
Year Ended June 30

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2009</u>	(As Restated) <u>2008</u>	<u>2009</u>	(As Restated) <u>2008</u>	<u>2009</u>	(As Restated) <u>2008</u>
Revenues:						
Program Revenues:						
Charges for services	\$ 1,141,134	\$ 1,467,782	\$ 3,036,865	\$ 3,743,860	\$ 4,177,999	\$ 5,211,642
Operating grants and contributions	16,606,635	16,803,743	354,303	333,980	16,960,938	17,137,723
Capital grants and contributions	2,949,280	2,842,227			2,949,280	2,842,227
General revenues:						
Property Taxes	28,656,516	27,883,350			28,656,516	27,883,350
State Revenue Sharing	778,175	936,763			778,175	936,763
Contributions not restricted to specific programs	31,940				31,940	
Loss on sale of capital asset	(122,075)				(122,075)	
Unrestricted Investment	<u>182,379</u>	<u>480,206</u>	<u>20,973</u>	<u>75,560</u>	<u>203,352</u>	<u>555,766</u>
Total Revenues	<u>50,223,984</u>	<u>50,414,071</u>	<u>3,412,141</u>	<u>4,153,400</u>	<u>53,636,125</u>	<u>54,567,471</u>
Expenses:						
General government	3,576,715	4,028,881			3,576,715	4,028,881
Public safety	3,447,071	3,305,109			3,447,071	3,305,109
Public works	2,540,063	6,521,874			2,540,063	6,521,874
Education	31,299,601	30,258,377			31,299,601	30,258,377
Parks and recreation	679,872	672,229			679,872	672,229
Libraries	655,149	486,987			655,149	486,987
Community development	583,196	83,463			583,196	83,463
Other		1,553,844				1,553,844
Interest on long-term debt	1,166,159	1,297,028			1,166,159	1,297,028
Sewer Authority			1,867,278	1,742,335	1,867,278	1,742,335
School Cafeteria			896,122	935,438	896,122	935,438
Levy Rink			434,991	369,511	434,991	369,511
Extended Day Care			<u>436,463</u>	<u>426,023</u>	<u>436,463</u>	<u>426,023</u>
Total expenses	<u>43,947,826</u>	<u>48,207,792</u>	<u>3,634,854</u>	<u>3,473,307</u>	<u>47,582,680</u>	<u>51,681,099</u>
Revenues over (under) expenses	6,276,158	2,206,279	(222,713)	680,093	6,053,445	2,886,372
Transfers in (out)	<u>(73,246)</u>	<u>(2,152,228)</u>	<u>73,246</u>	<u>2,152,228</u>	<u>0</u>	<u>0</u>
Increase (decrease) in net assets	6,202,912	54,051	(149,467)	2,832,321	6,053,445	2,886,372
Net Assets, July 1, as restated	<u>40,675,574</u>	<u>40,621,523</u>	<u>27,401,654</u>	<u>24,569,333</u>	<u>68,077,228</u>	<u>65,190,856</u>
Net Assets, June 30	<u>\$46,878,486</u>	<u>\$40,675,574</u>	<u>\$27,252,187</u>	<u>\$27,401,654</u>	<u>\$74,130,673</u>	<u>\$68,077,228</u>

The decrease in revenues of \$0.9 million is primarily the result of a decrease associated with sewer assessment fees for new lines installed in 2008 . The property tax increase is due to an increase in the tax levy.

The decrease in expenses of \$4.1 million are primarily due to a decrease in Public Works capital improvements of \$4.0 million. Other expenses decreased by \$1.6 million due to the reallocation of the State on-behalf pension contribution to Education expense for fiscal year 2009.

The majority of the decrease in Business-type activity revenue (\$2.8 million) relates to a decrease in General Fund transfers to the Sewer Authority and a reduction in sewer frontage assessments. Expenses for Business-type activities increased moderately from 2008 to 2009.

Review of Major Governmental Funds

General Fund

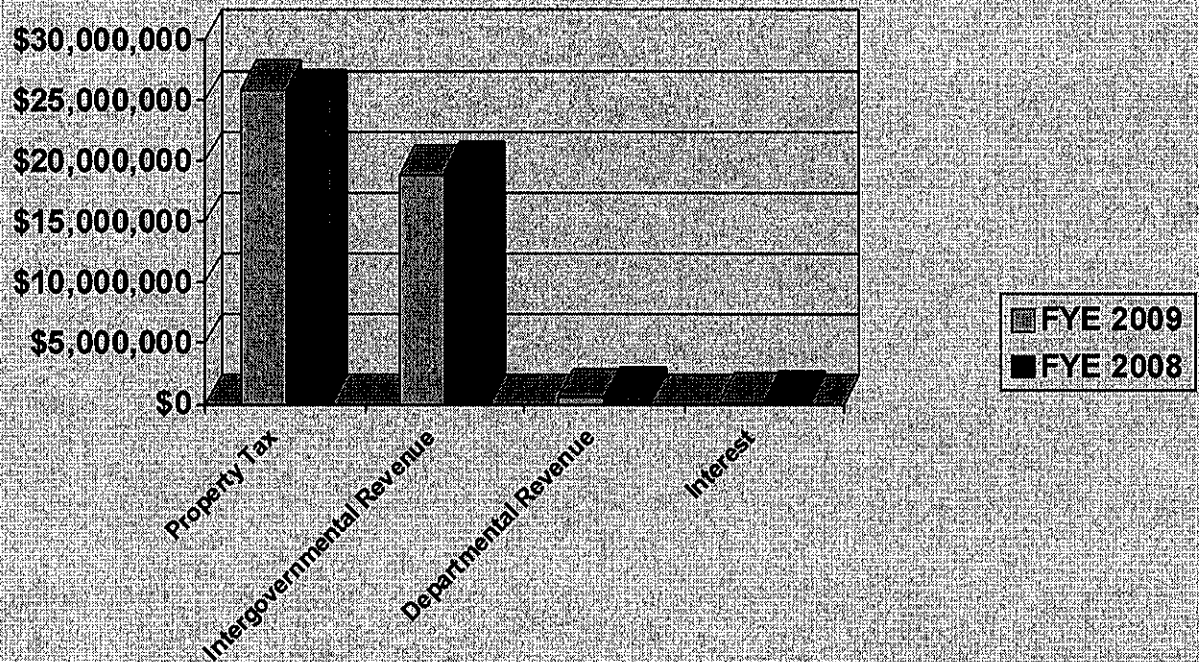
The General Fund is the primary fund through which the majority of the Town's revenues and expenditures flow. The Town finished the year within the limits established by the adopted budget. The Town carefully monitors its expenditures and eliminates all but the most necessary. When savings are incurred in a given area, every effort is made to avoid unnecessary spending so that those savings can be returned to the General Fund. During FYE 2009, there were two [2] supplementary budget amendments to the General Fund in the net amount of \$954,189. This amount was comprised of the carryover of FYE 2008 capital improvement funding (\$1,530,441) which was offset by an unanticipated reduction in State education aid (\$576,252).

A comparative breakdown of revenues and expenditures associated with the General Fund on a budgetary basis for the fiscal years ending June 30, 2009 and 2008 is listed below. This information is provided for general purposes only.

The Town's general revenues increased slightly when compared to the prior year by .05% or \$21,154.

	<u>FYE 2009</u>	<u>FYE 2008</u>	<u>% Change</u>	<u>\$ Change</u>
<u>Revenues</u>				
Property Taxes	\$25,779,882	\$25,130,561	2.58%	\$649,321
Intergovernmental Revenue	18,783,013	19,168,024	(2.01%)	(385,011)
Departmental Revenue	494,909	604,142	(18.08%)	(109,233)
Interest Income	<u>127,935</u>	<u>261,858</u>	(51.14%)	<u>(133,923)</u>
Total Revenues	<u>\$45,185,739</u>	<u>\$45,164,585</u>	.05%	<u>\$ 21,154</u>

REVENUES



June 30, 2009

Actual revenues were \$40,342 more than budgeted. The primary reasons for the favorable revenue variance were:

- First, the Town exceeded its budget expectations in relation to the collection of property taxes. This was primarily due to an increase in tax collections over budgeted projections that totaled \$144,131 which includes tax revenue of \$126,222. The Town collected approximately 97.9% of the fiscal year 2009 tax levy.
- Second, the Town's intergovernmental revenue exceeded budget by \$181,717. This year represents the ninth year of funding under the State's motor vehicle phase out program. Due to State budget issues, the State withheld \$398,072 in general revenue sharing, \$67,634 in motor vehicle phase out aid, and school aid was \$70,033 less than anticipated. These shortfalls were offset by increased construction aid (\$110,735), library construction aid (\$334,289), additional group home aid (\$75,000), and distressed community aid (\$218,448).
- Third, interest income was under budget in the amount of \$148,065. The decrease is primarily attributed to the continued decline in interest rates.
- Fourth, there was a decline in departmental revenue and licenses, permits and fees in the amount of \$137,441, which was primarily attributed to a decline associated with licenses and fees (\$152,112), offset by an increase in services/assessments.

The Town has continued its aggressive tax collection position, which was implemented several years ago. This again has resulted in the current year collections for the fiscal year ended June 30, 2009 being greater than anticipated. A 96.5% collection rate was budgeted for FYE 2009 and 97.9% was actually collected. The collection rate used for budgeting purposes was based upon historical collection data.

A comparison of actual expenditures incurred during FYE 2009 reveals that the Town expenses were \$2,462,244 less than the amount appropriated. This was achieved by limiting expenditures to essential services only. A significant portion of this amount [\$2,163,888] is for capital improvement activities related to general administration, police, school, public works, and recreation. This amount has been re-appropriated for FYE June 30, 2010.

The most significant governmental expense for the municipality during 2009 was in providing for public safety, which incurred expenses of \$2.45 million. The major components of public safety are police and animal control. Other significant governmental expenses for the municipality include public works at \$1.22 million; general government at \$1.46 million, which includes all administrative offices; general services (\$1.35 million) such as refuse collection/recycling; debt at \$4.83 million, and insurance/benefits at \$2.12 million.

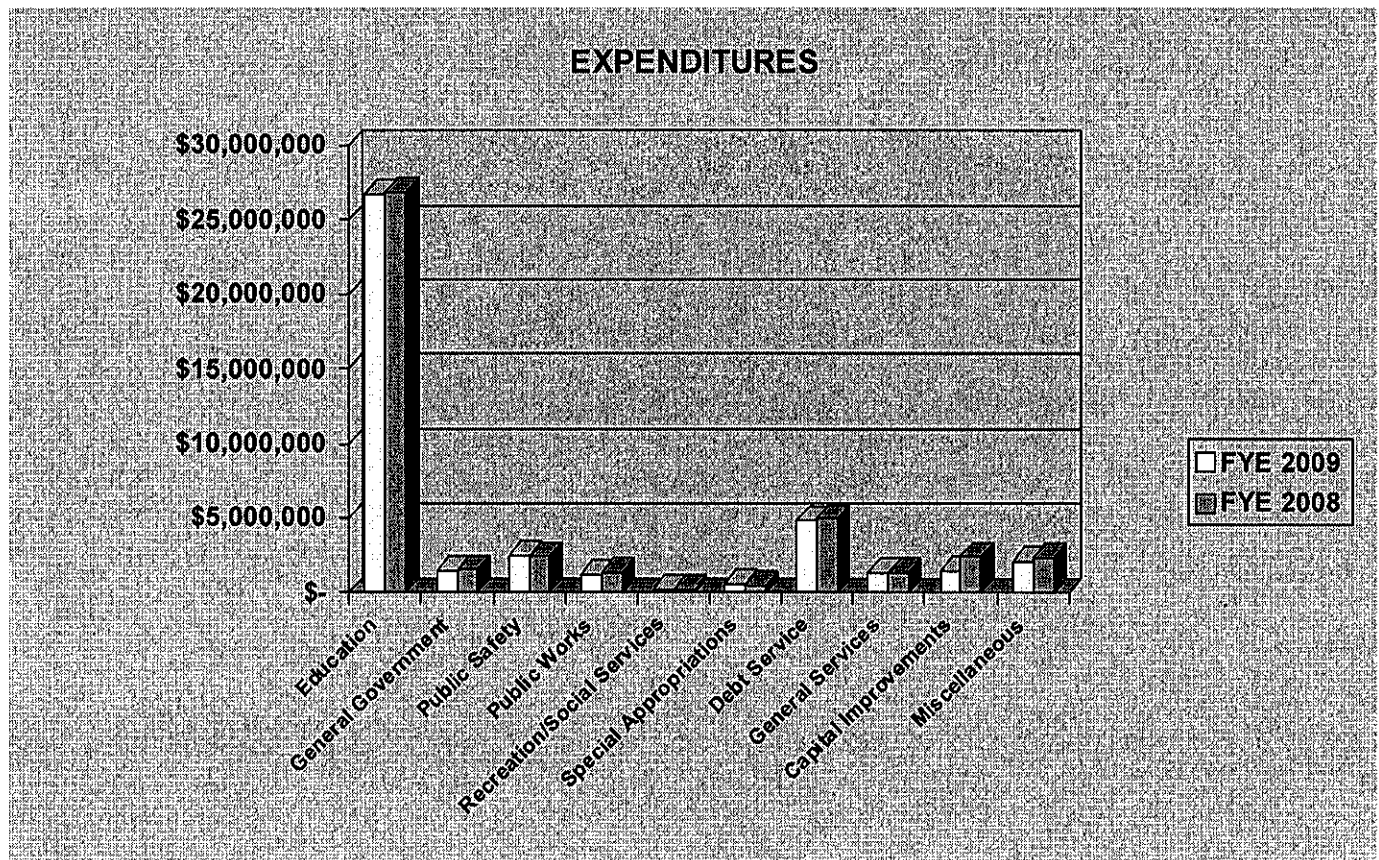
June 30, 2008

Actual revenues were \$180,979 more than budgeted. The primary reasons for the favorable revenue variance were:

- First, the Town exceeded its budget expectations in relation to the collection of property taxes. This was primarily due to an increase in tax collections over budgeted projections that totaled \$295,250 which includes tax revenue of \$287,677. The Town collected approximately 98.2% of the fiscal year 2008 tax levy.
- Second, the Town's intergovernmental revenue was short of budget by \$27,921. This year represents the ninth year of funding under the State's motor vehicle phase out program. Due to State budget issues, the State withheld \$109,168 in General Revenue Sharing and Medicaid Revenue was \$65,771 less than anticipated. These short falls were partially offset by increased construction aid of \$180,017 and distressed community aid of \$34,592.
- Third, interest income was under budget in the amount of \$19,142. The decrease is primarily attributed to the continued decline in interest rates.
- Fourth, there was a decline in departmental revenue and licenses, permits and fees in the amount of \$67,208 which was primarily attributed to a decline associated with licenses and fees (\$138,053), offset by an increase in services/assessments.

A comparison of actual expenditures incurred during FYE 2008 reveals that the Town expenses were \$1,769,127 less than the amount appropriated. This was achieved by limiting expenditures to essential services only. A significant portion of this amount relates to capital improvement activities. Of this amount, \$1,554,565 of capital improvements related to general administration, police, school, public works, and recreation, of which \$1,530,441 has been deferred and re-appropriated for FYE June 30, 2009.

The most significant governmental expense for the municipality during 2008 was in providing for public safety, which incurred expenses of \$2.41 million. The major components of public safety are police and animal control. Other significant governmental expenses for the municipality include public works at \$1.29 million; general government at \$1.51 million, which includes all administrative offices; general services (\$1.29 million) such as refuse collection/recycling; debt at \$4.96 million, and insurance/benefits at \$1.97 million.



	<u>FYE 2009</u>	<u>FYE 2008</u>	<u>% Chg</u>	<u>\$ Chg</u>
<u>Expenditures</u>				
Education	\$27,060,748	\$26,876,123	0.69%	\$184,625
General Government	1,458,014	1,507,506	(3.28)%	(49,492)
Public Safety	2,451,959	2,411,333	1.68%	40,626
Public Works	1,229,427	1,287,046	(4.48)%	(57,619)
Recreation & Social Services	221,825	233,360	(4.94)%	(11,535)
Special Appropriations	620,538	475,570	30.48%	144,968
Debt Services	4,826,662	4,964,412	(2.77)%	(137,750)
General Services	1,353,582	1,287,508	5.13%	66,074
Capital Improvements	1,492,073	2,408,193	(38.04)%	(916,120)
Miscellaneous	2,121,112	2,314,596	(8.36)%	(193,484)
<u>Other Financing (Sources) Uses-</u>				
Transfer from Fund Balance	(1,609,191)	(4,050,517)	60.27%	2,441,326
Proceeds from Bond Issuance	(319,597)	(2,108,229)	84.8%	1,788,632
Proceeds from Sale of Capital Assets		(150,000)	100.0%	150,000
Transfers In	(619,266)	(2,195,395)	71.79%	1,576,129
Transfer Out-Capital Projects	335,194	3,990,773	(10.91)%	(3,655,579)
Transfer Out- Wastewater Treatment	319,597	2,108,229	(84.84)%	(1,788,632)
Transfer Out- Special Revenue	1,511,400	1,732,576	(12.8)%	(221,176)
Total Expenditures (Net of Transfers)	<u>\$42,454,077</u>	<u>\$43,093,084</u>	<u>(1.48%)</u>	<u>(639,007)</u>
Excess of Revenues over Expenditures- Budgetary Basis	<u>\$ 2,731,662</u>	<u>\$ 2,071,501</u>	<u>31.87%</u>	<u>\$660,161</u>

June 30, 2009

The net effect of operations as described above on the budgetary basis reveals that the Town completed fiscal year ending June 30, 2009 with a net excess of revenues over expenditures in the amount of \$2,731,662. Note that this amount included as revenue the budgeted amount of \$1,609,191 from the Unreserved, Undesignated Fund Balance. When this is factored out, there is actually a net increase to fund balance associated with the excess of revenues over expenditures of \$1,122,471.

The Town's fund balance has increased to \$8,519,043. The Town's fund balance is broken down into the following components and comprised of cash or other assets that will eventually be converted into cash such as receivables and equities:

1. An amount (\$468,164) attributed to tax sale property that was not bid on at public auction. The Town has subsequently acquired tax deeds over the years to protect its interest in those properties that have outstanding taxes/sewer assessments due.
2. An amount (\$10,338) reserved for amounts not due within one year. This amount relates to amounts due from Senior Center. The Town incurred expenses related to determining the feasibility of constructing a Senior Center. In September 2009, a local referendum authorizing the sale of bonds to fund the construction of a Senior Center failed. The legislative authority to sell bonds for this project expires in November 2010.

3. An amount (\$2,163,888) already re-appropriated for use in fiscal year ending June 30, 2009. This is approximately \$633,447 more than the amount recorded at the end of fiscal year 2008 and is due primarily to the timing of various infrastructure projects.
4. Finally after all of the above items are considered, the value of the Town's Unreserved, Undesignated Fund Balance is \$5,876,653, which is an increase of \$758,068 over last year's Unreserved, Undesignated Fund Balance (\$5,118,585). This increase is due to budgetary savings as well as a reduction in amounts not due within one year. This leaves an Undesignated, Unreserved Fund Balance on June 30, 2009 of \$5,876,653, which is approximately 12.51% of the total budget currently appropriated for FYE June 30, 2010 (\$46,972,275).

June 30, 2008

The net effect of operations as described above on the budgetary basis reveals that the Town completed fiscal year ending June 30, 2008 with a net excess of revenues over expenditures in the amount of \$2,071,501. Note that this amount included as revenue the budgeted amount of \$4,050,517 from the Unreserved, Undesignated Fund Balance. When this is factored out, there is actually a net decrease to fund balance associated with the excess of expenditures over revenues of \$1,979,016.

The Town's fund balance has decreased to \$7,396,572. The Town's fund balance is broken down into the following components and comprised of cash or other assets that will eventually be converted into cash such as receivables and equities:

1. An amount (\$453,941) attributed to tax sale property that was not bid on at public auction. The Town has subsequently acquired tax deeds over the years to protect its interest in those properties that have outstanding taxes/sewer assessments due.
2. An amount (\$217,973) reserved for amounts not due within one year. This amount relates to a Levy Rink loan given to the School Department as well as amounts due from Burrillville Redevelopment Agency, and Route 107.
3. An amount (\$1,530,441) already re-appropriated for use in fiscal year ending June 30, 2009. This is approximately \$538,131 less than the amount recorded at the end of fiscal year 2008. Each year is subject to the timing of infrastructure projects with year end.
4. Finally after all of the above items are considered, the value of the Town's Unreserved, Undesignated Fund Balance is \$5,118,585, which is a decrease of \$1,667,050 over last year's Unreserved, Undesignated Fund Balance (\$6,785,635), which is the net result of budget activity and fund balance transfers. This leaves an Undesignated, Unreserved Fund Balance on June 30, 2008 of \$5,118,585, which was approximately 11% of the total budget currently appropriated for FYE June 30, 2009 (\$46,190,589).

School District

June 30, 2009

The School District had revenues for the year ended June 30, 2009 of \$13.3 million. This was derived from \$12.2 million of intergovernmental revenues and \$1.1 million of state pension contribution revenues. In addition to general operating revenues, the School District also received \$14.9 million of other financing sources in the form of transfers in from the General Fund.

Expenditures for the School District totaled \$27.9 million. This entire amount represents expenditures related to education.

The excess of revenues and other sources over expenditures and other uses was \$0.18 million for the fiscal year ended June 30, 2009.

June 30, 2008

The School District had revenues for the year ended June 30, 2008 of \$14.1 million. This was derived from \$12.7 million of intergovernmental revenues and \$1.4 million of other revenues. In addition to general operating revenues, the School District also received \$13.5 million of other financing sources in the form of transfers in from the General Fund.

Expenditures for the School District totaled \$27.9 million. This entire amount represents expenditures related to education.

The excess (deficiency) of revenues and other sources over expenditures and other uses was \$.13 million for the fiscal year ended June 30, 2008.

Debt Reduction

June 30, 2009

The Debt Reduction fund had investment income for the year ended June 30, 2009 of \$24,911. In addition, the Debt Reduction fund had transfers in of \$1,500,000 from the General Fund.

The excess of revenues and other sources over expenditures and other uses was \$1,524,911.

June 30, 2008

The Debt Reduction fund had investment income for the year ended June 30, 2008 of \$111,367. In addition, the Debt Reduction fund had transfers in of \$1,350,000 and transfers out of \$2,146,000.

The deficiency of revenues and other sources under expenditures and other uses was \$684,633.

Library Building

June 30, 2009

The Library Building Fund had revenues for 2009 of \$125,670, which was primarily derived from grants and donations. Expenditures for the library project totaled \$39,924. These expenditures represented some of the final costs associated with constructing and furnishing of the new library which opened in April 2008. This project remains open pending the reimbursement of some infrastructure costs.

June 30, 2008

The Library Building Fund had revenues for 2008 of \$.43 million which was primarily derived from grants and donations. Expenditures for the library project totaled \$3.5 million. These expenditures represented the final costs associated with constructing and furnishing of the new library which opened in April 2008.

Business-type Activities

Proprietary Activities

June 30, 2009

Revenues of the Town's business-type activities, including transfers of \$0.07 million, were \$3.5 million for the fiscal year ending June 30, 2009. Expenses for the Town's business-type activities were \$3.6 million for the year, resulting in a decrease in net assets of \$0.1 million. The decrease in net assets was the result of several factors, including the following:

- The Town's sewer system recorded charges for services of \$1.8 million, and expenses of \$1.9 million resulting in a decrease in net assets of \$0.1 million.

June 30, 2008

Revenues of the Town's business-type activities, including transfers of \$2.2 million, were \$6.3 million for the fiscal year ending June 30, 2008. Expenses for the Town's business-type activities were \$3.4 million for the year, resulting in an increase in net assets of \$2.9 million. The increase in net assets was the result of several factors, including the following:

- The Town's sewer system recorded charges for services of \$2.4 million, transfers of \$2.1 million, and expenses of \$1.7 million resulting in an increase in net assets of \$2.9 million.
- The other nonmajor enterprise funds recorded charges for services of \$1.3 million, other revenues of \$0.3 million and expenses of \$1.7 million resulting in a decrease in net assets of \$34,126.

Capital Asset and Debt Administration

Capital Project Funds

The Town had several active capital projects in fiscal year end June 30, 2009.

Completed capital projects included the Rink, Hauser/Branch River fields, Route 107, and the School Administration Building.

New capital projects include the Police Station expansion/renovation, Shippee Bridge, and the Mill Pond Dam repair. Some projects are continuing to carry residual balances including Route 102/Commerce Park, Callahan Renovation, and the Library. Active capital projects carried over from the prior year include the Annex, Rail Trail and the extension of sewer lines to the eastern villages.

Additionally, the Town maintains revolving funds for the purpose of addressing Unfunded Liability/Incentive Pay, Open Space Land Acquisition, Debt Reduction, and Major Capital projects.

Capital Assets

At the end of the fiscal year 2009, the Town had \$91.0 million invested in a broad range of capital assets, including police and public work equipment, buildings, park facilities, roads, bridges, and sewer lines. (See Table 3 below.) This amount represents a net increase (including additions and deductions) of \$0.3 million or 0.3% over the prior fiscal year's net assets.

The presentation below lists the major categories of capital assets for governmental and business type activities. Infrastructure assets, which are assets that can be preserved for a significantly greater number of years than most capital assets and are typically stationary in nature such as streets, sidewalks, curbing and bridges, are subject to different rules under the GASB 34 standards.

Note that this is the seventh year that Burrillville reports fixed assets in its financials in accordance with GASB 34. The retroactive reporting of pre-GASB-34 infrastructure, roads, bridges, etc. was completed in FYE 2008 as required.

Table 3

Capital Assets - Primary Government June 30

	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	(As Restated) 2008	2009	(As Restated) 2008
Land	\$ 3,275,169	\$ 2,474,022	\$ 382,443	\$ 382,443	\$ 3,657,612	\$ 2,856,465
Construction in progress	888,244	9,470,412	110,810	4,230,585	999,054	13,700,997
Leasehold improvements			34,398	34,398	34,398	34,398
Collection systems			33,257,296	28,726,052	33,257,296	28,726,052
Buildings and improvements	67,839,227	58,653,477	7,973,885	7,973,885	75,813,112	66,627,362
Equipment	1,451,238	600,933	230,127	163,555	1,681,365	764,488
Vehicles	3,014,477	2,978,025	112,627	112,627	3,127,104	3,090,652
Furniture			520,836	499,747	520,836	499,747
Infrastructure	<u>13,549,537</u>	<u>12,921,377</u>			<u>13,549,537</u>	<u>12,921,377</u>
Total Assets	90,017,892	87,098,246	42,622,422	42,123,292	132,640,314	129,221,538
Less accumulated depreciation	<u>(22,783,538)</u>	<u>(20,301,986)</u>	<u>(18,849,967)</u>	<u>(18,285,978)</u>	<u>(41,633,505)</u>	<u>(38,587,964)</u>
Totals	<u>\$67,234,354</u>	<u>\$ 66,796,260</u>	<u>\$23,772,455</u>	<u>\$23,837,314</u>	<u>\$91,006,809</u>	<u>\$90,633,574</u>

This year's major capital expenditures included:

- Completion of construction and road/sidewalk improvements (Carol Drive, Mowry Street, North Shore Road, East Wallum Lake, Tarkiln Road).
- Construction of the parking area at Shippee Bridge and renovations at the Carlton Brown building (Annex) were substantially completed.
- Construction at the police station and Mill Pond dam commenced.
- Acquisition of various equipment including public works equipment and police vehicles.
- The School Department had funding (\$450,000) allocated towards various building and equipment needs.

The 2010 Capital Budget has been adopted and while individual projects are subject to change, the 2010 capital budget calls for spending of capital projects, principally in these major categories: economic development, libraries, parks and recreation, schools, and street improvements.

Additional information on the Town's capital assets can be found in Note 7.

Debt Administration

June 30, 2009

The total outstanding long-term bonded debt on June 30, 2009 was \$30,234,179 which represents a net decrease of 8.23% (\$2,712,670) from June 30, 2008 (\$32,946,849). This decrease was primarily the net effect of annual debt payments (\$3,636,000) on outstanding issues offset by additional drawdowns (\$319,597) from RICWFA for new sewer construction and \$610,000 note payable related to land purchased for future development.

June 30, 2008

The total outstanding long-term bonded debt on June 30, 2008 was \$32,946,849 which represents a net decrease of 3.87% (\$1,325,038) from June 30, 2007 (\$34,271,887). This decrease was primarily the net effect of annual debt payments (\$3,701,267) on outstanding issues offset by additional drawdowns (\$2,108,229) from RICWFA for new sewer construction.

Table 4

	Long Term Debt June 30			
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
General Obligation Bonds	\$30,234,179	\$32,946,849	\$ 0	\$ 0
Compensated Absences	1,189,913	1,182,136	57,565	64,414
Net OPEB Obligation	21,778	0	790	0
Landfill Post-Closure Costs	<u>3,730,000</u>	<u>4,290,000</u>	<u>0</u>	<u>0</u>
Totals	<u>\$35,175,870</u>	<u>\$38,418,985</u>	<u>\$58,355</u>	<u>\$64,414</u>

The Town does have overlapping debt totaling \$2,562,576, which is associated with long-term obligations incurred by three (3) out of four (4) Fire Districts. There is no legal obligation incurred by the Town on these debts. These Fire District debts are assessed against the same property that is being assessed by the Town.

Below is a comparison of various long-term bonded debt ratios for June 30, 2009 and June 30, 2008. Note that Loans Payable and Bond Anticipation Notes (BANS) are not incorporated in these calculations.

	<u>Various Debt Ratios</u>	
	<u>6/30/09</u>	<u>6/30/08</u>
Total Outstanding		
Long-Term Bonded Debt	\$30,085,953	\$32,792,356
Debt per Capita -		
2000 Census (15,795)	\$1,905	\$2,076
(State Average \$1,766;		
City/Town Average \$1,332)		
Net Assessed Values	\$1,635,020,818	\$1,622,903,045
Debt to Net Assessed Values	1.84%	2.02%
Tax Rate per \$ 1,000	\$ 40.00	\$40.00
Split Rate (RE & MV)	11.85	11.60
Portion of Tax Rate Funding Debt		
- Percent of Tax Dollar	11.55%	15.26%
Credit Ratings -		
Fitch's Investor's Service	AA-	AA-
Moody's Rating Agency	A1	A1

The Town received a rating upgrade by both Fitch's Investor's Service (from A to A+) and Moody's Rating Agency (from A2 to A1) in 2000. Subsequently the Town's A+ credit rating with Moody's Rating Agency was reaffirmed and upgraded by Fitch's Investor's Service to AA- in 2006. Fitch Investor's Service again reaffirmed the AA- rating in 2008.

Historically the Town has utilized a significant amount of its Unreserved, Undesignated Fund Balance as an interim source of revenue for capital projects and other one time expenditures. For many years this has allowed the Town to avoid borrowing in anticipation of taxes. As of FYE 1994, the Town returned to its reserve policy objective relative to maintaining an unreserved undesignated fund balance that was the greater of either (1) 12% fund balance or (2) one year's annual debt payment. With the results of this year's operations, the Town at 12.5% is slightly above its minimal goal of maintaining a sufficient undesignated, unreserved fund balance. Maintenance of this minimal balance will continue to be a priority as part of the overall process involved with improving our financial operations.

Bond rating companies look at four main factors when determining the credit worthiness of a municipal offering. The four factors are 1) debt, 2) economics, 3) fiscal, and 4) administrative. The Town has little control over its demographics and no control over the region's economy. The Town cannot control the fact that its median income is low or that it relies primarily on a residential tax base.

Additional information on the Town's long-term debt can be found in Note 8.

Economic Factors and Next Year's Budgets and Rates

The Town's elected and appointed officials considered many factors when setting the fiscal year 2010 budget, tax rates, and fees that will be charged for the business-type activities.

One of these factors is the economy. Some basic economic information regarding the Town of Burrillville is as follows:

- The unemployment rate for the Town of Burrillville is 9.99 percent. This compares to the State's average unemployment rate of 10.07 percent and the national average of 7.57 percent.
- According to the Tax Assessor, the average 2009 single family home in Burrillville is valued for assessment purposes at \$288,708, the average commercial property is valued at \$490,111; and the average industrial property is valued at \$848,032.
- The bond market remains favorable with its continued low interest rates and demand for municipal tax exempt debt which will provide a strong market for potential Town debt issues.
- Per capita income and median family income compares as follow:

	<u>Per Capita</u>	<u>Median Family</u>
Burrillville	\$21,096	\$ 52,587
Rhode Island	21,688	52,781
United States	21,587	50,046

A number of factors were considered when the Town's budget for the fiscal year ending June 30, 2010 was being prepared including the following:

- The State's overall economy and the continued freeze and reduction of various State aid to the communities impacted the Town's budget significantly. The overall adopted budget was \$46,927,275, which was a decrease of \$947,503 over the 2009 budget.
 - When capital improvements are not factored in the net decrease is \$142,121.
 - The School operating budget increased from \$27,060,748 to \$27,697,766 or 2.35%. The net dollar increase is \$637,018.
 - The municipal operating and debt budgets declined by \$779,139.
- Certain employment costs including health insurance continued to rise significantly requiring reevaluation of those programs. The municipal employees did join the Government Health Group of RI [GHGRI], which resulted in significant savings on the administrative costs for health insurance.
- The General Fund's largest single revenue source is property taxes – State revenue is second. The Town's tax rate increased from \$11.85 to \$12.62 per \$1,000 valuation for fiscal year ending 2010. This increase in the tax rate is primarily associated with the increased cost associated with the new library, utilities and personnel.
- Of this tax rate (\$12.62), 18.3% is utilized for General Fund activities and 71.88% is used for School Operations. The remaining 9.82% is used for debt service.

Economic Factors and Next Year's Budgets and Rates (Continued)

- Continuation of the Town's capital improvement program, which includes significant infrastructure upgrades. Note that, as in the past, the Town's CIP Budget does not include any reliance on the current year tax levy.
- Stated another way, 75.42% is allocated toward School Operations and Debt; 20.76% is allocated towards Municipal Operations and Debt; and 3.83% is allocated towards Wastewater Treatment Debt.
- The General Fund's portion of property tax revenue for FY 2010 is estimated to be \$21.9 million.

Requests for Information

Contacting the Town's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Finance Department, at the Town of Burrillville, 105 Harrisville Main Street, Harrisville, RI 02830.

TOWN OF BURRILLVILLE

BASIC FINANCIAL STATEMENTS



TOWN OF BURRILLVILLE, RHODE ISLANDSTATEMENT OF NET ASSETS
JUNE 30, 2009

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Burrillville Redevelopment Agency
ASSETS:				
Current assets:				
Cash and cash equivalents	\$ 14,156,219	\$ 2,702,624	\$ 16,858,843	\$ 679,542
Receivables:				
Taxes, net	685,647		685,647	
Sewer assessments and user fees, net		649,112	649,112	
Promissory note				12,000
Other	1,561,120	18,273	1,579,393	100,000
Town-held tax liens	468,164		468,164	
Due from:				
Other governments	2,320,322	18,665	2,338,987	
Component unit	247,224		247,224	
Internal balances	394,562	(394,562)		
Other assets	199,877		199,877	
Prepaid expenses		1,048	1,048	
Inventory		16,253	16,253	
Total current assets	20,033,135	3,011,413	23,044,548	791,542
Noncurrent assets:				
Capital assets:				
Non-depreciable	4,163,413	493,253	4,656,666	197,075
Depreciable, net	63,070,941	23,279,202	86,350,143	
Promissory note receivable, net				75,500
Sewer assessment fees		698,290	698,290	
Bond issuance costs, net	336,736		336,736	
Total noncurrent assets	67,571,090	24,470,745	92,041,835	272,575
TOTAL ASSETS	87,604,225	27,482,158	115,086,383	1,064,117
LIABILITIES:				
Current liabilities:				
Accounts payable	1,978,957	145,218	2,124,175	6,649
Accrued payroll	1,950,995	12,722	1,963,717	
Accrued interest	322,006	367	322,373	
Retainage payable	20,090	1,434	21,524	
Due to:				
Primary government				157,224
Other governments	120	3,600	3,720	
Current portion of long-term debt	5,487,161	5,700	5,492,861	
Unearned revenue	1,076,533	8,275	1,084,808	150,000
Other liabilities	201,168		201,168	
Total current liabilities	11,037,030	177,316	11,214,346	313,873

(CONTINUED)

SEE NOTES TO THE BASIC FINANCIAL STATEMENTS.

TOWN OF BURRILLVILLE, RHODE ISLAND**STATEMENT OF NET ASSETS**
JUNE 30, 2009

	Primary Government			Component Unit Burrillville Redevelopment Agency
	Governmental Activities	Business-type Activities	Total	
Noncurrent liabilities:				
Due to primary government, net				90,000
Long-term debt, net	29,688,709	52,655	29,741,364	
Total noncurrent liabilities	<u>29,688,709</u>	<u>52,655</u>	<u>29,741,364</u>	<u>90,000</u>
TOTAL LIABILITIES	<u>40,725,739</u>	<u>229,971</u>	<u>40,955,710</u>	<u>403,873</u>
NET ASSETS:				
Invested in capital assets, net of related debt	45,691,128	23,772,455	69,463,583	197,075
Restricted for endowments:				
Expendable	83,946		83,946	
Nonexpendable	426,000		426,000	
Unrestricted	677,412	3,479,732	4,157,144	463,169
TOTAL NET ASSETS	<u>\$ 46,878,486</u>	<u>\$ 27,252,187</u>	<u>\$ 74,130,673</u>	<u>\$ 660,244</u>

SEE NOTES TO THE BASIC FINANCIAL STATEMENTS.

(CONCLUDED)

TOWN OF BURRILLVILLE, RHODE ISLAND**STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2009**

Functions/Programs:	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			Component Unit Burrillville Redevelopment Agency
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	
Primary Government:								
Governmental activities:								
General government	\$ 3,576,715	\$ 625,451	\$ 577,810	\$ 17,194	\$ (2,356,260)		\$ (2,356,260)	
Public safety	3,447,071	127,741	25,315	133,300	(3,160,715)		(3,160,715)	
Public works	2,540,063	8,657			(2,531,406)		(2,531,406)	
Education	31,299,601	203,044	15,401,322	2,210,810	(13,484,425)		(13,484,425)	
Recreation and social services	679,872	127,782	5,357	123,471	(423,262)		(423,262)	
Libraries	655,149		80,245	459,959	(114,945)		(114,945)	
Community development	583,196	48,459	516,586	4,546	(13,605)		(13,605)	
Interest on long-term debt	1,166,159				(1,166,159)		(1,166,159)	
Total governmental activities	43,947,826	1,141,134	16,606,635	2,949,280	(23,250,777)		(23,250,777)	
Business-type activities:								
Sewer Authority	1,867,278	1,718,947				\$ (148,331)	(148,331)	
School Cafeteria	896,122	497,268	354,303			(44,551)	(44,551)	
Levy Rink	434,991	384,349				(50,642)	(50,642)	
Extended Day Care	436,463	436,301				(162)	(162)	
Total business-type activities	3,634,854	3,036,865	354,303	0	0	(243,686)	(243,686)	
Total primary government	\$ 47,582,680	\$ 4,177,999	\$ 16,960,938	\$ 2,949,280	(23,250,777)	(243,686)	(23,494,463)	
Component Unit:								
Burrillville Redevelopment Agency	\$ 28,777	\$ 0	\$ 0	\$ 0				\$ (28,777)
General revenues:								
Property taxes					28,656,516		28,656,516	
State revenue sharing					778,175		778,175	
Unrestricted investment earnings					182,379	20,973	203,352	185
General Fund subsidy								122,075
Contributions not restricted to specific programs					31,940		31,940	
Loss on sale of capital asset					(122,075)		(122,075)	(40,000)
Transfers					(73,246)	73,246		
Total general revenues and transfers					29,453,689	94,219	29,547,908	82,260
Change in net assets					6,202,912	(149,467)	6,053,445	53,483
Net Assets - beginning of year, as restated					40,675,574	27,401,654	68,077,228	606,761
Net Assets - end of year					\$ 46,878,486	\$ 27,252,187	\$ 74,130,673	\$ 660,244

SEE NOTES TO THE BASIC FINANCIAL STATEMENTS.

TOWN OF BURRILLVILLE, RHODE ISLAND

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2009

	General Fund	School District	Debt Reduction	Library Building	Other Governmental Funds	Total Governmental Funds
ASSETS:						
Cash and cash equivalents	\$ 5,946,825	\$ 321,164	\$ 3,862,941		\$ 4,025,289	\$ 14,156,219
Receivables:						
Taxes, net	685,647					685,647
Other	1,236,567	4,584		\$ 257,500	62,469	1,561,120
Town-held tax liens	468,164					468,164
Prepaid expenditures		199,877				199,877
Due from:						
Other funds	3,383,947	3,429,075			2,150,726	8,963,748
Component unit	247,224					247,224
Other governments	1,938,969				381,353	2,320,322
TOTAL ASSETS	\$ 13,907,343	\$ 3,954,700	\$ 3,862,941	\$ 257,500	\$ 6,619,837	\$ 28,602,321
LIABILITIES AND FUND BALANCES:						
LIABILITIES:						
Accounts payable	\$ 228,856	\$ 1,317,310		\$ 117	\$ 432,674	\$ 1,978,957
Retainage payable					20,090	20,090
Accrued payroll and benefits	182,577	1,660,593			107,825	1,950,995
Due to:						
Other funds	4,224,995	140,156		2,028,862	2,175,173	8,569,186
Other governments					120	120
Deferred revenues	556,960	12,219		257,500	806,814	1,633,493
Other liabilities	194,912				6,256	201,168
TOTAL LIABILITIES	5,388,300	3,130,278	\$ 0	2,286,479	3,548,952	14,354,009

(CONTINUED)

SEE NOTES TO THE BASIC FINANCIAL STATEMENTS.

TOWN OF BURRILLVILLE, RHODE ISLAND

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2009

	General Fund	School District	Debt Reduction	Library Building	Other Governmental Funds	Total Governmental Funds
LIABILITIES AND FUND BALANCES (Continued):						
FUND BALANCES:						
Reserved for Town-held tax liens	468,164					468,164
Reserved for amounts not due within one year	10,338					10,338
Reserved for prepaid expenditures		199,877				199,877
Reserved for encumbrances		107,266		27,572	2,440,463	2,575,301
Reserved for endowments					426,000	426,000
Reserved for perpetual care					83,946	83,946
Unreserved: designated for subsequent year	2,163,888					2,163,888
Unreserved, reported in:						
General fund	5,876,653					5,876,653
Special revenue funds		517,279	3,862,941		1,654,542	6,034,762
Capital project funds				(2,056,551)	(1,534,066)	(3,590,617)
TOTAL FUND BALANCES	8,519,043	824,422	3,862,941	(2,028,979)	3,070,885	14,248,312
 TOTAL LIABILITIES AND FUND BALANCES	 \$ 13,907,343	 \$ 3,954,700	 \$ 3,862,941	 \$ 257,500	 \$ 6,619,837	 \$ 28,602,321

(CONTINUED)

SEE NOTES TO THE BASIC FINANCIAL STATEMENTS.

TOWN OF BURRILLVILLE, RHODE ISLAND

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE GOVERNMENT-WIDE STATEMENT OF NET ASSETS
JUNE 30, 2009**

Amounts reported for governmental activities in the Statement of Net Assets differ because:

Total Fund Balances (B-1)	\$ 14,248,312
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	67,234,354
Long-term liabilities (including bond premium) are not due and payable in the current period and therefore are not reported in the funds.	(35,175,870)
Deferred revenues (net of an allowance for uncollectibles) are recorded in the funds, but are not deferred under the measurement focus employed in the Statement of Net Assets.	556,960
Accrued interest payable is recorded in governmental activities, but is not recorded in the funds.	(322,006)
Bond issuance costs are reported as expenditures in the Governmental Funds financial statements. The cost and related accumulated amortization is reflected as an other asset on the government-wide financial statements.	<u>336,736</u>
Total Net Assets (A-1)	<u><u>\$ 46,878,486</u></u>

(CONCLUDED)

SEE NOTES TO THE BASIC FINANCIAL STATEMENTS.

TOWN OF BURRILLVILLE, RHODE ISLAND

**STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2009**

	General Fund	School District	Debt Reduction	Library Building	Other Governmental Funds	Total Governmental Funds
REVENUES:						
General property taxes	\$ 25,779,882					\$ 25,779,882
Intergovernmental	6,608,153	\$ 12,174,860			\$ 3,166,655	21,949,668
Licenses, permits and fees	396,096					396,096
Investment income	127,935		\$ 24,911		29,533	182,379
Departmental	98,813					98,813
Other				\$ 125,670	630,429	756,099
Intergovernmental - pension contribution		1,081,174				1,081,174
TOTAL REVENUES	33,010,879	13,256,034	24,911	125,670	3,826,617	50,244,111
EXPENDITURES:						
Current:						
General government	2,811,596				193,889	3,005,485
Public safety	2,451,959				20,604	2,472,563
Public works	1,229,427				16,058	1,245,485
Education		26,708,264			2,265,800	28,974,064
Recreation and social services	221,825				137,090	358,915
Libraries	567,352				87,797	655,149
Community development					578,650	578,650
Employee benefits and other	2,174,298					2,174,298
Intergovernmental - pension contribution		1,081,174				1,081,174
Debt Service:						
Principal	3,636,000					3,636,000
Interest and other costs	1,190,662					1,190,662
Capital:						
Capital outlay	1,492,073	104,488		39,924	1,658,073	3,294,558
TOTAL EXPENDITURES	15,775,192	27,893,926	0	39,924	4,957,961	48,667,003
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	17,235,687	(14,637,892)	24,911	85,746	(1,131,344)	1,577,108

(CONTINUED)

SEE NOTES TO THE BASIC FINANCIAL STATEMENTS.

TOWN OF BURRILLVILLE, RHODE ISLAND

**STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2009**

	General Fund	School District	Debt Reduction	Library Building	Other Governmental Funds	Total Governmental Funds
OTHER FINANCING SOURCES (USES):						
Proceeds from bond issuance	319,597					319,597
Proceeds from loan					610,000	610,000
Transfers in	619,266	14,885,888	1,500,000		967,511	17,972,665
Transfers out	(17,052,079)	(69,625)			(924,207)	(18,045,911)
NET OTHER FINANCING SOURCES (USES)	(16,113,216)	14,816,263	1,500,000	0	653,304	856,351
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	1,122,471	178,371	1,524,911	85,746	(478,040)	2,433,459
FUND BALANCE AT BEGINNING OF YEAR, AS RESTATED	7,396,572	646,051	2,338,030	(2,114,725)	3,548,925	11,814,853
FUND BALANCE AT END OF YEAR	\$ 8,519,043	\$ 824,422	\$ 3,862,941	\$ (2,028,979)	\$ 3,070,885	\$ 14,248,312

SEE NOTES TO THE BASIC FINANCIAL STATEMENTS.

(CONCLUDED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES (B-2) TO THE
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES (A-2)
YEAR ENDED JUNE 30, 2009**

Net Change in Fund Balances - Total Governmental Funds (B-2):	\$ 2,433,459
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. This is the amount by which capital outlays exceeded depreciation in the current period.	560,169
Governmental funds do not recognize gains or losses on the sale or disposal of capital assets. The statement of activities includes losses on the disposal of fixed assets during 2009.	(122,075)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. This amount is the net effect of these differences.	2,712,670
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds. This amount is shown net of the allowance for uncollectible motor vehicle and tangible taxes.	70,008
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	530,445
Adjustment to accrued interest payable related to general obligation bonds which is required to be recorded for government-wide financial statement presentation.	43,798
Bond issuance costs are reported as expenditures in the Governmental Funds financial statements. However, on the Government-Wide financial statements the bond issuance costs are amortized over the term of the bonds.	(25,562)
Change in Net Assets of Governmental Activities (A-2)	<u>\$ 6,202,912</u>

TOWN OF BURRILLVILLE, RHODE ISLAND

STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2009

	<u>Sewer Authority</u>	<u>Non-major Enterprise Funds</u>	<u>Totals</u>
ASSETS:			
Current assets:			
Cash and cash equivalents	\$ 2,158,568	\$ 544,056	\$ 2,702,624
Receivables, net		18,273	18,273
Sewer assessments and user fees, net	649,112		649,112
Due from:			
Other governments		18,665	18,665
Prepaid expenses		1,048	1,048
Inventory	4,565	11,688	16,253
Total current assets	<u>2,812,245</u>	<u>593,730</u>	<u>3,405,975</u>
Noncurrent assets:			
Sewer assessment fees	698,290		698,290
Net capital assets	23,557,322	215,133	23,772,455
Total noncurrent assets	<u>24,255,612</u>	<u>215,133</u>	<u>24,470,745</u>
TOTAL ASSETS	<u>27,067,857</u>	<u>808,863</u>	<u>27,876,720</u>
LIABILITIES:			
Current liabilities:			
Accounts payable	41,056	104,162	145,218
Accrued payroll	12,722		12,722
Accrued interest payable		367	367
Due to other funds		394,562	394,562
Due to other governments	3,600		3,600
Retainage payable	1,434		1,434
Deferred revenue		8,275	8,275
Accrued compensated absences	4,400	1,300	5,700
Total current liabilities	<u>63,212</u>	<u>508,666</u>	<u>571,878</u>
Noncurrent liabilities:			
Accrued compensated absences	40,009	11,856	51,865
Net other post employment benefit obligation	790		790
Total noncurrent liabilities	<u>40,799</u>	<u>11,856</u>	<u>52,655</u>
TOTAL LIABILITIES	<u>104,011</u>	<u>520,522</u>	<u>624,533</u>
NET ASSETS:			
Invested in capital assets, net of related debt	23,557,322	215,133	23,772,455
Unrestricted	3,406,524	73,208	3,479,732
TOTAL NET ASSETS	<u>\$ 26,963,846</u>	<u>\$ 288,341</u>	<u>\$ 27,252,187</u>

SEE NOTES TO THE BASIC FINANCIAL STATEMENTS.

TOWN OF BURRILLVILLE, RHODE ISLAND

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
 PROPRIETARY FUNDS
 YEAR ENDED JUNE 30, 2009**

	Sewer Authority	Non-major Enterprise Funds	Totals
OPERATING REVENUES:			
Charges for usage and service	\$ 1,639,418	\$ 1,317,918	\$ 2,957,336
Miscellaneous	79,529		79,529
Total operating revenues	<u>1,718,947</u>	<u>1,317,918</u>	<u>3,036,865</u>
OPERATING EXPENSES:			
Operations	664,750	859,357	1,524,107
Personnel	661,872	883,103	1,544,975
Depreciation	540,656	23,333	563,989
Total operating expenses	<u>1,867,278</u>	<u>1,765,793</u>	<u>3,633,071</u>
OPERATING LOSS	<u>(148,331)</u>	<u>(447,875)</u>	<u>(596,206)</u>
NONOPERATING REVENUES (EXPENSES):			
Interest expense		(1,783)	(1,783)
Investment income	17,769	3,204	20,973
Intergovernmental		354,303	354,303
Net nonoperating revenues	<u>17,769</u>	<u>355,724</u>	<u>373,493</u>
LOSS BEFORE TRANSFERS	<u>(130,562)</u>	<u>(92,151)</u>	<u>(222,713)</u>
TRANSFERS IN	<u>8,716</u>	<u>64,530</u>	<u>73,246</u>
CHANGE IN NET ASSETS	<u>(121,846)</u>	<u>(27,621)</u>	<u>(149,467)</u>
TOTAL NET ASSETS - BEGINNING, AS RESTATED	<u>27,085,692</u>	<u>315,962</u>	<u>27,401,654</u>
TOTAL NET ASSETS - ENDING	<u>\$ 26,963,846</u>	<u>\$ 288,341</u>	<u>\$ 27,252,187</u>

SEE NOTES TO THE BASIC FINANCIAL STATEMENTS.

TOWN OF BURRILLVILLE, RHODE ISLAND

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2009**

	Sewer Authority	Non-major Enterprise Funds	Totals
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	\$ 1,778,974	\$ 1,321,311	\$ 3,100,285
Cash received from providing services	79,529		79,529
Cash paid to suppliers	(786,918)	(803,223)	(1,590,141)
Cash paid to employees	(659,663)	(889,479)	(1,549,142)
Net cash provided by (used for) operating activities	411,922	(371,391)	40,531
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Nonoperating grants received		361,088	361,088
Transfer from (to) other funds	(310,881)	64,530	(246,351)
Decrease in due from other funds		11,897	11,897
Decrease in due to other governments	(1,030)		(1,030)
Decrease in due to other funds		(331,986)	(331,986)
Net cash provided by (used for) noncapital financing activities	(311,911)	105,529	(206,382)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Acquisition of capital assets	(158,441)	(21,089)	(179,530)
Interest expense		(3,716)	(3,716)
Net cash used for capital and related financing activities	(158,441)	(24,805)	(183,246)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest on investments	17,769	3,204	20,973
Net cash provided by investing activities	17,769	3,204	20,973
NET DECREASE IN CASH AND CASH EQUIVALENTS	(40,661)	(287,463)	(328,124)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	2,199,229	831,519	3,030,748
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 2,158,568	\$ 544,056	\$ 2,702,624
Reconciliation of operating loss to net cash provided by (used for) operating activities:			
Operating loss	\$ (148,331)	\$ (447,875)	\$ (596,206)
Adjustments to reconcile:			
Depreciation	540,656	23,333	563,989
Increase in allowance for doubtful accounts		756	756
Decrease in accounts receivable	139,556	13,920	153,476
Increase in prepaid expenses		(1,048)	(1,048)
Increase in inventory		(651)	(651)
Increase (decrease) in accounts payable	(117,741)	57,833	(59,908)
Increase in accrued payroll	1,892		1,892
Decrease in deferred revenue		(11,283)	(11,283)
Decrease in accrued compensated absences	(473)	(6,376)	(6,849)
Increase in net other post employment benefit obligation	790		790
Decrease in retainage payable	(4,427)		(4,427)
Net cash provided by (used for) operating activities	\$ 411,922	\$ (371,391)	\$ 40,531

SEE NOTES TO THE BASIC FINANCIAL STATEMENTS.

TOWN OF BURRILLVILLE, RHODE ISLAND

STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
JUNE 30, 2009

	Agency Funds
	Pupil Activity Funds
ASSETS:	
Cash and cash equivalents	\$ 182,648
Investments	3,126
TOTAL ASSETS	<u>\$ 185,774</u>
LIABILITIES:	
Deposits held in custody for others	<u>\$ 185,774</u>

SEE NOTES TO THE BASIC FINANCIAL STATEMENTS.

TOWN OF BURRILLVILLE, RHODE ISLAND

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town of Burrillville, Rhode Island (the Town) have been prepared in conformity with accounting principles generally accepted in the United States of America as applicable to governmental entities. In certain circumstances, summaries of the Town's significant accounting policies have been presented throughout the notes to the basic financial statements in conjunction with other disclosures to which they relate.

The Town complies with generally accepted accounting principles (GAAP). Generally accepted accounting principles (GAAP) include all relevant Governmental Accounting Standards Board (GASB) pronouncements. In the government-wide Statement of Net Assets and Statement of Activities, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, have been applied unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. Proprietary funds also apply the same principles. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this Note.

Reporting Entity

The Town of Burrillville was incorporated in 1806. The Town is governed under the 1989 Burrillville Home Rule Charter. The Town operates under a Town Council/Town Manager form of government with a seven-member Town Council headed by a Council President.

The Town Manager is appointed by the Council and serves as the chief executive officer over all municipal services.

A seven-member School committee, all elected at large, is vested with legislative authority over the public school system. The Superintendent of Schools, appointed by the School Committee, is the chief executive officer for the school system. The school system provides elementary and primary education to Town residents.

The accompanying financial statements present the government and its component unit. In evaluating the inclusion of other separate and distinct legal entities as component units within its financial reporting structure, the Town applied the criteria prescribed by Governmental Accounting Standards Board (GASB) Statement No. 14, as amended by GASB Statement No. 39, "Determining Whether Certain Organizations are Component Units." A component unit is a legally separate organization for which the elected officials of the primary government are financially accountable or for which the nature and significance of its relationship with the primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Through the application of GASB Statement No. 39 and No. 14 criteria, the Burrillville Redevelopment Agency has been presented as a component unit of the Town, hereafter referred to as a "component unit", in the accompanying government-wide financial statements.

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Reporting Entity (Continued)

Discretely Presented Component Unit Disclosure - The following component unit is reported in a separate column to emphasize that it is legally separate from the Town but is included because the Town is financially accountable for and is able to impose its will on the organization. Unless otherwise indicated, the notes to the basic financial statements pertain only to the primary government because certain disclosures of the component unit are not significant relative to the primary government. A description of the component unit and its relationship with the Town is as follows:

Burrillville Redevelopment Agency (BRA) - The Burrillville Redevelopment Agency was created and organized as a legally separate public body under Rhode Island general law. The Agency was created to encourage, direct, and regulate new development and redevelopment within Town Districts and to acquire and redevelop those areas, which the Agency determined cannot be redeveloped otherwise in order to carryout RIGL 1956 Chapter 45-31 to 45-33. The Agency is governed by seven members (five voting and two alternates) who are appointed by the Town Council. Officers are elected from among these members. Furthermore, the Town exerts significant control over its functions since the Agency is empowered to act in areas only after appropriate designation by the Town Council. Separate financial statements for the Agency are not issued.

Recently Issued Accounting Standards

The Town implemented the following pronouncements for the year ended June 30, 2009:

- GASB Statement No. 49 – Accounting and Financial Reporting for Pollution Remediation Obligations.
- GASB Statement No. 55 - The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments.
- GASB Statement No. 56 - Codification of Accounting and Financial Reporting Guidance Contained in AICPA Statements on Auditing Standards.

The adoption of these pronouncements did not have an effect on the Town's financial statements.

The Town also implemented GASB Statement No. 45, "*Accounting and Financial Reporting by Employers for Post Employment Benefits Other than Pensions*" for the year ended June 30, 2009. This pronouncement requires the Town to calculate and recognize a net other post employment benefit obligation (NOPEBO) at June 30, 2009. The NOPEBO is, in general, the cumulative difference between the actuarial required contribution and the actual contributions since July 1, 2008.

The Town will adopt the following new accounting pronouncements in future years:

- GASB Statement No. 51 - Accounting and Reporting for Intangible Assets, effective for the Town's fiscal year ending June 30, 2010.
- GASB Statement No. 54 - Fund Balance Reporting and Governmental Fund Type Definitions, effective for the Town's fiscal year ending June 30, 2011.

Management is in the process of determining the impact of these pronouncements on the Town's financial statements.

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation

Government-Wide Financial Statements

The Statement of Net Assets and Statement of Activities display information about the reporting government as a whole. They report information on all the nonfiduciary activities of the primary government and its component units. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, receivables and payables.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds each of which is considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts which constitute its assets, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the Town or meets the following criteria:

- a) Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type, and
- b) Total assets, liabilities, revenues, or expenditures/expenses of the individual, governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The funds of the financial reporting entity are described below:

Governmental Funds

General Fund

The General Fund is the primary operating fund of the Town and is always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally or administratively restricted to expenditures for certain purposes.

Capital Project Funds

Capital Project Funds are used to account for resources restricted for the acquisition or construction of specific capital projects or items.

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Permanent Funds

Permanent Funds are used to account for assets held by the Town pursuant to a trust agreement. The principal portion of this fund must remain intact, but the earnings may be used to achieve the objectives of the fund.

Proprietary Funds

Proprietary Funds are used to account for business-like activities provided to the general public. These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector. Operating revenues of the Proprietary Funds consist of customer/taxpayer charges for uses and services and certain other miscellaneous revenues. All other revenues of the Proprietary Funds are considered nonoperating sources of revenue.

Fiduciary Funds (Not included in government-wide statements)

Agency Funds

Agency Funds account for assets held by the Town in a purely custodial capacity. The reporting entity includes one agency fund. Since agency funds are custodial in nature (i.e. assets equal liabilities), they do not involve the measurement of results of operations. The agency fund is as follows:

- Pupil Activity Funds

Major and Non-Major Funds

The funds are further classified as major or non-major as follows:

<u>Fund</u>	<u>Brief Description</u>
<i>Major:</i>	
General:	See above for description
Special Revenue:	Burrillville School District – This fund accounts for the operation and maintenance of the Burrillville Public Schools. Debt Reduction – This fund accounts for monies specifically appropriated for the advance payment of outstanding debt and or to minimize the occurrence of new debt.
Capital Project:	Library Building – This fund accounts for monies utilized in the construction of a new library.
Proprietary:	Sewer Authority – This fund is used to account for the activities of the Sewer Commission.

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Major and Non-Major Funds (Continued)

Non-Major:

Special Revenue:	School Restricted Grants, Other School Activities, Community Recreation, Town Clerk – Technology, Historical Records, Animal Shelter Donation Account, Library Grant, Community Emergency Response Training, Bryne/JAG Stimulus Grant, Spring Lake, Community Development Block Grant, Burrillville Tree Inventory, Unfunded Liability and Incentive Pay Fund, Recycling Program, Ocean State Power Funds, Narcotics Guidance Council, Police Grant – Operation Riptide, Police Task Force, Police Legislative Grant, Homeland Security, Health Care Contingency, Cops That Care, Senior Center and Hope VI Main Street Grant.
Capital Projects:	Police Station Expansion, Rail Trail Harrisville/Pascoag, Open Space/Land Acquisition, Callahan Renovation Project, Major Capital, Route 102 Commerce Park, Branch River/Hauser Field, Levy Rink Renovations, Route 107, School Administration Building, Shippee Bridge Project, Mill Pond Dam Repair and Municipal Annex Renovation.
Permanent:	Cemetery Fund, Frank H. Potter Bridgeway Fund, Alice McGreevy Thompson Fund, and Jesse M. Smith Memorial Library Fund.
Proprietary:	School Cafeteria Fund, Levy Rink, and Extended Day Care.

Measurement Focus

On the government-wide Statement of Net Assets and the Statement of Activities both governmental and business-like activities are presented using the economic resources measurement focus as defined in item (b) below, and utilize the accrual basis of accounting.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

- (a) All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period. The Town considers property taxes, franchise taxes, licenses, and interest as available if they are collected within 60 days after year-end. Substantially all other revenue of the governmental funds is recognized utilizing the modified accrual method of accounting, and as such, it is recognized as earned.
- (b) The proprietary fund utilizes an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of net income, financial position and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net assets.
- (c) Agency funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting

In the government-wide Statement of Net Assets and Statement of Activities both governmental and business-like activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when "measurable and available". Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or soon enough thereafter to pay current liabilities. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported when due.

All proprietary funds and agency funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

Amounts reported as program revenues include charges to customers or applicants for licenses, fees, goods, services or privileges provided, operating grants and contributions, and capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with the proprietary fund's principal operation. The principal operating revenues of the enterprise funds are charges for services provided in accordance with the fund's purpose. Operating expenses for the enterprise funds include the costs of providing the services, including administration and depreciation on capital assets. All other revenue and expense items not meeting these criteria are reported as nonoperating revenues and expenses.

Accounts Receivable

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based on historical trends and the periodic aging of accounts receivable. The allowance for uncollectible accounts totaled \$263,000 for property taxes. Major receivable balances for the governmental activities include property taxes (15% of balance) and intergovernmental grants and aid (51% of balance). Included in "other receivables" totaling \$1,561,120 in the Statement of Net Assets is \$1,215,179 which represents a payment in lieu of tax receivable which was received in July 2009. Business-type activities report usage and service fees as its major receivables.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as property taxes and grants and other similar intergovernmental revenues since they are usually both measurable and available. Nonexchange transactions collectible but not available are deferred in the fund financial statements in accordance with modified accrual, but not deferred in the government-wide financial statements in accordance with the accrual basis. Proprietary fund material receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible receivables are based upon historical trends and the periodic aging of accounts receivable.

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deposits and Investments

Cash and cash equivalents are carried at cost. The Town's cash and cash equivalents consist of cash on hand, demand deposits, money market accounts, and short-term investments with original maturities of three months or less from the date of acquisition. Substantially, all of the Town's cash and cash equivalents are held in public deposit institutions or collateralized government investment pools, which are available on a daily basis.

Investments are stated at fair value. Investment income is recorded in the fund which it was earned.

Materials and Supplies

Inventories are maintained on a periodic system and are stated at cost (first-in, first-out method of inventory valuation). The costs of governmental fund-type inventories are recorded as expenditures when purchased.

Prepaid Items

Prepaid items, where applicable, are accounted for under the allocation method whereby a prepaid asset is established at the date of payment and subsequently amortized over the accounting periods expected to benefit from the initial payment. Prepaids recorded in governmental funds do not reflect current appropriated resources, resulting in the reservation of fund balance.

Property, Plant and Equipment

Property, Plant and Equipment

The accounting treatment over property, plant and equipment (capital assets) depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

Government-Wide Statements

In the government-wide financial statements, long-lived assets are accounted for as capital assets. All fixed assets are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated fixed assets, which are recorded at their estimated fair value at the date of donation. The capitalization threshold is any individual item with a total cost of greater than \$10,000.

Prior to July 1, 2002, infrastructure assets were not capitalized. During fiscal year 2007, the Town conducted a detailed study of all infrastructure assets in order to have a complete inventory of its infrastructure assets and be in compliance with GASB Statement No. 34. As of June 30, 2007, the government-wide financial statements include all infrastructure assets in accordance with GASB Statement No. 34.

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, Plant and Equipment (Continued)

Government-Wide Statements (Continued)

Depreciation of all exhaustible capital assets is recorded, as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

<u>Classes</u>	<u>Useful Life</u>
Buildings and improvements	5 - 50 years
Plant	25 years
Collection system	25 - 60 years
Equipment	3 - 25 years
Vehicles	5 - 20 years
Leasehold improvements	5 - 15 years
Infrastructure and land improvements	15 - 30 years

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

Accrued Compensated Absences

Under the terms of various contracts and policies, Town employees are granted vacation and sick leave based on length of service. The amount recorded is the unused days earned at the current rate of pay. The Town's policy is to recognize the cost of vacation and sick leave in governmental funds when paid and on the accrual basis in proprietary funds. The amount of earned but unpaid vacation and sick leave relating to governmental fund employees is recorded as a long-term liability in the government-wide financial statements.

At June 30, 2009, the Town's obligation to its non-proprietary fund employees for accumulated vacation and sick leave benefits consisted of the following:

	<u>Vacation</u>	<u>Sick Leave</u>	<u>Total</u>
Police Department	\$ 91,536		\$ 91,536
Administrative Departments	32,763		32,763
Public Works Department	27,522		27,522
Recreation Department	3,338		3,338
School District	22,410	\$1,012,344	1,034,754
TOTAL	<u>\$177,569</u>	<u>\$1,012,344</u>	<u>\$1,189,913</u>

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Actual results could differ from those estimates.

Short-Term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet.

Advances to Other Funds

Noncurrent portions of long-term interfund loan receivables are reported as advances and are offset equally by a fund balance reserve account which indicates that they do not constitute expendable available resources and, therefore, are not available for appropriation.

Interfund Transfers

The principal purpose of interfund transfers is to provide a financing source to various funds that may not have the ability to cover all operating costs with revenue generated by the fund.

Land Held for Resale

Land held for resale by the Burrillville Redevelopment Agency (a discretely presented component unit) is stated at acquisition cost plus improvements, but not in excess of net realizable value. As land is sold, all costs associated with that land are expensed.

Bond Premiums and Issuance Costs

In the governmental fund financial statements, bond premiums and issuance costs are treated as period costs in the year of issue. Bond issuance costs are shown as an "expenditure" and bond premiums are reflected as an "other financing source".

In the government-wide statements, bond premiums and issuance costs are deferred and amortized over the term of the bonds. Bond premiums are presented as an addition of the face amount of the bonds payable whereas issuance costs are recorded as other assets.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed in certain governmental funds. Open encumbrances are reported as reservations of fund balances. Encumbrances do not constitute expenditures or liabilities under generally accepted accounting principles.

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Equity Classifications

Government-Wide Statements

Equity is classified as net assets and displayed in three components:

- (a) Invested in capital assets, net of related debt - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- (b) Restricted net assets - Consists of net assets with constraints placed on the use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation.
- (c) Unrestricted net assets - All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt".

Fund Financial Statements

Governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated. Proprietary fund equity is classified the same as in the government-wide statements.

Reconciliation of Government-Wide and Fund Financial Statements

Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance and the Government-wide Statement of Activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that "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." The details of this \$560,169 difference are as follows:

Capital outlay.....	\$3,124,245
Depreciation expense.....	<u>(2,564,076)</u>
Net adjustment to increase <i>net change in fund balances-</i> <i>total governmental funds</i> to arrive at <i>change in net assets</i> <i>of governmental activities</i>	<u>\$ 560,169</u>

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Reconciliation of Government-Wide and Fund Financial Statements (Continued)

Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance and the Government-wide Statement of Activities (Continued)

Another element of that reconciliation states that "the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities." The details of this \$2,712,670 difference are as follows:

Issuance of general obligation bonds.....	\$ (929,597)
Principal repayments – general obligation debt	3,636,000
Amortization of bond premium	28,215
Amortization of deferred charge on refunding.....	<u>(21,948)</u>
Net adjustment to increase <i>net change in fund balances-</i> <i>total governmental funds</i> to arrive at <i>change in net assets</i> <i>of governmental activities</i>	<u>\$2,712,670</u>

Another element of that reconciliation states that, "Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds." The details of this \$70,008 difference are as follows:

Deferred revenue – beginning.....	\$(486,952)
Deferred revenue – ending.....	<u>556,960</u>
Net adjustment to increase <i>net change in fund balances-</i> <i>total governmental funds</i> to arrive at <i>net change in net</i> <i>assets-governmental activities</i>	<u>\$ 70,008</u>

Another element of that reconciliation states that "some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds." The details of this \$530,445 difference are as follows:

Increase in liability for compensated absences.....	\$ (7,777)
Decrease in liability for landfill closure	560,000
Increase in liability for net OPEB obligation.....	<u>(21,778)</u>
Net adjustment to increase <i>net change in fund balances -</i> <i>total governmental funds</i> to arrive at <i>change in net assets</i> <i>of governmental activities</i>	<u>\$530,445</u>

Another element of that reconciliation states that "adjustment to accrued interest payable related to general obligation bonds which is required to be recorded for government-wide financial statement presentation". The details of this \$43,798 difference are as follows:

Accrued Interest – beginning.....	\$ 365,804
Accrued Interest – ending	<u>(322,006)</u>
Net adjustment to increase <i>net change in fund balances-</i> <i>total governmental funds</i> to arrive at <i>change in net assets-</i> <i>governmental activities</i>	<u>\$ 43,798</u>

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009**

2. BUDGETARY PROCESS

(a) Adoption

The annual budgetary process begins in January each year when the various Town departments and agencies submit their budget requests to the Budget Board. The Budget Board then reviews the requests, holds hearings as necessary, and submits their recommendations to the Manager no later than the first Monday in April.

The Town Manager is responsible for submitting a proposed departmental budget to the Town Council no later than the first Monday in May. At least two (2) public hearings are to be held and concluded by the first Monday in June. The Town Council may revise and adopt its budget no later than June 15th.

There is a provision for item veto by the Manager as well as voter initiative. The level of budgetary control for the General Fund (i.e. the level at which expenditures cannot legally exceed appropriations) is fixed by Council resolution. The resolution authorizes the spending within the total sum appropriated for municipal purposes. At any time during the fiscal year, the Town Council may by resolution transfer part or all of the unencumbered appropriation balance from one department to another department. While this restriction prohibits spending in excess of the authorized budget, the policy enables the Town Council to use unexpended funds within the overall appropriations budget to offset overexpenditures that may arise within a specific budgeted account.

Management may transfer part or all of any unencumbered appropriation balance within its respective department. Budgeted departments are defined by the Town Council through the budget resolution.

Based on state statute, the School Committee is also authorized to spend funds up to the total amount appropriated. The budget of the School District is prepared annually and submitted by the School Committee to the Budget Board. The amount of the annual transfer from the Town's General Fund to the School Special Revenue Fund is ultimately determined through the adoption of the General Fund budget each year.

Budget appropriations lapse at the end of the fiscal year. There were two supplemental budgetary revisions made during the year totaling \$954,189. There was an increase to various capital improvement budget appropriations of \$1,530,441 and a reduction to State Education Aid of \$576,252.

(b) Reconciliation - Budgetary to GAAP

The Town Charter requires annual budgets for the General Fund and Special Revenue - General School Activities. The practices used in the preparation of the 2009 budget differ in certain respects from the presentation of the actual results of operations prepared in accordance with GAAP. The actual results of operations, for purposes of the Statement of Revenues, Expenditures, Other Financing Sources (Uses) - Budget and Actual on a Budgetary Basis - General Fund, and Special Revenue Fund - General School Activities, have been adjusted to a basis consistent with the Town's budget for 2009. The Debt Reduction fund and Library Building fund (major funds of the Town) do not have legally adopted budgets.

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009**

2. BUDGETARY PROCESS (Continued)

(b) Reconciliation - Budgetary to GAAP (Continued)

The adjustments necessary to reconcile actual revenues and expenditures reported on a budgetary basis to actual revenues and expenditures reported in accordance with generally accepted accounting principles are as follows:

	<u>Revenues and Transfers</u>	<u>Expenditures and Transfers</u>
General Fund:		
Statement of Revenues and Expenditures (Non-GAAP Budgetary Basis) (E-2)	\$47,733,793	\$45,002,131
Less: Transfer from Fund Balance to revenue for current year	(1,609,191)	
Less: School Department revenues included in General Fund Budget	(12,174,860)	
Less: School Department expenditures included in General Fund		(12,174,860)
Statement of Revenues, Expenditures, Other Financing Sources (Uses) and Changes in Fund Balance (B-2)	<u>\$33,949,742</u>	<u>\$32,827,271</u>

A reconciliation of the School District's General Fund revenues, expenditures and other financing sources (uses) as reported on schedules B-2 and E-3 is presented below:

	<u>Revenues and Transfers</u>	<u>Expenditures and Transfers</u>
Statement of Revenues, Expenditures and Other Financing Sources (Non-GAAP Budgetary Basis) Budget and Actual (E-3)	\$27,060,748	\$26,936,030
Less: Current year encumbrances		(107,266)
Add: Prior year encumbrances		53,613
Adjustment for pension contribution made by State of Rhode Island on behalf of employees	<u>1,081,174</u>	<u>1,081,174</u>
Statement of Revenues, Expenditures, Other Financing Sources (Uses) and Changes in Fund Balances – Governmental Funds (B-2)	<u>\$28,141,922</u>	<u>\$27,963,551</u>

The School Department had an excess of revenues over expenditures of \$124,718 on a budgetary basis.

3. DEPOSITS AND INVESTMENTS

(a) Deposits

Custodial credit risk, deposits - Custodial credit risk is the risk that in the event of bank failure, the Town's deposits may not be returned or the Town will not be able to recover collateral securities in the possession of an outside party. The Town's investment policy does not address custodial credit risk.

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009**

3. DEPOSITS AND INVESTMENTS (Continued)

(a) Deposits (Continued)

The Town's deposits are subject to certain State restrictions. Under Rhode Island general laws, depository institutions must insure deposits of the Town or pledge eligible collateral equal to 100% of deposits maturing in greater than 60 days. Any institution not meeting certain federally prescribed minimum capital standards must insure deposits or provide collateral regardless of maturities.

The Town maintains deposits at local financial institutions. At year end, the carrying amount of such deposits was \$9,664,246 while the bank balance was \$9,966,535, of which \$761,646 was covered by federal depository insurance and \$9,204,889 was uninsured and collateralized by securities held by the pledging financial institution's trust department in the Town's name.

The following is a reconciliation of the Town's cash and cash equivalents as of June 30, 2009:

	<u>Primary Government</u>	<u>Component Unit</u>
Total deposits	\$ 9,664,246	\$ 0
Add: petty cash and cash on hand	2,709	0
Add: investments classified as cash equivalents	7,374,536	\$679,542
Less: fiduciary funds cash (not included in the government-wide financial statements)	<u>(182,648)</u>	<u>0</u>
Total cash and cash equivalents reported in the financial statements (A-1)	<u>\$16,858,843</u>	<u>\$679,542</u>

(b) Investments

The Town has implemented the provisions of GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools," which requires that investments be reported at fair value. Fair values are established by quoted market values. Unrealized gains and losses from changes in fair value are recognized as investment income.

Interest rate risk - The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The Town minimizes its exposure to interest rate risk by investing in short-term, highly liquid investments.

Custodial Credit Risk, Investments - The Town does not have a formal custodial credit risk policy. Custodial credit risk is the risk that in the event of financial institution failure, the Town's investments may not be returned or the Town will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. As of June 30, 2009, the Town had \$510,666 of uncollateralized institutional money market funds which invest in U.S. government obligations.

Concentration of Credit Risk - At June 30, 2009, the Town had 94% of its investments concentrated in collateralized local government investment pools, and 6% concentrated in uncollateralized institutional money market funds. The Collateralized Local Government Investment Pool (LGIP) invests public-sector funds only in U.S. Treasury and other U.S. Government securities permitted under Rhode Island law. The LGIP's provides collateral at a 102% minimum. The LGIP is fully compliant with all Rhode Island laws, investment guidelines and collateral requirements, and is managed within the guidelines of a registered SEC 2-a7-type fund. The fair value of the Town's position in the LGIP is the same as the value of the pool shares. At June 30, 2009, the Town did not have any investments in common stock or other equity investments.

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009**

3. DEPOSITS AND INVESTMENTS (Continued)

(b) Investments (Continued)

The Town's investments are stated at fair value. As outlined in the Town's investment policy, funds of the Town may be invested in the following instruments:

1. Obligations of the Federal Government, its agencies, and instrumentalities;
2. Top rated obligations of the State of Rhode Island, its agencies, and instrumentalities;
3. Top rated obligations of other states, their agencies, and instrumentalities;
4. Top rated (AAA, AA, A) Municipal Government Securities;
5. Certificates of Deposit and other evidence of deposit at banks, saving banks, national banks or trust companies, loan and investment companies, and credit unions;
6. Prime Bankers' Acceptances;
7. Prime Commercial paper (A1/P1);
8. Prime Corporate and Utility Bonds and/or Notes (BBB or Higher);
9. Collateralized Repurchase Agreements;
10. Prime Money Market Funds whose investments consist of instruments in items 1 - 8 above;
11. State investment pools;
12. No load, open-end diversified management investment companies incorporated under the General Laws of the State and designed exclusively for use by all state and local government entities, agencies, and instrumentalities.

As of June 30, 2009, the Town had the following investments:

<u>Description</u>	<u>Fair Value</u>	<u>Interest Rate</u>	<u>Maturity</u>	<u>Rating</u>
Institutional Money Market Funds-				
U.S. Treasury	\$ 510,666	Varies (2)	Daily	Aaa/AAAm
Collateralized Local Government Investment Pool	7,543,412	Varies (1)	Daily	not rated
Certificate of deposit.....	3,126	1.25%	May 29, 2010	not rated
Total investments	8,057,204			
Deposits	9,664,246			
Petty cash and cash on hand.....	2,709			
Total cash and investments	<u>\$17,724,159</u>			

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009**

3. DEPOSITS AND INVESTMENTS (Continued)

(b) Investments (Continued)

(1) Average daily rate of 0.25% on June 30, 2009.

(2) Annualized 30 day yield of 0% for June 2009.

The carrying value of deposits and investments relate to the combined balance sheet totals (A-1) as follows:

Reconciliation to Government-wide Statement of Net Assets:

Investments	\$8,057,204
Less: investments classified as cash equivalents	(8,054,078)
Less: fiduciary funds investments (not included in the government-wide statement)	(3,126)
Total investments (A-1)	<u>\$ 0</u>

4. TAXES RECEIVABLE AND DEFERRED REVENUE

The Town's property tax is levied each June 30, for its next fiscal year on the assessed values listed as of the prior December 31 (lien date), for all real property, tangible property, and motor vehicles located in the Town. Assessed values of real property and tangible personal property were established by the Town Assessor's office at 100% of appraised market value as of December 31, 2007. The assessed value of motor vehicles is determined annually at 100% as established by the State Vehicle Value Commission.

An automatic lien is placed on the taxpayer's property if payment has not been received by the due date. Interest is charged on past due accounts at a rate of 12% per annum calculated on the unpaid portion of the total tax. Taxes are due in full by August 1, or at the option of the taxpayer they may be paid in quarterly installments on August 1, November 1, February 1, and May 1 following the levy date.

Net property taxes levied for the fiscal year 2009 were based on an assessed value of approximately \$1,635,020,818 at December 31, 2007 and amounted to \$21,011,173. Collections on the 2009 tax levy through June 30, 2009 amounted to \$20,568,766, which represents 98% of the total tax levy.

The Town recognizes property tax revenues in accordance with Section P70, "Property Taxes" of the Codification of Governmental Accounting and Financial Reporting Standards. Unpaid property taxes as of June 30, 2009 (\$948,647) are recorded as a receivable, net of an allowance for uncollectible property taxes of \$263,000. Those net property taxes receivable which were not collected within the 60 days immediately following June 30, 2009 are recorded as deferred revenue and amounted to \$556,960 at June 30, 2009. Property taxes recognized as revenue for the fiscal year ended June 30, 2009 (due to their collection within the 60 days immediately following June 30, 2009) amounted to \$128,687.

User charges are assessed each year in an amount necessary to cover the projected operating expenses of the Sewer Commission fund for that year. The allowance for uncollectible accounts of the Sewer Commission fund is based on that portion of sewer assessment and user charges and miscellaneous accounts receivable which is estimated to be doubtful of collection, or which may be abated due to appeals now under consideration. In addition, the Sewer Commission has unrecognized assessment receivables of approximately \$369,522. These receivables are only collectible upon the transfer of title to the property.

In the government-wide financial statements, deferred revenues represent funds received in advance of being earned, or receivables which will be collected and included in revenues of future fiscal years.

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009**

5. INTERGOVERNMENTAL RECEIVABLES AND PAYABLES

Intergovernmental receivables and payable consist of amounts due from federal and state governments as follows:

	<u>Due From</u>	<u>Due To</u>
Governmental activities:		
State of Rhode Island:		
Major funds:		
General Fund	\$1,563,419	
Non-major funds	42,255	\$ 120
Total	<u>1,605,674</u>	<u>120</u>
Federal government:		
Major funds:		
General Fund	375,550	
Non-major funds	339,098	
Total	<u>714,648</u>	<u>0</u>
Total governmental activities	<u>\$2,320,322</u>	<u>\$ 120</u>
Business-type activities:		
State of Rhode Island:		
Major fund:		
Sewer Commission		\$ 3,600
Total	<u>\$ 0</u>	<u>3,600</u>
Federal government:		
Non-major funds	18,665	0
Total business-type activities	<u>\$ 18,665</u>	<u>\$ 3,600</u>

6. INTERFUND BALANCES

Individual fund and discretely presented component unit receivable and payable balances at June 30, 2009, are as follows:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Interfund Balances		
Governmental activities:		
Major funds:		
General Fund	\$3,383,947	\$4,224,995
School District General Fund	3,429,075	140,156
Library Building		2,028,862
Non-major funds	2,150,726	2,175,173
Total governmental activities	<u>8,963,748</u>	<u>8,569,186</u>
Business-type activities:		
Non-major funds		394,562
Total business type activities	<u>0</u>	<u>394,562</u>
Balances at June 30, 2009	<u>\$8,963,748</u>	<u>\$8,963,748</u>

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009**

6. INTERFUND BALANCES (CONTINUED)

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Discretely Presented Component Unit Balances:		
Primary government:		
General fund	\$247,224	
Discretely presented component unit:		
Burrillville Redevelopment Agency		\$247,224
Balances at June 30, 2009	\$247,224	\$247,224

As of June 30, 2008, there was a \$150,000 receivable/payable which resulted from the transfer of land from the Town to the Redevelopment Agency. This amount is payable over a five year period (\$30,000 annually). The balance of this receivable/payable at June 30, 2009 was \$120,000.

7. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2009 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Primary Government:				
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 2,474,022	\$ 923,222	\$ (122,075)	\$ 3,275,169
Construction in progress	9,470,412	767,552	(9,349,720)	888,244
Total capital assets not being depreciated.	11,944,434	1,690,774	(9,471,795)	4,163,413
Other capital assets:				
Buildings and improvements	58,653,477	9,185,750		67,839,227
Equipment	600,933	850,305		1,451,238
Vehicles	2,978,025	118,976	(82,524)	3,014,477
Infrastructure	12,921,377	628,160		13,549,537
Total other capital assets	75,153,812	10,783,191	(82,524)	85,854,479
Less: accumulated depreciation for:				
Buildings and improvements	(14,950,149)	(1,454,097)		(16,404,246)
Equipment	(353,365)	(139,073)		(492,438)
Vehicles	(1,469,715)	(276,979)	82,524	(1,664,170)
Infrastructure	(3,528,757)	(693,927)		(4,222,684)
Total accumulated depreciation	(20,301,986)	(2,564,076)	82,524	(22,783,538)
Other capital assets, net	54,851,826	8,219,115	0	63,070,941
Governmental activities capital assets, net	\$66,796,260	\$9,909,889	\$(9,471,795)	\$67,234,354

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009**

7. CAPITAL ASSETS (CONTINUED)

	Beginning Balance <u>As Restated</u>	<u>Increases</u>	<u>Decreases</u>	Ending Balance
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 382,443			\$ 382,443
Construction in progress	4,230,585	\$ 411,468	\$(4,531,243)	110,810
Total capital assets not being depreciated ..	4,613,028	411,468	(4,531,243)	493,253
Other capital assets:				
Leasehold improvements	34,398			34,398
Collection systems	28,726,052	4,531,244		33,257,296
Plant and buildings	7,973,885			7,973,885
Plant equipment	163,555	66,572		230,127
Motor vehicles	112,627			112,627
Furniture and equipment	499,747	21,089		520,836
Total other capital assets	37,510,264	4,618,905	0	42,129,169
Less: accumulated depreciation for:				
Leasehold improvements	(16,709)	(2,338)		(19,047)
Collection systems	(10,864,134)	(475,814)		(11,339,948)
Plant and buildings	(6,907,367)	(44,994)		(6,952,361)
Plant equipment	(87,849)	(18,005)		(105,854)
Motor vehicles	(110,784)	(1,843)		(112,627)
Furniture and equipment	(299,135)	(20,995)		(320,130)
Total accumulated depreciation	(18,285,978)	(563,989)	0	(18,849,967)
Other capital assets, net	19,224,286	4,054,916	0	23,279,202
Business-type activities capital assets, net	\$23,837,314	\$4,466,384	\$(4,531,243)	\$23,772,455

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

Governmental activities:	
General government	\$ 229,944
Public safety	157,132
Education	1,041,711
Recreation and social services	250,625
Public works	884,664
Total governmental activities depreciation expense	\$2,564,076
Business-type activities:	
Sewer Authority	\$ 540,656
Non-major enterprise funds	23,333
Total business-type activities depreciation expense	\$ 563,989

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009**

7. CAPITAL ASSETS (CONTINUED)

Discretely Presented Component Unit:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets not being depreciated:				
Land	\$75,000	\$122,075		\$197,075
Capital assets, net.....	\$75,000	\$122,075	\$0	\$197,075

8. LONG-TERM LIABILITIES

(a) Change in Long-Term Liabilities:

Long-term liability activity for the year ended June 30, 2009 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Governmental Activities:					
Long-term debt:					
General obligation debt	\$32,792,356	\$929,597	\$(3,636,000)	\$30,085,953	\$2,810,000
Plus: bond premium, net of amortization	341,931		(28,215)	313,716	
Less: amount deferred on refunding	(187,438)		21,948	(165,490)	
Total long-term debt.....	32,946,849	929,597	(3,642,267)	30,234,179	2,810,000
Other long-term liabilities:					
Compensated absences	1,182,136	508,031	(500,254)	1,189,913	147,161
Landfill closure and post-closure costs	4,290,000		(560,000)	3,730,000	2,530,000
Net OPEB obligation	0	21,778		21,778	
Total other long-term liabilities	5,472,136	529,809	(1,060,254)	4,941,691	2,677,161
Governmental activities long-term liabilities	\$38,418,985	\$1,459,406	\$(4,702,521)	\$35,175,870	\$5,487,161
Business-type activities:					
Compensated absences	\$64,414		\$(6,849)	\$57,565	\$5,700
Net OPEB obligation	0	\$790	0	790	
Total business-type activities	\$64,414	\$790	\$(6,849)	\$58,355	\$5,700

Payments on all long-term debt and other long-term liabilities that pertain to the Town's governmental activities are made by the general fund.

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009

8. LONG-TERM LIABILITIES (Continued)

(b) Bonds and Notes Outstanding

At June 30, 2009, the Town's bonds and notes payable are comprised of the following:

GOVERNMENTAL ACTIVITIES

Description	Date Issued	Original Principal	Due Date	Interest Rate	Outstanding June 30, 2008	Issued	Paid	Outstanding June 30, 2009
School bonds:	6/15/89	\$ 2,170,000	7/15/09	6.75%	\$ 210,000		\$ 105,000	\$ 105,000
	12/1/99	5,500,000	11/1/14	4.35% - 6.5%	2,555,000		365,000	2,190,000
	8/15/00	8,000,000	8/15/15	4.5% - 5.25%	4,150,000		550,000	3,600,000
	6/15/06	7,500,000	5/15/26	4.0%- 5.0%	6,750,000		375,000	6,375,000
	Subtotal				13,665,000	\$ 0	1,395,000	12,270,000
Sewer bonds:	3/6/92	2,900,000	9/1/13	6.327%	870,000		145,000	725,000
	11/13/03	5,600,000	9/1/24	1.410%	5,328,000		271,000	5,057,000
	11/1/06	400,000	11/1/26	4.0% - 5.0%	380,000		20,000	360,000
	12/21/06	3,500,000	9/1/27	1.165% - 1.315%	2,404,356	319,597	175,000	2,548,953
	Subtotal				8,982,356	319,597	611,000	8,690,953
Refunding bonds:	10/1/02	9,145,000	7/15/17	2.5% - 5.0%	3,770,000		1,140,000	2,630,000
	11/1/06	2,090,000	5/1/15	4.0%	1,625,000		240,000	1,385,000
	Subtotal				5,395,000	0	1,380,000	4,015,000
Library bonds:	11/1/06	5,000,000	11/1/26	4.0% - 5.0%	4,750,000	0	250,000	4,500,000
Subtotal general obligation bonds					32,792,356	319,597	3,636,000	29,475,953
Note payable:	5/20/09	610,000	5/20/19	None	0	610,000	0	610,000
Total general obligation debt					\$32,792,356	\$929,597	\$3,636,000	\$30,085,953

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009**

8. LONG-TERM LIABILITIES (Continued)

(b) Bonds and Notes Outstanding (Continued)

During the fiscal year ended June 30, 2009, the Town retired \$3,636,000 in principal on its existing outstanding bonds and loans. During fiscal year 2007, the Town issued a \$3,500,000 Sewer Bond of which \$2,723,953 was drawdown through fiscal year 2009. The balance remaining to be drawdown is \$776,047.

During the fiscal year ended June 30, 2009, the Town incurred the following interest expense:

Library bonds.....	\$ 197,441
Sewer bonds	187,097
School bonds.....	632,746
Refunding bonds	<u>172,004</u>
Total	<u>\$1,189,288</u>

The Town has issued three bonds under the Maximum Aggregate Indebtedness provision (3% Debt Limit) of the Rhode Island General Laws 45-12-2. The three bonds issued consisted of a 1995, \$4,500,000 School bond issue; \$1,000,000 of the 2000 \$8,000,000 School bond issue; and the 2006 \$3,500,000 Wastewater bond issue. All other Town debt has been incurred through special statutory authority which consists of approval by the legislature and voter referendum.

(c) Note Payable

On May 20, 2009, the Town entered into a \$610,000 promissory note with the Industrial Foundation of Burrillville (a Rhode Island nonprofit corporation) related to the purchase of real estate for future Town development. The note is interest-free and matures no later than May 20, 2019. Notwithstanding the May 20, 2019 maturity date, the note requires all proceeds from the sale of certain Town owned lots in Commerce Park to be applied immediately against the outstanding loan principal. Any remaining balance is due on May 20, 2019. The loan may be prepaid at any time without penalty.

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009**

8. LONG-TERM LIABILITIES (Continued)

(d) Debt Service Requirements

At June 30, 2009, the Town has remaining authorized but unissued bond authority of \$500,000 for Open Space Recreation Projects.

Annual principal and interest requirements on general obligation bonds and notes for the year ending June 30, are as follows:

<u>Year ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 2,810,000	\$1,074,282	\$ 3,884,282
2011	2,694,000	963,598	3,657,598
2012	2,643,000	861,197	3,504,197
2013	2,648,000	758,876	3,406,876
2014	2,624,000	656,525	3,280,525
2015	2,474,000	553,474	3,027,474
2016	1,885,000	469,655	2,354,655
2017	1,446,000	410,601	1,856,601
2018	1,442,000	363,197	1,805,197
2019	1,753,000	318,198	2,071,198
2020	1,150,000	297,601	1,447,601
2021	1,157,000	239,107	1,396,107
2022	1,164,000	198,946	1,362,946
2023	1,171,000	158,533	1,329,533
2024	1,179,000	117,788	1,296,788
2025	1,182,000	78,653	1,260,653
2026	820,000	43,388	863,388
2027	445,000	12,014	457,014
2028	175,000	3,176	178,176
Sub-Total	30,862,000	7,578,809	38,440,809
Less: bond proceeds not drawn down at June 30, 2009	(776,047)	(38,522)	(814,569)
Total	\$30,085,953	\$7,540,287	\$37,626,240

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009**

9. FUND EQUITY

The fund equity balances have been classified to reflect the limitations and restrictions placed on the respective funds as follows:

(a) Fund Balances

Reservations and designations of fund balances at June 30, 2009 were as follows:

General Fund:

Reserved for Town held tax liens	\$ 468,164
Reserved for amounts not due within one year	10,338
Designated for subsequent year's expenditures	<u>2,163,888</u>
Total	<u>\$2,642,390</u>

Special Revenue Funds:

Reserved for prepaid expenditures	\$ 199,877
Reserved for encumbrances	107,266
Reserved for endowments	<u>400,000</u>
Total	<u>\$ 707,143</u>

Capital Projects Funds:

Reserved for encumbrances	<u>\$2,468,035</u>
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Permanent Funds:

Reserved for perpetual care	\$ 83,946
Reserved for endowments	<u>26,000</u>
Total	<u>\$ 109,946</u>

(b) Fund Deficits

The following funds had deficit fund equity balances at June 30, 2009:

Library Building	\$2,028,979
Library Grant	3
Senior Center	10,338
Police Station Expansion	369,448
Rail Trail Harrisville/Pascoag	105,711
School Cafeteria Fund	44,139

It is the intention of the Town to cover the above deficits through General Fund and Debt Reduction Fund contributions.

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009**

9. FUND EQUITY (Continued)

(b) Fund Deficits (Continued)

The following individual funds had deficits for the year ended June 30, 2009:

Non-major governmental activities:

Special Revenue Funds:

Community Recreation.....	\$ 1,469
Historical Records	561
Animal Shelter Donation Account.....	374
Community Development Block Grant	11,832
Burrillville Tree Inventory	164
Unfunded Liability and Incentive Pay Fund	74,529
Senior Center	17,138

Capital Project Funds:

Police Station Expansion.....	369,448
Rail Trail Harrisville/Pascoag	105,711
Open Space/Land Acquisition	98,393
Callahan Renovation Project.....	151,855
Major Capital	296,720
Route 102 Commerce Park	53,072
Branch River/Hauser Field	104,098
Levy Rink Renovations.....	25,972
School Administration Building	9,156
Municipal Annex Renovation.....	130,338

Permanent Funds:

Cemetery Fund.....	583
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Major business-type activities:

Sewer Authority	121,846
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Non-major business-type activities:

School Cafeteria Fund.....	18,926
Levy Rink.....	6,582
Extended Day Care.....	2,113

(c) Restatements

During the fiscal year ended June 30, 2009, it was noted that the balance of accounts payable in the School District's general fund at June 30, 2008 was overstated by \$118,990. The balance of the School District's general fund balance at June 30, 2008 has been restated accordingly.

During the fiscal year ended June 30, 2009, it was noted that Sewer Authority fixed assets in the amount of \$927,512 were recorded as construction in progress at June 30, 2008. These fixed assets were placed in service during fiscal year 2008 and should have been depreciated beginning in fiscal year 2008. Depreciation expense of \$11,169 that should have been recorded for fiscal year 2008 has been adjusted accordingly. In addition, it was noted that interest expense of \$33,947, which was capitalized in fiscal year 2008, should have been expensed. The balance of net assets has been restated accordingly.

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009**

10. DEFINED BENEFIT PENSION PLANS

(a) *Municipal Employees' Retirement System of the State of Rhode Island*

Plan Description

The Town's defined benefit pension plan, Municipal Employees' Retirement System of the State of Rhode Island (MERS), provides retirement and disability benefits, annual cost-of-living adjustments, death and disability benefits to plan members and beneficiaries. MERS is an agent multiple-employer Public Employee Retirement System that acts as a common investment agent for participants. The schedule of funding progress, presented as required supplementary information following the notes to the basic financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial liabilities for benefits. The Municipal Employees' Retirement System of the State of Rhode Island issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the State of Rhode Island Employee Retirement Board, 40 Fountain Street, Providence, RI 02903.

The payroll for employees covered by the System for the year ended June 30, 2009 was approximately \$5,285,303 and the Town wide payroll (municipal, police, and school) was approximately \$22,568,565.

Funding Policy

MERS members are required to contribute 7.0% of their annual covered salary. The Town is required to contribute at an actuarially determined rate; the current rate is 5.94% of annual covered payroll. The contribution requirements of plan members and the Town are established and may be amended by State Statute.

Annual Pension Cost

For 2009, the Town's annual pension cost of \$313,947 for MERS was equal to the Town's required and actual contributions. The required contribution was determined as part of the June 30, 2006 actuarial valuation using the entry age normal cost method with frozen initial liability. Significant actuarial assumptions included (a) a net investment return of 8.25 percent compounded annually, (b) projected salary increases of 4.5% - 8.5%, (c) 3 percent per year cost-of-living adjustments, (d) mortality rates based on the 1994 Group Annuity Mortality Table and (e) a retirement age of 65 or completion of service requirements, if later. The actuarial value of MERS assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a three-year period. MERS unfunded actuarial accrued liability is being amortized using the weighted average method over a 25 year period.

(b) *Municipal Police Pension Plan*

Plan Description

All full-time police members participate in the same Municipal Employee's Retirement System of the State of Rhode Island (described above).

The payroll for employees covered by the System for the year ended June 30, 2009 was approximately \$1,295,993 and the Town wide payroll (municipal, police, and school) was approximately \$22,568,565.

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009**

10. DEFINED BENEFITS PENSION PLANS (Continued)

(b) Municipal Police Pension Plan (Continued)

Funding Policy

Covered police employees were required to contribute 10.2% of their annual covered salary. The Town is required to contribute at an actuarially determined rate the remaining amounts necessary to fund the System. The Town contributed 16.41% of annual covered salaries for the year ended June 30, 2009. The contribution requirements of plan members and the Town are established and may be amended by State Statute.

Annual Pension Cost

For 2009, the Town's annual pension cost of \$212,672 for the Police Pension System was equal to the Town's required and actual contributions. The required contribution was determined as part of the June 30, 2006 actuarial valuation using the entry age normal cost method with frozen initial liability. Significant actuarial assumptions included (a) net investment return of 8.25 percent compounded annually, (b) projected salary increases of 4.75% - 14.75%, (c) mortality rates based on the 1994 Uninsured Pensioner Mortality Table, and (d) a retirement age of 60, or completion of service requirements, if later. The actuarial value of MERS' assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. Any MERS unfunded actuarial accrued liability is being amortized using the weighted average method over a 25 year period.

The schedule of funding progress, presented as required supplementary information following the notes to the basic financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial liabilities for benefits. Trend information showing the System's progress in accumulating sufficient assets to pay benefits when due is presented in the State of Rhode Island's Employee Retirement System's June 2008 Annual Financial Report, which may be obtained from the administrative offices of the State of Rhode Island Retirement Board, 40 Fountain Street, Providence, Rhode Island. This report is the most recent report available from the State, who administers the Plan.

(c) Teacher's Pension Plan

Plan Description

All full-time teachers including superintendents, principals, school nurses and certain other school officials ("classified employees") in the Burrillville School District participate in the Employees Retirement System of the State of Rhode Island (ERSRI), a cost-sharing multiple-employer public employee retirement system. In addition to classified employees, the System covers substantially all employees of the State of Rhode Island. The payroll for employees covered by the System for the year ended June 30, 2009, was \$13,950,635; the total payroll for all School employees was \$18,469,740.

The plan issues a stand-alone publicly available financial report that includes financial statements and required supplementary information. A copy of the report can be obtained from the State Employees Retirement Board, 40 Fountain Street, Providence, Rhode Island 02903.

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009**

10. DEFINED BENEFIT PENSION PLANS (Continued)

(c) Teacher's Pension Plan (Continued)

Plan Description (Continued)

All full-time classified employees of the Burrillville School District are eligible to participate in the System. Classified employees who retire at or after age 60 with 10 years of credited service or at any age with 28 years of credited service are entitled to a retirement benefit payable monthly for life. The retirement benefit is a percentage of final average salary per year of credit service with a maximum benefit of 80% of "final average" salary. Final average salary is the three highest consecutive years of earned salary excluding overtime, bonuses, or severance pays. The System also provides death and disability benefits. Benefits are established and may be amended by State statute. The percent of earnings relating to each year of credited service is as follows:

<u>Years of Credited Service</u>	<u>Percent/Year</u>
1 - 10	1.7%
11 - 20	1.9%
21 - 34	3.0%
35	2.0%

Funding Policy

Rhode Island general laws set the contribution rates for participating State employees at 9.5% of salary. Annual contributions by both employers and the State on behalf of those employees are determined by actuaries and assessed as percentage of participants' payroll. The School District was required to contribute 11.23%, 12.38%, and 10.96%, for all full-time employees for fiscal years 2009, 2008, and 2007, respectively. The required contributions include (a) normal costs; (b) payments to amortize the unfunded frozen actuarial accrued liability as of July 1, 1986 over 30 years; and (c) interest on the unfunded frozen actuarial liability. Normal cost is determined using the entry age normal cost method with frozen initial liability. Both employers and employees contribute 1% of the first \$9,600 of salary for survivor benefits. A variety of significant actuarial assumptions are used and these assumptions are summarized below:

- A. ***Mortality*** - 1994 Group Annuity Mortality Tables.
- B. ***Investment return*** - 8.25 percent, compounded annually.
- C. ***Salary increase*** - Salaries will increase at a rate of 4.5% - 13.25%.
- D. ***Retirement age*** - Teachers are assumed to retire at the later of age 61 or completion of the service requirements.
- E. ***Cost of living adjustments*** - 3.0 percent compounded annually beginning on the January 1st following a participant's third anniversary of retirement.

As prescribed by Rhode Island general law, the State pays the entire portion of the annual required contribution attributable to the costs of contributions deferred by the State in prior years plus 40% of contributions assessed to employers on payroll not reimbursable through Federal programs. This resulted in contribution rates paid by the State on behalf of the School District of 7.75% of non-federally reimbursable payrolls, totaling \$1,081,174 for fiscal year ended June 30, 2009. This amount was recognized in the School District fund as both a revenue and an expenditure.

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009**

10. DEFINED BENEFIT PENSION PLANS (Continued)

(c) Teacher's Pension Plan (Continued)

Funding Policy (Continued)

The amounts contributed to the plan are as follows:

<u>Years Ending June 30,</u>	<u>Employee</u>	<u>Employer</u>	<u>Percentage Contributed</u>
2009	\$1,325,310	\$1,610,087	100%
2008	\$1,267,898	\$1,698,584	100%
2007	\$1,275,932	\$1,514,693	100%

In accordance with GASB 27, "Accounting for Pensions by State and Local Governmental Employers," the School District has determined that there is and has been no pension liability or assets related to the Plan.

11. CONTINGENT LIABILITIES

Board of Administration

The Town is committed under an agreement for the rental of the Town Hall facilities. The terms are determined by the Board of Administration on an annual basis as provided under the will of Austin T. Levy. Total payments made for fiscal year ending June 30, 2009 totaled \$191,029. Total payments to be made for fiscal year ending June 30, 2010 total \$186,130 consisting of \$166,130 for rental of Town Hall facilities and \$20,000 for capital improvements.

School District

In April 2006, the School District entered into an agreement for comprehensive energy management consultation for a monthly fee of \$5,600 for 48 months. The total amount expended under the contract for the year ended June 30, 2009 was \$67,200.

Grants

Under the terms of federal and state grants, periodic compliance audits by the grantors or their representatives are required and, consequently, certain costs may be questioned as not being appropriate, and result in reimbursement to the grantor agencies. The amount, if any, of expenditures which may be disallowed by the granting agencies could not be determined at this time. Town officials believe that such disallowances, if any, would not be material.

Self-Insurance

The Town has elected to pay unemployment compensation on a claims-made basis rather than as a percentage of payroll. No accrual has been made for claims expected to arise from service related to fiscal 2009 because Town officials are of the opinion that, based upon prior years' experience, any claims relating to this period will be immaterial.

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009**

11. CONTINGENT LIABILITIES (Continued)

Litigation

The Town is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Town's attorneys, the resolution of these matters will not have a materially adverse effect on the financial condition of the Town.

12. OTHER POST EMPLOYMENT BENEFITS (OPEB)

Plan Description

The cost of post employment health care benefits, like the cost of pension benefits, generally should be associated with the periods in which the cost occurs, rather than in future years when it will be paid. In adopting the requirements of GASB No. 45 during the year ended June 30, 2009, the Town recognizes the cost of post employment healthcare in the year when the employee services are rendered, reports the accumulated liability from prior years, and provides information useful in assessing potential demands on the Town's future cash flows.

The Town's OPEB Plan is a single-employer defined benefit plan offering healthcare benefits that are administered by the Government Health Group of Rhode Island (GHGRI). The Town provides post employment healthcare benefits to eligible retirees in accordance with the various labor contracts and personnel policies. As of June 30, 2009, 60 employees were participating in the Plan. Inasmuch as the plan has no assets, reporting an Other Post Employment Benefit (OPEB) trust fund in the accompanying financial statements is not required. An actuarial consultant, USI Consulting Group, was hired to determine the Town's actuarial valuation of the post retirement benefits that are offered to current and future retirees as of July 1, 2008, which was the first actuarial valuation that the Town has had in determining its OPEB obligation. The plan does not issue a stand-alone report.

Funding Policy

The contribution requirements of plan members and the Town are established and may be amended by the Town, subject to applicable labor contracts. For the most part, participating retirees pay 100% of the cost of the health plan with one exception as identified in *Benefit/Cost Sharing* below. Contributions are recognized when due on a pay-as-you-go basis, pursuant to formal budgetary commitments and contractual requirements.

Benefit Provisions and Contributions:

The Town offers family or individual health insurance to its retirees. Employees vest for OPEB when they vest for pension benefits. Employees can choose individual or family health coverage when they are actively employed.

Plan Type: **Medical:** Self funded health insurance through the Governmental Health Group of Rhode Island (GHGRI).

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009

12. OTHER POST EMPLOYMENT BENEFITS (OPEB) (Continued)

Benefit Provisions and Contributions (Continued):

Eligibility: **Municipal:** 30 years of service at any age or 10 years of service at age 58 but not after age 65.

Municipal non-union: 30 years of service at any age or 10 years of service at age 58 but not after age 65.

School (non-certified): 30 years of service at any age or age 58 with at least 10 years of service. Those that retired on or prior to August 31, 1997, can continue to receive benefits after they are 65 years old. There are no employees in this category. For anyone who retired after August 31, 1997, benefits cease at age 65.

School (certified): Age 60 with at least 10 years of service or 28 years of service but not after age 65. Those that retired on or prior to August 31, 1997, can continue to receive benefits after they are 65 years old. There is only one employee in this category. For anyone who retired after August 31, 1997, benefits cease at age 65.

Police: 20 years of service but not after age 65.

Wastewater: 30 years of service at any age or 10 years or service at age 58 but not after age 65.

Benefit/Cost Sharing:

Municipal: If a retiree has over 15 years of service then the Town covers 100% of the premium for the first two years after retirement for the individual or family plan. The second two years after retirement the Town covers 50% of the retiree's family or individual medical plan. If a retiree is Medicare eligible or has less than 15 years of service the retiree is responsible for 100% of the medical premium.

Municipal non-union: For the first two years after retirement the Town covers 100% of the premium of the retiree's individual or family plan. The second two years after retirement the Town covers 50% of the retiree's family or individual medical plan. If a retiree is Medicare eligible the retiree is responsible for 100% of the medical premium.

School (certified and non-certified): The retiree is responsible for 100% of the premium cost.

Police: For the first two years after retirement the Town covers 100% of the premium of the retiree's individual or family plan. The second two years after retirement the Town covers 50% of the retiree's family or individual medical plan. If a retiree is Medicare eligible the retiree is responsible for 100% of the medical premium.

Wastewater: The retiree is responsible for 100% of the premium cost.

The Plan provides "spousal benefits" for all Plan members. The Plan does not provide a "surviving spouse benefit" for any of its Plan members.

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009**

12. OTHER POST EMPLOYMENT BENEFITS (OPEB) (Continued)

Classes of Employees Covered

As of July 1, 2008 (date of last actuarial valuation) membership data was as follows:

Active Employees	379
Retirees	<u>60</u>
Total Plan Members	<u>439</u>

The Town may contribute the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. For fiscal year ending June 30, 2009, the Town's initial reporting year, the Town made no contributions to a trust and instead elected to continue funding on a pay-as-you-go basis, which was determined to be \$106,868. These costs are recognized as an expense when claims or premiums are paid. The following table shows the components of the Town's annual OPEB cost for the year, the amount actually contributed to the Plan, and changes in the Town's net OPEB obligation.

Annual required contribution (ARC)	\$129,436
Interest on net OPEB obligation	0
Adjustment to annual required contribution	<u>0</u>
Annual OPEB cost (expense)	129,436
Contributions made	<u>106,868</u>
Increase in net OPEB obligation	22,568
Net OPEB obligation - July 1, 2008	<u>0</u>
Net OPEB obligation - June 30, 2009	<u>\$ 22,568</u>

The Town's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for fiscal year ending June 30, 2009 is as follows:

<u>Fiscal Year Ending</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
6/30/2009	\$129,436	82.6%	\$22,568

Funded Status and Funding Progress

The funded status of the Plan as of July 1, 2008 (the date of the most recent actuarial valuation) was as follows:

<u>Actuarial Valuation Date</u>	<u>(A) Actuarial Value of Assets</u>	<u>(B) Actuarial Accrued Liability (AAL)</u>	<u>(B-A) Unfunded Actuarial Accrued Liability (UAAL)</u>	<u>(A/B) Funded Ratio</u>	<u>(C) Covered Payroll</u>	<u>[(A-B)/C] UAAL as a Percentage of Covered Payroll</u>
July 1, 2008	\$0	\$1,675,408	\$1,675,408	0.0%	\$20,531,931	8.16%

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009**

12. OTHER POST EMPLOYMENT BENEFITS (OPEB) (Continued)

Funded Status and Funding Progress (Continued)

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 basic financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial liabilities for benefits. Since this is the initial year of GASB 45 disclosures, multiyear trend information will be disclosed beginning in fiscal year 2010.

Actuarial Methods and Assumptions

The accompanying schedules of employer contributions present trend information about the amounts contributed to the Plan by employers in comparison to the ARC, an amount that is actuarially determined. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost for each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. Projections of benefits are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the employer and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future. Actuarial calculations reflect a long-term perspective. Consistent with that perspective, 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. The annual OPEB cost was determined as part of the actuarial valuation. Additional information and assumptions used as of the last actuarial valuations is summarized below:

Interest Rate.....	4.00%
2008 Medical Trend Rate.....	10.00%
Ultimate Medical Trend Rate.....	5.00%
Year Ultimate Medical Trend Rate Reached.....	2013
Actuarial Cost Method.....	Entry Age Normal
The remaining amortization period at June 30, 2009.....	30 years
Valuation Type	Closed Group

13. MAJOR REVENUE SOURCE

The Town has a tax treaty and agreement with Ocean State Power (OSP), an electric generating facility, which requires OSP to pay the Town annual fixed payments in lieu of taxes according to the following schedule:

<u>June 30:</u>	<u>Amount</u>
2010	\$4,965,773
2011	3,567,462
2012	1,016,865
Total	<u>\$9,550,100</u>

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009

13. MAJOR REVENUE SOURCE (Continued)

During fiscal year ending June 30, 2009 the Town received \$4,710,714 in payments from OSP. The agreement with OSP is based upon OSP operating two electric generating units commercially. If one or both electric generating units are not operating commercially, then the required payments under the agreement may be reduced or eliminated.

On June 21, 1996 an amended agreement was entered into which requires OSP to pay an additional \$850,000 over the life of the remaining agreement as a result of the construction of a Water Storage Pond adjacent to Route 102. This additional amount is included in the above revenue schedule.

14. CONSTRUCTION COMMITMENTS

As of June 30, 2009, the Town had the following commitments with respect to unfinished capital projects:

Library Building	\$ 27,572
Police Station Expansion	1,798,463
Mill Pond Dam Repair	640,000
Municipal Annex Renovation	2,000
Total	<u>\$2,468,035</u>

15. DEFERRED COMPENSATION PLAN

The Town offers its municipal employees a deferred compensation plan established in accordance with the provisions of Internal Revenue Code Section 457. The Plan, available to all municipal employees, permits the deferral of a portion of their salary. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

The Town has implemented the Governmental Accounting Standards Board, Statement No. 32, "Accounting for Internal Revenue Code Section 457 Deferred Compensation Plans." All assets and income of the plan are held in trust for the exclusive benefit of the participants and their beneficiaries. As a result, deferred compensation investments and the perspective liability have not been included in the Town's financial statements for the year ended June 30, 2009.

16. RISK MANAGEMENT

The Town of Burrillville is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors or omissions; injuries to employees; and natural disasters. As a result, the Town participates in a non-profit, public entity risk pool (Rhode Island Interlocal Risk Management Trust, Inc.) which provides coverage for property/liability claims and workers' compensation claims. Upon joining the Trust, the Town signed a participation agreement which outlines the rights and responsibilities of both the Trust and the Town. The agreement states that for premiums paid by the Town, the Trust will assume financial responsibility for the Town's losses up to the maximum amount of insurance purchased, minus the Town's deductible amounts. The Trust provides this insurance coverage through a pooled, self-insurance mechanism which includes reinsurance purchased by the Trust to protect against large, catastrophic claims for losses that are above the Trust's self-insured retention. Under the participation agreement, the Town is insured for general liability for a maximum of \$5,000,000 per occurrence. There have been no reductions in insurance coverage from coverage in the previous year. Settled claims resulting from these risks have not exceeded the Trust Coverage in any of the past 22 fiscal years.

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TOWN OF BURRILLVILLE, RHODE ISLAND

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009**

16. RISK MANAGEMENT (Continued)

During the fiscal year ended June 30, 2009, the Town paid premiums of \$113,532 for workers' compensation coverage and \$138,538 for property and liability coverage.

At June 30, 2009, the Trust held reserves for future payments of open cases of \$193,234 for property and liability claims. The Trust is obligated to make payments on the Town's behalf without any further obligation of the Town, unless the Town's applicable limit of liability was exhausted by the size of the loss or the nature of the loss would fall outside the parameters of the Trust policy. As of June 30, 2009, the Town believes there is minimal, if any, potential exposure for outstanding claims which would fall outside the parameter of the Trust policy.

The above reserves do not include reserves for any claims associated with the School District or Sewer Commission Fund because they are treated by the Trust as separate entities having their own coverage.

17. LOAN RECEIVABLE – SCHOOL DISTRICT

During April 1998, the Town's general fund loaned the School District's general fund \$200,000 to be used for improvements to the June R. Levy Community Rink. The original note required interest at 5% and ten (10) annual principal payments of \$20,000 beginning June 1, 1999 through June 1, 2008.

On February 25, 2004, the Town Council amended the promissory note. During fiscal year 2004, the Town loaned the School Department an additional \$85,000 for the purchase of equipment. The amount of the amended note is \$185,000. The note requires interest at 3% and is payable over a ten year period beginning June 1, 2004 and ending on June 1, 2014. The balance of this note at June 30, 2009 is \$12,220.

18. INTERFUND TRANSFERS

Interfund transfers for fiscal year ended June 30, 2009 are as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
Governmental activities:		
Major funds:		
General Fund	\$ 619,266	\$17,052,079
School District	14,885,888	69,625
Debt Reduction	1,500,000	
Non-major funds	967,511	924,207
Total governmental activities	<u>\$17,972,665</u>	<u>\$18,045,911</u>
Business-type activities:		
Major funds:		
Sewer Authority	\$ 8,716	
Non-major funds	64,530	
Total business-type activities	<u>\$ 73,246</u>	<u>\$ 0</u>

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009**

19. LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS

The Town accounts for its postclosure care costs under GASB Statement No. 18. This Statement is based on the October 9, 1991, U.S. Environmental Protection Agency (EPA) rule, "Solid Waste Disposal Facility Criteria," which establishes closure requirements for all municipal solid waste landfills (MSWLF's) that receive solid waste after October 9, 1991. The EPA rule also establishes thirty-year postclosure care requirements for MSWLF's that accept solid waste after October 9, 1993. The effect of the EPA rule and similar state laws or regulations is to obligate MSWLF owners and operators to perform certain closing functions and postclosure monitoring and maintenance functions as a condition for the right to operate the MSWLF in the current period.

The Town utilizes the General Fund to account for closure and postclosure care costs of its two closed landfills (Clear River Road and Whipple Avenue). The Clear River Road landfill was closed in 1991 and has twelve remaining years of postclosure monitoring costs.

The Whipple Avenue landfill was closed in 1976. During fiscal year 2008, the Town, in accordance with state and federal regulations, entered into a voluntary compliance program which requires the Town to place a final cover on the landfill and to perform certain maintenance and monitoring functions at the landfill site for 30 years after closure. The estimated cost of closure, based on a contract entered into subsequent to June 30, 2009, is projected not to exceed \$2,500,000. In addition, estimated postclosure monitoring costs are estimated at \$30,000 per year. These estimates are based on an independent evaluation of the cost to perform closure and postclosure monitoring. These estimates are subject to change resulting from inflation, deflation, technology, or changes in applicable laws or regulations. The \$2,500,000 projected cost of capping the Whipple Avenue landfill will be financed through loan proceeds from the Rhode Island Clean Water Finance Agency. Annual postclosure monitoring costs are expected to be funded through General Fund appropriations.

The Town has summarized landfill closure and post closure care costs as follows:

<u>Town Landfill</u>	<u>Year of Closure</u>	<u>Remaining Capping Cost (Estimate)</u>	<u>Monitoring Costs (Estimate)</u>	<u>Years Remaining</u>	<u>Projected Liability</u>	<u>Short-Term Liability</u>	<u>Long-Term Liability</u>
Clear River Road	1991	N/A	\$30,000	12	\$ 360,000	\$ 30,000	\$ 330,000
Whipple Avenue	1976	<u>\$2,500,000</u>	<u>30,000</u>	29	<u>3,370,000</u>	<u>2,500,000</u>	<u>870,000</u>
		<u>\$2,500,000</u>	<u>\$60,000</u>		<u>\$3,730,000</u>	<u>\$2,530,000</u>	<u>\$1,200,000</u>

20. STATE FISCAL STABILIZATION FUNDS (SFSF)

During fiscal year 2009, state education aid to school districts was reduced, but an equal amount of State Fiscal Stabilization Funds were allocated to each school district to offset the reductions. The Burrillville School District received \$751,100 of SFSF during fiscal year 2009. These federal funds have been reported as intergovernmental revenue on the Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds (Schedule B-2) and is included in the General Fund's transfer out to the School District's (unrestricted fund) totaling \$27,060,748.

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009**

21. PROMISSORY NOTE RECEIVABLE - COMPONENT UNIT

On August 5, 2008, the Burrillville Redevelopment Agency sold real estate for \$160,000. Terms of the note require the Town to hold a \$100,000 promissory note secured by a mortgage. The note requires four principal payments of \$12,500 commencing June 1, 2009 and payable on June 1 of each subsequent year with the final installment due June 1, 2012. The remaining \$50,000 shall be forgiven on June 1, 2012 provided the Borrower has not sold the property. The note is without interest and contains prepayment penalties which reduce the amount of the loan forgiveness. The Burrillville Redevelopment Agency has recorded deferred revenue to offset the potential loan forgiveness amount.

22. SUBSEQUENT EVENT

On August 5, 2009, the Town Council awarded a contract totaling \$1,701,250 for construction costs related to the closure of the Whipple Avenue Landfill. The project will be funded by Rhode Island Clean Water Finance Agency loan proceeds authorized at the February 25, 2009 Town Council meeting.

(CONCLUDED)

TOWN OF BURRILLVILLE

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF BURRILLVILLE, RHODE ISLAND**REQUIRED SUPPLEMENTARY INFORMATION
(UNAUDITED)****SCHEDULE OF FUNDING PROGRESS**

Actuarial Valuation Date <u>June 30,</u>	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Overfunded (Unfunded) AAL (UAAL) (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((a-b)/c)
<u>General Employees – Municipal Employees' Retirement System</u>						
2006	\$19,042,883	\$18,626,628	\$ 416,255	102.2%	\$5,311,467	7.8%
2007	\$21,163,146	\$19,913,112	\$1,250,034	106.3%	\$5,327,953	23.5%
2008	\$23,164,763	\$20,971,570	\$2,193,192	110.5%	\$5,420,713	40.5%
<u>Police Units – Municipal Employees' Retirement System</u>						
2006	\$5,461,657	\$6,374,155	\$ (912,498)	85.7%	\$1,129,668	(80.8%)
2007	\$6,379,836	\$6,544,766	\$ (164,930)	97.5%	\$1,195,875	(13.8%)
2008	\$7,302,211	\$7,039,876	\$ 262,335	103.7%	\$1,286,345	20.4%
<u>Other Post Employment Benefits</u>						
7/01/08	\$ 0	\$1,675,408	\$1,675,408	0%	\$20,531,931	(8.16%)

SCHEDULE OF CONTRIBUTIONS FROM THE TOWN

<u>Year Ended June 30,</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
<u>General Employees – Municipal Employees' Retirement System</u>		
2007	\$176,946	100%
2008	\$251,498	100%
2009	\$313,947	100%
<u>Police – Municipal Employees' Retirement System</u>		
2007	\$269,676	100%
2008	\$298,110	100%
2009	\$212,672	100%
<u>Other Post Employment Benefits</u>		
7/01/08	\$129,436	82.6%

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND
REQUIRED SUPPLEMENTARY INFORMATION
(UNAUDITED)

NOTES TO SCHEDULES

Additional information as of the latest actuarial valuation follows:

Municipal Employees Retirement System

Valuation date	June 30, 2007
Actuarial cost method	Entry Age Normal
Amortization method	Level percent of payroll - closed
Remaining amortization period	Municipal and Police – 25 years, Teachers – 30 years
Asset valuation method	5 year smoothed market
Actuarial assumptions:	
Investment rate of return	8.25%
Projected salary increases	4.5% - 8.5% Town and 4.75% - 14.75% Police
Cost-of-living adjustments	3.0%, not compounded
Inflation	3.0%

Other Post Employment Benefits

Valuation date	July 1, 2008
(1) Funding Interest Rate	4.00%
2008 Medical Trend Rate.....	10.00%
Ultimate Medical Trend Rate	5.00%
Year Ultimate Medical Trend Rate Reached	2013
Actuarial Cost Method.....	Entry Age Normal
The remaining amortization period at June 30, 2009.....	30 years
Valuation Type	Closed Group

(1) Reflects current funding policy (assumes no funding).

(CONCLUDED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**SCHEDULE OF REVENUES, EXPENDITURES, OTHER FINANCING SOURCES (USES),
AND CHANGES IN FUND BALANCE (NON-GAAP BUDGETARY BASIS)
BUDGET AND ACTUAL**

**GENERAL FUND
YEAR ENDED JUNE 30, 2009**

	Originally Adopted Budget	Final Approved Budget	Actual (Budgetary Basis)	Variance
REVENUES:				
General property taxes	\$ 25,635,751	\$ 25,635,751	\$ 25,779,882	\$ 144,131
Intergovernmental	19,177,548	18,601,296	18,783,013	181,717
Licenses, permits and fees	555,250	555,250	396,096	(159,154)
Investment income	276,000	276,000	127,935	(148,065)
Departmental	77,100	77,100	98,813	21,713
Total revenues	45,721,649	45,145,397	45,185,739	40,342
EXPENDITURES:				
Current:				
General government	3,119,538	2,946,438	2,811,596	134,842
Public safety	2,379,079	2,458,979	2,451,959	7,020
Public works	1,320,825	1,324,825	1,229,427	95,398
Recreation and social services	239,770	240,070	221,825	18,245
Libraries	592,352	592,352	567,352	25,000
Employee benefits and other	2,096,800	2,185,700	2,174,298	11,402
Debt service:				
Principal	3,636,000	3,636,000	3,636,000	
Interest and other costs	1,197,111	1,197,111	1,190,662	6,449
Capital outlay	2,295,520	3,655,961	1,492,073	2,163,888
Total expenditures	16,876,995	18,237,436	15,775,192	2,462,244
Excess of revenues over expenditures	28,844,654	26,907,961	29,410,547	2,502,586
Other financing sources (uses):				
Transfers out	(29,313,594)	(28,907,342)	(29,226,939)	(319,597)
Proceeds from bond issuance			319,597	319,597
Transfers in	390,190	390,190	619,266	229,076
Re-appropriation of prior year's designated fund balance	78,750	1,609,191	1,609,191	
Net other financing sources (uses)	(28,844,654)	(26,907,961)	(26,678,885)	229,076
Excess (deficiency) of revenues and other sources over expenditures and other uses	\$ 0	\$ 0	2,731,662	\$ 2,731,662
Less: re-appropriated fund balance			(1,609,191)	
Fund Balance, beginning of year			7,396,572	
Fund Balance, end of year			\$ 8,519,043	

TOWN OF BURRILLVILLE, RHODE ISLAND

**SCHEDULE OF REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES (USES),
AND CHANGES IN FUND BALANCE
(NON-GAAP BUDGETARY BASIS)
BUDGET AND ACTUAL**

**BURRILLVILLE SCHOOL DISTRICT GENERAL FUND
YEAR ENDED JUNE 30, 2009**

	Originally Adopted Budget	Final Approved Budget	Actual (Budgetary Basis)	Variance
Revenues:				
State aid	\$ 12,124,818	\$ 12,124,818	\$ 11,221,286	\$ (903,532)
Federal State Fiscal Stabilization Funds			751,100	751,100
Miscellaneous	200,000	200,000	202,474	2,474
Total revenues	<u>12,324,818</u>	<u>12,324,818</u>	<u>12,174,860</u>	<u>(149,958)</u>
Expenditures:				
Current:				
Salaries	15,835,263	15,993,027	16,125,838	(132,811)
Employee benefits	5,591,227	5,001,816	4,994,805	7,011
Purchased services	4,942,313	4,827,089	4,648,596	178,493
Supplies and materials	800,868	902,847	904,078	(1,231)
Other	368,629	178,186	25,342	152,844
Capital outlay	<u>54,700</u>	<u>113,783</u>	<u>167,746</u>	<u>(53,963)</u>
Total expenditures	<u>27,593,000</u>	<u>27,016,748</u>	<u>26,866,405</u>	<u>150,343</u>
Excess of revenues over (under) expenditures before other financing sources (uses)	<u>(15,268,182)</u>	<u>(14,691,930)</u>	<u>(14,691,545)</u>	<u>385</u>
Other financing sources (uses):				
Transfers from Town of Burrillville	15,312,182	14,735,930	14,885,888	149,958
Transfers to other funds	(44,000)	(44,000)	(69,625)	(25,625)
Net other financing sources	<u>15,268,182</u>	<u>14,691,930</u>	<u>14,816,263</u>	<u>124,333</u>
Excess of revenues and other financing sources over (under) expenditures	<u>\$ 0</u>	<u>\$ 0</u>	<u>124,718</u>	<u>\$ 124,718</u>
Add: current year encumbrances			107,266	
Less: prior year encumbrances			(53,613)	
Fund balance, beginning of year, as restated			<u>646,051</u>	
Fund balance, end of year			<u>\$ 824,422</u>	

TOWN OF BURRILLVILLE, RHODE ISLAND

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2009**

BUDGETARY TO GAAP BASIS RECONCILIATION

As more fully described in Note 2, the following reconciliation summarizes the differences for the Town's General Fund between budgetary and GAAP basis accounting principles for the year ended June 30, 2009:

Excess of revenues and other sources over expenditures and other uses (Non-GAAP Budgetary Basis).....	\$ 2,731,662
Fund balance reappropriated	<u>(1,609,191)</u>
Excess of revenues and other sources over expenditures and other uses (GAAP).....	<u>\$ 1,122,471</u>

The following reconciliation summarizes the differences for the School District's General Fund between budgetary and GAAP basis accounting principles for the year ended June 30, 2009:

Deficiency of revenues and other sources over expenditures and other uses (Non-GAAP Budgetary Basis).....	\$124,718
Current year encumbrances.....	107,266
Prior year encumbrances	<u>(53,613)</u>
Excess of revenues and other sources over expenditures and other uses (GAAP)	<u>\$178,371</u>

TOWN OF BURRILLVILLE

NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes. The following funds are reported in this section:

School Restricted Grants

The Restricted set of accounts is used to reflect designated funds which are limited by law for specific purposes or programs.

Other School Activities

This fund accounts for monies utilized for activities associated with vocational education, adult education, and the summer school program.

Community Recreation

This fund accounts for both the Community Recreation Center Fund and the Recreation Capital Fund. The Community Recreation Center Fund accounts for the operation and maintenance of the Community Recreation Center (the Lodge). Funding is provided from rental fees, interest earnings, and the General Fund. The Recreation Capital Fund was created pursuant to the 1980 Public Law Chapter 13, which allows for the Town to require a payment in lieu of land for public recreation.

Town Clerk – Technology

This fund accounts for monies (10% of recording fees) utilized for the purpose of document preservation and technological upgrades [RIGL 34-13-7].

Historical Records

This fund accounts for document filing fees collected by the Town which are to be used for the preservation of historical Town records.

Animal Shelter Donation Account

This fund accounts for donations received and expenses incurred in the performance of various animal control duties.

(CONTINUED)

TOWN OF BURRILLVILLE

NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Library Grant

This fund accounts for grant activity related to the Jesse M. Smith Memorial Library and the Pascoag Library.

Community Emergency Response Training

This fund accounts for monies utilized in the training of local citizens in programs offered through the Town's Emergency Management Agency (EMA).

Byrne/JAG Stimulus Grant

This fund accounts for grant monies utilized for the purchase of computer laptops for the Police Department.

Spring Lake

This fund accounts for the operation and maintenance of Spring Lake Beach. Funding is provided from fees and the General Fund.

Community Development Block Grants

This fund accounts for funds obtained through the Community Development Block Grant Program and the U.S. Department of Housing and Urban Development, which are restricted for specific purposes of programs. This fund also accounts for the CDBG Revolving Loan Program which provides loans to qualified homeowners for various home improvements.

Burrillville Tree Inventory

This fund accounts for local activity involved with the identification and inventory of significant old growth trees for the purpose of preservation.

Unfunded Liability and Incentive Pay Fund

This fund has been created to pay for the sick leave buyout, accrued sick and vacation leave, sick leave incentive program, and department/division head (non-union) performance incentive pay.

(CONTINUED)

TOWN OF BURRILLVILLE

NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Recycling Program

This fund account for monies set aside for the purpose of promoting town-wide recycling.

Ocean State Power Funds

This fund accounts for monies received from Ocean State Power. Per an agreement with the Town, Ocean State Power is to contribute every year for twenty years to the Ocean State Power Scholarship Fund and Ocean State Power Community Foundation. Both funds are headed by a committee which approves the spending of these funds.

Narcotics Guidance Council

This fund accounts for the various activities conducted by the Burrillville Narcotic Guidance Council. Funding is provided by the General Fund and other grant programs.

Police Grant – Operation Riptide

This fund accounts for grant monies utilized for the purpose of enforcing the driving under the influence laws.

Police Task Force

This fund accounts for monies received from forfeiture and drug related activities.

Police Legislative Grant

This fund accounts for grant monies received through the State to be used by the Town in its law enforcement activities.

Homeland Security

This fund accounts for grant monies utilized for the purpose of acquiring equipment to assist the Town in determining, preventing, responding, and recovering from a WMD (weapons of mass destruction) terrorism incident.

Health Care Contingency

This fund was created for the purpose of paying health-related insurance deductions.

(CONTINUED)

TOWN OF BURRILLVILLE

NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Cops That Care

This fund accounts for grant monies received for various community activities designed to promote positive relationships with the local police department.

Senior Center

This fund accounts for monies that are received for the feasibility of constructing a senior center.

Hope VI Main Street Grant

This fund accounts for the grant associated with the rehabilitation of the Clock Tower.

(CONTINUED)

TOWN OF BURRILLVILLE

NON-MAJOR GOVERNMENTAL FUNDS

CAPITAL PROJECT FUNDS

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds. Funding sources include debt proceeds, intergovernmental sources, third party contributions and General Fund operating transfers. The following funds are reported in this section:

Police Station Expansion

This fund accounts for the monies utilized in the expansion and renovation of the police station.

Rail Trail Harrisville/Pascoag

This fund accounts for the purchase and construction of a pedestrian trail between the villages of Harrisville and Pascoag.

Open Space/Land Acquisition

This fund accounts for Town appropriations specifically set aside for the purpose of acquiring land for open space and other purposes.

Callahan Renovation Project

This fund accounts for the expansion and renovation of the Callahan Elementary School.

Major Capital

This fund accounts for Town appropriations set aside for the purpose of funding major capital acquisitions.

Route 102 Commerce Park

This fund accounts for monies set aside for the purpose of planning and developing Route 102.

(CONTINUED)

TOWN OF BURRILLVILLE

NON-MAJOR GOVERNMENTAL FUNDS

CAPITAL PROJECT FUNDS

Branch River/Hauser Field

This fund accounts for the expansion and renovation of the Branch River and Hauser Recreation Facilities.

Levy Rink Renovations

This fund accounts for the expansion and renovation of the June Rockwell Levy Rink.

Route 107

This fund accounts for monies set aside for the purpose of planning and developing Route 107 (portions of East Avenue/Harrisville Main Street/Chapel Street).

School Administration Building

This fund accounts for the construction of a new school administration building located at the middle school.

Shippee Bridge Project

This fund accounts for the construction of a small park and parking area located at Shippee Bridge.

Mill Pond Dam Repair

This fund accounts for the repair of the Mill Pond Dam.

Municipal Annex Renovation

This fund accounts for renovations to the Carlton M. Brown Memorial Building.

(CONTINUED)

TOWN OF BURRILLVILLE

NON-MAJOR GOVERNMENTAL FUNDS

PERMANENT FUNDS

Cemetery Fund

The cemetery fund accounts for monies received by individuals to be used for the perpetual care of Town cemeteries and are under the custody of the Town Clerk.

Frank H. Potter Bridgeway Fund

The Frank H. Potter Bridgeway Fund accounts for monies received under the will of the late Austin T. Levy. Interest received is to be used for the maintenance of the Frank H. Potter Bridgeway.

Alice McGreevy Thompson Fund

This fund accounts for money gifted to the Town from Mrs. Alice McGreevy Thompson for the purpose of establishing a perpetual fund to be held in trust by the Town. Interest earned is to be paid annually to a high school senior with the highest average in chemistry.

Jesse M. Smith Memorial Library Fund

This fund accounts for two contributions received under the will of the late Austin T. Levy. Interest received is to be used for the purpose of acquiring library books and general operations of the Jesse M. Smith Memorial Library.

(CONCLUDED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2009**

	Special Revenue Funds					
	School Restricted Grants	Other School Activities	Community Recreation	Town Clerk - Technology	Historical Records	Animal Shelter Donation Account
ASSETS:						
Cash and cash equivalents	\$ 454,105		\$ 78,017			
Other receivables						
Due from:						
Other funds	611,977	\$ 284,944	740	\$ 99,750	\$ 39,723	\$ 618
Other governments	260,893					
TOTAL ASSETS	\$ 1,326,975	\$ 284,944	\$ 78,757	\$ 99,750	\$ 39,723	\$ 618
LIABILITIES AND FUND BALANCES:						
LIABILITIES:						
Accounts payable	\$ 90,314			\$ 696	\$ 993	
Retainage payable						
Accrued payroll and benefits	107,825					
Due to:						
Other funds	553,422	\$ 215,445				
Other governments						
Deferred revenues	575,414	23,250				
Other liabilities						
TOTAL LIABILITIES	1,326,975	238,695	\$ 0	696	993	\$ 0
FUND BALANCES:						
Reserved for:						
Perpetual care						
Endowments						
Encumbrances						
Unreserved, reported in:						
Special revenue funds		46,249	78,757	99,054	38,730	618
Capital project funds						
TOTAL FUND BALANCES	0	46,249	78,757	99,054	38,730	618
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,326,975	\$ 284,944	\$ 78,757	\$ 99,750	\$ 39,723	\$ 618

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2009**

ASSETS:

Cash and cash equivalents
Other receivables
Due from:
Other funds
Other governments
TOTAL ASSETS

Special Revenue Funds					
Library Grant	Community Emergency Response Training	Byrne/JAG Stimulus Grant	Spring Lake	Community Development Block Grant	Burrillville Tree Inventory
			\$ 162,989	\$ 71,100	
				60,307	
	\$ 13,419			3,000	
		\$ 20,464		74,000	
\$ 0	\$ 13,419	\$ 20,464	\$ 162,989	\$ 208,407	\$0

LIABILITIES AND FUND BALANCES:**LIABILITIES:**

Accounts payable
Retainage payable
Accrued payroll and benefits
Due to:
Other funds
Other governments
Deferred revenues
Other liabilities
TOTAL LIABILITIES

			\$ 2,612		
\$ 3			3,938	\$ 46,140	
	\$ 13,419	\$ 20,464		126,807	
3	13,419	20,464	6,550	172,947	\$0

FUND BALANCES:

Reserved for:
Perpetual care
Endowments
Encumbrances
Unreserved, reported in:
Special revenue funds
Capital project funds
TOTAL FUND BALANCES

(3)			156,439	35,460	
(3)	0	0	156,439	35,460	0
\$ 0	\$ 13,419	\$ 20,464	\$ 162,989	\$ 208,407	\$0

TOTAL LIABILITIES AND FUND BALANCES

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2009**

	Special Revenue Funds				
	Unfunded Liability and Incentive Pay Fund	Recycling Program	Ocean State Power Funds	Narcotics Guidance Council	Police Grant - Operation Riptide
ASSETS:					
Cash and cash equivalents	\$ 100,923		\$ 813,764		
Other receivables			730		
Due from:					
Other funds		\$ 134,301	164	\$ 127,379	
Other governments				2,055	\$ 3,241
TOTAL ASSETS	\$ 100,923	\$ 134,301	\$ 814,658	\$ 129,434	\$ 3,241
LIABILITIES AND FUND BALANCES:					
LIABILITIES:					
Accounts payable			\$ 100,129	\$ 280	
Retainage payable					
Accrued payroll and benefits					
Due to:					
Other funds	\$ 49,808		30,000	79,995	\$ 3,241
Other governments					
Deferred revenues					
Other liabilities					
TOTAL LIABILITIES	49,808	\$ 0	130,129	80,275	3,241
FUND BALANCES:					
Reserved for:					
Perpetual care					
Endowments			400,000		
Encumbrances					
Unreserved, reported in:					
Special revenue funds	51,115	134,301	284,529	49,159	
Capital project funds					
TOTAL FUND BALANCES	51,115	134,301	684,529	49,159	0
TOTAL LIABILITIES AND FUND BALANCES	\$ 100,923	\$ 134,301	\$ 814,658	\$ 129,434	\$ 3,241

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2009**

	Special Revenue Funds				
	Police Task Force	Police Legislative Grant	Homeland Security	Health Care Contingency	Cops That Care
ASSETS:					
Cash and cash equivalents	\$ 1,889			\$ 683,002	
Other receivables					
Due from:					
Other funds	5,701				\$ 232
Other governments					
TOTAL ASSETS	\$ 7,590	\$0	\$0	\$ 683,002	\$ 232
LIABILITIES AND FUND BALANCES:					
LIABILITIES:					
Accounts payable					
Retainage payable					
Accrued payroll and benefits					
Due to:					
Other funds					
Other governments	\$ 120				
Deferred revenues					\$ 232
Other liabilities					
TOTAL LIABILITIES	120	\$0	\$0	\$ 0	232
FUND BALANCES:					
Reserved for:					
Perpetual care					
Endowments					
Encumbrances					
Unreserved, reported in:					
Special revenue funds	7,470			683,002	
Capital project funds					
TOTAL FUND BALANCES	7,470	0	0	683,002	0
TOTAL LIABILITIES AND FUND BALANCES	\$ 7,590	\$0	\$0	\$ 683,002	\$ 232

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2009**

	Special Revenue Funds		Capital Project Funds		
	Senior Center	Hope VI Main Street Grant	Police Station Expansion	Rail Trail Harrisville/ Pascoag	Open Space/ Land Acquisition
ASSETS:					
Cash and cash equivalents					\$ 169,764
Other receivables			\$ 892		
Due from:					
Other funds				\$ 38,577	
Other governments					
TOTAL ASSETS	\$ 0	\$0	\$ 892	\$ 38,577	\$ 169,764
LIABILITIES AND FUND BALANCES:					
LIABILITIES:					
Accounts payable			\$ 137,650	\$ 100,000	
Retainage payable			20,090		
Accrued payroll and benefits					
Due to:					
Other funds	\$ 10,338		212,600		\$ 100,000
Other governments					
Deferred revenues				44,288	
Other liabilities					
TOTAL LIABILITIES	10,338	\$0	370,340	144,288	100,000
FUND BALANCES:					
Reserved for:					
Perpetual care					
Endowments					
Encumbrances			1,798,463		
Unreserved, reported in:					
Special revenue funds	(10,338)				
Capital project funds			(2,167,911)	(105,711)	69,764
TOTAL FUND BALANCES	(10,338)	0	(369,448)	(105,711)	69,764
TOTAL LIABILITIES AND FUND BALANCES	\$ 0	\$0	\$ 892	\$ 38,577	\$ 169,764

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2009**

	Capital Project Funds				
	Callahan Renovation Project	Major Capital	Route 102 Commerce Park	Branch River/ Hauser Field	Levy Rink Renovations
ASSETS:					
Cash and cash equivalents	\$ 510,666	\$ 862,868			
Other receivables					
Due from:					
Other funds			\$ 106,482		
Other governments					
TOTAL ASSETS	\$ 510,666	\$ 862,868	\$ 106,482	\$0	\$0
LIABILITIES AND FUND BALANCES:					
LIABILITIES:					
Accounts payable					
Retainage payable					
Accrued payroll and benefits					
Due to:					
Other funds	\$ 381,943	\$ 470,000			
Other governments					
Deferred revenues					
Other liabilities					
TOTAL LIABILITIES	381,943	470,000	\$ 0	\$0	\$0
FUND BALANCES:					
Reserved for:					
Perpetual care					
Endowments					
Encumbrances					
Unreserved, reported in:					
Special revenue funds	128,723	392,868	106,482		
Capital project funds	128,723	392,868	106,482	0	0
TOTAL FUND BALANCES	128,723	392,868	106,482	0	0
TOTAL LIABILITIES AND FUND BALANCES	\$ 510,666	\$ 862,868	\$ 106,482	\$0	\$0

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2009**

	Capital Project Funds				
	Route 107	School Administration Building	Shippee Bridge Project	Mill Pond Dam Repair	Municipal Annex Renovation
ASSETS:					
Cash and cash equivalents					
Other receivables			\$ 540		
Due from:					
Other funds				\$ 639,772	\$ 43,947
Other governments			20,700		
TOTAL ASSETS	\$0	\$0	\$ 21,240	\$ 639,772	\$ 43,947
LIABILITIES AND FUND BALANCES:					
LIABILITIES:					
Accounts payable					
Retainage payable					
Accrued payroll and benefits					
Due to:					
Other funds			\$ 18,300		
Other governments					
Deferred revenues			2,940		
Other liabilities					
TOTAL LIABILITIES	\$0	\$0	21,240	\$ 0	\$ 0
FUND BALANCES:					
Reserved for:					
Perpetual care					
Endowments					
Encumbrances				640,000	2,000
Unreserved, reported in:					
Special revenue funds					
Capital project funds				(228)	41,947
TOTAL FUND BALANCES	0	0	0	639,772	43,947
TOTAL LIABILITIES AND FUND BALANCES	\$0	\$0	\$ 21,240	\$ 639,772	\$ 43,947

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2009**

	Permanent Funds				Total Non-Major Governmental Funds
	Cemetery Fund	Frank H. Potter Bridgeway Fund	Alice McGreevy Thompson Fund	Jesse M. Smith Memorial Library Fund	
ASSETS:					
Cash and cash equivalents	\$ 83,946	\$ 15,910	\$ 1,190	\$ 15,156	\$ 4,025,289
Other receivables					62,469
Due from:					
Other funds					2,150,726
Other governments					381,353
TOTAL ASSETS	\$ 83,946	\$ 15,910	\$ 1,190	\$ 15,156	\$ 6,619,837
LIABILITIES AND FUND BALANCES:					
LIABILITIES:					
Accounts payable					\$ 432,674
Retainage payable					20,090
Accrued payroll and benefits					107,825
Due to:					
Other funds					2,175,173
Other governments					120
Deferred revenues					806,814
Other liabilities		\$ 5,910	\$ 190	\$ 156	6,256
TOTAL LIABILITIES	\$ 0	5,910	190	156	3,548,952
FUND BALANCES:					
Reserved for:					
Perpetual care	83,946				83,946
Endowments		10,000	1,000	15,000	426,000
Encumbrances					2,440,463
Unreserved, reported in:					
Special revenue funds					1,654,542
Capital project funds					(1,534,066)
TOTAL FUND BALANCES	83,946	10,000	1,000	15,000	3,070,885
TOTAL LIABILITIES AND FUND BALANCES	\$ 83,946	\$ 15,910	\$ 1,190	\$ 15,156	\$ 6,619,837

(CONCLUDED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2009**

	Special Revenue Funds					
	School Restricted Grants	Other School Activities	Community Recreation	Town Clerk - Technology	Historical Records	Animal Shelter Donation Account
REVENUES:						
Intergovernmental	\$ 2,187,506				\$ 2,142	
Investment income			\$ 770			
Other	105,126	\$ 55,130	12,876	\$ 15,052	2,769	\$ 2,846
TOTAL REVENUES	2,292,632	55,130	13,646	15,052	4,911	2,846
EXPENDITURES:						
Current:						
General government						
Public safety						3,220
Public works						
Public libraries						
Recreation and social services			6,493			
Education	2,237,429	28,371				
Community development						
Capital outlay	55,203		8,622	9,415	5,472	
TOTAL EXPENDITURES	2,292,632	28,371	15,115	9,415	5,472	3,220
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	0	26,759	(1,469)	5,637	(561)	(374)
OTHER FINANCING SOURCES (USES):						
Proceeds from loan						
Transfers in						
Transfers out						
NET OTHER FINANCING SOURCES (USES)	0	0	0	0	0	0
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	0	26,759	(1,469)	5,637	(561)	(374)
FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR	0	19,490	80,226	93,417	39,291	992
FUND BALANCE (DEFICIT) AT END OF YEAR	\$ 0	\$ 46,249	\$ 78,757	\$ 99,054	\$ 38,730	\$ 618

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2009**

	Special Revenue Funds					
	Library Grant	Community Emergency Response Training	Bryne/JAG Stimulus Grant	Spring Lake	Community Development Block Grant	Burrillville Tree Inventory
REVENUES:						
Intergovernmental	\$ 80,245	\$ 2,230			\$ 21,132	
Investment income				\$ 1,559	1,773	
Other				120,263	48,459	
TOTAL REVENUES	80,245	2,230	\$0	121,822	71,364	\$ 0
EXPENDITURES:						
Current:						
General government						
Public safety		2,230				
Public works						
Public libraries	80,245					
Recreation and social services				113,459		
Education						
Community development					78,650	
Capital outlay					4,546	
TOTAL EXPENDITURES	80,245	2,230	0	113,459	83,196	0
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	0	0	0	8,363	(11,832)	0
OTHER FINANCING SOURCES (USES):						
Proceeds from loan						
Transfers in				5,000		
Transfers out				(10,095)		(164)
NET OTHER FINANCING SOURCES (USES)	0	0	0	(5,095)	0	(164)
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	0	0	0	3,268	(11,832)	(164)
FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR	(3)	0	0	153,171	47,292	164
FUND BALANCE (DEFICIT) AT END OF YEAR	\$ (3)	\$ 0	\$0	\$ 156,439	\$ 35,460	\$ 0

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2009**

	Special Revenue Funds				
	Unfunded Liability and Incentive Pay Fund	Recycling Program	Ocean State Power Funds	Narcotics Guidance Council	Police Grant - Operation Riptide
REVENUES:					
Intergovernmental		\$ 79,579		\$ 25,596	\$ 13,448
Investment income	\$ 1,526		\$ 6,847		
Other		8,657	80,000		
TOTAL REVENUES	1,526	88,236	86,847	25,596	13,448
EXPENDITURES:					
Current:					
General government	76,055		77,771	29,878	
Public safety					13,448
Public works		16,058			
Public libraries			7,552		
Recreation and social services					
Education					
Community development					
Capital outlay					
TOTAL EXPENDITURES	76,055	16,058	85,323	29,878	13,448
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	(74,529)	72,178	1,524	(4,282)	0
OTHER FINANCING SOURCES (USES):					
Proceeds from loan					
Transfers in			164	6,400	
Transfers out					
NET OTHER FINANCING SOURCES (USES)	0	0	164	6,400	0
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(74,529)	72,178	1,688	2,118	0
FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR	125,644	62,123	682,841	47,041	0
FUND BALANCE (DEFICIT) AT END OF YEAR	\$ 51,115	\$ 134,301	\$ 684,529	\$ 49,159	\$ 0

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2009**

	Special Revenue Funds				
	Police Task Force	Police Legislative Grant	Homeland Security	Health Care Contingency	Cops That Care
REVENUES:					
Intergovernmental		\$ 900	\$ 130,200		\$ 206
Investment income	\$ 16			\$ 4,465	
Other	5,685			170,391	
TOTAL REVENUES	5,701	900	130,200	174,856	206
EXPENDITURES:					
Current:					
General government				8,757	
Public safety	600	900			206
Public works					
Public libraries					
Recreation and social services					
Education					
Community development					
Capital outlay			130,200		
TOTAL EXPENDITURES	600	900	130,200	8,757	206
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	5,101	0	0	166,099	0
OTHER FINANCING SOURCES (USES):					
Proceeds from loan					
Transfers in					
Transfers out					
NET OTHER FINANCING SOURCES (USES)	0	0	0	0	0
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	5,101	0	0	166,099	0
FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR	2,369	0	0	516,903	0
FUND BALANCE (DEFICIT) AT END OF YEAR	\$ 7,470	\$ 0	\$ 0	\$ 683,002	\$ 0

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2009**

	Special Revenue Funds		Capital Project Funds		
	Senior Center	Hope VI Main Street Grant	Police Station Expansion	Rail Trail Harrisville/ Pascoag	Open Space/ Land Acquisition
REVENUES:					
Intergovernmental		\$ 500,000		\$ 105,711	
Investment income					\$ 1,607
Other			\$ 3,100		
TOTAL REVENUES	\$ 0	500,000	3,100	105,711	1,607
EXPENDITURES:					
Current:					
General government					
Public safety					
Public works					
Public libraries					
Recreation and social services	17,138				
Education					
Community development		500,000			
Capital outlay			372,548	211,422	
TOTAL EXPENDITURES	17,138	500,000	372,548	211,422	0
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	(17,138)	0	(369,448)	(105,711)	1,607
OTHER FINANCING SOURCES (USES):					
Proceeds from loan					
Transfers in					
Transfers out					(100,000)
NET OTHER FINANCING SOURCES (USES)	0	0	0	0	(100,000)
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(17,138)	0	(369,448)	(105,711)	(98,393)
FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR	6,800	0	0	0	168,157
FUND BALANCE (DEFICIT) AT END OF YEAR	\$ (10,338)	\$ 0	\$ (369,448)	\$ (105,711)	\$ 69,764

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2009**

	Capital Project Funds				
	Callahan Renovation Project	Major Capital	Route 102 Commerce Park	Branch River/ Hauser Field	Levy Rink Renovations
REVENUES:					
Intergovernmental					
Investment income	\$ 2,039	\$ 8,086			
Other	75				
TOTAL REVENUES	<u>2,114</u>	<u>8,086</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
EXPENDITURES:					
Current:					
General government					
Public safety					
Public works					
Public libraries					
Recreation and social services					
Education					
Community development					
Capital outlay			712,319		
TOTAL EXPENDITURES	<u>0</u>	<u>0</u>	<u>712,319</u>	<u>0</u>	<u>0</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	<u>2,114</u>	<u>8,086</u>	<u>(712,319)</u>	<u>0</u>	<u>0</u>
OTHER FINANCING SOURCES (USES):					
Proceeds from loan			610,000		
Transfers in		165,194	100,000		
Transfers out	(153,969)	(470,000)	(50,753)	(104,098)	(25,972)
NET OTHER FINANCING SOURCES (USES)	<u>(153,969)</u>	<u>(304,806)</u>	<u>659,247</u>	<u>(104,098)</u>	<u>(25,972)</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	<u>(151,855)</u>	<u>(296,720)</u>	<u>(53,072)</u>	<u>(104,098)</u>	<u>(25,972)</u>
FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR	<u>280,578</u>	<u>689,588</u>	<u>159,554</u>	<u>104,098</u>	<u>25,972</u>
FUND BALANCE (DEFICIT) AT END OF YEAR	<u>\$ 128,723</u>	<u>\$ 392,868</u>	<u>\$ 106,482</u>	<u>\$ 0</u>	<u>\$ 0</u>

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2009**

	Capital Project Funds				
	Route 107	School Administration Building	Shippee Bridge Project	Mill Pond Dam Repair	Municipal Annex Renovation
REVENUES:					
Intergovernmental			\$ 17,760		
Investment income					
Other					
TOTAL REVENUES	\$ 0	\$ 0	17,760	\$ 0	\$ 0
EXPENDITURES:					
Current:					
General government					
Public safety					
Public works					
Public libraries					
Recreation and social services					
Education					
Community development					
Capital outlay			17,760	228	130,338
TOTAL EXPENDITURES	0	0	17,760	228	130,338
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	0	0	0	(228)	(130,338)
OTHER FINANCING SOURCES (USES):					
Proceeds from loan					
Transfers in	50,753			640,000	
Transfers out		(9,156)			
NET OTHER FINANCING SOURCES (USES)	50,753	(9,156)	0	640,000	0
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	50,753	(9,156)	0	639,772	(130,338)
FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR	(50,753)	9,156	0	0	174,285
FUND BALANCE (DEFICIT) AT END OF YEAR	\$ 0	\$ 0	\$ 0	\$ 639,772	\$ 43,947

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2009**

	Permanent Funds				Total Non-Major Governmental Funds
	Cemetery Fund	Frank H. Potter Bridgeway Fund	Alice McGreevy Thompson Fund	Jesse M. Smith Memorial Library Fund	
REVENUES:					
Intergovernmental					\$ 3,166,655
Investment income					29,533
Other					630,429
TOTAL REVENUES	527	150	12	156	3,826,617
EXPENDITURES:					
Current:					
General government	1,110	150	12	156	193,889
Public safety					20,604
Public works					16,058
Public libraries					87,797
Recreation and social services					137,090
Education					2,265,800
Community development					578,650
Capital outlay					1,658,073
TOTAL EXPENDITURES	1,110	150	12	156	4,957,961
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	(583)	0	0	0	(1,131,344)
OTHER FINANCING SOURCES (USES):					
Proceeds from loan					610,000
Transfers in					967,511
Transfers out					(924,207)
NET OTHER FINANCING SOURCES (USES)	0	0	0	0	653,304
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(583)	0	0	0	(478,040)
FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR	84,529	10,000	1,000	15,000	3,548,925
FUND BALANCE (DEFICIT) AT END OF YEAR	\$ 83,946	\$ 10,000	\$ 1,000	\$ 15,000	\$ 3,070,885

(CONCLUDED)

TOWN OF BURRILLVILLE

NON-MAJOR PROPRIETARY FUNDS

ENTERPRISE FUNDS

School Cafeteria Fund

This fund accounts for the School Department's food service operation.

Levy Rink

This fund accounts for the operations of the Levy Ice Rink.

Extended Day Care

This fund accounts for the operation of a Town managed Day Care Facility.

TOWN OF BURRILLVILLE, RHODE ISLAND

**COMBINING STATEMENT OF NET ASSETS
NON-MAJOR PROPRIETARY FUNDS
JUNE 30, 2009**

	School Cafeteria Fund	Levy Rink	Extended Day Care	Totals
ASSETS:				
Current assets:				
Cash and cash equivalents	\$ 267,298	\$ 10,060	\$ 266,698	\$ 544,056
Receivables, net	5,403		12,870	18,273
Due from:				
Other governments	18,665			18,665
Prepaid expenses			1,048	1,048
Inventory	11,688			11,688
Total current assets	303,054	10,060	280,616	593,730
Noncurrent assets:				
Net capital assets	14,428	138,491	62,214	215,133
Total noncurrent assets	14,428	138,491	62,214	215,133
TOTAL ASSETS	317,482	148,551	342,830	808,863
LIABILITIES:				
Current liabilities:				
Accounts payable	73,911	27,256	2,995	104,162
Accrued interest payable		367		367
Due to other funds	286,855	82,990	24,717	394,562
Deferred revenue	122		8,153	8,275
Accrued compensated absences	100	1,200		1,300
Total current liabilities	360,988	111,813	35,865	508,666
Noncurrent liabilities:				
Accrued compensated absences	633	11,223		11,856
Total noncurrent liabilities	633	11,223	0	11,856
TOTAL LIABILITIES	361,621	123,036	35,865	520,522
NET ASSETS:				
Invested in capital assets, net of related debt	14,428	138,491	62,214	215,133
Unrestricted	(58,567)	(112,976)	244,751	73,208
TOTAL NET ASSETS	\$ (44,139)	\$ 25,515	\$ 306,965	\$ 288,341

TOWN OF BURRILLVILLE, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
NON-MAJOR PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2009**

	School Cafeteria Fund	Levy Rink	Extended Day Care	Totals
OPERATING REVENUES:				
Charges for usage and service	\$ 497,268	\$ 384,349	\$ 436,301	\$ 1,317,918
Total operating revenues	<u>497,268</u>	<u>384,349</u>	<u>436,301</u>	<u>1,317,918</u>
OPERATING EXPENSES:				
Operations	525,084	246,775	87,498	859,357
Personnel	369,658	173,757	339,688	883,103
Depreciation	1,380	12,676	9,277	23,333
Total operating expenses	<u>896,122</u>	<u>433,208</u>	<u>436,463</u>	<u>1,765,793</u>
OPERATING LOSS	<u>(398,854)</u>	<u>(48,859)</u>	<u>(162)</u>	<u>(447,875)</u>
NONOPERATING REVENUES (EXPENSES):				
Interest expense		(1,783)		(1,783)
Investment income		60	3,144	3,204
Intergovernmental	354,303			354,303
Net nonoperating revenues (expenses)	<u>354,303</u>	<u>(1,723)</u>	<u>3,144</u>	<u>355,724</u>
INCOME (LOSS) BEFORE TRANSFERS	<u>(44,551)</u>	<u>(50,582)</u>	<u>2,982</u>	<u>(92,151)</u>
TRANSFERS IN (OUT)	<u>25,625</u>	<u>44,000</u>	<u>(5,095)</u>	<u>64,530</u>
CHANGE IN NET ASSETS	<u>(18,926)</u>	<u>(6,582)</u>	<u>(2,113)</u>	<u>(27,621)</u>
TOTAL NET ASSETS - BEGINNING	<u>(25,213)</u>	<u>32,097</u>	<u>309,078</u>	<u>315,962</u>
TOTAL NET ASSETS - ENDING	<u>\$ (44,139)</u>	<u>\$ 25,515</u>	<u>\$ 306,965</u>	<u>\$ 288,341</u>

TOWN OF BURRILLVILLE, RHODE ISLAND

**COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2009**

	School Cafeteria Fund	Levy Rink	Extended Day Care	Totals
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash received from customers	\$ 499,978	\$ 384,349	\$ 436,984	\$ 1,321,311
Cash paid to suppliers	(474,123)	(229,184)	(99,916)	(803,223)
Cash paid to employees	(378,384)	(171,407)	(339,688)	(889,479)
Net cash used for operating activities	(352,529)	(16,242)	(2,620)	(371,391)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Nonoperating grants received	361,088			361,088
Transfer from (to) other funds	25,625	44,000	(5,095)	64,530
Decrease in due from other funds	1,718		10,179	11,897
Increase (decrease) in due to other funds	(301,200)	(50,503)	19,717	(331,986)
Net cash provided by (used for) noncapital financing activities	87,231	(6,503)	24,801	105,529
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition of capital assets	(15,321)		(5,768)	(21,089)
Interest expense		(3,716)		(3,716)
Net cash used for capital and related financing activities	(15,321)	(3,716)	(5,768)	(24,805)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest on investments		60	3,144	3,204
Net cash provided by investing activities	0	60	3,144	3,204
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(280,619)	(26,401)	19,557	(287,463)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	547,917	36,461	247,141	831,519
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 267,298	\$ 10,060	\$ 266,698	\$ 544,056
Reconciliation of operating loss to net cash used for operating activities:				
Operating loss	\$ (398,854)	\$ (48,859)	\$ (162)	\$ (447,875)
Adjustments to reconcile:				
Depreciation	1,380	12,676	9,277	23,333
Increase in allowance for doubtful accounts			756	756
Decrease in accounts receivable	11,624		2,296	13,920
Increase in prepaid expenses			(1,048)	(1,048)
Increase in inventory	(651)			(651)
Increase (decrease) in accounts payable	51,612	17,591	(11,370)	57,833
Decrease in deferred revenue	(8,914)		(2,369)	(11,283)
Increase (decrease) in accrued compensated absences	(8,726)	2,350		(6,376)
Net cash used for operating activities	\$ (352,529)	\$ (16,242)	\$ (2,620)	\$ (371,391)

TOWN OF BURRILLVILLE

AGENCY FUNDS

Pupil Activity Funds

This fund accounts for the student activity funds of the School Department.

TOWN OF BURRILLVILLE, RHODE ISLAND

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 YEAR ENDED JUNE 30, 2009**

	<u>Beginning Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Balance</u>
<u>PUPIL ACTIVITY FUNDS</u>				
<u>ASSETS</u>				
Cash and cash equivalents	\$ 205,172	\$ 309,599	\$ 332,123	\$ 182,648
Investments	3,242	84	200	3,126
<u>TOTAL ASSETS</u>	<u>\$ 208,414</u>	<u>\$ 309,683</u>	<u>\$ 332,323</u>	<u>\$ 185,774</u>
<u>LIABILITIES</u>				
Deposits held in custody for others	\$ 208,414	\$ 309,683	\$ 332,323	\$ 185,774

TOWN OF BURRILLVILLE

GENERAL FUND BUDGETARY SCHEDULES

TOWN OF BURRILLVILLE, RHODE ISLANDGENERAL FUND**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2009**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual GAAP Basis</u>	<u>Adjustments to Budgetary Basis</u>	<u>Actual Budgetary Basis</u>	<u>Variance</u>
Property taxes:						
Current and prior years	\$ 20,760,537	\$ 20,760,537	\$ 20,886,759		\$ 20,886,759	\$ 126,222
Interest on delinquent taxes and other	150,000	150,000	167,275		167,275	17,275
Payment in lieu of taxes	4,725,214	4,725,214	4,725,848		4,725,848	634
Total property taxes	25,635,751	25,635,751	25,779,882	\$ 0	25,779,882	144,131
Intergovernmental revenues:						
State of Rhode Island including:						
School aid	12,228,671	11,652,419		10,831,286	10,831,286	(821,133)
Federal State Fiscal Stabilization Funds				751,100	751,100	751,100
School construction	2,100,000	2,100,000	2,210,735		2,210,735	110,735
Motor vehicle phase out	2,874,260	2,874,260	2,806,626		2,806,626	(67,634)
General aid	668,947	668,947	270,875		270,875	(398,072)
Medicaid reimbursement	200,000	200,000		202,474	202,474	2,474
Group home	315,000	315,000		390,000	390,000	75,000
Distressed community aid	288,852	288,852	507,300		507,300	218,448
Meals and beverage tax	167,440	167,440	168,217		168,217	777
Pilot	73,011	73,011	70,809		70,809	(2,202)
Telephone tax	153,767	153,767	153,609		153,609	(158)
Police and other	107,600	107,600	85,693		85,693	(21,907)
Library construction	0	0	334,289		334,289	334,289
Total intergovernmental revenues	19,177,548	18,601,296	6,608,153	12,174,860	18,783,013	181,717
Departmental revenues:						
Licenses, permits and fees:						
Licenses and fees	463,050	463,050	310,938		310,938	(152,112)
Building official	57,200	57,200	44,917		44,917	(12,283)
Miscellaneous	35,000	35,000	40,241		40,241	5,241
Services/assessments	77,100	77,100	98,813		98,813	21,713
Total departmental revenues	632,350	632,350	494,909	0	494,909	(137,441)
Investment income	276,000	276,000	127,935	0	127,935	(148,065)
Total revenues	45,721,649	45,145,397	33,010,879	12,174,860	45,185,739	40,342

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLANDGENERAL FUND**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2009**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual GAAP Basis</u>	<u>Adjustments to Budgetary Basis</u>	<u>Actual Budgetary Basis</u>	<u>Variance</u>
General Government:						
Elected officials	20,000	20,000	17,542		17,542	2,458
Town clerk	222,059	222,059	217,917		217,917	4,142
Tax assessor	166,750	136,750	135,253		135,253	1,497
Town manager	183,651	189,651	184,505		184,505	5,146
Building official	122,586	122,586	116,628		116,628	5,958
Town treasurer	239,318	239,318	236,023		236,023	3,295
Tax collector	140,260	134,260	130,055		130,055	4,205
Information systems	193,485	180,085	170,585		170,585	9,500
Town planner	127,487	127,487	123,949		123,949	3,538
Boards, agencies, and committees	145,067	145,067	113,710		113,710	31,357
General fund contingency	90,000	4,000	976		976	3,024
Miscellaneous town expense	12,038	12,038	9,072		9,072	2,966
Buildings - administration	3,808	5,108	1,799		1,799	3,309
Total general government	1,666,509	1,538,409	1,458,014	0	1,458,014	80,395
Public Safety:						
Police department	2,220,646	2,300,046	2,299,901		2,299,901	145
Animal control	125,963	126,463	126,000		126,000	463
Civil defense	9,600	9,600	8,388		8,388	1,212
Municipal court	22,870	22,870	17,670		17,670	5,200
Total public safety	2,379,079	2,458,979	2,451,959	0	2,451,959	7,020
Public Works:						
Highway department	1,320,825	1,324,825	1,229,427		1,229,427	95,398
Total public works	1,320,825	1,324,825	1,229,427	0	1,229,427	95,398

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLANDGENERAL FUND**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2009**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual GAAP Basis</u>	<u>Adjustments to Budgetary Basis</u>	<u>Actual Budgetary Basis</u>	<u>Variance</u>
Recreation and Social Services:						
Participation recreation	213,670	213,770	200,600		200,600	13,170
Operation of mini-bus	26,100	26,300	21,225		21,225	5,075
Total recreation and social services	239,770	240,070	221,825	0	221,825	18,245
Special Appropriations	64,450	64,450	53,186	0	53,186	11,264
Debt Service:						
General obligation bonds:						
Principal	3,636,000	3,636,000	3,636,000		3,636,000	
Interest	1,194,111	1,194,111	1,189,287		1,189,287	4,824
Bond registration fees and other	3,000	3,000	1,375		1,375	1,625
Total debt service	4,833,111	4,833,111	4,826,662	0	4,826,662	6,449
General Services	1,453,029	1,408,029	1,353,582	0	1,353,582	54,447
Capital Improvements Program:						
School department	450,000	485,339	438,617		438,617	46,722
Police department	20,000	43,526	9,181		9,181	34,345
Public works	1,489,830	2,517,679	937,671		937,671	1,580,008
Administration	309,690	511,562	104,721		104,721	406,841
Recreation	26,000	97,855	1,883		1,883	95,972
Total capital improvements program	2,295,520	3,655,961	1,492,073	0	1,492,073	2,163,888
Library:						
Pascoag Library	53,500	53,500	53,500		53,500	
Jesse M. Smith Library	538,852	538,852	513,852		513,852	25,000
Total library	592,352	592,352	567,352	0	567,352	25,000

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLANDGENERAL FUND**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2009**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual GAAP Basis</u>	<u>Adjustments to Budgetary Basis</u>	<u>Actual Budgetary Basis</u>	<u>Variance</u>
Miscellaneous:						
Employee insurance and benefits	1,843,500	1,860,700	1,860,636		1,860,636	64
Legal services	130,000	184,200	184,134		184,134	66
Other professional services	58,850	76,350	76,342		76,342	8
Total miscellaneous	2,032,350	2,121,250	2,121,112	0	2,121,112	138
Total expenditures	16,876,995	18,237,436	15,775,192	0	15,775,192	2,462,244
Excess of revenues over expenditures	28,844,654	26,907,961	17,235,687	12,174,860	29,410,547	2,502,586
Other financing sources (uses):						
Transfers out:						
Special revenue funds	(29,148,400)	(28,572,148)	(16,397,288)	(12,174,860)	(28,572,148)	
Capital project funds	(165,194)	(335,194)	(335,194)		(335,194)	
Enterprise fund			(319,597)		(319,597)	(319,597)
Proceeds from bond issuance			319,597		319,597	319,597
Transfers in:						
Special revenue funds	10,095	10,095	10,095		10,095	
Capital project funds	150,000	150,000	293,195		293,195	143,195
Enterprise funds	230,095	230,095	315,976		315,976	85,881
Re-appropriation of prior year's designated fund balance	78,750	1,609,191		1,609,191	1,609,191	
Net other financing sources (uses)	(28,844,654)	(26,907,961)	(16,113,216)	(10,565,669)	(26,678,885)	229,076
Excess (deficiency) of revenues and other financing sources over expenditures - budgetary basis	\$ 0	\$ 0	\$ 1,122,471	\$ 1,609,191	\$ 2,731,662	\$ 2,731,662

(CONCLUDED)

TOWN OF BURRILLVILLE

STATISTICAL SECTION

This part of the Town of Burrillville'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 government's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends	
<i>These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.</i>	102 - 108
Revenue Capacity	
<i>These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.</i>	109 - 114
Debt Capacity	
<i>These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.</i>	115 - 121
Demographic and Economic Information	
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.</i>	122 - 125
Operation Information	
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.</i>	126 - 134

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The Town implemented GASB Statement No. 34 in 2003; schedules presenting government-wide information include information beginning in that year.

TABLE 1

TABLE 1

TOWN OF BURRILLVILLE

**NET ASSETS BY COMPONENT
LAST SEVEN FISCAL YEARS
Unaudited
(Accrual basis of accounting)**

	2009	2008	2007	2006	2005	2004	2003
Governmental activities:							
Invested in capital assets, net of related debt	\$ 45,691,128	\$ 42,950,757	\$ 33,748,145	\$ 16,449,422	\$ 20,677,984	\$ 13,516,167	\$ 14,943,880
Restricted	509,946	110,529	106,568	7,419,103	1,965,612	1,876,349	1,715,594
Unrestricted (deficit)	677,412	(2,385,712)	6,766,810	10,348,540	7,404,492	6,583,737	514,214
Total governmental activities	\$ 46,878,486	\$ 40,675,574	\$ 40,621,523	\$ 34,217,065	\$ 30,048,088	\$ 21,976,253	\$ 17,173,688
Business-type activities:							
Invested in capital assets, net of related debt	\$ 23,772,455	\$ 14,854,961	\$ 22,032,969	\$ 19,869,433	\$ 17,545,499	\$ 17,834,884	\$ 18,122,264
Restricted							
Unrestricted	3,479,732	12,546,693	2,536,364	1,732,818	1,721,584	1,672,774	1,701,312
Total business-type activities	\$ 27,252,187	\$ 27,401,654	\$ 24,569,333	\$ 21,602,251	\$ 19,267,083	\$ 19,507,658	\$ 19,823,576
Primary government:							
Invested in capital assets, net of related debt	\$ 69,463,583	\$ 57,805,718	\$ 55,781,114	\$ 36,318,855	\$ 38,223,483	\$ 31,351,051	\$ 33,066,144
Restricted	509,946	110,529	106,568	7,419,103	1,965,612	1,876,349	1,715,594
Unrestricted	4,157,144	10,160,981	9,303,174	12,081,358	9,126,076	8,256,511	2,215,526
Total primary government	\$ 74,130,673	\$ 68,077,228	\$ 65,190,856	\$ 55,819,316	\$ 49,315,171	\$ 41,483,911	\$ 36,997,264

NOTE: Prior to implementation of GASB 34 in 2003, this information was not compiled and is unavailable.

TABLE 2

TABLE 2

TOWN OF BURRILLVILLE

**CHANGES IN NET ASSETS
LAST SEVEN FISCAL YEARS
Unaudited
(Accrual basis of accounting)**

	2009	2008	2007	2006	2005	2004	2003
EXPENSES:							
Governmental activities:							
General government	\$ 3,576,715	\$ 4,028,881	\$ 3,179,437	\$ 3,434,626	\$ 3,180,474	\$ 2,949,158	\$ 2,694,849
Public safety	3,447,071	3,305,109	2,450,317	2,285,274	1,916,299	2,115,792	1,914,977
Public works	2,540,063	6,521,874	1,857,393	1,363,199	1,335,720	1,072,093	1,356,644
Education	31,299,601	30,258,377	29,403,540	28,569,871	27,756,166	27,184,891	26,983,684
Recreation and social services	679,872	672,229	454,032	425,447	377,328	361,333	350,680
Public libraries	655,149	486,987	406,832	383,873	301,534	282,265	253,346
Community development	583,196	83,463	128,780	57,261	153,706	225,817	311,436
Other		1,553,844	3,223,662	2,951,902	2,567,546	1,626,650	1,486,366
Interest on long-term debt	1,166,159	1,297,028	1,172,555	929,208	974,424	1,159,186	1,421,244
Total governmental activities	43,947,826	48,207,792	42,276,548	40,400,661	38,563,197	36,977,185	36,773,226
Business-type activities:							
Sewer	1,867,278	1,742,335	1,682,383	1,868,573	1,930,468	1,899,715	1,780,954
School Cafeteria Fund	896,122	935,438	877,141	863,317	813,114	762,035	777,837
Levy Rink	434,991	369,511	292,428	339,196	318,731	262,838	242,991
Extended Day Care	436,463	426,023	416,946	395,503	430,158	346,198	348,186
Total business-type activities	3,634,854	3,473,307	3,268,898	3,466,589	3,492,471	3,270,786	3,149,968
Total primary government expenses	47,582,680	51,681,099	45,545,446	43,867,250	42,055,668	40,247,971	39,923,194

NOTE: Prior to implementation of GASB 34 in 2003, this information was not compiled and is unavailable.

NOTE: Due to changes in the classification of certain expenditures, a direct comparison between different functions and/or different years may not be practical.

(CONTINUED)

TABLE 2

TABLE 2

TOWN OF BURRILLVILLE

**CHANGES IN NET ASSETS
LAST SEVEN FISCAL YEARS
Unaudited
(Accrual basis of accounting)**

	2009	2008	2007	2006	2005	2004	2003
PROGRAM REVENUES:							
Governmental activities:							
Charges for services:							
General government	625,451	516,877	805,370	748,762	710,807	644,457	749,490
Public safety	127,741	176,930	147,432	52,632	75,089	91,141	73,853
Public works	8,657						
Education	203,044	384,706	267,781	280,777	343,343	303,703	377,709
Other activities	176,241	389,269	235,734	46,490	56,724	61,864	63,748
Operating grants and contributions	16,606,635	16,803,743	18,268,107	17,659,717	17,389,782	16,627,602	17,120,559
Capital grants and contributions	2,949,280	2,842,227	1,153,972	698,531	674,435	206,663	430,342
Total governmental activities program revenues	20,697,049	21,113,752	20,878,396	19,486,909	19,250,180	17,935,430	18,815,701
Business-type activities:							
Charges for services:							
Sewer	1,718,947	2,437,515	1,667,150	1,304,774	1,175,684	1,115,187	1,056,852
School Cafeteria Fund	497,268	578,461	621,452	613,046	593,855	582,873	549,649
Levy Rink	384,349	274,656	236,172	289,665	262,824	303,195	266,375
Extended Day Care	436,301	453,228	429,714	412,502	442,299	426,259	413,117
Operating grants and contributions	354,303	333,980	277,226	232,081	207,699	187,205	202,479
Capital grants and contributions				500,000			
Total business-type activities program revenues	3,391,168	4,077,840	3,231,714	3,352,068	2,682,361	2,614,719	2,488,472
Total primary government revenues	24,088,217	25,191,592	24,110,110	22,838,977	21,932,541	20,550,149	21,304,173
Net (expenses) revenues:							
Governmental activities	(23,250,777)	(27,094,040)	(21,398,152)	(20,913,752)	(19,313,017)	(19,041,755)	(17,957,525)
Business-type activities	(243,686)	604,533	(37,184)	(114,521)	(810,110)	(656,067)	(661,496)
Total primary government net expense	(23,494,463)	(26,489,507)	(21,435,336)	(21,028,273)	(20,123,127)	(19,697,822)	(18,619,021)

NOTE: Prior to implementation of GASB 34 in 2003, this information was not compiled and is unavailable.

NOTE: Due to changes in the classification of certain expenditures, a direct comparison between different functions and/or different years may not be practical.

(CONTINUED)

TABLE 2

TABLE 2

TOWN OF BURRILLVILLE

**CHANGES IN NET ASSETS
LAST SEVEN FISCAL YEARS
Unaudited
(Accrual basis of accounting)**

	2009	2008	2007	2006	2005	2004	2003
<u>GENERAL REVENUES AND OTHER CHANGES IN NET ASSETS:</u>							
Governmental activities:							
Property taxes and other	28,656,516	27,883,350	26,766,380	26,123,185	24,613,157	23,405,807	22,161,021
State revenue sharing	778,175	936,763	966,898	762,535	606,149	610,930	641,803
Unrestricted investment earnings	182,379	480,206	886,814	395,289	216,444	158,655	166,203
Grants and contributions not restricted to specific programs	31,940			229,399	2,400,000		
Loss on transfer of capital asset	(122,075)						
Transfers	(73,246)	(2,152,228)	(2,934,425)	(2,427,679)	(589,492)	(331,072)	
Total governmental activities	29,453,689	27,148,091	25,685,667	25,082,729	27,246,258	23,844,320	22,969,027
Business-type activities:							
Unrestricted investment earnings	20,973	75,560	69,841	22,010	22,529	9,077	15,111
Transfers	73,246	2,152,228	2,934,425	2,427,679	589,492	331,072	
Total business-type activities	94,219	2,227,788	3,004,266	2,449,689	612,021	340,149	15,111
Total primary government	29,547,908	29,375,879	28,689,933	27,532,418	27,858,279	24,184,469	22,984,138
<u>CHANGE IN NET ASSETS:</u>							
Governmental activities	6,202,912	54,051	4,287,515	4,168,977	7,933,241	4,802,565	5,011,502
Business-type activities	(149,467)	2,832,321	2,967,082	2,335,168	(198,089)	(315,918)	(646,385)
Total primary government	\$ 6,053,445	\$ 2,886,372	\$ 7,254,597	\$ 6,504,145	\$ 7,735,152	\$ 4,486,647	\$ 4,365,117

NOTE: Prior to implementation of GASB 34 in 2003, this information was not compiled and is unavailable.

NOTE: Due to changes in the classification of certain expenditures, a direct comparison between different functions and/or different years may not be practical.

(CONCLUDED)

TABLE 3

TABLE 3

TOWN OF BURRILLVILLE
CHANGES IN FUND BALANCE, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS (1)
 Unaudited
 (Modified Accrual Basis of Accounting)

	2009	2008	2007	2006	2005
Revenues:					
Property taxes	\$ 25,779,882	\$ 25,130,561	\$ 24,081,205	\$ 23,729,036	\$ 22,453,768
Intergovernmental revenue	21,949,668	21,924,878	22,183,385	20,305,437	19,987,117
Licenses and permits	396,096	447,898	518,998	636,186	719,948
Investment income	182,379	480,206	886,814	395,289	216,444
Departmental	98,813	156,244	128,674	33,303	48,168
Other revenues	756,099	1,169,525	798,780	1,670,019	1,155,052
Total revenues	49,162,937	49,309,312	48,597,856	46,769,270	44,580,497
Expenditures:					
General government	3,005,485	2,990,265	3,013,611	3,140,147	2,986,377
Public safety	2,472,563	2,429,767	2,305,526	2,193,993	2,175,013
Public works	1,245,485	1,287,046	1,105,007	1,057,396	1,064,257
Education	28,974,064	29,154,947	28,392,459	27,753,517	26,846,036
Recreation and social services	358,915	367,361	347,061	322,624	277,772
Libraries	655,149	486,987	406,832	383,873	301,534
Community development	578,650	83,463	128,780	57,261	153,706
Employee benefits and other	2,174,298	2,388,966	2,206,948	2,951,902	2,567,546
Debt service:					
Principal	3,636,000	3,695,000	2,893,512	3,167,500	3,487,500
Interest and other costs	1,190,662	1,269,412	1,220,080	882,198	1,016,212
Bond issuance costs			77,754	116,224	
Capital outlay	3,294,558	9,073,084	15,457,888	4,141,208	3,062,269
Total expenditures	47,585,829	53,226,298	57,555,458	46,167,843	43,938,222
Excess of revenue over (under) expenditures	1,577,108	(3,916,986)	(8,957,602)	601,427	642,275
Other financing sources (uses):					
Proceeds from bond issuance	319,597	2,108,229	7,937,425	9,883,679	553,951
Bond premium			81,578	154,350	
Refunding bond proceeds			2,090,000		
Proceeds from loan	610,000	268,000			
Proceeds from sale of capital asset		150,000			
Transfers in	17,972,665	22,223,532	16,619,424	15,101,443	17,173,325
Repayment of debt to escrow agent			(2,079,525)		
Transfers out	(18,045,911)	(24,375,760)	(19,553,849)	(17,529,122)	(17,762,817)
Bond issuance costs					
Net other financing sources (uses)	856,351	374,001	5,095,053	7,610,350	(35,541)
Net change in fund balances	\$ 2,433,459	\$ (3,542,985)	\$ (3,862,549)	\$ 8,211,777	\$ 606,734
Debt service as a percentage of noncapital expenditures	10.9%	11.2%	10.0%	9.9%	11.0%

(1) This schedule includes expenditures of the General Fund, Special Revenue Funds, Capital Project Funds and Permanent Funds.

(CONTINUED)

TABLE 3

TABLE 3

TOWN OF BURRILLVILLE
CHANGES IN FUND BALANCE, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS (1)
Unaudited
(Modified Accrual Basis of Accounting)

	2004	2003	2002	2001	2000
Revenues:					
Property taxes	\$ 21,376,802	\$ 20,241,627	\$ 19,948,671	\$ 19,841,705	\$ 21,004,492
Intergovernmental revenue	19,541,153	19,444,792	18,455,087	14,118,299	15,079,726
Licenses and permits	552,960	744,280			
Interest on investments	158,655	166,203	277,938	572,593	839,941
Departmental	65,189	54,218	462,811	394,311	427,532
Other revenues	1,121,918	1,177,129	1,090,333	1,331,941	1,071,978
Total revenues	42,816,677	41,828,249	40,234,840	36,258,849	38,423,669
Expenditures:					
General government	2,863,660	2,632,620	1,112,139	982,301	1,087,407
Public safety	2,107,292	1,867,451	1,796,314	1,556,096	1,631,341
Public works	918,503	953,132	846,938	713,360	884,048
General services	26,023,368		1,000,036	815,220	953,555
Education	273,603	25,640,448	22,577,704	20,884,010	21,969,140
Recreation and social services	282,265	262,950	167,649	151,244	164,521
Libraries	225,817	253,346	226,712	216,000	233,500
Community development	2,307,554	311,436			
Employee benefits and other		1,486,366	4,321,280	3,533,312	4,287,794
Debt service:					
Principal	4,217,500	5,092,500	3,617,500	2,957,500	2,562,500
Interest and other costs	1,199,232	1,477,153	1,996,105	1,691,426	1,425,912
Capital outlay	3,123,166	3,975,874	2,307,399	6,751,927	8,657,264
Total expenditures	43,541,960	43,953,276	39,969,776	40,252,396	43,856,982
Excess of revenue over (under) expenditures	(725,283)	(2,125,027)	265,064	(3,993,547)	(5,433,313)
Other financing sources (uses)					
Proceeds from bond issuance	421,072	9,363,816		5,500,000	8,000,000
Proceeds from leasing		138,450			
Proceeds from loan		800,000			
Transfers in	15,384,293	15,282,526	12,408,992	11,357,400	11,421,196
Repayment of debt to escrow agent		(9,243,350)			
Transfers out	(15,715,365)	(15,282,526)	(12,496,661)	(11,357,400)	(11,421,196)
Bond issuance costs	(71,000)	(118,470)			
Net other financing sources (uses)	19,000	940,446	(87,669)	5,500,000	8,000,000
Net change in fund balances	\$ (706,283)	\$ (1,184,581)	\$ 177,395	\$ 1,506,453	\$ 2,566,687
Debt service as a percentage of noncapital expenditures	13.4%	16.4%	14.9%	13.9%	11.3%

(1) This schedule includes expenditures of the General Fund, Special Revenue Funds, Capital Project Funds and Permanent Funds.

(CONCLUDED)

TABLE 4

TABLE 4

TOWN OF BURRILLVILLEFUND BALANCES, GOVERNMENTAL FUNDS
LAST SEVEN FISCAL YEARS

Unaudited

(Modified Accrual Basis of Accounting)

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
General Fund:							
Reserved	\$ 478,502	\$ 747,546	\$ 521,381	\$ 1,824,547	\$ 475,191	\$ 628,296	\$ 552,579
Unreserved	8,040,541	6,649,026	8,854,207	7,221,720	7,015,338	6,390,551	7,724,092
Total general fund	<u>8,519,043</u>	<u>7,396,572</u>	<u>9,375,588</u>	<u>9,046,267</u>	<u>7,490,529</u>	<u>7,018,847</u>	<u>8,276,671</u>
All Other Governmental Funds:							
Reserved	3,285,124	746,019	6,157,429	5,594,556	1,490,421	1,248,053	1,163,015
Unreserved					125,000		
Unreserved, reported in:							
Special revenue funds	6,034,762	4,228,352	4,181,880	3,669,236	2,263,999	1,674,108	1,392,028
Capital project funds	(3,590,617)	(556,090)	(4,357,059)	1,431,848	160,181	873,154	688,731
Total all other governmental funds	<u>5,729,269</u>	<u>4,418,281</u>	<u>5,982,250</u>	<u>10,695,640</u>	<u>4,039,601</u>	<u>3,795,315</u>	<u>3,243,774</u>
Total governmental funds	<u>\$ 14,248,312</u>	<u>\$ 11,814,853</u>	<u>\$ 15,357,838</u>	<u>\$ 19,741,907</u>	<u>\$ 11,530,130</u>	<u>\$ 10,814,162</u>	<u>\$ 11,520,445</u>

NOTE: Prior to implementation of GASB 34 in 2003, this information was not compiled and is unavailable.

TABLE 5

TABLE 5

TOWN OF BURRILLVILLE
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
Unaudited

Fiscal Year	Net Tax Levy (1)	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2000	\$15,227,517	\$14,804,179	97.22%	**	**	**
2001	\$15,812,278	\$15,308,619	96.81%	**	**	**
2002	\$16,033,549	\$15,537,475	96.91%	**	**	**
2003	\$15,965,837	\$15,632,662	97.91%	**	**	**
2004	\$17,278,137	\$16,868,002	97.63%	**	**	**
2005	\$18,174,466	\$17,822,568	98.06%	**	**	**
2006	\$19,162,222	\$18,783,376	98.02%	\$329,982	\$19,113,358	99.74%
2007	\$19,481,713	\$19,049,497	97.78%	\$367,236	\$19,416,733	99.67%
2008	\$20,379,384	\$20,007,667	98.18%	\$283,090	\$20,290,757	99.57%
2009	\$21,011,173	\$20,598,406	98.04%	\$0	\$20,598,406	98.04%

(1) Reflects original assessment and additional assessments.

(2) Reflects net receivable after abatements have been posted.

** Information not readily available.

TABLE 6

TABLE 6

TOWN OF BURRILLVILLE
 ASSESSED AND ESTIMATED ACTUAL VALUE OF PROPERTY
 LAST TEN YEARS
 Unaudited

Fiscal Year	Real Property Assessed	Personal Property Assessed	Exemptions	State Phase-Out	Net Total Assessed Value	Estimated Actual Value	Ratio of Total Assessed Value To Estimated Actual Value *
2000	\$583,875,600	\$113,774,157	\$ 11,256,286	\$ 19,164,787	\$ 667,228,684	\$ 741,365,204	90.00%
2001	\$594,176,200	\$124,038,986	\$ 14,140,506	\$ 30,137,421	\$ 673,937,259	\$ 757,232,875	89.00%
2002	\$719,496,258	\$131,741,276	\$ 18,717,873	\$ 39,598,499	\$ 792,921,162	\$ 932,848,426	85.00%
2003	\$727,758,258	\$139,627,411	\$ 22,547,307	\$ 48,946,594	\$ 795,891,768	\$ 936,343,256	85.00%
2004	\$738,927,158	\$158,470,371	\$ 21,954,273	\$ 53,521,762	\$ 821,921,494	\$ 905,798,428	90.74%
2005	\$1,270,477,970	\$147,173,885	\$ 39,585,134	\$ 39,835,195	\$ 1,338,231,526	\$1,574,760,562	84.98%
2006	\$1,283,375,970	\$149,113,503	\$ 33,693,557	\$ 46,173,063	\$ 1,352,622,853	\$1,696,291,514	79.74%
2007	\$1,303,043,031	\$172,754,887	\$ 45,547,225	\$ 60,124,204	\$ 1,370,126,489	\$1,586,896,559	86.34%
2008	\$1,565,386,100	\$172,124,708	\$ 53,542,047	\$ 61,065,716	\$ 1,622,903,045	\$1,738,328,026	93.36%
2009	\$1,581,386,800	\$164,041,689	\$ 48,920,328	\$ 61,487,343	\$ 1,635,020,818	\$1,716,016,812	95.28%

NOTE: Full Property Revaluation as of December 31, 2003, effective for the Town's fiscal year ending June 30, 2005.
 Statistical Revaluation as of December 31, 2000, effective for the Town's fiscal year ending June 30, 2002.
 Statistical Revaluation as of December 31, 2006, effective for the Town's fiscal year ending June 30, 2008.

* Ratio of Assessment estimated by Town Officials.

Source: Burrillville Tax Assessor's Office

TABLE 7A

TABLE 7A

TOWN OF BURRILLVILLE
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
Unaudited

Fiscal Year		Town Tax Rate	Percent Change From Prior Year	Allocation	
				Municipal *	School
2000	Motor Vehicle	\$40.00	0.00%	\$9.32	\$30.68
	RE/Tangible	\$21.20	1.92%	\$4.94	\$16.26
2001	Motor Vehicle	\$40.00	0.00%	\$8.08	\$31.92
	RE/Tangible	\$22.00	3.77%	\$4.44	\$17.56
2002	Motor Vehicle	\$40.00	0.00%	\$8.39	\$31.61
	RE/Tangible	\$18.90	-14.09%	\$3.96	\$14.94
2003	Motor Vehicle	\$40.00	0.00%	\$7.89	\$32.11
	RE/Tangible	\$18.90	0.00%	\$3.73	\$15.17
2004	Motor Vehicle	\$40.00	0.00%	\$9.44	\$30.56
	RE/Tangible	\$19.80	4.76%	\$4.67	\$15.13
2005	Motor Vehicle	\$40.00	0.00%	\$8.30	\$31.70
	RE/Tangible	\$12.55	-36.62%	\$2.60	\$9.95
2006	Motor Vehicle	\$40.00	0.00%	\$8.50	\$31.50
	RE/Tangible	\$13.05	3.98%	\$2.77	\$10.28
2007	Motor Vehicle	\$40.00	0.00%	\$7.19	\$32.81
	RE/Tangible	\$13.15	0.76%	\$2.36	\$10.79
2008	Motor Vehicle	\$40.00	0.00%	\$9.00	\$31.00
	RE/Tangible	\$11.60	-11.79%	\$2.61	\$8.99
2009	Motor Vehicle	\$40.00	0.00%	\$9.45	\$30.55
	RE/Tangible	\$11.85	2.16%	\$2.80	\$9.05

NOTE: Full Property Revaluation as of December 31, 2003, effective for the Town's fiscal year ending June 30, 2005.

Statistical Revaluation as of December 31, 2000, effective for the Town's fiscal year ending June 30, 2002.

Statistical Revaluation as of December 31, 2006, effective for the Town's fiscal year ending June 30, 2008.

* Includes the following non-operating items:

School CIP, School Debt, and Sewer Debt Service.

** Split Tax Rate Implemented in 1995

Source: Burrillville Tax Assessor's Office

TABLE 7B

TABLE 7B

TOWN OF BURRILLVILLE
PROPERTY TAX RATES AND OUTSTANDING DEBT
OVERLAPPING GOVERNMENTS
LAST TEN YEARS
Unaudited

Town Fiscal Year	Glendale Fire District		Harrisville Fire District		Nasonville Fire District		Oakland-Mapleville Fire District		Pascoag Fire District	
FYE	October 31		August 31		September 30		July 31		October 31	
	Tax Rate	Debt Outstanding	Tax Rate	Debt Outstanding	Tax Rate	Debt Outstanding	Tax Rate	Debt Outstanding	Tax Rate	Debt Outstanding
2000	(a)	--	\$ 2.00	\$ 197,190	\$ 1.25	\$ -	\$ 1.90	\$ 71,418	\$ 1.50	\$ 281,393
2001	(a)	--	\$ 1.97	\$ 167,903	\$ 1.15	\$ 102,492	\$ 1.74	\$ 140,714	\$ 1.85	\$ 270,935
2002	(a)	--	\$ 2.04	\$ 310,537	\$ 1.15	\$ 68,328	\$ 1.87	\$ 66,136	\$ 1.85	\$ 232,623
2003	(a)	--	\$ 2.13	\$ 277,335	\$ 1.15	\$ 34,164	\$ 1.87	\$ 760,743	\$ 1.85	\$ 205,438
2004	(a)	--	\$ 2.13	\$ 223,105	\$ 1.15	\$ -	\$ 1.87	\$ 755,031	\$ 2.00	\$ 225,179
2005	(a)	--	\$ 1.72	\$ 259,997	\$ 0.68	\$ -	\$ 1.16	\$ 742,681	\$ 1.45	\$ 218,225
2006	(a)	--	\$ 1.72	\$ 136,065	\$ 0.68	\$ -	\$ 1.16	\$ 729,304	\$ 1.45	\$ 196,548
2007	(a)	--	\$ 1.76	\$ 325,276	\$ 0.99	\$ -	\$ 1.38	\$ 715,302	\$ 1.53	\$ 1,308,183
2008	(a)	--	\$ 1.79	\$ 908,339	\$ 1.20	\$ -	\$ 1.30	\$ 706,535	\$ 1.48	\$ 1,024,069
2009	(a)	--	\$ 1.87	\$ 886,166	\$ 1.20	\$ -	\$ 1.30	\$ 700,704	\$ 1.48	\$ 975,006

NOTE: Debt balance is the amount outstanding at the respective District's fiscal year ending that falls within the applicable Town's fiscal year.

Full Property Revaluation as of December 31, 2003, effective for the Town's fiscal year ending June 30, 2005.

Statistical Revaluation as of December 31, 2000, effective for the Town's fiscal year ending June 30, 2002.

Statistical Revaluation as of December 31, 2006, effective for the Town's fiscal year ending June 30, 2008.

(a) Glendale Fire District was dissolved and absorbed by the Harrisville and Oakland-Mapleville Fire Districts - 1998

Source: Respective Fire Districts

Table 8

Table 8

**TOWN OF BURRILLVILLE
PRINCIPAL TAXPAYERS
Current Year and Nine Years Ago
Unaudited**

Taxpayer	Type of Business	Assessed Valuation	2009 Rank	Percentage of Total Assessed Valuation	Tax Levy	Percentage of Tax Levy	Assessed Valuation	Percentage of Total Assessed Valuation	2000 Rank	Tax Levy	Percentage of Tax Levy
Fiscal Year Ending June 30, 2009							Fiscal Year Ending June 30, 2000				
Algonquin Gas	Utility	\$ 10,202,550	1	0.58%	\$ 128,756	0.61%	\$ 14,871,200	2.13%	1	\$ 327,166	2.15%
Tennessee Gas Pipeline Co.	Utility	\$ 8,190,617	2	0.47%	\$ 103,366	0.49%	\$ 668,580	0.10%	16	\$ 14,709	0.10%
Narragansett Electric	Utility	\$ 7,522,939	3	0.43%	\$ 94,939	0.45%	\$ 8,796,134	1.26%	2	\$ 193,515	1.27%
Laginestra Realty LLC	Realty	\$ 6,547,000	4	0.38%	\$ 82,623	0.39%	----	----	----	----	----
Cox Cable RI, Inc.	Cable Company	\$ 5,245,033	5	0.30%	\$ 66,192	0.32%	\$ 1,650,000	0.24%	12	\$ 36,300	0.24%
Danielle International	Producer/Meat	\$ 5,014,300	6	0.29%	\$ 63,280	0.30%	\$ 2,372,600	0.34%	6	\$ 52,197	0.34%
Maplehill Mobile Home Park	Mobile Home Park	\$ 4,621,900	7	0.26%	\$ 58,328	0.28%	\$ 3,178,500	0.46%	5	\$ 67,384	0.44%
Burrillville Health Center	Nursing Home	\$ 4,523,400	8	0.26%	\$ 57,085	0.27%	\$ 3,648,900	0.52%	3	\$ 80,276	0.53%
Bradford Court Association	Elderly Housing	\$ 4,400,600	9	0.25%	\$ 55,536	0.26%	\$ 2,373,900	0.34%	8	\$ 49,377	0.32%
Harken, Inc.	Nursing Home	\$ 4,245,300	10	0.24%	\$ 53,576	0.25%	\$ 5,981,300	0.86%	4	\$ 68,061	0.45%
Wright's Farm Inc.	Restaurant	\$ 3,920,000	11	0.22%	\$ 49,470	0.24%	\$ 1,881,550	0.27%	11	\$ 43,504	0.29%
Stillwater Heights INC	Housing Complex	\$ 3,208,200	12	0.18%	\$ 40,487	0.19%	---	---	---	---	---
Burrillville Nursing Home (Jolly Rest Home)	Nursing Home	\$ 3,067,400	13	0.18%	\$ 38,711	0.18%	\$ 2,325,300	0.33%	9	\$ 49,296	0.32%
RI Housing	Housing	\$ 2,753,000	14	0.16%	\$ 34,743	0.17%	---	---	---	---	---
Bronco Realty LLC	Realty	\$ 2,442,100	15	0.14%	\$ 30,819	0.15%	---	---	---	---	---
Laurelle Realty Trust	Golf Course	\$ 2,374,300	16	0.14%	\$ 29,964	0.14%	\$ 2,170,800	0.31%	10	\$ 47,318	0.31%
Bliss Golf Investors LLC	Golf Course	\$ 1,959,600	17	0.11%	\$ 24,730	0.12%	---	---	---	---	---
Algonquin Gas C/O Duke Energy	Utility	\$ 1,752,700	18	0.10%	\$ 22,119	0.11%	---	---	---	---	---
Lockheed Window	Manufacturing	\$ 1,658,100	19	0.09%	\$ 20,925	0.10%	\$ 1,091,397	0.16%	15	\$ 24,752	0.16%
Pascoag Fire District - Electric	Utility	----	----	----	----	----	\$ 2,266,552	0.33%	7	\$ 49,864	0.33%
Pascoag Fire District - Water	Utility	----	----	----	----	----	\$ 1,614,800	0.23%	13	\$ 35,526	0.23%
Harrisville Fire District - Water	Utility	----	----	----	----	----	\$ 1,506,803	0.22%	14	\$ 33,150	0.22%
		<u>\$ 83,649,039.00</u>		<u>4.79%</u>	<u>\$ 1,055,651</u>		<u>\$ 56,398,316</u>	<u>8.09%</u>		<u>\$ 1,172,395</u>	
2009 Total Assessed Values (Gross) = \$1,745,428,489 Total Tax Levied = \$21,011,173							2000 Total Assessed Values (Gross) = \$ 697,228,684 Total Tax Levied = \$ 15,227,517				

Source: Burrillville Tax Assessor's Office

TABLE 9

TOWN OF BURRILLVILLE
WASTEWATER TREATMENT FACILITY
SPECIAL ASSESSMENT BILLINGS AND COLLECTIONS
FISCAL YEAR ACTIVITY SINCE INCEPTION
Unaudited

Fiscal Year	Contract Number(s)	Special Assessment Billings	Special Assessments Collected	RESIDENTIAL USER CHARGE	Contract Number	Description of Wastewater Treatment Contracts
1980	2, 3	\$632,866	---	---	1	Wastewater Treatment Facility (Non-assessment)
1981	5, 6	281,154	\$99,336	\$65.00	2	Pascoag/Harrisville Interceptor
1982	7, 8	228,106	135,306	65.00	3	Pascoag/Bridgeton
1983	9, 10, 80	72,288	122,945	65.00	4	Pascoag
1984	4	361,430	97,229	100.00	5	Harrisville
1985	11	193,230	154,895	100.00	6	Pascoag
1986	---	---	169,710	100.00	7	Pascoag
1987	14, 81	138,840	110,500	100.00	8	Harrisville
1988	82	75,000	135,224	150.00	9	Pascoag/Harrisville
1989	13, 15	295,597	95,363	150.00	10	Pascoag (Industrial Drive)
1990	---	---	208,253	150.00	11	Pascoag/Harrisville
1991	---	---	75,818	162.00	12	WWT Plant Improvements (Non-assessment)
1992	17	110,050	67,344	174.00	13	Harrisville/Glendale (Spring Lake)
1993	16A, 16B	238,990	120,091	174.00	14	Harrisville
1994	---	54,532	157,801	186.00	14A	Harrisville Village
1995	---	---	76,454	198.00	15	Oakland/Mapleville
1996	84	20,970	87,204	204.00	15A	Adler-Clear River Park
1997	85	7,810	87,017	222.00	16A	Oakland
1998	---	---	76,090	222.00	16B	Mapleville
1999	84 (Phase II)	13,950	75,409	222.00	16B - Add On	Maplehill Mobile
2000	---	---	55,561	228.00	17	Harrisville
2001	---	---	33,638	228.00	18	Oakland
2002	86	17,232	38,663	240.00	19A-1	Glendale
2003	15A	10,304	37,341	249.00	19A-2	Glendale
2004	16B Add On	93,378	16,011	270.00	19BT	Mohegan
2005	---	5,073	13,110	285.00	19BC	Mohegan/Spring Lake Road/Joslin Road
2006	87	45,515	45,515	303.00		
2007	14A	151,800	74,125	321.00		
2008	19A-1	49,817	5,432	351.00		
	19A-2	263,723	8,955	---		
	19BT	59,880	---	---		
	19BC	332,820	---	---		
	11A	63,429	19,848	---		
	11B	27,120	8,040	---		
2009	---	---		354.00		

SUBDIVISIONS

80	Colonial Road/Paula Drive
81	Hemlock Farm Estates
82	Sanwood Estates
83	Lynmar Estates
84	Whitney Estates
85	Fox Meadow Estates
86	Rolling Meadows Estate
87	Mill Pond
11A	Smith Estates
11B	Granite River

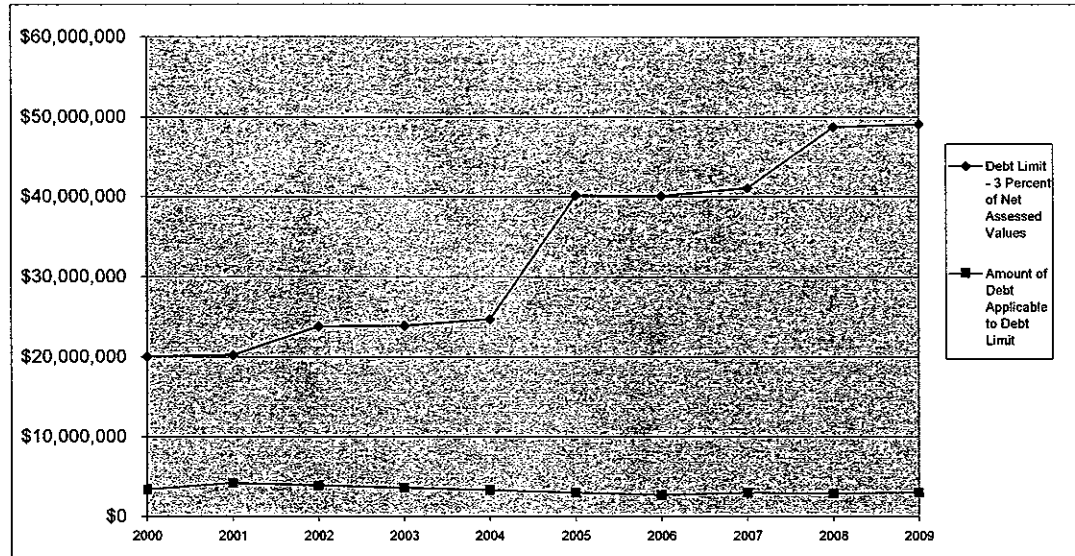
Source: Wastewater Treatment Facility

TABLE 9

TABLE 10

TOWN OF BURRILLVILLE
COMPUTATION OF LEGAL DEBT MARGIN
LAST TEN YEARS

TABLE 10



Net Assessed Values	\$1,635,020,818
Debt Limit - 3 Percent of Net Assessed Values	\$49,050,625
Amount of Debt Applicable to Debt Limit:	
Total Bonded Debt	\$30,085,953
Outstanding Bond Anticipation Notes	0
Bonds Authorized but Unissued	500,000
Less: Bonds & Notes Authorized By Special Act	(27,587,000)
Amount of Debt Applicable to Debt Limit	<u>2,998,953</u>
Legal Debt Margin	<u>\$46,051,672</u>

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Net Assessed Valuations	\$667,228,684	\$673,937,259	\$792,921,162	\$795,888,972	\$821,921,494	\$1,338,231,526	\$1,335,126,741	\$1,370,126,489	\$1,622,903,045	\$1,635,020,818
Debt Limit - 3 Percent of Net Assessed Values	20,016,861	20,218,118	23,787,635	23,876,669	24,657,645	40,146,346	40,053,802	41,103,795	48,687,091	49,050,625
Amount of Debt Applicable to Debt Limit	3,375,000	4,150,000	3,856,250	3,562,500	3,268,750	2,975,000	2,681,250	2,973,627	2,901,023	2,998,953
Legal Debt Margin	\$16,641,861	\$16,068,118	\$19,931,385	\$20,314,169	\$21,388,895	\$37,171,946	\$37,372,552	\$38,130,168	\$45,786,068	\$46,051,672
Legal Debt Margin as a Percentage of Debt Limit	20.28%	25.83%	19.35%	17.54%	15.28%	8.00%	7.17%	7.80%	6.34%	6.51%

TABLE 11A

TABLE 11A

TOWN OF BURRILLVILLE
 RATIO OF NET GENERAL OBLIGATION BONDED DEBT
 TO ASSESSED VALUE AND NET GENERAL OBLIGATION BONDED DEBT PER CAPITA
 LAST TEN FISCAL YEARS
 Unaudited

**

Fiscal	Net	Annual	Less	Annual	Ratio of Net	Gross Bonded	Net Bonded	Percentage
Year	Assessed	Gross	State Aid	Net	Bonded Debt to	Debt	Debt	of Personal
	Valuation	Bonded Debt	on Debt	Bonded Debt	Assessed Value	Per Capita	Per Capita	Income to
								Gross Debt
2000	* \$ 667,228,684	\$3,988,412	\$1,358,795	\$2,629,617	0.39%	\$252.50	\$166.47	10.49%
2001	\$ 673,937,259	\$4,648,926	\$1,386,663	\$3,262,263	0.48%	\$290.52	\$203.87	9.63%
2002	\$ 792,921,162	\$5,613,605	\$1,704,074	\$3,909,531	0.49%	\$345.64	\$240.72	8.23%
2003	\$ 795,900,768	\$4,805,587	\$1,690,109	\$3,115,478	0.39%	\$292.29	\$189.49	9.97%
2004	\$ 821,921,494	\$4,736,732	\$1,410,470	\$3,326,262	0.40%	\$287.20	\$201.68	10.51%
2005	\$ 1,338,231,525	\$4,503,712	\$1,419,023	\$3,084,689	0.23%	\$271.91	\$186.24	11.38%
2006	\$ 1,352,622,852	\$4,049,698	\$1,703,942	\$2,345,756	0.17%	\$246.12	\$142.56	13.33%
2007	\$ 1,370,126,489	\$4,113,592	\$1,500,710	\$2,612,882	0.19%	\$250.01	\$158.80	13.79%
2008	\$ 1,622,903,045	\$4,964,412	\$2,252,182	\$2,712,230	0.17%	\$301.71	\$164.84	NA
2009	\$ 1,635,020,818	\$4,826,662	\$2,210,735	\$2,615,927	0.16%	\$293.34	\$158.98	NA

Note:

Full Property Revaluation as of December 31, 2003, effective for the Town's fiscal year ending June 30, 2005.
 Statistical Revaluation as of December 31, 2000, effective for the Town's fiscal year ending June 30, 2002.
 Statistical Revaluation as of December 31, 2006, effective for the Town's fiscal year ending June 30, 2008.

* 2000 Population Per Census 15,795 (1990 Census 16,230)

** See Table 16A for Personal Income and Population Data Used to Calculate the Ratio

TABLE 11B

TABLE 11B

TOWN OF BURRILLVILLE
 RATIO OF OUTSTANDING DEBT
 TO ASSESSED VALUE AND DEBT PER CAPITA
 LAST TEN FISCAL YEARS
 Unaudited

**

Fiscal Year	Net Assessed Valuation	General Obligation Bonded Debt	Ratio of Bonded Debt to Assessed Value	Bonded Debt Per Capita	Percentage of Personal Income to Debt
2000 *	\$ 667,228,684	\$31,778,512	4.76%	\$2,012	1.32%
2001	\$ 673,937,259	\$36,786,012	5.46%	\$2,299	1.22%
2002	\$ 792,921,162	\$33,168,512	4.18%	\$2,042	1.39%
2003	\$ 795,900,768	\$28,256,012	3.55%	\$1,719	1.70%
2004	\$ 821,921,494	\$25,219,584	3.07%	\$1,529	1.97%
2005	\$ 1,338,231,525	\$22,286,035	1.67%	\$1,346	2.30%
2006	\$ 1,352,622,852	\$29,002,214	2.14%	\$1,753	1.86%
2007	\$ 1,370,126,489	\$34,111,127	2.49%	\$2,062	1.66%
2008	\$ 1,622,903,045	\$32,792,356	2.02%	\$1,982	NA
2009	\$ 1,635,020,818	\$30,085,953	1.84%	\$1,818	NA

Note:

Full Property Revaluation as of December 31, 2003, effective for fiscal year ending 2005.
 Statistical Revaluation as of December 31, 2000, effective for fiscal year 2002.
 Statistical Revaluation as of December 31, 2006, effective for fiscal year 2008.
 The Town does not have any lease agreements or special assessment debt.

* 2000 Population Per Census 15,796 (1990 Census 16,230)

** See Table 16A for Personal Income and Population Data Used to Calculate the Ratio

TABLE 12

TABLE 12

TOWN OF BURRILLVILLE
 RATIO OF ANNUAL DEBT SERVICE EXPENSES
 FOR GENERAL OBLIGATION BONDED DEBT
 TO TOTAL GENERAL GOVERNMENTAL EXPENSES
 LAST TEN FISCAL YEARS
 Unaudited

Fiscal Year	Principal	Interest	Total Debt Service	Total General Governmental Expenses	Ratio of Debt Service to General Governmental Expenses
2000	\$2,562,500	\$1,425,912	\$3,988,412	\$30,811,104	12.94%
2001	\$2,957,500	\$1,691,426	\$4,648,926	\$33,498,536	13.88%
2002	\$3,617,500	\$1,996,105	\$5,613,605	\$35,724,466	15.71%
2003	\$3,357,500	\$1,448,087	\$4,805,587	\$35,642,847	13.48%
2004	\$3,537,500	\$1,199,232	\$4,736,732	\$38,285,204	12.37%
2005	\$3,487,500	\$1,016,212	\$4,503,712	\$38,488,221	11.70%
2006	\$3,167,500	\$882,198	\$4,049,698	\$40,400,661	10.02%
2007	\$2,893,512	\$1,297,834	\$4,191,346	\$42,276,548	9.91%
2008	\$3,695,000	\$1,269,412	\$4,964,412	\$48,326,782	10.27%
2009	\$3,636,000	\$1,190,662	\$4,826,662	\$43,947,826	10.98%

COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT
GENERAL OBLIGATION BONDS
June 30, 2009
Unaudited

Jurisdiction	Net General Obligation Bonded Debt Outstanding	Percentage Applicable to Government	Amount Applicable to Government
I. Direct Bonded Debt:			
Town of Burrillville *	\$30,085,953	100.00%	\$30,085,953
II. Overlapping Debt **:			
Harrisville Fire District	\$886,166	100.00%	\$886,166
Nasonville Fire District	\$0	100.00%	\$0
Oakland-Mapleville Fire District	\$700,704	100.00%	\$700,704
Pascoag Fire District	\$975,706	100.00%	\$975,706
Total	\$2,562,576	100.00%	\$2,562,576
Total Direct and Overlapping Debt			<u>\$32,648,529</u>

* Includes all long-term general obligation debt.
Does not include any outstanding bond anticipation notes, if applicable.

** Source: Fire Districts

Overlapping Debt defined -

Property within the Town which must bear the debts of all local governments located within the geographic boundaries of the Town.

TOWN OF BURRILLVILLE
REVENUE BOND COVERAGE
WATER AND SEWER AUTHORITY
LAST TEN YEARS

Not Applicable.

TABLE 15

TABLE 15

TOWN OF BURRILLVILLE
STATUS OF BOND AUTHORIZATIONS
June 30, 2009
Unaudited

Chapter	Year	Purpose	Original Total Authority	Issued Bonds	Bond Anticipation Notes Outstanding	Unissued Debt
3	1964	School Construction/Equipment (PGS, Levy, & Jr/Sr High School)	\$ 2,500,000	\$ 2,500,000	\$ -	\$ -
89	1973	School Construction/Equipment (Callahan & Jr/Sr High School)	\$ 1,500,000	\$ 1,500,000	\$ -	\$ -
25	1974	Plan/Construct/Maintain Sewage Disposal System	\$ 7,000,000	\$ 7,000,000	\$ -	\$ -
106	1979	Construction of a New Police Station	\$ 150,000	\$ 150,000	\$ -	\$ -
48	1982	Sewage Disposal System - Construction Improvements	\$ 3,500,000	\$ 3,500,000	\$ -	\$ -
164	1985	Sewage Disposal System - Construction Improvements	\$ 5,800,000	\$ 5,584,600	\$ -	\$ -
23	1986	School Construction/Equipment - New Middle School & Levy Addition	\$ 14,000,000	\$ 14,000,000	\$ -	\$ -
616	1987	Open Space - Recreation	\$ 750,000	\$ 500,000	\$ -	\$ 250,000
127	1988	Sewage Disposal System - Construction Improvements	\$ 350,000	\$ 350,000	\$ -	\$ -
8 & 19	1989	Sewage Disposal System - Construction Improvements	\$ 6,500,000	\$ 6,475,000	\$ -	\$ -
20	1989	School - Roof Repairs	\$ 500,000	\$ 500,000	\$ -	\$ -
21	1989	Open Space - Recreation	\$ 250,000	\$ -	\$ -	\$ 250,000
22	1989	School Construction/Equipment - New Middle School	\$ 400,000	\$ 400,000	\$ -	\$ -
45-12-2	1995	School Construction/Equipment - New Elementary School Renovation	\$ 4,500,000	\$ 4,500,000	\$ -	\$ -
6	1998	School Construction/Equipment - High School Construction/Renovation	\$ 12,500,000	\$ 12,500,000	\$ -	\$ -
45-12-2	1999	School Construction/Equipment - High School Construction/Renovation	\$ 1,000,000	\$ 1,000,000	\$ -	\$ -
37	2002	Sewage Disposal System - Construction Improvements	\$ 6,000,000	\$ 6,000,000	\$ -	\$ -
104	2002	Library- Construction/Equip/Furnishings	\$ 5,000,000	\$ 5,000,000	\$ -	\$ -
36 S2919	2004	Callahan School	\$ 7,500,000	\$ 7,500,000	\$ -	\$ -
568		Elementary Construction/Renovation				
S3136						
45-12-2	2006	Sewage Disposal System - Construction Improvements	\$ 3,500,000	\$ 2,723,953	\$ -	\$ -
TOTAL			\$ 83,200,000	\$ 81,683,553	\$ -	\$ 500,000

NOTE: With the exception of the 1995, 1999, and 2006 bond authorizations, all Town debt has been incurred through special statutory authority which consists of approval by the Legislature and voter referendum.

* The Town Council voted to cancel \$240,400 in remaining bond authorizations on June 10, 1998 (Item 98-156).

TABLE 16A

TABLE 16A

TOWN OF BURRILLVILLE
 DEMOGRAPHIC STATISTICS
 POPULATION, INCOME, EDUCATION, AND UNEMPLOYMENT RATES
 LAST TEN FISCAL YEARS
 Unaudited

Fiscal Year	Estimated Population	Personal Income (in 000s)		Median Household Income	Median Age	Education Level		School (3) Enrollment	Unemployment Rate (4)		
		(2)	Per Capita (2)			High School Graduate	Bachelor's Degree		Town	RI	USA
2000 (1)	15,796	418,291	\$ 26,481	\$52,587	37.5	85.18%	16.20%	2,800	4.10%	4.10%	4.00%
2001	16,002	447,753	\$ 28,346	-	-	-	-	2,710	4.80%	4.70%	4.70%
2002	16,241	461,886	\$ 29,241	-	-	-	-	2,674	5.60%	5.10%	5.80%
2003	16,441	478,951	\$ 30,321	-	-	-	-	2,605	5.10%	5.40%	6.00%
2004	16,493	497,802	\$ 31,514	-	-	-	-	2,577	4.80%	5.20%	5.50%
2005	16,563	512,605	\$ 32,452	-	-	-	-	2,542	4.80%	5.00%	5.10%
2006	16,545	539,789	\$ 34,173	-	-	-	-	2,559	4.81%	5.14%	4.83%
2007	16,545	567,388	\$ 35,920	-	-	-	-	2,554	4.60%	4.99%	4.53%
2008	16,545	NA	NA	-	-	-	-	2,518	5.50%	5.77%	4.95%
2009	16,545	NA	NA	-	-	-	-	2,556	9.99%	10.07%	7.57%

Sources:

- 1980 Census Data (Population 13,164); 1990 Census Data (Population 16,230)
 (1) 2000 Census Data & Census Bureau Estimates
 (2) US Bureau of Economic Analysis, Regional Economic Information System. The Town's population is 2.52% of Providence County
 (3) Burrillville School Department
 (4) RI Department of Economic Development
 RI Department of Labor & Training

NA - Not Available

TABLE 16B

TABLE 16B

TOWN OF BURRILLVILLE
 DEMOGRAPHIC STATISTICS
 REGISTERED VOTERS, BIRTHS, DEATHS, NEW HOUSING UNITS
 LAST TEN FISCAL YEARS
 Unaudited
 Vital Statistics **

Fiscal Year	Registered Voters *	% of Total Pop	Estimated Population	Births	Deaths	Natural Increase	New Housing Units **	Median Selling Price*** (Single Family)
2000	9,689	61%	15,796	132	201	-69	36	\$147,000
2001	9,645	60%	16,002	104	162	-58	49	\$155,000
2002	9,605	59%	16,241	140	173	-33	56	\$185,000
2003	9,728	59%	16,441	124	159	-35	35	\$234,271
2004	9,877	60%	16,493	113	104	9	26	\$246,591
2005	9,556	58%	16,563	125	200	-75	54	\$258,000
2006	10,158	61%	16,545	107	196	-89	42	\$289,500
2007	11,696	71%	16,545	125	217	-92	47	\$268,750
2008	11,790	71%	16,545	119	216	-97	23	\$266,000
2009	10,893	66%	16,545	111	184	-73	22	\$270,067

** RI Department of Economic Development/Building Official's Office

*** RI Department of Economic Development/Statewide MLS Service, Inc.

TABLE 17

TOWN OF BURRILLVILLE
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
June 30, 2009
Unaudited

TABLE 17

Name	Type of Business	2009				2000		
		Number Employed	Percent of Town Employment	Rank		Number Employed	Percent of Town Employment	Rank
Zambarano Hospital	State Facility	323	11.37%	1		400	17.39%	1
Burrillville School Department *	Public School System	311	10.95%	2		334	14.52%	2
Danielle Prosciutto	Producer/Meats	265	9.33%	3		120	5.22%	6
Wright's Farm	Restaurant	172	6.06%	4		150	6.52%	3
Overlook Nursing Home	Nursing Home	150	5.28%	5		132	5.74%	4
Bayberry Commons Nursing Home	Nursing Home	100	3.52%	6		130	5.65%	5
Pine Grove Health Center	Nursing Home	100	3.52%	7		93	4.04%	7
Lockheed Aluminum	Manufacturer	86	3.03%	8		73	3.17%	10
Town of Burrillville *	Municipal Government	74	2.61%	9		78	3.39%	9
Bruin Plastics	Manufacturer	50	1.76%	10		NR	0.00%	NR
Ocean State Power	Utility	40	1.41%	11		65	2.83%	11
Boliden Metech, Inc.	Metal Refiner	NR	0.00%	NR		89	3.87%	8
Turex Plastic	Manufacturer	NR	0.00%	NR		63	2.74%	12
Total Town Employment		2840	58.84%			2300	75.09%	

Note: Full Time Equivalents (Part-time non-union/seasonal employees are not included).

NR = Not Ranked

TABLE 18

TABLE 18

TOWN OF BURRILLVILLE
 DEMOGRAPHIC STATISTICS - POPULATION AND MEDIAN INCOME
 TWENTIETH CENTURY
 Unaudited

Fiscal Year	Population	% Change	Median Income			
			Town	% Change	State	% Change
1900	6,317	-	-	-	-	-
1910	7,878	24.71%	-	-	-	-
1920	8,606	9.24%	-	-	-	-
1930	7,677	-10.79%	-	-	-	-
1940	8,185	6.62%	-	-	-	-
1950	8,774	7.20%	-	-	-	-
1960	9,116	3.90%	\$5,189	-	\$5,589	-
1970	10,087	10.65%	8,949	72.46%	9,736	74.20%
1980	13,164	30.50%	18,569	107.50%	19,448	99.75%
1990	16,230	23.29%	37,156	100.10%	32,181	65.47%
2000	15,796	-2.67%	52,587	41.53%	39,172	21.72%

Source: Bureau of Census

TABLE 19

TABLE 19

TOWN OF BURRILLVILLE
FULL TIME EQUIVALENT MUNICIPAL GOVERNMENT EMPLOYEES BY FUNCTION
Last Ten Fiscal Years

Function General Government	Full-time Equivalent Employees									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Manager	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Town Clerk	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Board of Canvassers	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Treasurer	3.0	3.0	4.0	5.0	5.0	5.0	4.0	4.0	4.0	4.0
Tax Collector	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	2.0
Information Systems	1.0	1.0	1.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Tax Assessor	3.0	3.0	3.0	3.0	4.0	4.0	4.0	4.0	3.0	2.0
Building Official	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Police	29.5	31.5	31.5	31.5	31.5	31.5	31.5	32.5	32.5	30.5
Civil Defense	0.5	0.5	0.5	0.5	1.5	1.5	1.5	1.5	1.0	1.0
Animal Control	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.0	2.0
Municipal Court	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Public Works	16.0	16.0	16.0	16.0	16.0	17.0	17.0	17.0	16.0	14.0
Transportation	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Recreation	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.5	2.5
Total	<u>72.5</u>	<u>74.5</u>	<u>75.5</u>	<u>77.5</u>	<u>79.5</u>	<u>80.5</u>	<u>79.5</u>	<u>80.5</u>	<u>78.0</u>	<u>72.0</u>

Full-time Equivalent Municipal Government Employees by Function

TABLE 20

TABLE 20

TOWN OF BURRILLVILLE
MISCELLANEOUS STATISTICS
 JUNE 30, 2009
 Unaudited

County	Providence
Established	1730
Incorporated	1806
Charter Adopted	1989
Type of Government	Council/Manager
Area of Town:	
Total Square Miles	57.3
Land - Square Miles	55.8
Water - Square Miles	1.5
Culture and Recreation:	
Campgrounds	3
Community Centers	1
Community Theater	1
Municipal Owned - Parks	6
- Beach	1
- Conservation Areas	1
- Conservation Acreage	230 Acres
Public Libraries	2
State Owned - Parks	5
- Boat Ramps	4
- Conservation Acreage	5,729 Acres
Recreation Complexes	4
Rink	1
Tennis Courts	6
Education - Number of Public Schools:	
- Elementary	3
- Middle	1
- Secondary	1
Number of Private Schools	2
Public Safety:	
Number of Police Stations	1
Independent Fire Districts	4
Number of Fire Stations	6
Number of Rescues/Ambulances	5

(CONTINUED)

TABLE 20

TABLE 20

TOWN OF BURRILLVILLE
MISCELLANEOUS STATISTICS
JUNE 30, 2009
Unaudited

Road System:	
Total Miles	161.5
State Miles	46.0
Town Miles	115.5
Bridges - Town	8
Sewerage System:	
Miles of Sewer Lines	51
Number of:	
- Treatment Plants	1
- Pump Stations	11
- Residential Users	3395
- Metered Users	41
Maximum Average Daily Capacity of Treatment Plant	1.5 million gallons
Industrial Park:	
Burrillville Industrial Park	53 Acres
Route 102 Commerce Park	254 Acres
Clear River Drive Industrial Park	24 Acres
Fiscal Year Begins	July 1
Taxes Payable	July 15
Taxes Due & Penalties Commence	August 1
Interest Penalty	12%
Quarterly Payments (Due Dates) -	
First quarter	August 1
Second quarter	November 1
Third quarter	February 1
Fourth quarter	May 1
Regular Monthly Meetings -	
Council	2nd & 4th Wednesday
Juvenile Hearing Board	2nd & 4th Thursday
Municipal Court	1st & 3rd Tuesday
Planning Board	1st Monday
Probate Court	Last Wednesday
Redevelopment Agency	4th Tuesday
School Committee	2nd Tuesday
Sewer Commission	2nd Tuesday
Zoning Board	2nd Tuesday

(CONCLUDED)

TABLE 21

TABLE 21

TOWN OF BURRILLVILLE
ALLOCATION OF TAX DOLLAR
LAST TEN FISCAL YEARS
Unaudited

Fiscal Year		School Operations	School Debt	Municipal Operations	Municipal Debt	Sewer Debt	Capital Improvements	Total Tax
2000	MV	\$28.60	\$2.08	\$3.41	\$0.14	\$5.77	\$0.00	\$40.00
	RE/TANG	\$15.16	\$1.10	\$1.81	\$0.07	\$3.06	\$0.00	\$21.20
2001	MV	\$27.77	\$4.15	\$2.72	\$0.11	\$5.25	\$0.00	\$40.00
	RE/TANG	\$15.28	\$2.28	\$1.50	\$0.05	\$2.89	\$0.00	\$22.00
2002	MV	\$27.79	\$3.82	\$3.23	\$0.10	\$5.06	\$0.00	\$40.00
	RE/TANG	\$13.13	\$1.81	\$1.52	\$0.05	\$2.39	\$0.00	\$18.90
2003	MV	\$28.05	\$4.74	\$3.05	\$0.10	\$4.06	\$0.00	\$40.00
	RE/TANG	\$13.25	\$2.24	\$1.44	\$0.05	\$1.92	\$0.00	\$18.90
2004	MV	\$27.57	\$2.99	\$5.06	\$0.28	\$4.10	\$0.00	\$40.00
	RE/TANG	\$13.64	\$1.48	\$2.51	\$0.14	\$2.03	\$0.00	\$19.80
2005	MV	\$27.62	\$4.08	\$5.01	\$0.00	\$3.29	\$0.00	\$40.00
	RE/TANG	\$8.67	\$1.28	\$1.57	\$0.00	\$1.03	\$0.00	\$12.55
2006	MV	\$28.27	\$3.23	\$5.80	\$0.00	\$2.70	\$0.00	\$40.00
	RE/TANG	\$9.22	\$1.05	\$1.89	\$0.00	\$0.89	\$0.00	\$13.05
2007	MV	\$28.82	\$3.99	\$5.09	\$0.00	\$2.10	\$0.00	\$40.00
	RE/TANG	\$9.48	\$1.31	\$1.67	\$0.00	\$0.69	\$0.00	\$13.15
2008	MV	\$29.19	\$1.36	\$6.19	\$0.86	\$2.40	\$0.00	\$40.00
	RE/TANG	\$8.34	\$0.65	\$1.49	\$0.27	\$0.85	\$0.00	\$11.60
2009	MV	\$29.19	\$1.36	\$6.19	\$0.86	\$2.40	\$0.00	\$40.00
	RE/TANG	\$8.65	\$0.40	\$1.83	\$0.26	\$0.71	\$0.00	\$11.85

TABLE 22

TABLE 22

TOWN OF BURRILLVILLE
ALLOCATION OF TAX BASE
Unaudited

Class of Property	Town Average			State Average
	1980	1990	2008	2006
Residential	61.54%	68.45%	84.47%	80.75%
Commercial	9.94%	8.59%	3.94%	10.16%
Industrial	0.98%	1.41%	1.51%	2.11%
Utility/RR	6.29%	3.99%	0.68%	1.11%
Motor Vehicle	19.19%	16.55%	6.86%	5.29%
Other	2.06%	1.01%	2.54%	0.58%
Total	100.00%	100.00%	100.00%	100.00%

Source: RI Department of Administration

* Assessment year ending December 31

TABLE 23A

TABLE 23A

TOWN OF BURRILLVILLE
MUNICIPAL EMPLOYEE RETIREMENT SYSTEM
ANALYSIS OF FUNDING PROGRESS
Unaudited

Fiscal Year	Net Assets Available for Benefits	Pension Benefit Obligation	Percentage Funded	Assets In Excess Of Pension Benefit Obligation	Annual Covered Payroll	Assets In Excess Of Pension Benefit Obligation As A Percentage Of Covered Payroll	Employer Contribution	Employee Contribution
Municipal Employees:								
1999	\$ 16,335,578	\$ 10,675,302	153.02%	\$5,660,276	\$3,614,331	156.61%	3.08%	7.00%
2000	\$ 17,990,278	\$ 11,912,294	151.02%	\$6,077,984	\$3,954,131	153.71%	0.00%	7.00%
2001	\$ 18,281,604	\$ 12,709,242	143.84%	\$5,572,362	\$4,380,274	127.21%	0.00%	7.00%
2002	\$ 18,500,044	\$ 13,867,796	133.40%	\$4,632,248	\$4,735,621	97.82%	0.00%	7.00%
2003	\$ 18,122,783	\$ 14,744,138	122.92%	\$3,378,645	\$4,490,812	75.23%	0.00%	7.00%
2004	\$ 17,957,974	\$ 15,993,695	112.28%	\$1,964,279	\$5,016,314	39.16%	0.00%	7.00%
2005	\$ 18,052,879	\$ 17,083,972	105.67%	\$968,907	\$5,052,283	19.18%	0.65%	7.00%
2006	\$ 19,042,883	\$ 18,626,628	102.23%	\$416,255	\$5,311,467	7.84%	3.47%	7.00%
2007	\$ 21,163,146	\$ 19,913,112	106.28%	\$1,250,034	\$5,327,953	23.46%	4.74%	7.00%
2008	\$ 23,164,763	\$ 20,971,570	110.46%	\$2,193,193	\$5,420,713	40.46%	5.94%	7.00%

Latest Pension Information Available.

COLA Plan C was adopted by the Town Council on December 6, 1989 (Council Book #14, Page 422).

Statement #5 of the Governmental Accounting Standards Board, "Disclosure of Pension Information by Public Employee Retirement Systems and State and Local Government Employers", became effective for fiscal years beginning after December 15, 1986, the standardized measure of the pension obligation is unavailable prior to 1987. The required ten year trend information has been presented for the years available.

TABLE 23B

TABLE 23B

TOWN OF BURRILLVILLE
MUNICIPAL EMPLOYEE RETIREMENT SYSTEM
ANALYSIS OF FUNDING PROGRESS
Unaudited

Fiscal Year	Net Assets Available for Benefits	Pension Benefit Obligation	Percentage Funded	Assets In Excess Of Pension Benefit Obligation	Annual Covered Payroll	Assets In Excess Of Pension Benefit Obligation As A Percentage Of Covered Payroll	Employer Contribution	Employee Contribution
Police Officers:								
1999	\$3,720,823	\$3,956,155	94.05%	(\$235,332)	\$860,971	-27.33%	12.90%	9.00%
2000	\$4,106,524	\$4,287,480	95.78%	(\$180,956)	\$863,556	-20.95%	9.56%	9.00%
2001	\$4,272,309	\$4,723,292	90.45%	(\$450,983)	\$1,011,229	-44.60%	16.14%	9.00%
2002	\$4,447,714	\$5,130,373	86.69%	(\$682,659)	\$1,097,479	-62.20%	14.60%	9.00%
2003	\$4,496,825	\$5,563,173	80.83%	(\$1,066,348)	\$1,043,138	-102.23%	17.73%	9.00%
2004	\$4,677,696	\$5,813,042	80.47%	(\$1,135,346)	\$1,099,742	-103.24%	18.89%	9.00%
2005	\$4,935,501	\$7,116,270	69.36%	(\$2,180,769)	\$1,281,736	-170.14%	19.77%	9.00%
2006	\$5,461,657	\$6,374,155	85.68%	(\$912,498)	\$1,129,668	-80.78%	22.50%	9.00%
2007	\$6,379,836	\$6,544,766	97.48%	(\$164,930)	\$1,195,875	-13.79%	23.32%	10.20%
2008	\$7,302,211	\$7,039,876	103.73%	\$262,335	\$1,286,345	20.39%	16.41%	10.20%

Latest Pension Information Available

The Police Officers transferred into the RI State Employee Retirement System in FYE 1989. Prior to this period their retirement plan was administered by a private company.

Twenty-Five (25) Year Plan adopted in 1989; Twenty (20) Year Plan adopted in 1992.

COLA Plan C was adopted by the Town Council on August 25, 1993 (#93-210).

Statement #5 of the Governmental Accounting Standards Board, "Disclosure of Pension Information by Public Employee Retirement Systems and State and Local Government Employers", became effective for fiscal years beginning after December 15, 1986, the standardized measure of the pension obligation is unavailable prior to 1987. The required ten year trend information has been presented for the years available.

TABLE 24

TABLE 24

TOWN OF BURRILLVILLE
WASTEWATER TREATMENT FACILITY
DISPOSAL ACTIVITY
Unaudited

Fiscal Year	Users		Plant Flow (m.g.)			Gallons Daily Avg	Sludge Disposal		
	Residential	Metered	Daily Avg	Max Day	Total		MG Total	Dry Lb. (per 1,000) Daily Avg	Total
2000	2,765	27	0.802	1.316	293.4	6,603	2.417	1.985	705.1
2001	2,765	27	0.812	2.58	295.2	5,923	2.162	2.056	750.5
2002	2,814	28	0.7085	1.5155	258.6	6,157	2.247	2.282	832.8
2003	2,832	28	0.8035	1.5183	293.3	6,177	2.255	2.106	768.6
2004	2,891	28	0.805	1.768	294.6	6,093	2.230	2.202	805.8
2005	2,946	28	0.771	1.6497	281.3	6,250	2.280	2.188	798.7
2006	2,963	29	0.872	1.8034	318.3	6,204	2.260	2.172	792.6
2007	3,076	46	0.813	1.9514	296.7	6,313	2.304	2.161	788.9
2008	3,273	46	0.7982	1.8468	292.1	6,445	2.359	2.190	801.4
2009	3,395	41	0.8449	1.7838	308.4	6,522	2.381	2.163	789.4

Plant Capacity

1.5

4.5

PLANT EFFLUENT REMOVALS & WEATHER ACTIVITY

Fiscal Year	Biochemical Oxygen Demand *	Total Suspended Solids *	Total Phosphorus	Mean Temperature			Precipitation		
				Average	High (mth)	Low (mth)	Average	High (mth)	Low (mth)
1999	98.30%	97.70%	88.81%	51	75 (July)	24 (Jan)	2.75	5.43 (Jan)	.24 (Jun)
2000	95.50%	96.70%	85.40%	52	79 (July)	21 (Jan)	3.22	9.41 (Sept)	.58 (Dec)
2001	97.40%	96.40%	85.90%	50	75 (June)	23 (Jan)	3.68	9.36 (Sept)	1.12 (Jan)
2002	97.67%	96.90%	87.83%	53	78.8 (Aug)	32.4 (Feb)	2.51	5.87 (May)	.39 (Oct)
2003	97.85%	96.51%	86.76%	49	77.2 (Aug)	20.3 (Feb)	3.84	5.54 (Jun)	2.00 (Jul)
2004	97.82%	96.04%	87.18%	52	78.9 (July)	17.0 (Jan)	3.48	7.63 (Apr)	.71 (Jun)
2005	97.50%	96.90%	89.30%	51	76.1 (Aug)	22.8 (Jan)	3.68	5.49 (Apr)	.55 (Jun)
2006	97.50%	96.40%	86.70%	53	79.3 (Aug)	27.8 (Dec)	4.64	13.39 (Oct)	.38 (Mar)
2007	98.20%	97.50%	87.70%	50	78.0 (July)	20.9 (Feb)	3.82	8.82 (Apr)	.70 (Feb)
2008	98.30%	97.50%	86.80%	49	71.3 (June)	26.6 (Jan)	3.18	6.91 (Feb)	.87 (Aug)
2009	98.30%	97.50%	86.80%	48	74.1 (Jul)	17.9 (Jan)	3.64	6.52 (Dec)	1.85 (Feb)

* EPA/DEM RIPDES Permit Required Percent Removal - 85%

Source: Burrillville Wastewater Treatment Facility

TOWN OF BURRILLVILLE
 PERSONNEL CONTRACTS
 JUNE 30, 2009
 Unaudited

Police Department	International Brotherhood of Police Officers IBPO, Lodge #369 1 Year Contract expires June 30, 2009
Public Works & Municipal	RI Council 94 AFSCME, AFL-CIO, Local 186 3 Year Contract expires June 30th, 2009
Sewer Department	Building Maintenance Service & Industrial Workers - Local Union 1322 5 Year Contract expires June 30, 2012
School Department:	
Teachers	National Education Association Rhode Island Education Association Burrillville Teachers Association 1 Year Contract expired August 31, 2009 Under Negotiation
Non-Certified	RI Council 94 AFSCME, AFL-CIO, Local 2231 1 Year Contract expires June 30, 2012

TOWN OF BURRILLVILLE

**REPORT IN ACCORDANCE WITH
GOVERNMENT AUDITING
STANDARDS**



Gerard R. Cayer
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Mark V. Caccia
CPA, MST, CVA

Donna T. Caccia
CPA, MST, CFP™

***REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS***

To the Honorable Town Council,
Burrillville, Rhode Island

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Town of Burrillville, Rhode Island as of and for the year ended June 30, 2009, which collectively comprise the Town of Burrillville, Rhode Island's basic financial statements and have issued our report thereon dated December 24, 2009. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Town of Burrillville, Rhode Island's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Burrillville, Rhode Island's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Town of Burrillville, Rhode Island's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

Internal Control Over Financial Reporting (Continued)

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Town of Burrillville, Rhode Island's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Town of Burrillville, Rhode Island's financial statements that is more than inconsequential will not be prevented or detected by the Town of Burrillville, Rhode Island's internal control. We consider the deficiencies described in the accompanying schedule of findings and responses to be significant deficiencies in internal control over financial reporting (2009-1 and 2009-2).

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Town of Burrillville, Rhode Island's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, of the significant deficiencies described above, we consider items 2009-1 and 2009-2 to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Burrillville, Rhode Island's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain other matters that we reported to management of the Town of Burrillville, Rhode Island in a separate letter dated December 24, 2009.

The Town of Burrillville, Rhode Island's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. We did not audit the Town of Burrillville, Rhode Island's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Town Council, management, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Cayn Caccia, LLP

December 24, 2009

TOWN OF BURRILLVILLE, RHODE ISLAND

**SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2009**

A. SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an unqualified opinion on the financial statements of the Town of Burrillville.
2. Internal control over financial reporting:

Two significant deficiencies disclosed during the audit of the financial statements are summarized below in findings 2009-1 and 2009-2. Both of the conditions are reported as material weaknesses.
3. No instances of noncompliance material to the financial statements of the Town of Burrillville, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.

B. FINDINGS RELATED TO AUDIT OF FINANCIAL STATEMENTS

2009-1 Oversight of the Town's Financial Reporting Process

The Town Council and management are responsible for the effective oversight of the financial reporting process, including the preparation of Town financial statements and related footnote disclosures. During fiscal year 2009, the Town relied upon the external auditor to prepare its financial statements and related footnote disclosures to ensure that they were prepared in accordance with generally accepted accounting principles. Therefore, adequate controls were not in place as of June 30, 2009 to prevent and detect misstatements in the financial statement preparation and reporting process.

Recommendation – We recommend that the Town continue to strengthen its internal controls to decrease the risk of misstatements over the financial reporting process. Management can improve controls related to the financial reporting process by dedicating resources to improve the oversight of the financial reporting process.

Corrective Action Plan – We acknowledge that we relied on the external auditors to assist in the recording of certain complex transactions and the final preparation of the GAAP financial statements. Since this does not present an independence issue and is more cost effective, we will continue to rely on external auditors to prepare the financial statements.

2009-2 Accurate Posting of Side Fund Financial Activity

Required monthly interfund reconciliations and general ledger maintenance procedures related to the Town's larger and more complex side funds (special revenue and component unit funds) are not being performed on a timely basis. As a result, we noted posting errors which required correcting entries to be made. In addition, we provided management with adjusting entries to record and reclassify financial activity in the MUNIS general ledger.

Recommendation – We recommend that the Finance Department continue to establish and implement effective review and reconciliation procedures for the Town's significant side funds.

Corrective Action Plan – Posting of financial data and interfund reconciliations are performed on a monthly basis as time permits. Certain transactions required additional analysis, research and discussion with the auditors.

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2009**

C. SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Finding 2008-1 Oversight of the Town's Financial Reporting Process

Condition: The Town Council and management are responsible for the effective oversight of the financial reporting process, including the preparation of Town financial statements and related footnote disclosures. During fiscal year 2008, the Town relied upon the external auditor to prepare its financial statements and related footnote disclosures to ensure that they were prepared in accordance with generally accepted accounting principles. Therefore, adequate controls were not in place as of June 30, 2008 to prevent and detect misstatements in the financial statement preparation and reporting process.

Recommendation: We recommend that the Town continue to strengthen its internal controls to decrease the risk of misstatements over the financial reporting process. Management can improve controls related to the financial reporting process by dedicating resources to improve the oversight of the financial reporting process.

Current Status: We acknowledge that we relied on the external auditors to assist in the recording of certain complex transactions and the final preparation of the GAAP financial statements. Since this does not present an independence issue and is more cost effective, we will continue to rely on external auditors to prepare the financial statements.

Finding 2008-2 Accurate Posting of Side Fund Financial Activity

Condition: Required monthly interfund reconciliations and general ledger maintenance procedures related to the Town's larger and more complex side funds (special revenue and capital project funds) are not being performed on a timely basis. As a result, we noted posting errors which required correcting entries to be made. In addition, we provided management with numerous adjusting entries which were required to record and reclassify financial activity in the MUNIS general ledger.

Recommendation: We recommend that the Finance Department establish and implement effective review and reconciliation procedures for the Town's significant side funds.

Current Status: Posting of financial data and interfund reconciliations are performed on a monthly basis as time permits. Certain transactions required additional analysis, research and discussion with the auditors.

(CONCLUDED)