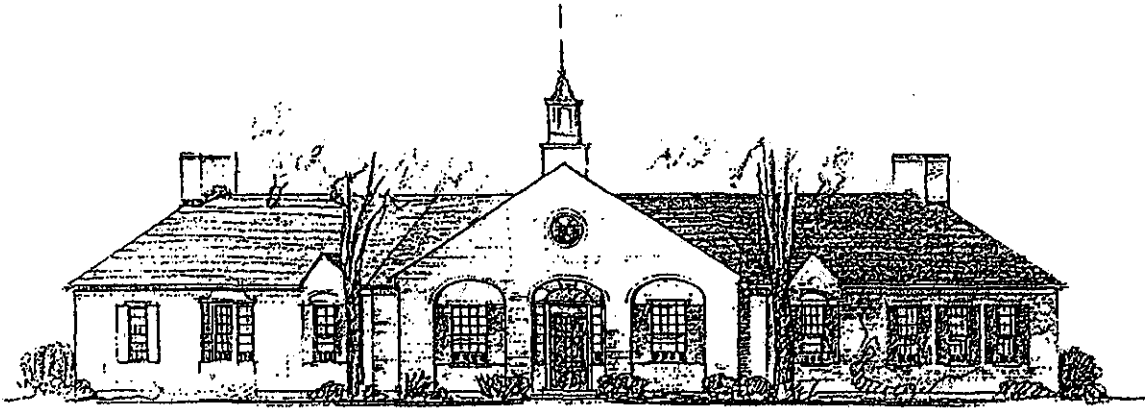


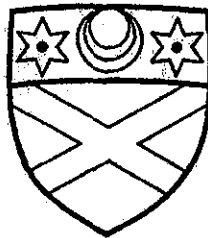
**THE TOWN OF**  
**BURRILLVILLE, RHODE ISLAND**



**Comprehensive Annual Financial Report**

**Fiscal Year Ended**

**June 30, 2010**



# **TOWN OF BURRILLVILLE, RHODE ISLAND**

## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

**PREPARED BY: JOHN P. MAINVILLE**

**FINANCE DIRECTOR**

**TOWN OF BURRILLVILLE, RHODE ISLAND**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED JUNE 30, 2010**

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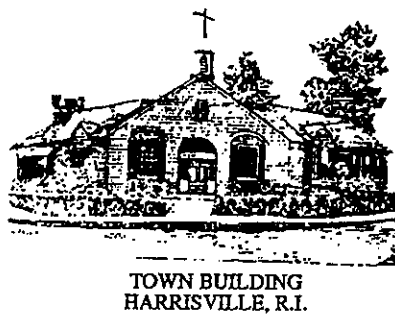
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# ***TOWN OF BURRILLVILLE***

## **INTRODUCTORY SECTION**



**TOWN OF BURRILLVILLE**  
105 Harrisville Main Street  
Harrisville, Rhode Island  
02830



**TOWN FINANCE OFFICE**  
Telephone  
(401)  
568-4522

December 22, 2010

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, 2010 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, 2010. 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 as well as on the Town's website. This report is forwarded to the Rhode Island Auditor General's Office and Department of Administration, 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 203rd 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.

While awaiting the results of the 2010 census, the 2000 census indicated 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 7,952 to 9,927 since 2000. 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 latest statistical revaluation is completed and has been implemented effective December 31, 2009 and was utilized in the tax levy for fiscal year ending June 2011.

Net assessed values have decreased nominally by \$3,902,712 (0.24%) over last year's valuations. Approximately 85.3% of the Town's tax base is residential. There have been approximately 388 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>2001</u>	<u>2010</u>	<u>% Change</u>
Population (est.)	15,796	16,576	4.94%
Labor Force	7,988	10,105	26.50%
Employed	7,652	8,848	15.63%
Unemployment Rate	3.9%	12.4%	217.95%
* Median Age	37.5	37.5	--
* Per Capita Income	21,096	21,096	--
* Median Household Income	52,587	52,587	--
School Enrollment	2,800	2,468	(11.86%)
* High School Graduates	85.18%	85.18%	--
* Bachelor Degrees	15.90%	15.90%	--
Net Assessed Values	673,937,259	1,631,118,106	142.04%
Median Selling Price (Single Family)	155,000	231,534	49.38%

\*2000 Census Data

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 Woonsocket Neighborhood Development Corporation [WNDC] renovation of the former Clocktower building which is nearly completed. Rental applications are being accepted for January 2011.

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. Additionally, 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 had been approved by the State and was good until March 2010. The Town has submitted an updated plan that is currently being reviewed by the State. 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. The Town has also 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 10, 2009 [09-172] by the Town Council in conformance with Article 10 of the Burrillville Home Rule Charter. During the year there were six (6) supplemental budget appropriations adopted by the Town Council, which totaled \$1,959,517 - a \$2,163,888 increase [09-316] 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 \$385,171 [10-164].

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. Due to the uncertainty of State Aid a spending freeze was implemented in January 2010.

## **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, 2010 on March 25, 2009.

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 \$11,241,035 in cash and cash equivalents on June 30, 2010. 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. The investments outstanding as of June 30, 2010 less current payables would only cover approximately 15.1% (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 2010 was \$ 33,165. This income category was \$94,770 less than last year [\$127,935]. 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 (\$5,560,606 or 12.7% of the FYE June 30, 2011 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, 2010, the Town's Unreserved, Undesignated Fund Balance [\$7,070,085] is approximately 16.1% of the 2011 budget, which is more than the Town's Fund Balance policy by \$1,509,479. 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 – 2010 when a portion of the motor vehicle excise and school state aid was not paid) 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 \$1,226,585 (\$159,376 to the Town and \$1,067,209 to the School Department). The Town established a fund designed to address the issue of unfunded vacation and sick leave benefits. This fund had a balance as of June 30, 2010 of \$116,746, which represents 73.3% of the Town's total liability (\$159,376 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 was implemented in 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 health coverage, the actuarially determined amount of the Town's accrued liability for OPEB for the next 30 years is projected to be \$1,693,855 - \$1,557,868 [92.0%] of this amount relates to school employees, \$127,655 [7.5%] for municipal employees and \$8,332 [0.5%] for wastewater treatment employees. The Town established a fund and transferred \$110,331 during fiscal year 2010 to cover the 2009 unfunded actuarial accrued liability as determined by USI Consulting Group. The recommended annual contribution rate [ARC] for 2010 was \$133,280. Of that amount \$127,036 was included with the payment of health insurance premiums during 2010.
- 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. The Whipple Avenue Landfill closure is also benefiting from these available funds. Significant savings have been achieved on these type of 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 \$33,075 on July 30, 2009. The grant was \$30,000 for Burrillville Housing Authority, \$1,500 for Community Housing Land Trust, and Program Administration \$1,575).
- 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.
  - Marketing of the Clear River Drive Industrial Park and Commerce 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 which are scheduled to be available for occupancy in Jan 2011. 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 tenth full year of operating the Municipal Court.
  - Grants were obtained for a speed monitor, breathalyzer, laptops, and bulletproof vests.
  - Enhancement of the Citizens Police Academy (14<sup>th</sup> 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, and Child Safety Programs.
  - Construction related to the expansion and renovation of the existing police station was completed. 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.
  - 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:
  - With the assistance of a DEM Open Space grant [\$20,700], improvements at Shippee Bridge were completed. The Louis Bleiweis Memorial Park was dedicated on August 23, 2009. 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 13<sup>th</sup> 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 tenth annual Snakes Alive Road Race in Pascoag.
- The Public Works Department along with its normal duties:
  - Handled approximately 19 storms, 47.5 inches of snow and dealt with 6 roadway ice events.
  - The reconstruction of the Mill Pond Dam by J H Lynch was substantially completed.
  - The Whipple Avenue Landfill Closure Project was substantially completed. A contract [\$2,046,587] was awarded to DiGregorio & Sons Inc on August 5, 2009 [#10-016]. A bond in the amount of \$2,160,000 was closed with RI Clean Water on June 24, 2010 [#09-052].
  - A contract was awarded to J H Lynch on June 23, 2010 for the reconstruction of the Warner Lane Bridge [#10-161 in the amount of \$ 316,815].
  - Continued implementation of the Infrastructure Program, which is designed to upgrade and expand the Town's program of sidewalk construction and road paving.
    - Nichols Road, North Shore Road, Tarkiln Road, and the Whipple Landfill Capping construction projects were completed.
    - Engineering associated with the Round Top Bridge was completed. The State completed the reconstruction of the bridge in October 2010.
    - 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 third consecutive year.
  - Videotaping equipment as installed in the Council Chambers which allows for the viewing of Town Council meetings on the Town website as well as local cable television.
  - In July 2008, the Town joined Government Health Group of RI – a health insurance pool which resulted in significant savings on its health insurance costs. In May 2010, the Governmental Health Group of RI merged with RI Interlocal Trust, which created a one stop resource for local governments looking for property, liability, workmen's compensation, life insurance, health insurance, and dental care.
  - 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.
  - A Charter Review Commission completed its task of reviewing the Town Charter and making its recommendations to the Town Council. Ultimately the proposed charter amendment recommendations went before the voters in November 2010.
  - 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 is 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 was being used to fund operations before the PILOT agreement expires and (2) to address the Town's outstanding debt burden. The balance in the Debt Reduction Fund on June 30, 2010 was \$921,607.

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. A \$2.16 million RICW bond was acquired under RIGL 45-12-2 on June 24, 2010 to pay for the capping of the Whipple Avenue Landfill project, which was substantially completed by June 30, 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, 2010, 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 Aa2). 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. Both Moody's and Fitch recalibrated their Town ratings in April 2010. Moody's upgraded the Town's rating to A-1; Fitch upgraded the Town to AA. The Fitch rating was reaffirmed when a surveillance review was conducted in October 2010. This is especially noteworthy in the current economy given that a number of communities that have been put on rating watch and/or actually seen their ratings downgraded (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).

The Town received a Loss Prevention Leadership Award for 2009 from the Trust based upon an excellent loss history in both the worker compensation and property/liability pools as well as active participation in various training and risk management practices in areas such as public safety, recreation, and general operations.

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, 2010.

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, 2009. 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,

A handwritten signature in black ink, appearing to read "John P. Mainville". The signature is fluid and cursive, with the first name "John" being more prominent.

John P. Mainville  
Finance Director

TOWN OF BURRILLVILLE, RHODE ISLAND

MUNICIPAL OFFICERS

June 30, 2010

TOWN COUNCIL

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

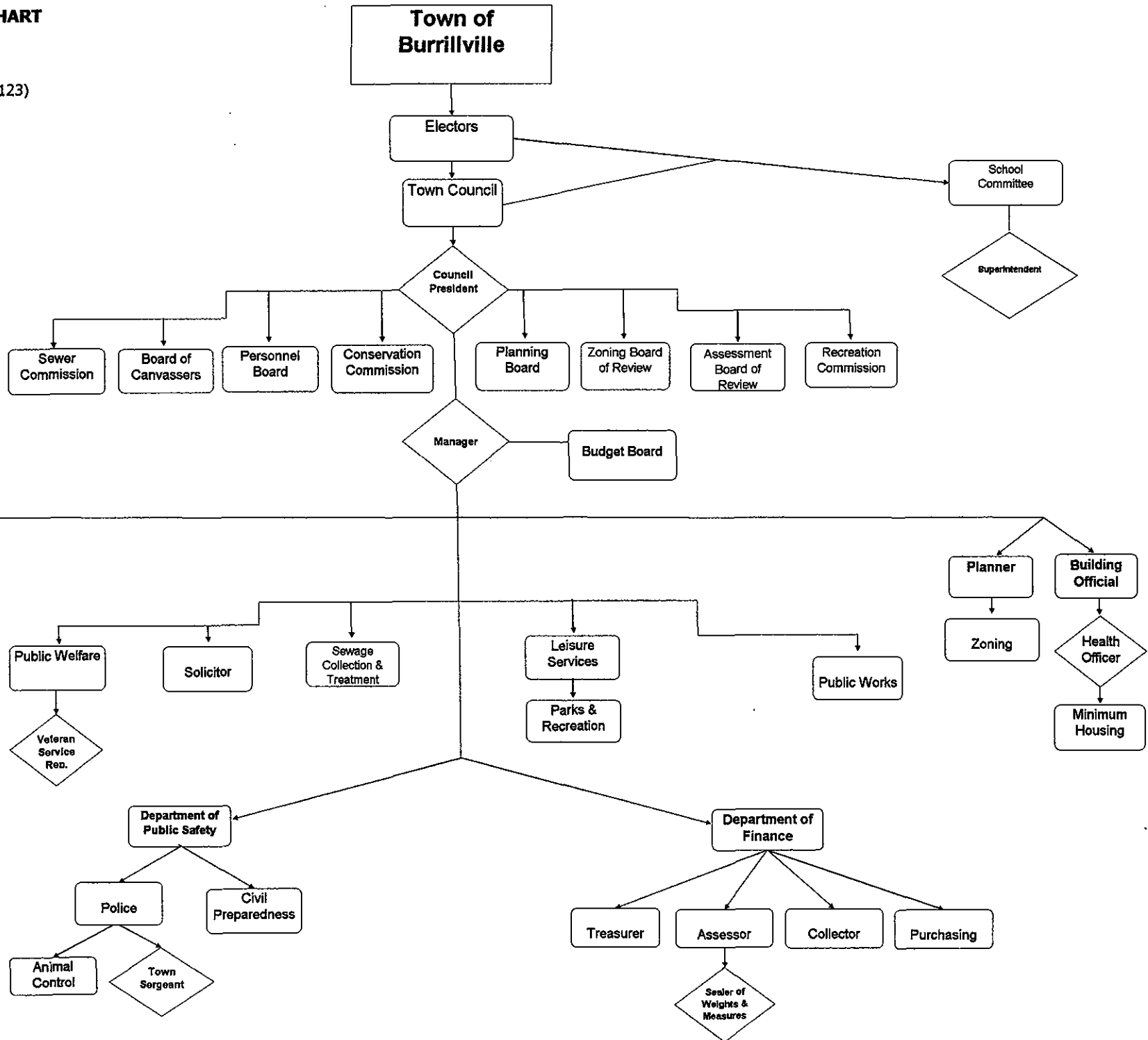
TOWN OFFICIALS

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	Jeffrey M. McCormick, PE
Recreation Director	Cheri R. Hall, CYLA, CPSI, CLA
School Superintendent	Frank Pallotta
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, 2009

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 stylized, handwritten signature in black ink.

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Emer".

Executive Director

# ***TOWN OF BURRILLVILLE***

## **FINANCIAL SECTION**

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**Cayer Caccia**

**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, 2010, 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, 2010, 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 22, 2010, 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 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.



Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, historical pension and other post employment benefit information, and budgetary comparison information on pages 3 through 22 and 74 through 77 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Burrillville, Rhode Island's financial statements as a whole. 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 financial statements. The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

*Cayer Caccia, LLP*

December 22, 2010

**Town of Burrillville, Rhode Island**  
**Management's Discussion and Analysis**  
**JUNE 30, 2010**

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, 2010. The Town annually presents its financial statements in compliance with 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, 2010 by \$81.90 million (net assets). Of this amount, only \$8.63 million (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- As of June 30, 2010, the Town's governmental funds reported total net assets of \$54.46 million.
- The Town of Burrillville's total net assets increased by \$7.8 million, or 10.5%, for the year ended. Net assets of governmental activities increased by \$7.6 million, and 13.9% increase from fiscal 2009. Net assets of business-type activities increased by \$0.2 million, or 0.7% from 2009.
- The Town's general fund reported a fund balance of \$10.2 million at the end of fiscal year ending 2010. This compares to a fund balance of \$8.5 million at the end of fiscal 2009. The unreserved, undesignated fund balance for the year was \$7.1 million (\$5.9 million in 2009). This is a \$1.2 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 \$4,167,760 in 2010. Included in this amount is \$3,718,191 of unexpended capital improvement funds. A significant portion (\$2,528,844) of this CIP balance has been carried over to fiscal year ending June 2011.

## Financial Highlights (Continued)

- The School Department ended the fiscal year with a budgetary excess of \$213,091 (\$124,718 surplus in 2009).
- The Town's total long-term liabilities decreased by \$2,227,370 or 6.33% in 2010. The key factors in this decrease included additional drawdowns from RICWFA totaling \$636,818, loan proceeds of \$2,160,000 for the closure of the Whipple Avenue landfill, which was offset by a decline in landfill closure costs of \$2,250,000 and scheduled debt service payments of \$2,810,000.

## 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, 2010 financials in a format prescribed by the Government Accounting Standards Board Statement 34 (GASB 34).

#### June 30, 2010

The Town's combined net assets were \$81.90 million in 2010. Analyzing the net assets and net expenses of governmental and business-type activities separately, the governmental activities are \$54.46 million and the business-type activities net assets are \$27.44 million in 2010. 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, 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.

By far the largest portion of the Town's net assets (89.6 %) 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>	
	2010	2009	2010	2009	2010	2009
Current and other assets	\$22,262,446	\$20,369,871	\$4,019,539	\$3,709,703	\$26,281,985	\$24,079,574
Capital assets	70,299,713	67,234,354	23,960,980	23,772,455	94,260,693	91,006,809
Total assets	92,562,159	87,604,225	27,980,519	27,482,158	120,542,678	115,086,383
Current liabilities	8,318,869	11,037,030	481,180	177,316	8,800,049	11,214,346
Noncurrent liabilities	29,783,440	29,688,709	56,433	52,655	29,839,873	29,741,364
Total liabilities	38,102,309	40,725,739	537,613	229,971	38,639,922	40,955,710
Net assets:						
Invested in capital assets, net of related debt	48,797,754	45,691,128	23,960,980	23,772,455	72,758,734	69,463,583
Restricted	509,616	509,946			509,616	509,946
Unrestricted	5,152,480	677,412	3,481,926	3,479,732	8,634,406	4,157,144
Total net assets	\$54,459,850	\$46,878,486	\$27,442,906	\$27,252,187	\$81,902,756	\$74,130,673

The total net assets in governmental activities increased by \$7.58 million. The increase in current and other assets of the governmental activities is approximately \$1.9 million is due primarily to an increase in cash and cash equivalents [\$2.5 million], decrease in other receivables [\$1.4 million] offset by amounts due from other governments [\$1.3 million] and increase in loans receivable [\$2.1 million]. Governmental activities capital assets increased by \$3.1 million. For additional analysis see Table 3. Governmental activities current liabilities declined by \$2.7 million which relates to changes in accounts payable and the current portion of long-term debt.

The net assets in Business-type activities increased nominally by \$0.2 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>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Revenues:						
Program Revenues:						
Charges for services	\$ 1,149,708	\$ 1,141,134	\$2,956,821	\$ 3,036,865	\$4,106,529	\$ 4,177,999
Operating grants and contributions	17,310,421	16,606,635	431,728	354,303	17,742,149	16,960,938
Capital grants and contributions	2,298,349	2,949,280			2,298,349	2,949,280
General revenues:						
Property Taxes	29,870,756	28,656,516			29,870,756	28,656,516
State Revenue Sharing		778,175				778,175
Contributions not restricted to specific programs		31,940				31,940
Loss on sale of capital asset		(122,075)				(122,075)
Unrestricted Investment	50,545	182,379	6,000	20,973	56,545	203,352
Total Revenues	<u>50,679,779</u>	<u>50,223,984</u>	<u>3,394,549</u>	<u>3,412,141</u>	<u>54,074,328</u>	<u>53,636,125</u>
Expenses:						
General government	1,854,412	3,576,715			1,854,412	3,576,715
Public safety	3,276,694	3,447,071			3,276,694	3,447,071
Public works	2,390,143	2,540,063			2,390,143	2,540,063
Education	31,766,101	31,299,601			31,766,101	31,299,601
Parks and recreation	651,196	679,872			651,196	679,872
Libraries	663,940	655,149			663,940	655,149
Community development	1,036,258	583,196			1,036,258	583,196
Other						
Interest on long-term debt	1,057,533	1,166,159			1,057,533	1,166,159
Sewer Authority			1,897,454	1,867,278	1,897,454	1,867,278
School Cafeteria			848,061	896,122	848,061	896,122
Levy Rink			433,847	434,991	433,847	434,991
Extended Day Care			426,606	436,463	426,606	436,463
Total expenses	<u>42,696,277</u>	<u>43,947,826</u>	<u>3,605,968</u>	<u>3,634,854</u>	<u>46,302,245</u>	<u>47,582,680</u>
Revenues over (under) expenses	7,983,502	6,276,158	(211,419)	(222,713)	7,772,083	6,053,445
Transfers in (out)	<u>(402,138)</u>	<u>(73,246)</u>	<u>402,138</u>	<u>73,246</u>	<u>0</u>	<u>0</u>
Increase (decrease) in net assets	7,581,364	6,202,912	190,719	(149,467)	7,772,083	6,053,445
Net Assets, July 1	<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>
Net Assets, June 30	<u>\$54,459,850</u>	<u>\$46,878,486</u>	<u>\$27,442,906</u>	<u>\$27,252,187</u>	<u>\$81,902,756</u>	<u>\$74,130,673</u>

The increase in governmental activities revenues of \$0.4 million is primarily the result of an increase in property tax collections [\$1.2 million] which was offset by the loss of state revenue sharing [\$0.8 million]. Governmental activity expenses decreased by \$1.3 million which reflects decreased costs associated with the landfill offset by increased costs associated with education and community development associated with the Stillwater Mill complex renovations. Transfer outs [\$0.4 million] relate to net debt activity associated with the Sewer Authority.



The net assets associated with business-type activities increased by \$0.2 million which relates to a slight decrease associated with sewer assessment fees for new lines installed in 2008 coupled with a slight decline in overall expenses.

## **Review of Major Governmental Funds**

### **General Fund**

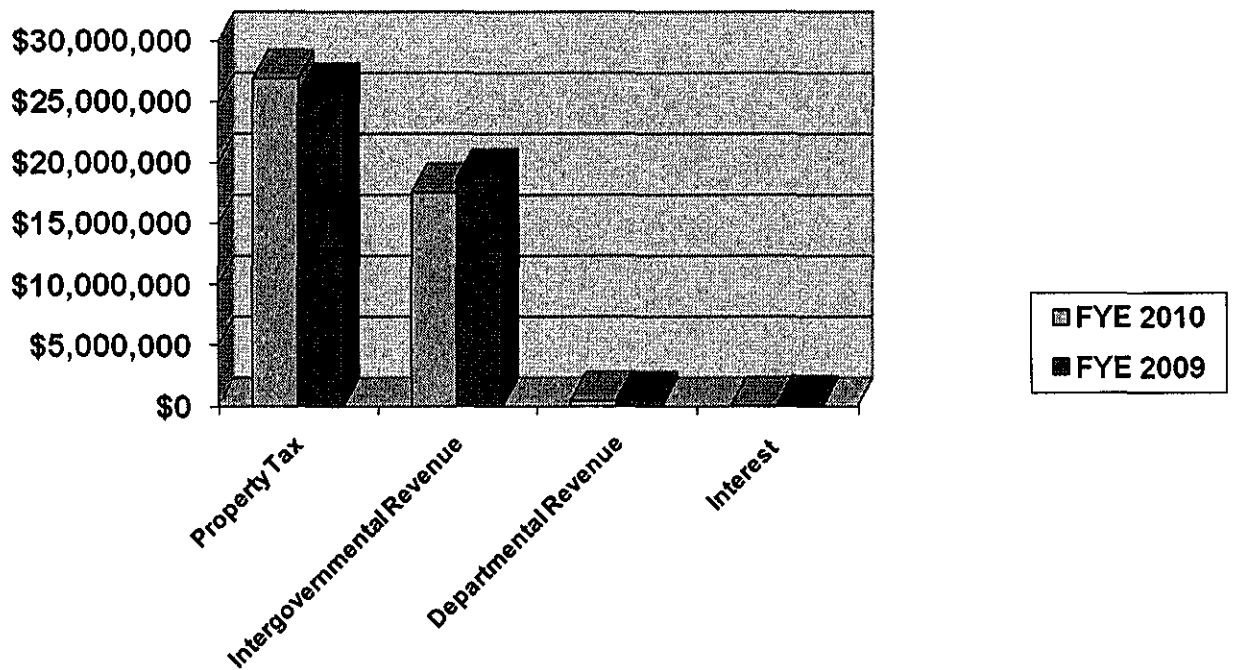
The General Fund is the primary fund through which the majority of the Town's revenues and expenditures flow. The Town finished the year within the limits established by the adopted budget. The Town carefully monitors its expenditures and eliminates all but the most necessary. When savings are incurred 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 2010, there were six [6] supplementary budget amendments to the General Fund in the net amount of \$1,959,517. This amount was comprised of the carryover of FYE 2009 capital improvement funding (\$2,163,888) which was offset by an unanticipated reduction in State education aid (\$385,171).

A comparative breakdown of revenues and expenditures associated with the General Fund on a budgetary basis for the fiscal years ending June 30, 2010 and 2009 is listed below. This information is provided for general purposes only.

The Town's general revenues decreased slightly when compared to the prior year by less than 1% or \$203,099.

<b><u>Revenues</u></b>	<b><u>FYE 2010</u></b>	<b><u>FYE 2009</u></b>	<b><u>% Change</u></b>	<b><u>\$ Change</u></b>
Property Taxes	\$26,895,875	\$25,779,882	4.33%	\$ 1,115,993
Intergovernmental Revenue	17,588,007	18,783,013	(6.36%)	(1,195,006)
Departmental Revenue	465,593	494,909	(5.92%)	(29,316)
Interest Income	33,165	127,935	(74.08%)	(94,770)
Total Revenues	<u>\$44,982,640</u>	<u>\$45,185,739</u>	<u>(0.45%)</u>	<u>\$ (203,099)</u>

## REVENUES



June 30, 2010

Actual revenues were \$144,274 less than budgeted. The primary reasons for the unfavorable 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 \$311,033 - which includes tax revenue of \$298,661. The Town collected approximately 97.6% of the fiscal year 2010 tax levy.
- Second, the Town's intergovernmental revenue was under budget by \$299,065. This year represents the tenth year of funding under the State's motor vehicle phase out program. Due to State budget issues, the State withheld \$416,997 in motor vehicle phase out aid, and school aid was \$293,564 less than anticipated. The State no longer provides general revenue sharing. School construction aid was \$70,047 less due to the non-completion of certain school projects. These shortfalls were partially offset by an increase in Medicaid reimbursements (\$144,853), additional group home aid (\$30,000), and federal stabilization funding (\$263,564).
- Third, interest income was again under budget in the amount of \$102,835. 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 \$53,407, which was primarily attributed to a decline associated with licenses and fees (\$63,915), offset by an increase in building and miscellaneous receipts.

The Town has continued its aggressive tax collection position, which was implemented many years ago. This again has resulted in the current year collections for the fiscal year ended June 30, 2010 being greater than anticipated. A 96.7% collection rate was budgeted for FYE 2010 and 97.6% was actually collected. The collection rate used for budgeting purposes was based upon historical collection data.

A comparison of actual expenditures incurred during FYE 2010 reveals that the Town expenses were \$4,817,070 less than the amount appropriated. This was achieved by limiting expenditures to essential services only. Additionally, a spending freeze was implemented in January 2010 due to the uncertainty of certain state aid. A significant portion of this amount [\$3,718,191] is for capital improvement activities related to general administration, police, school, public works, and recreation. Of this amount, \$2,528,844 has been re-appropriated for FYE June 30, 2011.

The most significant governmental expense for the municipality during 2010 was in providing for public safety, which incurred expenses of \$2.31 million. The major components of public safety are police and animal control. Other significant governmental expenses for the municipality include public works at \$1.02 million; general government at \$1.39 million, which includes all administrative offices; general services (\$1.35 million) such as refuse collection/recycling; debt at \$3.88 million, and insurance/benefits at \$1.67 million.

#### June 30, 2009

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

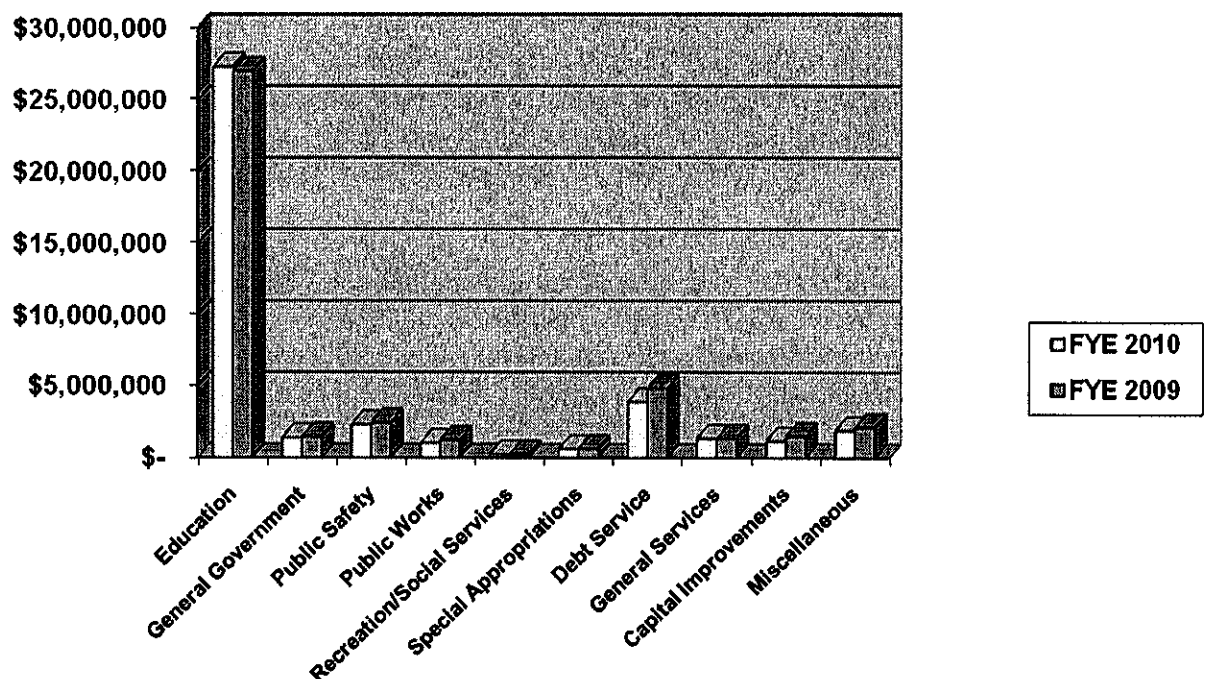
- First, the Town exceeded its budget expectations in relation to the collection of property taxes. This was primarily due to an increase in tax collections over budgeted projections that totaled \$144,131 which includes tax revenue of \$126,222. The Town collected approximately 97.9% of the fiscal year 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.

## EXPENDITURES



	<u>FYE 2010</u>	<u>FYE 2009</u>	<u>% Chg</u>	<u>\$ Chg</u>
<b><u>Expenditures</u></b>				
Education	\$27,312,595	\$27,060,748	.93%	\$ 251,847
General Government	1,394,412	1,458,014	(4.36)%	(63,602)
Public Safety	2,313,767	2,451,959	(5.64)%	(138,192)
Public Works	1,017,261	1,229,427	(1.73)%	(212,166)
Recreation & Social Services	210,055	221,825	(5.31)%	(11,770)
Special Appropriations	600,465	620,538	(3.24)%	(20,073)
Debt Services	3,880,078	4,826,662	(1.96)%	(946,584)
General Services	1,347,121	1,353,582	(0.05)%	(6,461)
Capital Improvements	1,160,252	1,492,073	(22.24)%	(331,821)
Miscellaneous	1,842,898	2,121,112	(13.12)%	(278,214)
<b><u>Other Financing (Sources) Uses-</u></b>				
Transfer from Fund Balance	(2,455,019)	(1,609,191)	(52.56)%	(845,828)
Proceeds from Bond Issuance	(636,818)	(319,597)	(99.26)%	(317,221)
Proceeds from Sale of Capital Assets				
Transfers In	(288,775)	(619,266)	53.37%	330,491
Transfer Out-Capital Projects	538,101	335,194	60.53%	202,907
Transfer Out- Wastewater Treatment	636,818	319,597	99.26%	317,221
Transfer Out- Special Revenue	1,941,669	1,511,400	28.47%	430,269
<b>Total Expenditures ( Net of Transfers)</b>	<b><u>40,814,880</u></b>	<b><u>42,454,077</u></b>	<b><u>3.86%</u></b>	<b><u>(1,639,197)</u></b>
<b>Excess of Revenues over Expenditures- Budgetary Basis</b>	<b><u>\$ 4,167,760</u></b>	<b><u>\$ 2,731,662</u></b>	<b><u>52.57%</u></b>	<b><u>\$1,436,098</u></b>

## **Fund Balance**

### June 30, 2010

The net effect of operations as described above on the budgetary basis reveals that the Town completed fiscal year ending June 30, 2010 with a net excess of revenues over expenditures in the amount of \$4,167,760. Note that this amount included as revenue the budgeted amount of \$2,455,019 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 \$1,712,741.

The Town's fund balance has increased to \$10,231,784. 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 (\$520,457) 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 (\$112,398) reserved for amounts not due within one year. This amount relates to amounts due from the Burrillville Redevelopment Agency [\$60,000], the Mill Pond Dam reconstruction project [\$31,232] and a hydroelectric feasibility project [\$21,166] being done at the Mill Pond Dam.

## **Fund Balance (Continued)**

3. An amount (\$2,528,844) already re-appropriated for use in fiscal year ending June 30, 2011. This is approximately \$364,956 more than the amount recorded at the end of fiscal year 2009 and is due primarily to the timing of various infrastructure projects during the summer.
4. Finally after all of the above items are considered, the value of the Town's Unreserved, Undesignated Fund Balance is \$7,070,085, which is an increase of \$1,193,432 over last year's Unreserved, Undesignated Fund Balance (\$5,876,653). This increase is due to budgetary savings. This leaves an Undesignated, Unreserved Fund Balance on June 30, 2010 of \$7,070,085 which is approximately 16.15% of the total budget currently appropriated for FYE June 30, 2011 (\$43,783,930).

### 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).

## **School District**

### June 30, 2010

The School District had revenues for the year ended June 30, 2010 of \$13.2 million. This was derived from \$12.2 million of intergovernmental revenues and \$1.0 million of state pension contribution revenues. In addition to general operating revenues, the School District also received \$15.1 million of other financing sources in the form of transfers in from the General Fund.

Expenditures for the School District totaled \$28.1 million. This entire amount represents expenditures related to education.

The excess of revenues and other sources over expenditures and other uses was \$0.17 million for the fiscal year ended June 30, 2010.

### 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.

## **Whipple Landfill Capping**

### June 30, 2010

The Whipple Landfill Capping Fund had no revenues for 2010. Fiscal year 2010 expenditures for the landfill capping project totaled \$1,932,844. These expenditures represented the construction costs associated with capping the landfill. In connection with these expenditures, the Town received bond proceeds (other financing sources) in the amount of \$2,160,000 from the RI Clean Water Finance Agency. This project remains open pending completion of the construction.

### June 30, 2009

The Whipple Landfill Capping Fund was a new fund for fiscal year ending 2010.

## **Business-type Activities**

### **Proprietary Activities**

#### **June 30, 2010**

Revenues of the Town's business-type activities, including transfers of \$0.4 million, were \$3.8 million for the fiscal year ending June 30, 2010. Expenses for the Town's business-type activities were \$3.6 million for the year, resulting in an increase in net assets of \$0.2 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 \$1.7 million, and expenses of \$1.9 million resulting in an increase in net assets of \$0.2 million.

#### **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.

## **Capital Asset and Debt Administration**

### **Capital Project Funds**

The Town had several active capital projects in fiscal year end June 30, 2010.

Completed capital projects included the Shippee Bridge Project [Louis Bleiweis Park] and the Municipal Annex [Carlton Brown Building].

New capital projects include the Whipple Avenue Landfill and the Mill Pond hydroelectric power feasibility study. Some projects are continuing to carry residual balances including Route 102/Commerce Park, Callahan Renovation, Mill Pond Dam, and the Library. Active capital projects carried over from the prior year include the Police Station expansion/renovations, Whipple Landfill, the Rail Trail and the extension of sewer lines to the eastern villages.

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



## Capital Assets

At the end of the fiscal year 2010, the Town had \$94.3 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 \$3.3 million or 3.6% over the prior fiscal year's net assets (\$91.0 million).

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.

The Town of Burrillville reports its fixed assets 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

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Land	\$ 3,275,169	\$ 3,275,169	\$ 382,443	\$ 382,443	\$ 3,657,612	\$ 3,657,612
Construction in progress	5,475,097	888,244	830,935	110,810	6,306,032	999,054
Leasehold improvements			34,398	34,398	34,398	34,398
Collection systems			33,257,296	33,257,296	33,257,296	33,257,296
Buildings and improvements	68,138,034	67,839,227	7,973,885	7,973,885	76,111,919	75,813,112
Equipment	1,610,802	1,451,238	266,428	230,127	1,877,230	1,681,365
Vehicles	3,353,656	3,014,477	112,627	112,627	3,466,283	3,127,104
Furniture			528,652	520,836	528,652	520,836
Infrastructure	<u>13,726,413</u>	<u>13,549,537</u>			<u>13,726,413</u>	<u>13,549,537</u>
Total Assets	95,579,171	90,017,892	43,386,664	42,622,422	138,965,835	132,640,314
Less accumulated depreciation	<u>(25,279,458)</u>	<u>(22,783,538)</u>	<u>(19,425,684)</u>	<u>(18,849,967)</u>	<u>(44,705,142)</u>	<u>(41,633,505)</u>
Totals	<u>\$70,299,713</u>	<u>\$ 67,234,354</u>	<u>\$23,960,980</u>	<u>\$23,772,455</u>	<u>\$94,260,693</u>	<u>\$91,006,809</u>

This year's major capital expenditures included:

- Completion of construction and road/sidewalk improvements (Nichols Road, North Shore Road, Tarkiln Road).
- Construction of the parking area at Shippee Bridge and renovations at the Carlton Brown building (Annex) were completed.
- Construction at the police station, Whipple Landfill and Mill Pond dam were substantially completed.
- Acquisition of various equipment including public works equipment and police vehicles.
- Completion of the triennial revaluation project.
- The School Department also had funding (\$450,000) allocated towards various building and equipment needs.

The 2011 Capital Budget has been adopted and while individual projects are subject to change, the 2011 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, 2010

The total outstanding long-term bonded debt on June 30, 2010 was \$30,214,730 which represents a negligible net decrease of \$19,449 from June 30, 2009 (\$30,234,179). This decrease was primarily the net effect of annual debt payments (\$2,810,000) on outstanding issues offset by additional drawdowns (\$636,818) from RICWFA for new sewer construction and \$2,160,000 RICW bond for the Whipple Avenue Landfill closure.

### 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.

Table 4

	Long Term Debt			
	June 30			
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
General Obligation Bonds	\$30,214,730	\$30,234,179	\$ 0	\$ 0
Compensated Absences	1,226,585	1,189,913	60,947	57,565
Net OPEB Obligation	27,185	21,778	1,586	790
Landfill Post-Closure Costs	1,480,000	3,730,000		0
Totals	<u>\$32,948,500</u>	<u>\$35,175,870</u>	<u>\$62,533</u>	<u>\$58,355</u>

The Town does have overlapping debt totaling \$2,350,981, 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, 2010 and June 30, 2009. Note that Loans Payable and Bond Anticipation Notes (BANS) are not incorporated in these calculations.

Various Debt Ratios

	<u>6/30/2010</u>	<u>6/30/2009</u>
Total Outstanding Long-Term Bonded Debt	\$30,072,771	\$30,085,953
Debt per Capita -		
2000 Census (15,795)	\$1,903	\$1,905
(State Average \$1,766;		
City/town average \$1,332)		
Net Assessed Values	\$1,631,118,106	\$1,635,020,818
Debt to Net Assessed Values	1.84%	1.84%
Tax Rate per \$ 1,000	\$40.00	\$40.00
Split Rate (RE & MV)	12.62	11.85
Portion of Tax Rate Funding Debt		
- Percent of Tax Dollar	9.83%	11.55%
Credit Ratings -		
Fitch's Investor's Service	AA	AA-
Moody's Rating Agency	Aa2	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. Moody's and Fitch recalibrated the Town's ratings in April 2010 to Aa2 and AA- respectively. Fitch recently reaffirmed its rating when a surveillance review was conducted in October 2010.

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 16.3% 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 12.40 percent. This compares to the State's average unemployment rate of 12.14 percent and the national average of 9.79 percent.
- According to the Tax Assessor, the average 2010 single family home in Burrillville is valued for assessment purposes at \$231,534, the average commercial property is valued at \$533,691; and the average industrial property is valued at \$755,686.
- 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 [2000 census] 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, 2011 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 \$43,783,930, which was a decrease of \$3,188,345 [6.79%] over the 2010 budget.
  - When capital improvements are not factored in the net decrease is \$1,320,034 [2.81%].
  - The School operating budget decreased from \$27,697,766 to \$26,909,194 or 2.85%. The net dollar decrease is \$788,572.
  - The municipal operating and debt budgets declined by \$531,462 [3.46%].
- 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 \$12.62 to 15.64 per \$1,000 valuation for fiscal year ending 2011. This increase in the tax rate is primarily associated with implementation of new revaluation values.

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

- Of this tax rate (\$15.64), 29.1% is utilized for General Fund activities and 63.84% is used for School Operations. The remaining 7.06% is used for debt service.
- 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, 66.92% is allocated toward School Operations and Debt; 29.51% is allocated towards Municipal Operations and Debt; and 3.57% is allocated towards Wastewater Treatment Debt.
- The General Fund's portion of property tax revenue for FY 2011 is estimated to be \$23.55 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**

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TOWN OF BURRILLVILLE, RHODE ISLANDSTATEMENT OF NET ASSETS  
JUNE 30, 2010

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Burrillville Redevelopment Agency
<b>ASSETS:</b>				
<b>Current assets:</b>				
Cash and cash equivalents	\$ 16,794,665	\$ 2,850,257	\$ 19,644,922	\$ 295,073
Receivables:				
Taxes, net	799,179		799,179	
Sewer assessments and user fees, net		660,937	660,937	
Promissory note				12,500
Other	121,509	53,858	175,367	100,000
Town-held tax liens	520,457		520,457	
Due from:				
Other governments	3,165,643	29,416	3,195,059	
Component unit	129,381		129,381	
Internal balances	186,675	(186,675)		
Other assets	199,877		199,877	
Prepaid expenses		5,351	5,351	
Deposits		10,000	10,000	
Inventory		12,688	12,688	
<b>Total current assets</b>	<b>21,917,386</b>	<b>3,435,832</b>	<b>25,353,218</b>	<b>407,573</b>
<b>Noncurrent assets:</b>				
Capital assets:				
Non-depreciable	8,750,266	1,213,378	9,963,644	447,808
Depreciable, net	61,549,447	22,747,602	84,297,049	
Promissory note receivable, net				62,500
Sewer assessment fees		583,707	583,707	
Bond issuance costs, net	345,060		345,060	
<b>Total noncurrent assets</b>	<b>70,644,773</b>	<b>24,544,687</b>	<b>95,189,460</b>	<b>510,308</b>
<b>TOTAL ASSETS</b>	<b>92,562,159</b>	<b>27,980,519</b>	<b>120,542,678</b>	<b>917,881</b>
<b>LIABILITIES:</b>				
<b>Current liabilities:</b>				
Accounts payable	1,492,406	391,272	1,883,678	
Accrued payroll	2,169,499	15,079	2,184,578	
Accrued interest	290,128		290,128	
Retainage payable	90,085	43,693	133,778	
Due to:				
Primary government				69,381
Other governments	1,243	3,200	4,443	
Current portion of long-term debt	3,165,060	6,100	3,171,160	
Unearned revenue	846,275	21,836	868,111	50,000
Other liabilities	264,173		264,173	
<b>Total current liabilities</b>	<b>8,318,869</b>	<b>481,180</b>	<b>8,800,049</b>	<b>119,381</b>

SEE NOTES TO THE BASIC FINANCIAL STATEMENTS.

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND**STATEMENT OF NET ASSETS  
JUNE 30, 2010**

	Primary Government			Component Unit Burrillville Redevelopment Agency
	Governmental Activities	Business-type Activities	Total	
<b>Noncurrent liabilities:</b>				
Due to primary government, net				60,000
Long-term debt, net	29,783,440	56,433	29,839,873	
<b>Total noncurrent liabilities</b>	<b>29,783,440</b>	<b>56,433</b>	<b>29,839,873</b>	<b>60,000</b>
<b>TOTAL LIABILITIES</b>	<b>38,102,309</b>	<b>537,613</b>	<b>38,639,922</b>	<b>179,381</b>
<b>NET ASSETS:</b>				
Invested in capital assets, net of related debt	48,797,754	23,960,980	72,758,734	447,808
Restricted for endowments:				
Expendable	83,616		83,616	
Nonexpendable	426,000		426,000	
Unrestricted	5,152,480	3,481,926	8,634,406	290,692
<b>TOTAL NET ASSETS</b>	<b>\$ 54,459,850</b>	<b>\$ 27,442,906</b>	<b>\$ 81,902,756</b>	<b>\$ 738,500</b>



## TOWN OF BURRILLVILLE, RHODE ISLAND

STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2010

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	
<b>Primary Government:</b>								
<b>Governmental activities:</b>								
General government	\$ 1,854,412	\$ 570,359	\$ 552,687	\$ 53,387	\$ (677,979)		\$ (677,979)	
Public safety	3,276,694	58,135	73,039	50,113	(3,095,407)		(3,095,407)	
Public works	2,390,143	8,546	30,456		(2,351,141)		(2,351,141)	
Education	31,766,101	295,303	15,552,414	1,588,453	(14,329,931)		(14,329,931)	
Recreation and social services	651,196	193,000	5,687	27,687	(424,822)		(424,822)	
Libraries	663,940		91,281	578,709	6,050		6,050	
Community development	1,036,258	24,365	1,004,857		(7,036)		(7,036)	
Interest on long-term debt	1,057,533				(1,057,533)		(1,057,533)	
<b>Total governmental activities</b>	<b>42,696,277</b>	<b>1,149,708</b>	<b>17,310,421</b>	<b>2,298,349</b>	<b>(21,937,799)</b>		<b>(21,937,799)</b>	
<b>Business-type activities:</b>								
Sewer Authority	1,897,454	1,705,029	36,410			\$ (156,015)	(156,015)	
School Cafeteria	848,061	451,403	382,404			(14,254)	(14,254)	
Levy Rink	433,847	395,430				(38,417)	(38,417)	
Extended Day Care	426,606	417,873				(8,733)	(8,733)	
<b>Total business-type activities</b>	<b>3,605,968</b>	<b>2,969,735</b>	<b>418,814</b>	<b>0</b>	<b>0</b>	<b>(217,419)</b>	<b>(217,419)</b>	
<b>Total primary government</b>	<b>\$ 46,302,245</b>	<b>\$ 4,119,443</b>	<b>\$ 17,729,235</b>	<b>\$ 2,298,349</b>	<b>(21,937,799)</b>	<b>(217,419)</b>	<b>(22,155,218)</b>	
<b>Component Unit:</b>								
Burrillville Redevelopment Agency	\$ 23,272	\$ 0	\$ 0	\$ 0				\$ (23,272)
<b>General revenues:</b>								
Property taxes					29,870,756		29,870,756	
Unrestricted investment earnings					50,545	6,000	56,545	1,528
Other revenue								100,000
<b>Transfers</b>					(402,138)	402,138		
<b>Total general revenues and transfers</b>					<b>29,519,163</b>	<b>408,138</b>	<b>29,927,301</b>	<b>101,528</b>
<b>Change in net assets</b>					<b>7,581,364</b>	<b>190,719</b>	<b>7,772,083</b>	<b>78,256</b>
<b>Net Assets - beginning of year</b>					<b>46,878,486</b>	<b>27,252,187</b>	<b>74,130,673</b>	<b>660,244</b>
<b>Net Assets - end of year</b>					<b>\$ 54,459,850</b>	<b>\$ 27,442,906</b>	<b>\$ 81,902,756</b>	<b>\$ 738,500</b>

SEE NOTES TO THE BASIC FINANCIAL STATEMENTS.

TOWN OF BURRILLVILLE, RHODE ISLAND

**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2010**

	General Fund	School District	Whipple Landfill Capping	Other Governmental Funds	Total Governmental Funds
<b>ASSETS:</b>					
Cash and cash equivalents	\$ 11,241,035	\$ 336,672		\$ 5,216,958	\$ 16,794,665
Receivables:					
Taxes, net	799,179				799,179
Other	23,017	908		97,584	121,509
Town-held tax liens	520,457				520,457
Prepaid expenditures		199,877			199,877
Due from:					
Other funds	2,358,337	3,286,486		2,000,619	7,645,442
Component unit	129,381				129,381
Other governments	633,173		\$ 2,138,400	394,070	3,165,643
<b>TOTAL ASSETS</b>	<b>\$ 15,704,579</b>	<b>\$ 3,823,943</b>	<b>\$ 2,138,400</b>	<b>\$ 7,709,231</b>	<b>\$ 29,376,153</b>
<b>LIABILITIES AND FUND BALANCES:</b>					
<b>LIABILITIES:</b>					
Accounts payable	\$ 205,002	\$ 866,109	\$ 47,309	\$ 373,986	\$ 1,492,406
Retainage payable			90,085		90,085
Accrued payroll and benefits	174,620	1,846,386		148,493	2,169,499
Due to:					
Other funds	4,201,442	104,113	1,773,850	1,379,362	7,458,767
Other governments				1,243	1,243
Deferred revenues	633,731	12,653		833,622	1,480,006
Other liabilities	258,000			6,173	264,173
<b>TOTAL LIABILITIES</b>	<b>5,472,795</b>	<b>2,829,261</b>	<b>1,911,244</b>	<b>2,742,879</b>	<b>12,956,179</b>

(CONTINUED)

SEE NOTES TO THE BASIC FINANCIAL STATEMENTS.

TOWN OF BURRILLVILLE, RHODE ISLAND

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2010**

	General Fund	School District	Whipple Landfill Capping	Other Governmental Funds	Total Governmental Funds
<b>LIABILITIES AND FUND BALANCES (Continued):</b>					
<b>FUND BALANCES:</b>					
Reserved for Town-held tax liens	520,457				520,457
Reserved for amounts not due within one year	112,398				112,398
Reserved for prepaid expenditures		199,877			199,877
Reserved for encumbrances		64,435	74,039	22,154	160,628
Reserved for endowments				426,000	426,000
Reserved for perpetual care				83,616	83,616
Unreserved: designated for subsequent year	2,528,844				2,528,844
Unreserved, reported in:					
General fund	7,070,085				7,070,085
Special revenue funds		730,370		2,856,123	3,586,493
Capital project funds			153,117	1,578,459	1,731,576
<b>TOTAL FUND BALANCES</b>	<u>10,231,784</u>	<u>994,682</u>	<u>227,156</u>	<u>4,966,352</u>	<u>16,419,974</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 15,704,579</u>	<u>\$ 3,823,943</u>	<u>\$ 2,138,400</u>	<u>\$ 7,709,231</u>	<u>\$ 29,376,153</u>

(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, 2010**

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

<b>Total Fund Balances (B-1)</b>	\$ 16,419,974
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	70,299,713
Long-term liabilities (including bond premium) are not due and payable in the current period and therefore are not reported in the funds.	(32,948,500)
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.	633,731
Accrued interest payable is recorded in governmental activities, but is not recorded in the funds.	(290,128)
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>345,060</u>
<b>Total Net Assets (A-1)</b>	<u><u>\$ 54,459,850</u></u>

TOWN OF BURRILLVILLE, RHODE ISLAND

**STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2010**

	General Fund	School District	Whipple Landfill Capping	Other Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>					
General property taxes	\$ 26,895,875				\$ 26,895,875
Intergovernmental	5,335,989	\$ 12,252,018		\$ 3,959,405	21,547,412
Licenses, permits and fees	424,534				424,534
Investment income	33,165			17,380	50,545
Departmental	41,059				41,059
Other				666,539	666,539
Intergovernmental - pension contribution		977,044			977,044
<b>TOTAL REVENUES</b>	<b>32,730,622</b>	<b>13,229,062</b>	<b>\$ 0</b>	<b>4,643,324</b>	<b>50,603,008</b>
<b>EXPENDITURES:</b>					
<b>Current:</b>					
General government	2,741,533			309,270	3,050,803
Public safety	2,313,767			35,937	2,349,704
Public works	1,017,261			39,361	1,056,622
Education		26,861,512		2,548,001	29,409,513
Recreation and social services	210,055			113,453	323,508
Libraries	553,500			100,572	654,072
Community development				1,036,258	1,036,258
Employee benefits and other	1,889,863				1,889,863
Intergovernmental - pension contribution		977,044			977,044
<b>Debt Service:</b>					
Principal	2,810,000			1,820,000	4,630,000
Interest and other costs	1,070,078				1,070,078
Bond issuance costs			33,924		33,924
<b>Capital:</b>					
Capital outlay	1,160,252	236,823	1,898,920	2,868,642	6,164,637
<b>TOTAL EXPENDITURES</b>	<b>13,766,309</b>	<b>28,075,379</b>	<b>1,932,844</b>	<b>8,871,494</b>	<b>52,646,026</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)</b>	<b>18,964,313</b>	<b>(14,846,317)</b>	<b>(1,932,844)</b>	<b>(4,228,170)</b>	<b>(2,043,018)</b>

(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, 2010**

	<u>General Fund</u>	<u>School District</u>	<u>Whipple Landfill Capping</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>OTHER FINANCING SOURCES (USES):</b>					
Proceeds from bond issuance	636,818		2,160,000		2,796,818
Proceeds from loan				1,820,000	1,820,000
Transfers in	288,775	15,060,577		7,079,770	22,429,122
Transfers out	(18,177,165)	(44,000)		(4,610,095)	(22,831,260)
<b>NET OTHER FINANCING SOURCES (USES)</b>	<u>(17,251,572)</u>	<u>15,016,577</u>	<u>2,160,000</u>	<u>4,289,675</u>	<u>4,214,680</u>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	1,712,741	170,260	227,156	61,505	2,171,662
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	8,519,043	824,422	0	4,904,847	14,248,312
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ 10,231,784</u>	<u>\$ 994,682</u>	<u>\$ 227,156</u>	<u>\$ 4,966,352</u>	<u>\$ 16,419,974</u>

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, 2010**

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<b>Net Change in Fund Balances - Total Governmental Funds (B-2):</b>	<b>\$ 2,171,662</b>
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.	3,065,359
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.	19,449
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.	76,771
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.	2,207,921
Adjustment to accrued interest payable related to general obligation bonds which is required to be recorded for government-wide financial statement presentation.	31,878
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. This is the amount by which the bond issuance costs exceeded amortization in the current period.	8,324
<b>Change in Net Assets of Governmental Activities (A-2)</b>	<b>\$ 7,581,364</b>

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SEE NOTES TO THE BASIC FINANCIAL STATEMENTS.

TOWN OF BURRILLVILLE, RHODE ISLAND

**STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
JUNE 30, 2010**

	<u>Sewer Authority</u>	<u>Non-major Enterprise Funds</u>	<u>Totals</u>
<b>ASSETS:</b>			
<b>Current assets:</b>			
Cash and cash equivalents	\$ 2,438,137	\$ 412,120	\$ 2,850,257
Receivables:			
Accounts, net	20,967	10,417	31,384
Other		22,474	22,474
Sewer assessments and user fees, net	660,937		660,937
Due from:			
Other funds		40,855	40,855
Other governments	6,068	23,348	29,416
Prepaid expenses		5,351	5,351
Inventory	4,565	8,123	12,688
Deposits		10,000	10,000
<b>Total current assets</b>	<u>3,130,674</u>	<u>532,688</u>	<u>3,663,362</u>
<b>Noncurrent assets:</b>			
Sewer assessment fees	583,707		583,707
Net capital assets	23,760,803	200,177	23,960,980
<b>Total noncurrent assets</b>	<u>24,344,510</u>	<u>200,177</u>	<u>24,544,687</u>
<b>TOTAL ASSETS</b>	<u>27,475,184</u>	<u>732,865</u>	<u>28,208,049</u>
<b>LIABILITIES:</b>			
<b>Current liabilities:</b>			
Accounts payable	187,190	204,082	391,272
Accrued payroll	15,079		15,079
Due to other funds		227,530	227,530
Due to other governments	3,200		3,200
Retainage payable	43,693		43,693
Deferred revenue		21,836	21,836
Accrued compensated absences	4,800	1,300	6,100
<b>Total current liabilities</b>	<u>253,962</u>	<u>454,748</u>	<u>708,710</u>
<b>Noncurrent liabilities:</b>			
Accrued compensated absences	43,216	11,631	54,847
Net other post employment benefit obligation	1,586		1,586
<b>Total noncurrent liabilities</b>	<u>44,802</u>	<u>11,631</u>	<u>56,433</u>
<b>TOTAL LIABILITIES</b>	<u>298,764</u>	<u>466,379</u>	<u>765,143</u>
<b>NET ASSETS:</b>			
Invested in capital assets, net of related debt	23,760,803	200,177	23,960,980
Unrestricted	3,415,617	66,309	3,481,926
<b>TOTAL NET ASSETS</b>	<u>\$ 27,176,420</u>	<u>\$ 266,486</u>	<u>\$ 27,442,906</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, 2010**

	<u>Sewer Authority</u>	<u>Non-major Enterprise Funds</u>	<u>Totals</u>
<b>OPERATING REVENUES:</b>			
Charges for usage and service	\$ 1,667,389	\$ 1,251,792	\$ 2,919,181
Miscellaneous	37,640	12,914	50,554
<b>Total operating revenues</b>	<u>1,705,029</u>	<u>1,264,706</u>	<u>2,969,735</u>
<b>OPERATING EXPENSES:</b>			
Operations	646,371	1,036,272	1,682,643
Personnel	698,138	649,470	1,347,608
Depreciation	552,945	22,772	575,717
<b>Total operating expenses</b>	<u>1,897,454</u>	<u>1,708,514</u>	<u>3,605,968</u>
<b>OPERATING LOSS</b>	<u>(192,425)</u>	<u>(443,808)</u>	<u>(636,233)</u>
<b>NONOPERATING REVENUES:</b>			
Investment income	5,356	644	6,000
Intergovernmental	36,410	382,404	418,814
<b>Total nonoperating revenues</b>	<u>41,766</u>	<u>383,048</u>	<u>424,814</u>
<b>LOSS BEFORE TRANSFERS</b>	<u>(150,659)</u>	<u>(60,760)</u>	<u>(211,419)</u>
<b>TRANSFERS IN</b>	<u>363,233</u>	<u>38,905</u>	<u>402,138</u>
<b>CHANGE IN NET ASSETS</b>	212,574	(21,855)	190,719
<b>TOTAL NET ASSETS - BEGINNING</b>	<u>26,963,846</u>	<u>288,341</u>	<u>27,252,187</u>
<b>TOTAL NET ASSETS - ENDING</b>	<u>\$ 27,176,420</u>	<u>\$ 266,486</u>	<u>\$ 27,442,906</u>

SEE NOTES TO THE BASIC FINANCIAL STATEMENTS.

TOWN OF BURRILLVILLE, RHODE ISLAND

**STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2010**

	Sewer Authority	Non-major Enterprise Funds	Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash received from customers	\$ 1,749,180	\$ 1,264,649	\$ 3,013,829
Cash received from providing services	37,640		37,640
Cash paid to suppliers	(646,594)	(938,090)	(1,584,684)
Cash paid to employees	(691,378)	(649,695)	(1,341,073)
<b>Net cash provided by (used for) operating activities</b>	<b>448,848</b>	<b>(323,136)</b>	<b>125,712</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
Nonoperating grants received	36,410	377,721	414,131
Transfer from (to) other funds	(168,276)	38,905	(129,371)
Increase in due from other funds		(40,855)	(40,855)
Increase in due from other governments	(6,068)		(6,068)
Decrease in due to other governments	(400)		(400)
Decrease in due to other funds		(167,032)	(167,032)
<b>Net cash provided by (used for) noncapital financing activities</b>	<b>(138,334)</b>	<b>208,739</b>	<b>70,405</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Acquisition of capital assets	(36,301)	(7,816)	(44,117)
Deposits		(10,000)	(10,000)
Interest expense		(367)	(367)
<b>Net cash used for capital and related financing activities</b>	<b>(36,301)</b>	<b>(18,183)</b>	<b>(54,484)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Interest on investments	5,356	644	6,000
<b>Net cash provided by investing activities</b>	<b>5,356</b>	<b>644</b>	<b>6,000</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>279,569</b>	<b>(131,936)</b>	<b>147,633</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>2,158,568</b>	<b>544,056</b>	<b>2,702,624</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>\$ 2,438,137</b>	<b>\$ 412,120</b>	<b>\$ 2,850,257</b>
<b>Reconciliation of operating loss to net cash provided by (used for) operating activities:</b>			
Operating loss	\$ (192,425)	\$ (443,808)	\$ (636,233)
Adjustments to reconcile:			
Depreciation	552,945	22,772	575,717
Increase in allowance for doubtful accounts		126	126
(Increase) decrease in accounts receivable	81,791	(830)	80,961
Increase in other receivables		(13,914)	(13,914)
Increase in prepaid expenses		(4,303)	(4,303)
Decrease in inventory		3,565	3,565
Increase (decrease) in accounts payable	(1,760)	99,920	98,160
Increase in accrued payroll	2,357		2,357
Increase in deferred revenue		13,561	13,561
Increase (decrease) in accrued compensated absences	3,607	(225)	3,382
Increase in net other post employment benefit obligation	796		796
Increase in retainage payable	1,537		1,537
<b>Net cash provided by (used for) operating activities</b>	<b>\$ 448,848</b>	<b>\$ (323,136)</b>	<b>\$ 125,712</b>

SEE NOTES TO THE BASIC FINANCIAL STATEMENTS.

TOWN OF BURRILLVILLE, RHODE ISLAND

**STATEMENT OF FIDUCIARY NET ASSETS**  
**FIDUCIARY FUNDS**  
**JUNE 30, 2010**

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	Agency Funds
	Pupil Activity Funds
<b>ASSETS:</b>	
Cash and cash equivalents	\$ 186,657
Investments	2,963
<b>TOTAL ASSETS</b>	<b>\$ 189,620</b>
<b>LIABILITIES:</b>	
Deposits held in custody for others	<b>\$ 189,620</b>

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SEE NOTES TO THE BASIC FINANCIAL STATEMENTS.

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2010**

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**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, 2010**

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**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, 2010:

- GASB Statement No. 51 - Accounting and Financial Reporting for Intangible Assets.
- GASB Statement No. 53 - Accounting and Financial Reporting for Derivative Instruments.
- GASB Statement No. 57 - OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans.

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

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

- GASB Statement No. 54 - Fund Balance Reporting and Governmental Fund Type Definitions, effective for the Town's fiscal year ending June 30, 2011.
- GASB Statement No. 59 - Financial Instruments Omnibus, 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, 2010**

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**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, 2010**

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**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>
<b><i>Major:</i></b>	
General:	See above for description
Special Revenue:	Burrillville School District – This fund accounts for the operation and maintenance of the Burrillville Public Schools.
Capital Project:	Whipple Landfill Capping - This fund accounts for monies utilized for the purpose of capping the Whipple Landfill.
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, 2010**

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**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, Revaluation Fund, Unfunded Liability and Incentive Pay Fund, Recycling Program, Ocean State Power Funds, Narcotics Guidance Council, Stillwater Mill Revitalization, Police Grant – Operation Riptide, Police Task Force, Police Legislative Grant, Homeland Security, Health Care Contingency, Hydroelectric Power, Cops That Care, Senior Center, FEMA Grant, Speed Trailer Grant, Breathalyzer Acquisition, Other Post Employment Benefits, Solemn Federal Task Force, Bulletproof Vest Program, and Debt Reduction.
Capital Projects:	Police Station Expansion, Rail Trail Harrisville/Pascoag, Open Space/Land Acquisition, Callahan Renovation Project, Route 102 Commerce Park, Major Capital, Library 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, 2010**

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**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 \$301,100 for property taxes. Major receivable balances for the governmental activities include property taxes (20% of balance) and intergovernmental grants and aid (77% of balance). 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, 2010**

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**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, 2010**

**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 - 40 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, 2010, 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.....	\$ 92,126		\$ 92,126
Administrative Departments .....	40,106		40,106
Public Works Department .....	24,255		24,255
Recreation Department.....	2,889		2,889
School District .....	31,400	\$1,035,809	1,067,209
TOTAL .....	<u>\$190,776</u>	<u>\$1,035,809</u>	<u>\$1,226,585</u>

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2010**

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**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, 2010**

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**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 \$3,065,359 difference are as follows:

Capital outlay.....	\$5,636,943
Depreciation expense.....	(2,571,584)
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>\$3,065,359</u>

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2010**

**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 \$19,449 difference are as follows:

Issuance of general obligation bonds.....	\$(2,796,818)
Proceeds from loan payable.....	1,820,000
Principal repayment – loan payable.....	(1,820,000)
Principal repayments – general obligation debt.....	2,810,000
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>\$ 19,449</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 \$76,771 difference are as follows:

Deferred revenue – beginning.....	\$(556,960)
Deferred revenue – ending.....	<u>633,731</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>\$ 76,771</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 \$2,207,921 difference are as follows:

Increase in liability for compensated absences.....	\$ (36,672)
Decrease in liability for landfill closure.....	2,250,000
Increase in liability for net OPEB obligation.....	<u>(5,407)</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>\$2,207,921</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 \$31,878 difference are as follows:

Accrued Interest – beginning.....	\$ 322,006
Accrued Interest – ending.....	<u>(290,128)</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>\$ 31,878</u>

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2010**

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**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 six supplemental budgetary revisions made during the year totaling \$1,959,517. The increase was due primarily to capital improvement budget appropriations of \$2,163,888 and a reduction to State Education Aid of \$385,171.

**(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 2010 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 2010. The Whipple Landfill Capping fund (major fund of the Town) does not have a legally adopted budget.

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2010**

**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>
<b>General Fund:</b>		
<b>Statement of Revenues and Expenditures (Non-GAAP Budgetary Basis) (E-2)</b> .....	\$ 48,363,252	\$44,195,492
Less: Transfer from Fund Balance to revenue for current year .....	(2,455,019)	
Less: School Department revenues included in General Fund Budget	(12,252,018)	
Less: School Department expenditures included in General Fund .....		<u>(12,252,018)</u>
<b>Statement of Revenues, Expenditures, Other Financing Sources (Uses) and Changes in Fund Balance (B-2)</b> .....	<u>\$33,656,215</u>	<u>\$31,943,474</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>
<b>Statement of Revenues, Expenditures and Other Financing Sources (Non-GAAP Budgetary Basis) Budget and Actual (E-3)</b> .....	\$27,312,595	\$27,099,504
Less: Current year encumbrances .....		(64,435)
Add: Prior year encumbrances .....		107,266
Adjustment for pension contribution made by State of Rhode Island on behalf of employees .....	<u>977,044</u>	<u>977,044</u>
<b>Statement of Revenues, Expenditures, Other Financing Sources (Uses) and Changes in Fund Balances - Governmental Funds (B-2)</b>	<u>\$28,289,639</u>	<u>\$28,119,379</u>

The School Department had an excess of revenues over expenditures of \$213,091 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, 2010**

**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 \$15,487,286 while the bank balance was \$15,862,384, of which \$1,578,602 was covered by federal depository insurance and \$14,283,782 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, 2010:

	<b><u>Primary Government</u></b>	<b><u>Component Unit</u></b>
Total deposits	\$15,487,286	\$ 0
Add: petty cash and cash on hand	975	0
Add: investments classified as cash equivalents	4,343,318	295,073
Less: fiduciary funds cash (not included in the government-wide financial statements)	<u>(186,657)</u>	<u>0</u>
<b>Total cash and cash equivalents reported in the financial statements (A-1)</b>	<b><u>\$19,644,922</u></b>	<b><u>\$295,073</u></b>

**(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, 2010, the Town had \$510,643 of uncollateralized institutional money market funds which invest in U.S. government obligations.

Concentration of Credit Risk - At June 30, 2010, the Town had 89% of its investments concentrated in collateralized local government investment pools, and 11% 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, 2010, 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, 2010**

**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, 2010, 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 .....	\$ 510,643	Varies (2)	Daily	Aaa/AAAm
Collateralized Local Government Investment Pool	4,127,748	Varies (1)	Daily	not rated
Certificate of deposit.....	2,963	0.65%	May 29, 2011	not rated
Total investments .....	4,641,354			
Deposits .....	15,487,286			
Petty cash and cash on hand.....	975			
Total cash and investments .....	<u>\$20,129,615</u>			

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2010**

**3. DEPOSITS AND INVESTMENTS (Continued)**

**(b) Investments (Continued)**

(1) Average daily rate of 0.23% for June 2010.

(2) Annualized 30 day yield of 0% for June 2010.

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.....	\$ 4,641,354
Less: investments classified as cash equivalents.....	(4,638,391)
Less: fiduciary funds investments (not included in the government-wide statement) .....	(2,963)
<b>Total investments (A-1) .....</b>	<b><u>\$ 0</u></b>

**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, 2008. 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 2010 were based on an assessed value of approximately \$1,631,118,106 at December 31, 2008 and amounted to \$21,867,633. Collections on the 2010 tax levy through June 30, 2010 amounted to \$21,386,388, 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, 2010 (\$1,100,279) are recorded as a receivable, net of an allowance for uncollectible property taxes of \$301,100. Those net property taxes receivable which were not collected within the 60 days immediately following June 30, 2010 are recorded as deferred revenue and amounted to \$633,731 at June 30, 2010. Property taxes recognized as revenue for the fiscal year ended June 30, 2010 (due to their collection within the 60 days immediately following June 30, 2010) amounted to \$165,448.

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 \$357,053. 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, 2010**

**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>
<b>Governmental activities:</b>		
<b>State of Rhode Island:</b>		
<b>Major funds:</b>		
General Fund.....	\$ 327,273	
Whipple Landfill Capping .....	2,138,400	
<b>Non-major funds</b> .....	46,161	\$ 120
<b>Total</b> .....	<u>2,511,834</u>	<u>120</u>
<b>Federal government:</b>		
<b>Major funds:</b>		
General Fund.....	305,900	
<b>Non-major funds</b> .....	347,043	1,123
<b>Total</b> .....	<u>652,943</u>	<u>1,123</u>
<b>Other governments:</b>		
<b>Non-major funds</b> .....	866	0
<b>Total governmental activities</b> .....	<u>\$3,165,643</u>	<u>\$1,243</u>
<b>Business-type activities:</b>		
<b>State of Rhode Island:</b>		
<b>Major fund:</b>		
Sewer Commission.....	\$ 0	\$3,200
<b>Federal government:</b>		
<b>Major fund:</b>		
Sewer Commission.....	6,068	
<b>Non-major funds</b> .....	23,348	
<b>Total</b> .....	<u>29,416</u>	<u>0</u>
<b>Total business-type activities</b> .....	<u>\$ 29,416</u>	<u>\$3,200</u>

**6. INTERFUND BALANCES**

Individual fund and discretely presented component unit receivable and payable balances at June 30, 2010, are as follows:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
<b>Governmental activities:</b>		
<b>Major funds:</b>		
General Fund.....	\$2,358,337	\$4,201,442
School District General Fund.....	3,286,486	104,113
Whipple Landfill Capping .....		1,773,850
<b>Non-major funds</b> .....	2,000,619	1,379,362
<b>Total governmental activities</b> .....	<u>7,645,442</u>	<u>7,458,767</u>
<b>Business-type activities:</b>		
<b>Non-major funds</b> .....	40,855	227,530
<b>Total business type activities</b> .....	<u>40,855</u>	<u>227,530</u>
<b>Balances at June 30, 2010</b> .....	<u>\$7,686,297</u>	<u>\$7,686,297</u>

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2010**

**6. INTERFUND BALANCES (CONTINUED)**

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
<b>Discretely Presented Component Unit Balances:</b>		
<b>Primary government:</b>		
General fund .....	\$129,381	
<b>Discretely presented component unit:</b>		
Burrillville Redevelopment Agency .....		\$129,381
<b>Balances at June 30, 2010 .....</b>	<b>\$129,381</b>	<b>\$129,381</b>

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, 2010 was \$120,000.

**7. CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2010 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Primary Government:</b>				
<b>Governmental activities:</b>				
<b>Capital assets not being depreciated:</b>				
Land .....	\$ 3,275,169			\$ 3,275,169
Construction in progress .....	888,244	\$4,962,763	\$ (375,910)	5,475,097
<b>Total capital assets not being depreciated.</b>	<b>4,163,413</b>	<b>4,962,763</b>	<b>(375,910)</b>	<b>8,750,266</b>
<b>Other capital assets:</b>				
Buildings and improvements .....	67,839,227	301,347	(2,540)	68,138,034
Equipment .....	1,451,238	159,564		1,610,802
Vehicles .....	3,014,477	412,303	(73,124)	3,353,656
Infrastructure .....	13,549,537	176,876		13,726,413
<b>Total other capital assets</b> .....	<b>85,854,479</b>	<b>1,050,090</b>	<b>(75,664)</b>	<b>86,828,905</b>
<b>Less: accumulated depreciation for:</b>				
Buildings and improvements .....	(16,404,246)	(1,461,147)	2,540	(17,862,853)
Equipment .....	(492,438)	(154,859)		(647,297)
Vehicles .....	(1,664,170)	(257,859)	73,124	(1,848,905)
Infrastructure .....	(4,222,684)	(697,719)		(4,920,403)
<b>Total accumulated depreciation</b> .....	<b>(22,783,538)</b>	<b>(2,571,584)</b>	<b>75,664</b>	<b>(25,279,458)</b>
<b>Other capital assets, net</b> .....	<b>63,070,941</b>	<b>(1,521,494)</b>	<b>0</b>	<b>61,549,447</b>
<b>Governmental activities capital assets, net</b> .....	<b>\$67,234,354</b>	<b>\$3,441,269</b>	<b>\$(375,910)</b>	<b>\$70,299,713</b>

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2010**

**7. CAPITAL ASSETS (CONTINUED)**

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Business-type activities:</b>				
<b>Capital assets not being depreciated:</b>				
Land .....	\$ 382,443			\$ 382,443
Construction in progress .....	110,810	\$ 720,125		830,935
<b>Total capital assets not being depreciated...</b>	<b>493,253</b>	<b>720,125</b>	<b>\$0</b>	<b>1,213,378</b>
<b>Other capital assets:</b>				
Leasehold improvements .....	34,398			34,398
Collection systems .....	33,257,296			33,257,296
Plant and buildings .....	7,973,885			7,973,885
Plant equipment .....	230,127	36,301		266,428
Motor vehicles .....	112,627			112,627
Furniture and equipment .....	520,836	7,816		528,652
<b>Total other capital assets .....</b>	<b>42,129,169</b>	<b>44,117</b>	<b>0</b>	<b>42,173,286</b>
<b>Less: accumulated depreciation for:</b>				
Leasehold improvements .....	(19,047)	(2,268)		(21,315)
Collection systems .....	(11,339,948)	(488,520)		(11,828,468)
Plant and buildings .....	(6,952,361)	(44,816)		(6,997,177)
Plant equipment .....	(105,854)	(19,609)		(125,463)
Motor vehicles .....	(112,627)			(112,627)
Furniture and equipment .....	(320,130)	(20,504)		(340,634)
<b>Total accumulated depreciation .....</b>	<b>(18,849,967)</b>	<b>(575,717)</b>	<b>0</b>	<b>(19,425,684)</b>
<b>Other capital assets, net .....</b>	<b>23,279,202</b>	<b>(531,600)</b>	<b>0</b>	<b>22,747,602</b>
<b>Business-type activities capital assets, net .....</b>	<b>\$23,772,455</b>	<b>\$ 188,525</b>	<b>\$0</b>	<b>\$23,960,980</b>

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

<b>Governmental activities:</b>	
General government .....	\$ 230,935
Public safety .....	150,870
Education .....	1,065,918
Recreation and social services .....	250,622
Public works .....	873,239
<b>Total governmental activities depreciation expense .....</b>	<b>\$2,571,584</b>
<b>Business-type activities:</b>	
Sewer Authority .....	\$ 552,945
Non-major enterprise funds .....	22,772
<b>Total business-type activities depreciation expense .....</b>	<b>\$ 575,717</b>

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2010**

**7. CAPITAL ASSETS (CONTINUED)**

**Discretely Presented Component Unit:**

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Capital assets not being depreciated:</b>				
Land .....	\$197,075	\$250,733		\$447,808
<b>Capital assets, net .....</b>	<b>\$197,075</b>	<b>\$250,733</b>	<b>\$0</b>	<b>\$447,808</b>

**8. LONG-TERM LIABILITIES**

**(a) Change in Long-Term Liabilities:**

Long-term liability activity for the year ended June 30, 2010 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
<b>Governmental Activities:</b>					
<b>Long-term debt:</b>					
General obligation debt .....	\$30,085,953	\$2,796,818	\$(2,810,000)	\$30,072,771	\$2,694,000
Plus: bond premium, net of amortization .....	313,716		(28,215)	285,501	
Less: amount deferred on refunding .....	(165,490)		21,948	(143,542)	
Loan payable .....	0	1,820,000	(1,820,000)	0	
<b>Total long-term debt .....</b>	<b>30,234,179</b>	<b>4,616,818</b>	<b>(4,636,267)</b>	<b>30,214,730</b>	<b>2,694,000</b>
<b>Other long-term liabilities:</b>					
Compensated absences .....	1,189,913	463,482	(426,810)	1,226,585	161,060
Landfill closure and post-closure costs .....	3,730,000		(2,250,000)	1,480,000	310,000
Net OPEB obligation .....	21,778	5,407		27,185	
<b>Total other long-term liabilities .....</b>	<b>4,941,691</b>	<b>468,889</b>	<b>(2,676,810)</b>	<b>2,733,770</b>	<b>471,060</b>
<b>Governmental activities long-term liabilities .....</b>	<b>\$35,175,870</b>	<b>\$5,085,707</b>	<b>\$(7,313,077)</b>	<b>\$32,948,500</b>	<b>\$3,165,060</b>
<b>Business-type activities:</b>					
Compensated absences .....	\$57,565	\$3,382		\$60,947	\$6,100
Net OPEB obligation .....	790	796		1,586	
<b>Total business-type activities .....</b>	<b>\$58,355</b>	<b>\$4,178</b>	<b>\$0</b>	<b>\$62,533</b>	<b>\$6,100</b>

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, 2010**

## 8. LONG-TERM LIABILITIES (Continued)

**(b) Bonds and Notes Outstanding**

At June 30, 2010, 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, 2009	Issued	Paid	Outstanding June 30, 2010
School bonds:	6/15/89	\$ 2,170,000	7/15/09	6.75%	\$ 105,000		\$ 105,000	\$ 0
	12/1/99	5,500,000	11/1/14	4.35% - 6.5%	2,190,000		365,000	1,825,000
	8/15/00	8,000,000	8/15/15	4.5% - 5.25%	3,600,000		550,000	3,050,000
	6/15/06	7,500,000	5/15/26	4.0% - 5.0%	6,375,000		375,000	6,000,000
	Subtotal				12,270,000	\$ 0	1,395,000	10,875,000
Sewer bonds:	3/6/92	2,900,000	9/1/13	6.327%	725,000		145,000	580,000
	11/13/03	5,600,000	9/1/24	1.410%	5,057,000		275,000	4,782,000
	11/1/06	400,000	11/1/26	4.0% - 5.0%	360,000		20,000	340,000
	12/21/06	3,500,000	9/1/27	1.165% - 1.315%	2,548,953	636,818	175,000	3,010,771
	Subtotal				8,690,953	636,818	615,000	8,712,771
Refunding bonds:	10/1/02	9,145,000	7/15/17	2.5% - 5.0%	2,630,000		310,000	2,320,000
	11/1/06	2,090,000	5/1/15	4.0%	1,385,000		240,000	1,145,000
	Subtotal				4,015,000	0	550,000	3,465,000
Library bonds:	11/1/06	5,000,000	11/1/26	4.0% - 5.0%	4,500,000	0	250,000	4,250,000
Landfill bonds:	6/24/10	2,160,000	9/1/25	0.27% - 2.79%	0	2,160,000	0	2,160,000
<b>Subtotal general obligation bonds</b>					29,475,953	2,796,818	2,810,000	29,462,771
Note payable:	5/20/09	610,000	5/20/19	None	610,000	0	0	610,000
<b>Total general obligation debt</b>					\$30,085,953	\$2,796,818	\$2,810,000	\$30,072,771

(CONTINUED)



**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2010**

**8. LONG-TERM LIABILITIES (Continued)**

**(b) Bonds and Notes Outstanding (Continued)**

During the fiscal year ended June 30, 2010, the Town retired \$2,810,000 in principal on its existing outstanding bonds and loans. During fiscal year 2007, the Town issued a \$3,500,000 Sewer Bond of which \$3,360,771 was drawdown through fiscal year 2010. The balance remaining to be drawdown is \$139,229.

During the fiscal year ended June 30, 2010, the Town incurred the following interest expense:

Library bonds .....	\$ 179,126
Sewer bonds .....	183,649
School bonds .....	565,399
Refunding bonds .....	140,654
Total .....	<u>\$1,068,828</u>

The Town has issued four bonds under the Maximum Aggregate Indebtedness provision (3% Debt Limit) of the Rhode Island General Laws 45-12-2. The four bonds issued consisted of a 1995, \$4,500,000 School bond issue; \$1,000,000 of the 2000 \$8,000,000 School bond issue; a 2006 \$3,500,000 Wastewater bond issue, and a 2010 \$2,160,000 Landfill 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.

**(d) Loan Payable**

On September 23, 2009, the Town entered into a contract with the U.S. Department of Housing and Urban Development for loan guarantee assistance in the amount of \$1,820,000 under Section 108 of the Housing and Community Development Act of 1974, as amended. The loan guarantee assistance will be used in connection with the Stillwater Mill Redevelopment/Growth Center Project. Interest is to be repaid at the 3-month LIBOR rate plus 2 basis points with a 2-day lookback. The loan had an original maturity date of August 11, 2011 and was repaid in full on May 19, 2010.

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2010**

**8. LONG-TERM LIABILITIES (Continued)**

**(e) Debt Service Requirements**

At June 30, 2010, 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>
2011 .....	\$ 2,694,000	\$ 1,032,229	\$ 3,726,229
2012 .....	2,787,000	961,148	3,748,148
2013 .....	2,792,000	856,120	3,648,120
2014 .....	2,768,000	750,139	3,518,139
2015 .....	2,618,000	642,639	3,260,639
2016 .....	2,029,000	553,635	2,582,635
2017 .....	1,590,000	488,663	2,078,663
2018 .....	1,586,000	398,931	1,984,931
2019 .....	1,897,000	350,389	2,247,389
2020 .....	1,294,000	326,056	1,620,056
2021 .....	1,301,000	263,637	1,564,637
2022 .....	1,308,000	219,358	1,527,358
2023 .....	1,315,000	174,639	1,489,639
2024 .....	1,323,000	129,437	1,452,437
2025 .....	1,326,000	85,717	1,411,717
2026 .....	964,000	45,756	1,009,756
2027 .....	445,000	12,014	457,014
2028 .....	175,000	3,176	178,176
<b>Sub-Total</b> .....	<b>30,212,000</b>	<b>7,293,683</b>	<b>37,505,683</b>
Less: bond proceeds not drawn down at June 30, 2010 .....	(139,229)	(2,527)	(141,756)
<b>Total</b> .....	<b>\$30,072,771</b>	<b>\$7,291,156</b>	<b>\$37,363,927</b>

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2010**

**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, 2010 were as follows:

**General Fund:**

Reserved for Town held tax liens.....	\$ 520,457
Reserved for amounts not due within one year.....	112,398
Designated for subsequent year's expenditures .....	<u>2,528,844</u>
<b>Total</b> .....	<b><u>\$3,161,699</u></b>

**Special Revenue Funds:**

Reserved for prepaid expenditures .....	\$ 199,877
Reserved for encumbrances .....	67,885
Reserved for endowments .....	<u>400,000</u>
<b>Total</b> .....	<b><u>\$ 667,762</u></b>

**Capital Projects Funds:**

Reserved for encumbrances .....	<u>\$ 92,743</u>
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**Permanent Funds:**

Reserved for perpetual care.....	\$ 83,616
Reserved for endowments .....	<u>26,000</u>
<b>Total</b> .....	<b><u>\$ 109,616</u></b>

**(b) Fund Deficits**

The following funds had deficit fund equity balances at June 30, 2010:

Library Grant .....	\$ 3
Revaluation Fund .....	21,000
Rail Trail Harrisville/Pascoag .....	130,614
Mill Pond Dam Repair .....	31,232
School Cafeteria Fund.....	<u>58,393</u>

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, 2010**

**9. FUND EQUITY (Continued)**

**(b) Fund Deficits (Continued)**

The following individual funds had deficits for the year ended June 30, 2010:

**Non-major governmental activities:**

**Special Revenue Funds:**

Town Clerk - Technology .....	\$ 46,456
Animal Shelter Donation Account.....	385
Community Development Block Grant.....	5,071
Revaluation Fund .....	21,000
Recycling Program.....	359
Ocean State Power Funds .....	55,956
Debt Reduction.....	2,941,334

**Capital Project Funds:**

Rail Trail Harrisville/Pascoag .....	24,903
Callahan Renovation Project.....	22
Mill Pond Dam Repair .....	671,004
Municipal Annex Renovation.....	5,810

**Permanent Funds:**

Cemetery Fund.....	330
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**Non-major business-type-activities:**

School Cafeteria Fund.....	14,254
Extended Day Care .....	13,202

**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, 2010 was approximately \$5,263,025 and the Town wide payroll (municipal, police, and school) was approximately \$22,019,468.

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2010**

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**10. DEFINED BENEFIT PENSION PLANS (Continued)**

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

***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 4.67% of annual covered payroll. The contribution requirements of plan members and the Town are established and may be amended by State Statute.

**SCHEDULE OF CONTRIBUTIONS FROM THE TOWN**

<u>Year Ended June 30</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>	<u>Net Pension Obligation</u>
2008	\$251,498	100%	\$0
2009	\$313,947	100%	\$0
2010	\$245,784	100%	\$0

***Annual Pension Cost***

For 2010, the Town's annual pension cost of \$245,784 for MERS was equal to the Town's required and actual contributions. The required contribution was determined as part of the June 30, 2008 actuarial valuation using the entry age normal cost method with frozen initial liability. Significant actuarial assumptions included mortality rates based on the 1994 Group Annuity Mortality Table and the age of 65 or completion of service requirements. 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.

**(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, 2010 was approximately \$1,237,241 and the Town wide payroll (municipal, police, and school) was approximately \$22,019,468.

***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 12.23% of annual covered salaries for the year ended June 30, 2010. The contribution requirements of plan members and the Town are established and may be amended by State Statute.

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2010**

**10. DEFINED BENEFIT PENSION PLANS (Continued)**

**(b) Municipal Police Pension Plan (Continued)**

***Funding Policy (Continued)***

**SCHEDULE OF CONTRIBUTIONS FROM THE TOWN**

<u>Year Ended June 30</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>	<u>Net Pension Obligation</u>
2008	\$298,110	100%	\$0
2009	\$212,672	100%	\$0
2010	\$151,315	100%	\$0

***Annual Pension Cost***

For 2010, the Town's annual pension cost of \$151,315 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, 2008 actuarial valuation using the entry age normal cost method with frozen initial liability. Significant actuarial assumptions included mortality rates based on the 1994 Group Annuity Mortality Table, and the later of a retirement age of 60, or completion of service requirements. 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.

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 2009 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.

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. The information presented in the required supplementary schedules was determined as part of the annual actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

	<u>General Municipal Employees Pension Plan</u>	<u>Municipal Police Pension Plan</u>
Valuation date .....	6/30/08	6/30/08
Actuarial cost method .....	Entry Age Normal Cost	Entry Age Normal Cost
Amortization method .....	Level Percent Closed	Level Percent Closed
Remaining amortization period .....	21 years	21 years
Asset valuation method .....	5-year Smoothed Market Value	5-year Smoothed Market Value
Actuarial assumptions:		
Investment rate of return .....	8.25%, compounded annually	8.25%, compounded annually
Projected salary increases .....	4.5%-8.5%, compounded annually	4.75%-14.75%, compounded annually
Cost-of-living adjustments .....	1.50% not compounded	2.00% not compounded
Inflation adjustments .....	3.0%	3.0%

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2010**

**10. DEFINED BENEFIT PENSION PLANS (Continued)**

**Actuarial Information**

**SCHEDULE OF FUNDING PROGRESS**

Actuarial Valuation Date <u>June 30</u>	Actuarial Value of Assets <u>(a)</u>	Actuarial Accrued Liability (AAL) <u>(b)</u>	Overfunded (Unfunded) AAL (UAAL) <u>(a-b)</u>	Funded Ratio <u>(a/b)</u>	Covered Payroll <u>(c)</u>	UAAL as a Percentage of Covered Payroll <u>((a-b)/c)</u>
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**General Employees – Municipal Employees' Retirement System**

2009	\$23,499,023	\$22,446,076	\$1,052,947	104.7%	\$5,589,303	18.8%
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**Police Units – Municipal Employees' Retirement System**

2009	\$7,553,018	\$7,322,217	\$ 230,801	103.2%	\$1,285,819	17.9%
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**(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, 2010, was \$14,012,300; the total payroll for all School employees was \$18,056,472.

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.

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%

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2010**

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**10. DEFINED BENEFIT PENSION PLANS (Continued)**

**(c) Teacher's Pension Plan (Continued)**

***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 10.60%, 11.23%, and 12.38%, for all full-time employees for fiscal years 2010, 2009, and 2008, respectively. The required contributions include (a) normal costs; (b) payments to amortize the unfunded frozen actuarial accrued liability as of July 1, 1986 over a closed 30-year period; 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 7.32% of non-federally reimbursable payrolls, totaling \$977,044 for fiscal year ended June 30, 2010. This amount was recognized in the School District fund as both a revenue and an expenditure.

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>
2010	\$1,331,169	\$1,533,960	100%
2009	\$1,325,310	\$1,610,087	100%
2008	\$1,267,898	\$1,698,584	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, 2010 totaled \$186,130. Total payments to be made for fiscal year ending June 30, 2011 total \$188,620 consisting of \$167,620 for rental of Town Hall facilities and \$21,000 for capital improvements.

(CONTINUED)



**TOWN OF BURRILLVILLE, RHODE ISLAND**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2010**

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**11. CONTINGENT LIABILITIES (Continued)**

***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, 2010 was \$61,600.

The School District has contracted with DATTCO to have bus service provided for students through the last day of school in June 2012. The annual payment on this contract varies from year to year based on the transportation needs of the district. There is a 2.9% increase each year on the cost per bus as dictated by the bus transportation contract with DATTCO. Busing costs associated with this agreement totaled approximately \$2,093,219 for the year ended June 30, 2010.

***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 2010 because Town officials are of the opinion that, based upon prior years' experience, any claims relating to this period will be immaterial.

***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.

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2010**

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

***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).

**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 of 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.

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2010**

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

***Benefit/Cost Sharing (Continued):***

**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.

***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, 2010, 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 \$127,036. 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) .....	\$ 133,280
Interest on net OPEB obligation .....	903
Adjustment to annual required contribution .....	<u>(944)</u>
Annual OPEB cost (expense) .....	133,239
Contributions made .....	<u>(127,036)</u>
Increase in net OPEB obligation .....	6,203
Net OPEB obligation - July 1, 2009 .....	<u>22,568</u>
Net OPEB obligation - June 30, 2010 .....	<u>\$ 28,771</u>

The Town's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation are as follows:

<u>Fiscal Year</u> <u>Ending</u>	<u>Annual OPEB</u> <u>Cost</u>	<u>Percentage of Annual</u> <u>OPEB Cost Contributed</u>	<u>Net OPEB</u> <u>Obligation</u>
6/30/2009	\$129,436	82.6%	\$22,568
6/30/2010	\$133,239	95.3%	\$28,771

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2010**

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

**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:

Actuarial Valuation Date	(A) Actuarial Value of Assets	(B) Actuarial Accrued Liability (AAL)	(B-A) Unfunded Actuarial Accrued Liability (UAAL)	(A/B) Funded Ratio	(C) Covered Payroll	[(A-B)/C] UAAL as a Percentage of Covered Payroll
July 1, 2008*	\$0	\$1,693,855	\$1,693,855	0.0%	\$20,512,566	(8.26%)

\* As allowed by GASB 45, the valuation results have been projected forward to fiscal year June 30, 2010.

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.

**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, 2010.....	29 years
Valuation Type .....	Closed Group
Payroll Growth Rate .....	2.50%

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2010**

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**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>
2011 .....	\$3,567,462
2012 .....	<u>1,016,865</u>
Total .....	<u>\$4,584,327</u>

During fiscal year ending June 30, 2010 the Town received \$4,965,773 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, 2010, the Town had the following commitments with respect to unfinished capital projects:

Whipple Landfill Capping .....	\$74,039
Library Building.....	17,704
Mill Pond Dam Repair .....	<u>1,000</u>
<b>Total</b> .....	<b><u>\$92,743</u></b>

**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, 2010.

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2010**

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**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 23 fiscal years.

During the fiscal year ended June 30, 2010, the Town paid premiums of \$83,823 for workers' compensation coverage and \$142,343 for property and liability coverage.

At June 30, 2010, the Trust held reserves for future payments of open cases of \$144,688 for property and liability claims and \$26,197 for workers compensation 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, 2010, 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. This note was paid in full during fiscal year 2010.

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2010**

**18. INTERFUND TRANSFERS**

Interfund transfers for fiscal year ended June 30, 2010 are as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
<b>Governmental activities:</b>		
<b>Major funds:</b>		
General Fund .....	\$ 288,775	\$18,177,165
School District .....	15,060,577	44,000
<b>Non-major funds</b> .....	7,079,770	4,610,095
<b>Total governmental activities</b> .....	<u>\$22,429,122</u>	<u>\$22,831,260</u>
<b>Business-type activities:</b>		
<b>Major funds:</b>		
Sewer Authority .....	\$ 363,233	
<b>Non-major funds</b> .....	38,905	
<b>Total business-type activities</b> .....	<u>\$ 402,138</u>	<u>\$ 0</u>

**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 eleven 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 contractual obligations is \$2,160,000. The closure costs are being funded by bond proceeds received in fiscal year 2010. 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. 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	11	\$ 330,000	\$ 30,000	\$ 300,000
Whipple Avenue	1976	<u>\$250,000</u>	<u>30,000</u>	30	<u>1,150,000</u>	<u>280,000</u>	<u>870,000</u>
		<u>\$250,000</u>	<u>\$60,000</u>		<u>\$1,480,000</u>	<u>\$310,000</u>	<u>\$1,170,000</u>

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2010**

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**20. STATE FISCAL STABILIZATION FUNDS (SFSF)**

During fiscal year 2010, 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 \$948,730 of SFSF during fiscal year 2010. 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 \$27,312,595.

**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. JOINT VENTURE**

***The Health Pool (formerly known as the Governmental Health Group of Rhode Island)***

The Town participates in a joint venture through the Rhode Island Interlocal Risk Management Trust (the Trust) entitled the Health Pool (the Pool), formerly known as The Governmental Health Group of Rhode Island, Inc. The Pool is part of a not-for-profit organization (the Trust) formed to provide programs of liability, workers compensation, and health insurance coverage to Rhode Island cities, towns and other governmental units. The Pool is governed by the Trust Board of Directors (Board).

Upon joining the Pool, members execute a member agreement. That document, pursuant to which the Pool was established and operates, outlines the rights and responsibilities of both the members and the Pool. Members of the Pool participate in the Pool's health insurance plan administered through the Trust and Blue Cross Blue Shield of Rhode Island (BCBSRI).

Using the rate calculations prepared by BCBSRI, the Trust sets annual contribution rates for the subscribers of each member for each program offered. The Pool agreement requires that those contribution rates be set at a level sufficient, in the aggregate, to satisfy the funding requirements of the Pool. The contributions of each member are deposited in the General Fund, and are used to pay for claims, reinsurance and all administrative expenses. The Pool agreement provides for an annual independent audit of its financial statements.

A member's share of surplus or deficit is equal to the ratio of the member's subscribers (employees and retirees) participating in the Pool's plan for each month of the one-year period immediately prior to the member's effective date of termination, divided by the sum of all subscribers in the Pool for the same period.

The Pool agreement provides the Trust's Board a discretionary, fully allocable assessment feature with respect to specified circumstances.

After it has been a member of the Pool for an initial three-year period, a member may withdraw from the Pool by providing the Trust's Board with 90 days notice; liquidated damages would also be assessed at that time. The Trust may terminate a member's coverage for failure to pay amounts due.

(CONTINUED)



**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2010**

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**22. JOINT VENTURE (Continued)**

***The Health Pool (formerly known as the Governmental Health Group of Rhode Island)***

For the year ended June 30, 2010, unaudited results indicate that the Pool generated \$97,124,022 in revenues and excess of expenses over revenues of \$446,522. The Pool had \$21,280,626 in total assets and \$5,363,255 in total equity as of June 30, 2010.

The Pool retains certain levels of insurance risk and acquires reinsurance for specific losses in excess of \$550,000. As of June 30, 2010, the Pool's membership consisted of 37 cities, towns or other governmental units.

Separate financial statements are available at the RI Interlocal Risk Management Trust, 501 Wampanoag Trail, Suite 301, East Providence, RI 02915.

(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)
<b><u>General Employees – Municipal Employees' Retirement System</u></b>						
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%
2009	\$23,499,023	\$22,446,076	\$1,052,947	104.7%	\$5,589,303	18.8%
<b><u>Police Units – Municipal Employees' Retirement System</u></b>						
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%
2009	\$7,553,018	\$7,322,217	\$ 230,801	103.2%	\$1,285,819	17.9%
<b><u>Other Post Employment Benefits</u></b>						
7/01/08 (FY09)*	\$0	\$1,675,408	\$1,675,408	0%	\$20,531,931	(8.16%)
7/01/08 (FY10)*	\$0	\$1,693,855	\$1,693,855	0%	\$20,512,566	(8.26%)

\* As allowed by GASB 45, the valuation results have been projected forward to fiscal year June 30, 2010.

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, 2010**

	Originally Adopted Budget	Final Approved Budget	Actual (Budgetary Basis)	Variance Favorable (Unfavorable)
<b>REVENUES:</b>				
General property taxes	\$ 26,584,842	\$ 26,584,842	\$ 26,895,875	\$ 311,033
Intergovernmental	18,272,243	17,887,072	17,588,007	(299,065)
Licenses, permits and fees	450,900	450,900	424,534	(26,366)
Investment income	136,000	136,000	33,165	(102,835)
Departmental	68,100	68,100	41,059	(27,041)
<b>Total revenues</b>	<b>45,512,085</b>	<b>45,126,914</b>	<b>44,982,640</b>	<b>(144,274)</b>
<b>EXPENDITURES:</b>				
<b>Current:</b>				
General government	3,071,457	3,077,357	2,741,533	335,824
Public safety	2,365,604	2,365,904	2,313,767	52,137
Public works	1,425,191	1,425,191	1,017,261	407,930
Recreation and social services	236,336	236,336	210,055	26,281
Libraries	593,500	593,500	553,500	40,000
Employee benefits and other	2,069,361	2,069,361	1,889,863	179,498
<b>Debt service:</b>				
Principal	2,810,000	2,810,000	2,810,000	
Interest and other costs	1,127,287	1,127,287	1,070,078	57,209
<b>Capital outlay</b>	<b>2,649,955</b>	<b>4,878,443</b>	<b>1,160,252</b>	<b>3,718,191</b>
<b>Total expenditures</b>	<b>16,348,691</b>	<b>18,583,379</b>	<b>13,766,309</b>	<b>4,817,070</b>
<b>Excess of revenues over expenditures</b>	<b>29,163,394</b>	<b>26,543,535</b>	<b>31,216,331</b>	<b>4,672,796</b>
<b>Other financing sources (uses):</b>				
Transfers out	(29,893,584)	(29,618,413)	(30,429,183)	(810,770)
Proceeds from bond issuance			636,818	636,818
Transfers in	730,190	730,190	288,775	(441,415)
Re-appropriation of prior year's designated fund balance	0	2,344,688	2,455,019	110,331
<b>Net other financing sources (uses)</b>	<b>(29,163,394)</b>	<b>(26,543,535)</b>	<b>(27,048,571)</b>	<b>(505,036)</b>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>4,167,760</b>	<b>\$ 4,167,760</b>
Less: re-appropriated fund balance			(2,455,019)	
<b>Fund Balance, beginning of year</b>			<b>8,519,043</b>	
<b>Fund Balance, end of year</b>			<b>\$ 10,231,784</b>	

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, 2010**

	Originally Adopted Budget	Final Approved Budget	Actual (Budgetary Basis)	Variance Favorable (Unfavorable)
<b>Revenues:</b>				
State aid	\$ 11,327,936	\$ 10,942,765	\$ 11,008,435	\$ 65,670
Federal State Fiscal Stabilization Funds			948,730	948,730
Miscellaneous	150,000	150,000	294,853	144,853
<b>Total revenues</b>	<b>11,477,936</b>	<b>11,092,765</b>	<b>12,252,018</b>	<b>1,159,253</b>
<b>Expenditures:</b>				
<b>Current:</b>				
Salaries	16,050,523	16,070,342	16,155,774	(85,432)
Employee benefits	5,294,789	5,197,995	5,167,761	30,234
Purchased services	5,170,568	4,339,713	4,505,596	(165,883)
Supplies and materials	1,052,108	1,489,702	993,607	496,095
Other	30,556	33,129	29,361	3,768
<b>Capital outlay</b>	<b>55,222</b>	<b>137,714</b>	<b>203,405</b>	<b>(65,691)</b>
<b>Total expenditures</b>	<b>27,653,766</b>	<b>27,268,595</b>	<b>27,055,504</b>	<b>213,091</b>
<b>Excess of revenues over (under) expenditures before other financing sources (uses)</b>	<b>(16,175,830)</b>	<b>(16,175,830)</b>	<b>(14,803,486)</b>	<b>1,372,344</b>
<b>Other financing sources (uses):</b>				
Transfers from Town of Burrillville	16,219,830	16,219,830	15,060,577	(1,159,253)
Transfers to other funds	(44,000)	(44,000)	(44,000)	0
<b>Net other financing sources</b>	<b>16,175,830</b>	<b>16,175,830</b>	<b>15,016,577</b>	<b>(1,159,253)</b>
<b>Excess of revenues and other financing sources over (under) expenditures</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>213,091</b>	<b>\$ 213,091</b>
Add: current year encumbrances			64,435	
Less: prior year encumbrances			(107,266)	
<b>Fund balance, beginning of year</b>			<b>824,422</b>	
<b>Fund balance, end of year</b>			<b>\$ 994,682</b>	

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2010**

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**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, 2010:

Excess of revenues and other sources over expenditures and other uses (Non-GAAP Budgetary Basis).....	\$ 4,167,760
Fund balance reappropriated .....	<u>(2,455,019)</u>
Excess of revenues and other sources over expenditures and other uses (GAAP).....	<u>\$ 1,712,741</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, 2010:

Deficiency of revenues and other sources over expenditures and other uses (Non-GAAP Budgetary Basis).....	\$ 213,091
Current year encumbrances.....	64,435
Prior year encumbrances .....	<u>(107,266)</u>
Excess of revenues and other sources over expenditures and other uses (GAAP)	<u>\$ 170,260</u>

# ***TOWN OF BURRILLVILLE***

## **NON-MAJOR GOVERNMENTAL FUNDS**

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### **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.

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(CONTINUED)

# ***TOWN OF BURRILLVILLE***

## **NON-MAJOR GOVERNMENTAL FUNDS**

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### **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.

#### **Revaluation Fund**

This fund accounts for monies utilized for the purpose of conducting the triennial statistical revaluation.

#### **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.

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(CONTINUED)



# ***TOWN OF BURRILLVILLE***

## **NON-MAJOR GOVERNMENTAL FUNDS**

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### **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.

#### **Stillwater Mill Revitalization (Brownfield Economic Development Initiative)**

This fund accounts for HUD monies (BEDI grant and HUD loan) utilized for the purpose of cleaning up the former Stillwater Mill Complex.

#### **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.

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(CONTINUED)

# ***TOWN OF BURRILLVILLE***

## **NON-MAJOR GOVERNMENTAL FUNDS**

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### **SPECIAL REVENUE FUNDS**

#### **Health Care Contingency**

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

#### **Hydroelectric Power**

This fund accounts for Rhode Island Economic Development Corporation monies used to study the feasibility of developing hydroelectric power from the Mill Pond Dam.

#### **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.

#### **FEMA Grant**

This fund accounts for FEMA grant funding received to reimburse the Town for costs incurred due to flooding in March 2010.

#### **Speed Trailer Grant**

This fund accounts for a speed monitoring trailer received from a Federal Highway Safety grant.

#### **Breathalyzer Acquisition**

This fund accounts for grant funding received to assist in the purchase of a breathalyzer for the police department.

#### **Other Post Employment Benefits (OPEB)**

This fund accounts for monies specifically appropriated to cover the Town's actuarial accrued OPEB obligation based upon an actuarial valuation completed in 2009.

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(CONTINUED)

# ***TOWN OF BURRILLVILLE***

## **NON-MAJOR GOVERNMENTAL FUNDS**

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### **SPECIAL REVENUE FUNDS**

#### **Solemn Federal Task Force**

This fund accounts for grant funding received for the purpose of assisting in various police related undercover activities in the region.

#### **Bulletproof Vest Program**

This fund accounts for grant funding received to assist in the purchase of bulletproof vests.

#### **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 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.

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(CONTINUED)

# ***TOWN OF BURRILLVILLE***

## **NON-MAJOR GOVERNMENTAL FUNDS**

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### **CAPITAL PROJECT FUNDS**

#### **Callahan Renovation Project**

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

#### **Route 102 Commerce Park**

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

#### **Major Capital**

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

#### **Library Building**

This fund accounts for monies utilized in the construction of a new library.

#### **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.

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(CONTINUED)

# ***TOWN OF BURRILLVILLE***

## **NON-MAJOR GOVERNMENTAL FUNDS**

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### **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.

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(CONCLUDED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2010**

	Special Revenue Funds					
	School Restricted Grants	Other School Activities	Community Recreation	Town Clerk - Technology	Historical Records	Animal Shelter Donation Account
<b>ASSETS:</b>						
Cash and cash equivalents	\$ 817,926		\$ 89,767			
Receivables:						
Other						
Due from:						
Other funds	386,491	\$ 328,294	255	\$ 62,307	\$ 42,351	\$ 233
Other governments	259,874					
<b>TOTAL ASSETS</b>	<b>\$ 1,464,291</b>	<b>\$ 328,294</b>	<b>\$ 90,022</b>	<b>\$ 62,307</b>	<b>\$ 42,351</b>	<b>\$ 233</b>
<b>LIABILITIES AND FUND BALANCES:</b>						
<b>LIABILITIES:</b>						
Accounts payable	\$ 115,247		\$ 10,374	\$ 9,709	\$ 771	
Accrued payroll and benefits	148,493					
Due to:						
Other funds	497,655	\$ 246,291				
Other governments	1,123					
Deferred revenues	701,773					
Other liabilities						
<b>TOTAL LIABILITIES</b>	<b>1,464,291</b>	<b>246,291</b>	<b>10,374</b>	<b>9,709</b>	<b>771</b>	<b>\$ 0</b>
<b>FUND BALANCES:</b>						
Reserved for:						
Perpetual care						
Endowments						
Encumbrances						
Unreserved, reported in:						
Special revenue funds		82,003	79,648	52,598	41,580	233
Capital project funds						
<b>TOTAL FUND BALANCES</b>	<b>0</b>	<b>82,003</b>	<b>79,648</b>	<b>52,598</b>	<b>41,580</b>	<b>233</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 1,464,291</b>	<b>\$ 328,294</b>	<b>\$ 90,022</b>	<b>\$ 62,307</b>	<b>\$ 42,351</b>	<b>\$ 233</b>

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND****COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2010**

	Special Revenue Funds					
	Library Grant	Community Emergency Response Training	Byrne/JAG Stimulus Grant	Spring Lake	Community Development Block Grant	Revaluation Fund
<b>ASSETS:</b>						
Cash and cash equivalents				\$ 222,910	\$ 32,582	
Receivables:						
Other					59,938	
Due from:						
Other funds		\$ 43,752			2,193	
Other governments			\$ 10,232		33,075	
<b>TOTAL ASSETS</b>	<b>\$ 0</b>	<b>\$ 43,752</b>	<b>\$ 10,232</b>	<b>\$ 222,910</b>	<b>\$ 127,788</b>	<b>\$ 0</b>
<b>LIABILITIES AND FUND BALANCES:</b>						
<b>LIABILITIES:</b>						
Accounts payable		\$ 330		\$ 2,369		\$ 10,501
Accrued payroll and benefits						
Due to:						
Other funds	\$ 3		\$ 10,232	18,033	\$ 2,193	10,499
Other governments						
Deferred revenues					95,206	
Other liabilities						
<b>TOTAL LIABILITIES</b>	<b>3</b>	<b>330</b>	<b>10,232</b>	<b>20,402</b>	<b>97,399</b>	<b>21,000</b>
<b>FUND BALANCES:</b>						
Reserved for:						
Perpetual care						
Endowments						
Encumbrances						
Unreserved, reported in:						
Special revenue funds	(3)	43,422		202,508	30,389	(21,000)
Capital project funds						
<b>TOTAL FUND BALANCES</b>	<b>(3)</b>	<b>43,422</b>	<b>0</b>	<b>202,508</b>	<b>30,389</b>	<b>(21,000)</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 0</b>	<b>\$ 43,752</b>	<b>\$ 10,232</b>	<b>\$ 222,910</b>	<b>\$ 127,788</b>	<b>\$ 0</b>

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND****COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2010**

	Special Revenue Funds					
	Unfunded Liability and Incentive Pay Fund	Recycling Program	Ocean State Power Funds	Narcotics Guidance Council	Stillwater Mill Revitalization	Police Grant - Operation Riptide
<b>ASSETS:</b>						
Cash and cash equivalents	\$ 18,850		\$ 761,468			
Receivables:						
Other			730		\$ 272	
Due from:						
Other funds	97,896	\$ 134,114		\$ 130,179		
Other governments				6,161		\$ 6,115
<b>TOTAL ASSETS</b>	<b>\$ 116,746</b>	<b>\$ 134,114</b>	<b>\$ 762,198</b>	<b>\$ 136,340</b>	<b>\$ 272</b>	<b>\$ 6,115</b>
<b>LIABILITIES AND FUND BALANCES:</b>						
<b>LIABILITIES:</b>						
Accounts payable		\$ 172	\$ 103,629	\$ 1,686		
Accrued payroll and benefits						
Due to:						
Other funds			29,996	82,199	\$ 272	\$ 6,115
Other governments						
Deferred revenues						
Other liabilities						
<b>TOTAL LIABILITIES</b>	<b>\$ 0</b>	<b>172</b>	<b>133,625</b>	<b>83,885</b>	<b>272</b>	<b>6,115</b>
<b>FUND BALANCES:</b>						
Reserved for:						
Perpetual care						
Endowments			400,000			
Encumbrances						
Unreserved, reported in:						
Special revenue funds	116,746	133,942	228,573	52,455		
Capital project funds						
<b>TOTAL FUND BALANCES</b>	<b>116,746</b>	<b>133,942</b>	<b>628,573</b>	<b>52,455</b>	<b>0</b>	<b>0</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 116,746</b>	<b>\$ 134,114</b>	<b>\$ 762,198</b>	<b>\$ 136,340</b>	<b>\$ 272</b>	<b>\$ 6,115</b>

(CONTINUED)



TOWN OF BURRILLVILLE, RHODE ISLAND

**COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2010**

	Special Revenue Funds					
	Police Task Force	Police Legislative Grant	Homeland Security	Health Care Contingency	Hydroelectric Power	Cops That Care
<b>ASSETS:</b>						
Cash and cash equivalents	\$ 1,893			\$ 722,766		
Receivables:						
Other						
Due from:						
Other funds	10,093	\$ 118		49,850		\$ 232
Other governments					\$ 40,000	
<b>TOTAL ASSETS</b>	<b>\$ 11,986</b>	<b>\$ 118</b>	<b>\$0</b>	<b>\$ 772,616</b>	<b>\$ 40,000</b>	<b>\$ 232</b>
<b>LIABILITIES AND FUND BALANCES:</b>						
<b>LIABILITIES:</b>						
Accounts payable				\$ 59	\$ 9,384	
Accrued payroll and benefits						
Due to:						
Other funds					21,166	
Other governments	\$ 120					
Deferred revenues					9,450	\$ 232
Other liabilities						
<b>TOTAL LIABILITIES</b>	<b>120</b>	<b>\$ 0</b>	<b>\$0</b>	<b>59</b>	<b>40,000</b>	<b>232</b>
<b>FUND BALANCES:</b>						
Reserved for:						
Perpetual care						
Endowments						
Encumbrances					3,450	
Unreserved, reported in:						
Special revenue funds	11,866	118		772,557	(3,450)	
Capital project funds						
<b>TOTAL FUND BALANCES</b>	<b>11,866</b>	<b>118</b>	<b>0</b>	<b>772,557</b>	<b>0</b>	<b>0</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 11,986</b>	<b>\$ 118</b>	<b>\$0</b>	<b>\$ 772,616</b>	<b>\$ 40,000</b>	<b>\$ 232</b>

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND****COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2010**

	Special Revenue Funds					
	Senior Center	FEMA Grant	Speed Trailer Grant	Breathalyzer Acquisition	Other Post Employment Benefits	Solemn Federal Task Force
<b>ASSETS:</b>						
Cash and cash equivalents						
Receivables:						
Other						
Due from:						
Other funds					\$ 110,331	
Other governments		\$ 30,456				\$ 582
<b>TOTAL ASSETS</b>	\$0	\$ 30,456	\$0	\$0	\$ 110,331	\$ 582
<b>LIABILITIES AND FUND BALANCES:</b>						
<b>LIABILITIES:</b>						
Accounts payable						
Accrued payroll and benefits						
Due to:						
Other funds		\$ 30,456				\$ 582
Other governments						
Deferred revenues						
Other liabilities						
<b>TOTAL LIABILITIES</b>	\$0	30,456	\$0	\$0	0	582
<b>FUND BALANCES:</b>						
Reserved for:						
Perpetual care						
Endowments						
Encumbrances						
Unreserved, reported in:						
Special revenue funds					110,331	
Capital project funds						
<b>TOTAL FUND BALANCES</b>	0	0	0	0	110,331	0
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	\$0	\$ 30,456	\$0	\$0	\$ 110,331	\$ 582

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2010**

	<u>Special Revenue Funds</u>		<u>Capital Project Funds</u>			
	<u>Bulletproof Vest Program</u>	<u>Debt Reduction</u>	<u>Police Station Expansion</u>	<u>Rail Trail Harrisville/ Pascoag</u>	<u>Open Space/ Land Acquisition</u>	<u>Callahan Renovation Project</u>
<b>ASSETS:</b>						
Cash and cash equivalents		\$ 921,607			\$ 70,145	\$ 510,644
Receivables:						
Other			\$ 1,743			
Due from:						
Other funds			70,586			
Other governments	\$ 7,575					
<b>TOTAL ASSETS</b>	<u>\$ 7,575</u>	<u>\$ 921,607</u>	<u>\$ 72,329</u>	<u>\$ 0</u>	<u>\$ 70,145</u>	<u>\$ 510,644</u>
<b>LIABILITIES AND FUND BALANCES:</b>						
<b>LIABILITIES:</b>						
Accounts payable			\$ 6,075	\$ 100,733		
Accrued payroll and benefits						
Due to:						
Other funds				10,495		\$ 381,943
Other governments						
Deferred revenues	\$ 7,575			19,386		
Other liabilities						
<b>TOTAL LIABILITIES</b>	<u>7,575</u>	<u>\$ 0</u>	<u>6,075</u>	<u>130,614</u>	<u>\$ 0</u>	<u>381,943</u>
<b>FUND BALANCES:</b>						
Reserved for:						
Perpetual care						
Endowments						
Encumbrances						
Unreserved, reported in:						
Special revenue funds		921,607				
Capital project funds			66,254	(130,614)	70,145	128,701
<b>TOTAL FUND BALANCES</b>	<u>0</u>	<u>921,607</u>	<u>66,254</u>	<u>(130,614)</u>	<u>70,145</u>	<u>128,701</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 7,575</u>	<u>\$ 921,607</u>	<u>\$ 72,329</u>	<u>\$ 0</u>	<u>\$ 70,145</u>	<u>\$ 510,644</u>

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2010**

	Capital Project Funds					
	Route 102 Commerce Park	Major Capital	Library Building	Shippee Bridge Project	Mill Pond Dam Repair	Municipal Annex Renovation
<b>ASSETS:</b>						
Cash and cash equivalents		\$ 930,637				
Receivables:						
Other			\$ 34,875			
Due from:						
Other funds	\$ 106,482		383,778			\$ 41,084
Other governments						
<b>TOTAL ASSETS</b>	<u>\$ 106,482</u>	<u>\$ 930,637</u>	<u>\$ 418,653</u>	<u>\$0</u>	<u>\$ 0</u>	<u>\$ 41,084</u>
<b>LIABILITIES AND FUND BALANCES:</b>						
<b>LIABILITIES:</b>						
Accounts payable						\$ 2,947
Accrued payroll and benefits						
Due to:						
Other funds					\$ 31,232	
Other governments						
Deferred revenues						
Other liabilities						
<b>TOTAL LIABILITIES</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$0</u>	<u>31,232</u>	<u>2,947</u>
<b>FUND BALANCES:</b>						
Reserved for:						
Perpetual care						
Endowments						
Encumbrances			17,704		1,000	
Unreserved, reported in:						
Special revenue funds						
Capital project funds	106,482	930,637	400,949		(32,232)	38,137
<b>TOTAL FUND BALANCES</b>	<u>106,482</u>	<u>930,637</u>	<u>418,653</u>	<u>0</u>	<u>(31,232)</u>	<u>38,137</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 106,482</u>	<u>\$ 930,637</u>	<u>\$ 418,653</u>	<u>\$0</u>	<u>\$ 0</u>	<u>\$ 41,084</u>

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2010**

	Permanent Funds				Total Non-Major Governmental Funds
	Cemetery Fund	Frank H. Potter Bridgeway Fund	Alice McGreevy Thompson Fund	Jesse M. Smith Memorial Library Fund	
<b>ASSETS:</b>					
Cash and cash equivalents	\$ 83,590	\$ 15,946	\$ 1,193	\$ 15,034	\$ 5,216,958
Receivables:					
Other	26				97,584
Due from:					
Other funds					2,000,619
Other governments					394,070
<b>TOTAL ASSETS</b>	<b>\$ 83,616</b>	<b>\$ 15,946</b>	<b>\$ 1,193</b>	<b>\$ 15,034</b>	<b>\$ 7,709,231</b>
<b>LIABILITIES AND FUND BALANCES:</b>					
<b>LIABILITIES:</b>					
Accounts payable					\$ 373,986
Accrued payroll and benefits					148,493
Due to:					
Other funds					1,379,362
Other governments					1,243
Deferred revenues					833,622
Other liabilities		\$ 5,946	\$ 193	\$ 34	6,173
<b>TOTAL LIABILITIES</b>	<b>\$ 0</b>	<b>\$ 5,946</b>	<b>\$ 193</b>	<b>\$ 34</b>	<b>2,742,879</b>
<b>FUND BALANCES:</b>					
Reserved for:					
Perpetual care	83,616				83,616
Endowments		10,000	1,000	15,000	426,000
Encumbrances					22,154
Unreserved, reported in:					
Special revenue funds					2,856,123
Capital project funds					1,578,459
<b>TOTAL FUND BALANCES</b>	<b>83,616</b>	<b>10,000</b>	<b>1,000</b>	<b>15,000</b>	<b>4,966,352</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 83,616</b>	<b>\$ 15,946</b>	<b>\$ 1,193</b>	<b>\$ 15,034</b>	<b>\$ 7,709,231</b>

(CONCLUDED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
NON-MAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2010**

	Special Revenue Funds					
	School Restricted Grants	Other School Activities	Community Recreation	Town Clerk - Technology	Historical Records	Animal Shelter Donation Account
<b>REVENUES:</b>						
Intergovernmental	\$2,543,695					
Investment income			\$ 177			
Other	7,910	\$ 66,600	16,877	\$ 15,408	\$ 2,850	\$ 3,955
<b>TOTAL REVENUES</b>	<u>2,551,605</u>	<u>66,600</u>	<u>17,054</u>	<u>15,408</u>	<u>2,850</u>	<u>3,955</u>
<b>EXPENDITURES:</b>						
<b>Current:</b>						
General government				56,401		
Public safety						4,340
Public works						
Public libraries						
Recreation and social services			5,939			
Education	2,517,095	30,846				
Community development						
<b>Debt service:</b>						
Principal						
<b>Capital outlay</b>	34,510		10,224	5,463		
<b>TOTAL EXPENDITURES</b>	<u>2,551,605</u>	<u>30,846</u>	<u>16,163</u>	<u>61,864</u>	<u>0</u>	<u>4,340</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)</b>	<u>0</u>	<u>35,754</u>	<u>891</u>	<u>(46,456)</u>	<u>2,850</u>	<u>(385)</u>
<b>OTHER FINANCING SOURCES (USES):</b>						
Proceeds from loan						
Transfers in						
Transfers out						
<b>NET OTHER FINANCING SOURCES (USES)</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>0</u>	<u>35,754</u>	<u>891</u>	<u>(46,456)</u>	<u>2,850</u>	<u>(385)</u>
<b>FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR</b>	<u>0</u>	<u>46,249</u>	<u>78,757</u>	<u>99,054</u>	<u>38,730</u>	<u>618</u>
<b>FUND BALANCE (DEFICIT) AT END OF YEAR</b>	<u>\$ 0</u>	<u>\$ 82,003</u>	<u>\$ 79,648</u>	<u>\$ 52,598</u>	<u>\$ 41,580</u>	<u>\$ 233</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, 2010**

	Special Revenue Funds					
	Library Grant	Community Emergency Response Training	Bryne/JAG Stimulus Grant	Spring Lake	Community Development Block Grant	Revaluation Fund
<b>REVENUES:</b>						
Intergovernmental	\$ 91,281	\$ 50,337	\$ 37,979		\$ 64,307	\$ 84,000
Investment income				\$ 368	1,965	
Other				181,810	24,365	
<b>TOTAL REVENUES</b>	<b>91,281</b>	<b>50,337</b>	<b>37,979</b>	<b>182,178</b>	<b>90,637</b>	<b>84,000</b>
<b>EXPENDITURES:</b>						
<b>Current:</b>						
General government						105,000
Public safety		2,460				
Public works						
Public libraries	91,281					
Recreation and social services				106,514		
Education						
Community development					95,708	
<b>Debt service:</b>						
Principal						
<b>Capital outlay</b>		4,455	37,979	24,500		
<b>TOTAL EXPENDITURES</b>	<b>91,281</b>	<b>6,915</b>	<b>37,979</b>	<b>131,014</b>	<b>95,708</b>	<b>105,000</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)</b>	<b>0</b>	<b>43,422</b>	<b>0</b>	<b>51,164</b>	<b>(5,071)</b>	<b>(21,000)</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Proceeds from loan						
Transfers in				5,000		
Transfers out				(10,095)		
<b>NET OTHER FINANCING SOURCES (USES)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(5,095)</b>	<b>0</b>	<b>0</b>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>0</b>	<b>43,422</b>	<b>0</b>	<b>46,069</b>	<b>(5,071)</b>	<b>(21,000)</b>
<b>FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR</b>	<b>(3)</b>	<b>0</b>	<b>0</b>	<b>156,439</b>	<b>35,460</b>	<b>0</b>
<b>FUND BALANCE (DEFICIT) AT END OF YEAR</b>	<b>\$ (3)</b>	<b>\$ 43,422</b>	<b>\$ 0</b>	<b>\$ 202,508</b>	<b>\$ 30,389</b>	<b>\$ (21,000)</b>

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
NON-MAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2010**

	Special Revenue Funds					
	Unfunded Liability and Incentive Pay Fund	Recycling Program	Ocean State Power Funds	Narcotics Guidance Council	Stillwater Mill Revitalization	Police Grant - Operation Riptide
<b>REVENUES:</b>						
Intergovernmental				\$ 24,645	\$ 910,000	\$ 11,132
Investment income	\$ 226		\$ 1,815			
Other		\$ 8,546	30,000			
<b>TOTAL REVENUES</b>	<b>226</b>	<b>8,546</b>	<b>31,815</b>	<b>24,645</b>	<b>910,000</b>	<b>11,132</b>
<b>EXPENDITURES:</b>						
<b>Current:</b>						
General government	34,150		78,480	26,349		
Public safety	10,445					11,132
Public works		8,905				
Public libraries			9,291			
Recreation and social services						
Education						
Community development					910,000	
<b>Debt service:</b>						
Principal					1,820,000	
<b>Capital outlay</b>						
<b>TOTAL EXPENDITURES</b>	<b>44,595</b>	<b>8,905</b>	<b>87,771</b>	<b>26,349</b>	<b>2,730,000</b>	<b>11,132</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)</b>	<b>(44,369)</b>	<b>(359)</b>	<b>(55,956)</b>	<b>(1,704)</b>	<b>(1,820,000)</b>	<b>0</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Proceeds from loan					1,820,000	
Transfers in	110,000			5,000		
Transfers out						
<b>NET OTHER FINANCING SOURCES (USES)</b>	<b>110,000</b>	<b>0</b>	<b>0</b>	<b>5,000</b>	<b>1,820,000</b>	<b>0</b>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>65,631</b>	<b>(359)</b>	<b>(55,956)</b>	<b>3,296</b>	<b>0</b>	<b>0</b>
<b>FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR</b>	<b>51,115</b>	<b>134,301</b>	<b>684,529</b>	<b>49,159</b>	<b>0</b>	<b>0</b>
<b>FUND BALANCE (DEFICIT) AT END OF YEAR</b>	<b>\$ 116,746</b>	<b>\$ 133,942</b>	<b>\$ 628,573</b>	<b>\$ 52,455</b>	<b>\$ 0</b>	<b>\$ 0</b>

(CONTINUED)



TOWN OF BURRILLVILLE, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
NON-MAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2010**

	Special Revenue Funds					
	Police Task Force	Police Legislative Grant	Homeland Security	Health Care Contingency	Hydroelectric Power	Cops That Care
<b>REVENUES:</b>						
Intergovernmental		\$ 1,000	\$ 5,609		\$ 30,550	
Investment income	\$ 4			\$ 1,543		
Other	4,392			46,326		
<b>TOTAL REVENUES</b>	<u>4,396</u>	<u>1,000</u>	<u>5,609</u>	<u>47,869</u>	<u>30,550</u>	<u>\$0</u>
<b>EXPENDITURES:</b>						
<b>Current:</b>						
General government				8,314		
Public safety		882	5,609			
Public works						
Public libraries						
Recreation and social services						
Education						
Community development					30,550	
<b>Debt service:</b>						
Principal						
<b>Capital outlay</b>						
<b>TOTAL EXPENDITURES</b>	<u>0</u>	<u>882</u>	<u>5,609</u>	<u>8,314</u>	<u>30,550</u>	<u>0</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)</b>	<u>4,396</u>	<u>118</u>	<u>0</u>	<u>39,555</u>	<u>0</u>	<u>0</u>
<b>OTHER FINANCING SOURCES (USES):</b>						
Proceeds from loan						
Transfers in				50,000		
Transfers out						
<b>NET OTHER FINANCING SOURCES (USES)</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>50,000</u>	<u>0</u>	<u>0</u>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>4,396</u>	<u>118</u>	<u>0</u>	<u>89,555</u>	<u>0</u>	<u>0</u>
<b>FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR</b>	<u>7,470</u>	<u>0</u>	<u>0</u>	<u>683,002</u>	<u>0</u>	<u>0</u>
<b>FUND BALANCE (DEFICIT) AT END OF YEAR</b>	<u>\$ 11,866</u>	<u>\$ 118</u>	<u>\$ 0</u>	<u>\$ 772,557</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, 2010**

	Special Revenue Funds					
	Senior Center	FEMA Grant	Speed Trailer Grant	Breathalyzer Acquisition	Other Post Employment Benefits	Solemn Federal Task Force
<b>REVENUES:</b>						
Intergovernmental		\$ 30,456	\$ 15,720	\$ 5,700		\$ 1,069
Investment income						
Other						
<b>TOTAL REVENUES</b>	\$ 0	30,456	15,720	5,700	\$ 0	1,069
<b>EXPENDITURES:</b>						
<b>Current:</b>						
General government						
Public safety						1,069
Public works		30,456				
Public libraries						
Recreation and social services	1,000					
Education						
Community development						
<b>Debt service:</b>						
Principal						
<b>Capital outlay</b>			15,720	5,700		
<b>TOTAL EXPENDITURES</b>	1,000	30,456	15,720	5,700	0	1,069
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)</b>	(1,000)	0	0	0	0	0
<b>OTHER FINANCING SOURCES (USES):</b>						
Proceeds from loan						
Transfers in	11,338				110,331	
Transfers out						
<b>NET OTHER FINANCING SOURCES (USES)</b>	11,338	0	0	0	110,331	0
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	10,338	0	0	0	110,331	0
<b>FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR</b>	(10,338)	0	0	0	0	0
<b>FUND BALANCE (DEFICIT) AT END OF YEAR</b>	\$ 0	\$ 0	\$ 0	\$ 0	\$ 110,331	\$ 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, 2010**

	Special Revenue Funds		Capital Project Funds			
	Bulletproof Vest Program	Debt Reduction	Police Station Expansion	Rail Trail Harrisville/ Pascoag	Open Space/ Land Acquisition	Callahan Renovation Project
<b>REVENUES:</b>						
Intergovernmental			\$ 24,238	\$ 24,902		
Investment income		\$ 8,666			\$ 381	\$ 38
Other						
<b>TOTAL REVENUES</b>	<b>\$0</b>	<b>8,666</b>	<b>24,238</b>	<b>24,902</b>	<b>381</b>	<b>38</b>
<b>EXPENDITURES:</b>						
<b>Current:</b>						
General government						
Public safety						
Public works						
Public libraries						
Recreation and social services						
Education						60
Community development						
<b>Debt service:</b>						
Principal						
<b>Capital outlay</b>			1,988,536	49,805		
<b>TOTAL EXPENDITURES</b>	<b>0</b>	<b>0</b>	<b>1,988,536</b>	<b>49,805</b>	<b>0</b>	<b>60</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)</b>	<b>0</b>	<b>8,666</b>	<b>(1,964,298)</b>	<b>(24,903)</b>	<b>381</b>	<b>(22)</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Proceeds from loan						
Transfers in		1,650,000	2,400,000			
Transfers out		(4,600,000)				
<b>NET OTHER FINANCING SOURCES (USES)</b>	<b>0</b>	<b>(2,950,000)</b>	<b>2,400,000</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>0</b>	<b>(2,941,334)</b>	<b>435,702</b>	<b>(24,903)</b>	<b>381</b>	<b>(22)</b>
<b>FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR</b>	<b>0</b>	<b>3,862,941</b>	<b>(369,448)</b>	<b>(105,711)</b>	<b>69,764</b>	<b>128,723</b>
<b>FUND BALANCE (DEFICIT) AT END OF YEAR</b>	<b>\$0</b>	<b>\$ 921,607</b>	<b>\$ 66,254</b>	<b>\$ (130,614)</b>	<b>\$ 70,145</b>	<b>\$ 128,701</b>

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
NON-MAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2010**

	Capital Project Funds					
	Route 102 Commerce Park	Major Capital	Library Building	Shippee Bridge Project	Mill Pond Dam Repair	Municipal Annex Renovation
<b>REVENUES:</b>						
Intergovernmental				\$ 2,785		
Investment income		\$ 1,951				
Other			\$ 257,500			
<b>TOTAL REVENUES</b>	\$ 0	1,951	257,500	2,785	\$ 0	\$ 0
<b>EXPENDITURES:</b>						
<b>Current:</b>						
General government						
Public safety						
Public works						
Public libraries						
Recreation and social services						
Education						
Community development						
<b>Debt service:</b>						
Principal						
<b>Capital outlay</b>			9,868	5,068	671,004	5,810
<b>TOTAL EXPENDITURES</b>	0	0	9,868	5,068	671,004	5,810
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)</b>	0	1,951	247,632	(2,283)	(671,004)	(5,810)
<b>OTHER FINANCING SOURCES (USES):</b>						
Proceeds from loan						
Transfers in		535,818	2,200,000	2,283		
Transfers out						
<b>NET OTHER FINANCING SOURCES (USES)</b>	0	535,818	2,200,000	2,283	0	0
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	0	537,769	2,447,632	0	(671,004)	(5,810)
<b>FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR</b>	106,482	392,868	(2,028,979)	0	639,772	43,947
<b>FUND BALANCE (DEFICIT) AT END OF YEAR</b>	\$ 106,482	\$ 930,637	\$ 418,653	\$ 0	\$ (31,232)	\$ 38,137

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
NON-MAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2010**

	<u>Permanent Funds</u>				<u>Total Non-Major Governmental Funds</u>
	<u>Cemetery Fund</u>	<u>Frank H. Potter Bridgeway Fund</u>	<u>Alice McGreevy Thompson Fund</u>	<u>Jesse M. Smith Memorial Library Fund</u>	
<b>REVENUES:</b>					
Intergovernmental					\$ 3,959,405
Investment income	\$ 172	\$ 36	\$ 4	\$ 34	17,380
Other					666,539
<b>TOTAL REVENUES</b>	<u>172</u>	<u>36</u>	<u>4</u>	<u>34</u>	<u>4,643,324</u>
<b>EXPENDITURES:</b>					
<b>Current:</b>					
General government	502	36	4	34	309,270
Public safety					35,937
Public works					39,361
Public libraries					100,572
Recreation and social services					113,453
Education					2,548,001
Community development					1,036,258
<b>Debt service:</b>					
Principal					1,820,000
<b>Capital outlay</b>					<u>2,868,642</u>
<b>TOTAL EXPENDITURES</b>	<u>502</u>	<u>36</u>	<u>4</u>	<u>34</u>	<u>8,871,494</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)</b>	<u>(330)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(4,228,170)</u>
<b>OTHER FINANCING SOURCES (USES):</b>					
Proceeds from loan					1,820,000
Transfers in					7,079,770
Transfers out					(4,610,095)
<b>NET OTHER FINANCING SOURCES (USES)</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,289,675</u>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>(330)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>61,505</u>
<b>FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR</b>	83,946	10,000	1,000	15,000	4,904,847
<b>FUND BALANCE (DEFICIT) AT END OF YEAR</b>	<u>\$ 83,616</u>	<u>\$ 10,000</u>	<u>\$ 1,000</u>	<u>\$ 15,000</u>	<u>\$ 4,966,352</u>

(CONCLUDED)

# ***TOWN OF BURRILLVILLE***

## **NON-MAJOR PROPRIETARY FUNDS**

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### **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.

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TOWN OF BURRILLVILLE, RHODE ISLAND

**COMBINING STATEMENT OF NET ASSETS  
NON-MAJOR PROPRIETARY FUNDS  
JUNE 30, 2010**

	School Cafeteria Fund	Levy Rink	Extended Day Care	Totals
<b>ASSETS:</b>				
<b>Current assets:</b>				
Cash and cash equivalents	\$ 125,078	\$ 14,356	\$ 272,686	\$ 412,120
Receivables:				
Accounts	10,417			10,417
Other	12,914	1,000	8,560	22,474
Due from:				
Other governments	23,348			23,348
Other funds	40,855			40,855
Prepaid expenses			5,351	5,351
Inventory	8,123			8,123
Deposit		10,000		10,000
<b>Total current assets</b>	<b>220,735</b>	<b>25,356</b>	<b>286,597</b>	<b>532,688</b>
<b>Noncurrent assets:</b>				
Net capital assets	12,897	126,428	60,852	200,177
<b>Total noncurrent assets</b>	<b>12,897</b>	<b>126,428</b>	<b>60,852</b>	<b>200,177</b>
<b>TOTAL ASSETS</b>	<b>233,632</b>	<b>151,784</b>	<b>347,449</b>	<b>732,865</b>
<b>LIABILITIES:</b>				
<b>Current liabilities:</b>				
Accounts payable	183,019	12,831	8,232	204,082
Due to other funds	97,187	94,906	35,437	227,530
Deferred revenue	11,819		10,017	21,836
Accrued compensated absences		1,300		1,300
<b>Total current liabilities</b>	<b>292,025</b>	<b>109,037</b>	<b>53,686</b>	<b>454,748</b>
<b>Noncurrent liabilities:</b>				
Accrued compensated absences		11,631		11,631
<b>Total noncurrent liabilities</b>	<b>0</b>	<b>11,631</b>	<b>0</b>	<b>11,631</b>
<b>TOTAL LIABILITIES</b>	<b>292,025</b>	<b>120,668</b>	<b>53,686</b>	<b>466,379</b>
<b>NET ASSETS:</b>				
Invested in capital assets, net of related debt	12,897	126,428	60,852	200,177
Unrestricted	(71,290)	(95,312)	232,911	66,309
<b>TOTAL NET ASSETS</b>	<b>\$ (58,393)</b>	<b>\$ 31,116</b>	<b>\$ 293,763</b>	<b>\$ 266,486</b>

TOWN OF BURRILLVILLE, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS  
NON-MAJOR PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2010**

	School Cafeteria Fund	Levy Rink	Extended Day Care	Totals
<b>OPERATING REVENUES:</b>				
Charges for usage and service	\$ 438,489	\$ 395,430	\$ 417,873	\$ 1,251,792
Miscellaneous	12,914			12,914
<b>Total operating revenues</b>	<b>451,403</b>	<b>395,430</b>	<b>417,873</b>	<b>1,264,706</b>
<b>OPERATING EXPENSES:</b>				
Operations	724,489	232,667	79,116	1,036,272
Personnel	122,040	189,118	338,312	649,470
Depreciation	1,532	12,062	9,178	22,772
<b>Total operating expenses</b>	<b>848,061</b>	<b>433,847</b>	<b>426,606</b>	<b>1,708,514</b>
<b>OPERATING LOSS</b>	<b>(396,658)</b>	<b>(38,417)</b>	<b>(8,733)</b>	<b>(443,808)</b>
<b>NONOPERATING REVENUES:</b>				
Investment income		18	626	644
Intergovernmental	382,404			382,404
<b>Total nonoperating revenues</b>	<b>382,404</b>	<b>18</b>	<b>626</b>	<b>383,048</b>
<b>LOSS BEFORE TRANSFERS</b>	<b>(14,254)</b>	<b>(38,399)</b>	<b>(8,107)</b>	<b>(60,760)</b>
<b>TRANSFERS IN (OUT)</b>	<b>0</b>	<b>44,000</b>	<b>(5,095)</b>	<b>38,905</b>
<b>CHANGE IN NET ASSETS</b>	<b>(14,254)</b>	<b>5,601</b>	<b>(13,202)</b>	<b>(21,855)</b>
<b>TOTAL NET ASSETS - BEGINNING</b>	<b>(44,139)</b>	<b>25,515</b>	<b>306,965</b>	<b>288,341</b>
<b>TOTAL NET ASSETS - ENDING</b>	<b>\$ (58,393)</b>	<b>\$ 31,116</b>	<b>\$ 293,763</b>	<b>\$ 266,486</b>



**TOWN OF BURRILLVILLE, RHODE ISLAND****COMBINING STATEMENT OF CASH FLOWS  
NON-MAJOR PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2010**

	School Cafeteria Fund	Levy Rink	Extended Day Care	Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Cash received from customers	\$ 445,172	\$ 395,430	\$ 424,047	\$ 1,264,649
Cash paid to suppliers	(611,817)	(248,091)	(78,182)	(938,090)
Cash paid to employees	(122,773)	(188,610)	(338,312)	(649,695)
<b>Net cash provided by (used for) operating activities</b>	<b>(289,418)</b>	<b>(41,271)</b>	<b>7,553</b>	<b>(323,136)</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>				
Nonoperating grants received	377,721			377,721
Transfer from (to) other funds		44,000	(5,095)	38,905
Increase in due from other funds	(40,855)			(40,855)
Increase (decrease) in due to other funds	(189,668)	11,916	10,720	(167,032)
<b>Net cash provided by noncapital financing activities</b>	<b>147,198</b>	<b>55,916</b>	<b>5,625</b>	<b>208,739</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Acquisition of capital assets			(7,816)	(7,816)
Deposits		(10,000)		(10,000)
Interest expense		(367)		(367)
<b>Net cash used for capital and related financing activities</b>	<b>0</b>	<b>(10,367)</b>	<b>(7,816)</b>	<b>(18,183)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Interest on investments		18	626	644
<b>Net cash provided by investing activities</b>	<b>0</b>	<b>18</b>	<b>626</b>	<b>644</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(142,220)</b>	<b>4,296</b>	<b>5,988</b>	<b>(131,936)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>267,298</b>	<b>10,060</b>	<b>266,698</b>	<b>544,056</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>\$ 125,078</b>	<b>\$ 14,356</b>	<b>\$ 272,686</b>	<b>\$ 412,120</b>
<b>Reconciliation of operating loss to net cash provided by (used for) operating activities:</b>				
Operating loss	\$ (396,658)	\$ (38,417)	\$ (8,733)	\$ (443,808)
Adjustments to reconcile:				
Depreciation	1,532	12,062	9,178	22,772
Increase in allowance for doubtful accounts			126	126
(Increase) decrease in accounts receivable	(5,014)		4,184	(830)
Increase in other receivables	(12,914)	(1,000)		(13,914)
Increase in prepaid expenses			(4,303)	(4,303)
Decrease in inventory	3,565			3,565
Increase (decrease) in accounts payable	109,107	(14,424)	5,237	99,920
Increase in deferred revenue	11,697		1,864	13,561
Increase (decrease) in accrued compensated absences	(733)	508		(225)
<b>Net cash provided by (used for) operating activities</b>	<b>\$ (289,418)</b>	<b>\$ (41,271)</b>	<b>\$ 7,553</b>	<b>\$ (323,136)</b>

# ***TOWN OF BURRILLVILLE***

## **AGENCY FUNDS**

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### **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, 2010**

<u>PUPIL ACTIVITY FUNDS</u>	<u>Beginning Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Balance</u>
<b><u>ASSETS</u></b>				
Cash and cash equivalents	\$ 182,648	\$ 401,132	\$ 397,123	\$ 186,657
Investments	3,126	37	200	2,963
<b>TOTAL ASSETS</b>	<b>\$ 185,774</b>	<b>\$ 401,169</b>	<b>\$ 397,323</b>	<b>\$ 189,620</b>
<b><u>LIABILITIES</u></b>				
Deposits held in custody for others	\$ 185,774	\$ 401,169	\$ 397,323	\$ 189,620

***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, 2010**

	<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>
<b>Property taxes:</b>						
Current and prior years	\$ 21,454,569	\$ 21,454,569	\$ 21,753,230		\$ 21,753,230	\$ 298,661
Interest on delinquent taxes and other	150,000	150,000	157,814		157,814	7,814
Payment in lieu of taxes	4,980,273	4,980,273	4,984,831		4,984,831	4,558
<b>Total property taxes</b>	<b>26,584,842</b>	<b>26,584,842</b>	<b>26,895,875</b>	<b>\$ 0</b>	<b>26,895,875</b>	<b>311,033</b>
<b>Intergovernmental revenues:</b>						
State of Rhode Island including:						
School aid	11,267,170	10,881,999		10,588,435	10,588,435	(293,564)
Federal State Fiscal Stabilization Funds	685,166	685,166		948,730	948,730	263,564
School construction	1,658,500	1,658,500	1,588,453		1,588,453	(70,047)
Motor vehicle phase out	2,806,626	2,806,626	2,389,629		2,389,629	(416,997)
Medicaid reimbursement	150,000	150,000		294,853	294,853	144,853
Group home	390,000	390,000		420,000	420,000	30,000
Distressed community aid	508,392	508,392	508,480		508,480	88
Meals and beverage tax	168,170	168,170	171,442		171,442	3,272
Pilot	70,725	70,725	66,573		66,573	(4,152)
Telephone tax	138,694	138,694	171,027		171,027	32,333
Police and other	107,600	107,600	119,176		119,176	11,576
Library construction	321,200	321,200	321,209		321,209	9
<b>Total intergovernmental revenues</b>	<b>18,272,243</b>	<b>17,887,072</b>	<b>5,335,989</b>	<b>12,252,018</b>	<b>17,588,007</b>	<b>(299,065)</b>
<b>Departmental revenues:</b>			12,072			
Licenses, permits and fees:						
Licenses and fees	368,700	368,700	304,785		304,785	(63,915)
Building official	47,200	47,200	75,166		75,166	27,966
Miscellaneous	35,000	35,000	44,583		44,583	9,583
Services/assessments	68,100	68,100	41,059		41,059	(27,041)
<b>Total departmental revenues</b>	<b>519,000</b>	<b>519,000</b>	<b>465,593</b>	<b>0</b>	<b>465,593</b>	<b>(53,407)</b>
<b>Investment income</b>	<b>136,000</b>	<b>136,000</b>	<b>33,165</b>	<b>0</b>	<b>33,165</b>	<b>(102,835)</b>
<b>Total revenues</b>	<b>45,512,085</b>	<b>45,126,914</b>	<b>32,730,622</b>	<b>12,252,018</b>	<b>44,982,640</b>	<b>(144,274)</b>

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLANDGENERAL FUND**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL - BUDGETARY BASIS  
YEAR ENDED JUNE 30, 2010**

	<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>
<b>General Government:</b>						
Elected officials	19,500	19,500	18,023		18,023	1,477
Town clerk	214,494	214,494	192,261		192,261	22,233
Tax assessor	144,685	144,685	118,812		118,812	25,873
Town manager	168,454	173,954	173,519		173,519	435
Building official	119,052	119,052	117,115		117,115	1,937
Town treasurer	241,975	241,975	240,553		240,553	1,422
Tax collector	112,888	112,888	106,974		106,974	5,914
Information systems	189,897	189,897	179,873		179,873	10,024
Town planner	122,994	123,294	124,010		124,010	(716)
Boards, agencies, and committees	114,350	122,550	105,494		105,494	17,056
General fund contingency	115,000	106,900	7,827		7,827	99,073
Miscellaneous town expense	12,038	12,038	9,040		9,040	2,998
Buildings - administration	2,000	2,000	911		911	1,089
<b>Total general government</b>	<b>1,577,327</b>	<b>1,583,227</b>	<b>1,394,412</b>	<b>0</b>	<b>1,394,412</b>	<b>188,815</b>
<b>Public Safety:</b>						
Police department	2,212,366	2,212,366	2,164,686		2,164,686	47,680
Animal control	125,266	125,266	122,737		122,737	2,529
Civil defense	6,102	6,402	6,315		6,315	87
Municipal court	21,870	21,870	20,029		20,029	1,841
<b>Total public safety</b>	<b>2,365,604</b>	<b>2,365,904</b>	<b>2,313,767</b>	<b>0</b>	<b>2,313,767</b>	<b>52,137</b>
<b>Public Works:</b>						
Highway department	1,425,191	1,425,191	1,017,261		1,017,261	407,930
<b>Total public works</b>	<b>1,425,191</b>	<b>1,425,191</b>	<b>1,017,261</b>	<b>0</b>	<b>1,017,261</b>	<b>407,930</b>

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLANDGENERAL FUND**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL - BUDGETARY BASIS  
YEAR ENDED JUNE 30, 2010**

	<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>
<b>Recreation and Social Services:</b>						
Participation recreation	210,636	210,636	190,293		190,293	20,343
Operation of mini-bus	25,700	25,700	19,762		19,762	5,938
<b>Total recreation and social services</b>	<b>236,336</b>	<b>236,336</b>	<b>210,055</b>	<b>0</b>	<b>210,055</b>	<b>26,281</b>
<b>Special Appropriations</b>	<b>49,450</b>	<b>49,450</b>	<b>46,965</b>	<b>0</b>	<b>46,965</b>	<b>2,485</b>
<b>Debt Service:</b>						
General obligation bonds:						
Principal	2,810,000	2,810,000	2,810,000		2,810,000	
Interest	1,124,287	1,124,287	1,068,828		1,068,828	55,459
Bond registration fees and other	3,000	3,000	1,250		1,250	1,750
<b>Total debt service</b>	<b>3,937,287</b>	<b>3,937,287</b>	<b>3,880,078</b>	<b>0</b>	<b>3,880,078</b>	<b>57,209</b>
<b>General Services</b>	<b>1,494,130</b>	<b>1,494,130</b>	<b>1,347,121</b>	<b>0</b>	<b>1,347,121</b>	<b>147,009</b>
<b>Capital Improvements Program:</b>						
School department	255,000	301,722	243,226		243,226	58,496
Police department	9,500	43,845	8,588		8,588	35,257
Public works	2,340,455	3,920,463	827,024		827,024	3,093,439
Administration	45,000	516,441	81,414		81,414	435,027
Recreation	0	95,972	0		0	95,972
<b>Total capital improvements program</b>	<b>2,649,955</b>	<b>4,878,443</b>	<b>1,160,252</b>	<b>0</b>	<b>1,160,252</b>	<b>3,718,191</b>
<b>Library:</b>						
Pascoag Library	53,500	53,500	53,500		53,500	
Jesse M. Smith Library	540,000	540,000	500,000		500,000	40,000
<b>Total library</b>	<b>593,500</b>	<b>593,500</b>	<b>553,500</b>	<b>0</b>	<b>553,500</b>	<b>40,000</b>

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLANDGENERAL FUND**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL - BUDGETARY BASIS  
YEAR ENDED JUNE 30, 2010**

	<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>
<b>Miscellaneous:</b>						
Employee insurance and benefits	1,819,061	1,819,061	1,672,697		1,672,697	146,364
Legal services	150,000	150,000	125,277		125,277	24,723
Other professional services	50,850	50,850	44,924		44,924	5,926
<b>Total miscellaneous</b>	<b>2,019,911</b>	<b>2,019,911</b>	<b>1,842,898</b>	<b>0</b>	<b>1,842,898</b>	<b>177,013</b>
<b>Total expenditures</b>	<b>16,348,691</b>	<b>18,583,379</b>	<b>13,766,309</b>	<b>0</b>	<b>13,766,309</b>	<b>4,817,070</b>
<b>Excess of revenues over expenditures</b>	<b>29,163,394</b>	<b>26,543,535</b>	<b>18,964,313</b>	<b>12,252,018</b>	<b>31,216,331</b>	<b>4,672,796</b>
<b>Other financing sources (uses):</b>						
Transfers out:						
Special revenue funds	(29,357,766)	(29,082,595)	(17,002,246)	(12,252,018)	(29,254,264)	(171,669)
Capital project funds	(535,818)	(535,818)	(538,101)		(538,101)	(2,283)
Enterprise fund	0	0	(636,818)		(636,818)	(636,818)
Proceeds from bond issuance	0	0	636,818		636,818	636,818
Transfers in:						
Special revenue funds	10,095	10,095	10,095		10,095	0
Capital project funds	470,000	470,000	0		0	(470,000)
Enterprise funds	250,095	250,095	278,680		278,680	28,585
Re-appropriation of prior year's designated fund balance	0	2,344,688	0	2,455,019	2,455,019	110,331
<b>Net other financing sources (uses)</b>	<b>(29,163,394)</b>	<b>(26,543,535)</b>	<b>(17,251,572)</b>	<b>(9,796,999)</b>	<b>(27,048,571)</b>	<b>(505,036)</b>
<b>Excess (deficiency) of revenues and other financing sources over expenditures - budgetary basis</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 1,712,741</b>	<b>\$ 2,455,019</b>	<b>\$ 4,167,760</b>	<b>\$ 4,167,760</b>

(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.

<b><u>Contents</u></b>	<b><u>Page</u></b>
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.

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TABLE 1

**TOWN OF BURRILLVILLE**

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

	2010	2009	2008	2007	2006	2005	2004
<b>Governmental activities:</b>							
Invested in capital assets, net of related debt	\$ 48,797,754	\$ 45,691,128	\$ 42,950,757	\$ 33,748,145	\$ 16,449,422	\$ 20,677,984	\$13,516,167
Restricted	509,616	509,946	110,529	106,568	7,419,103	1,965,612	1,876,349
Unrestricted (deficit)	5,152,480	677,412	(2,385,712)	6,766,810	10,348,540	7,404,492	6,583,737
<b>Total governmental activities</b>	<b>\$ 54,459,850</b>	<b>\$ 46,878,486</b>	<b>\$ 40,675,574</b>	<b>\$ 40,621,523</b>	<b>\$ 34,217,065</b>	<b>\$ 30,048,088</b>	<b>\$21,976,253</b>
<b>Business-type activities:</b>							
Invested in capital assets, net of related debt	\$ 23,960,980	\$ 23,772,455	\$ 14,854,961	\$ 22,032,969	\$ 19,869,433	\$ 17,545,499	\$17,834,884
Restricted							
Unrestricted	3,481,926	3,479,732	12,546,693	2,536,364	1,732,818	1,721,584	1,672,774
<b>Total business-type activities</b>	<b>\$ 27,442,906</b>	<b>\$ 27,252,187</b>	<b>\$ 27,401,654</b>	<b>\$ 24,569,333</b>	<b>\$ 21,602,251</b>	<b>\$ 19,267,083</b>	<b>\$19,507,658</b>
<b>Primary government:</b>							
Invested in capital assets, net of related debt	\$ 72,758,734	\$ 69,463,583	\$ 57,805,718	\$ 55,781,114	\$ 36,318,855	\$ 38,223,483	\$31,351,051
Restricted	509,616	509,946	110,529	106,568	7,419,103	1,965,612	1,876,349
Unrestricted	8,634,406	4,157,144	10,160,981	9,303,174	12,081,358	9,126,076	8,256,511
<b>Total primary government</b>	<b>\$ 81,902,756</b>	<b>\$ 74,130,673</b>	<b>\$ 68,077,228</b>	<b>\$ 65,190,856</b>	<b>\$ 55,819,316</b>	<b>\$ 49,315,171</b>	<b>\$41,483,911</b>

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

TABLE 2

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

	2010	2009	2008	2007	2006	2005	2004
<b><u>EXPENSES:</u></b>							
<b>Governmental activities:</b>							
General government	\$ 1,854,412	\$ 3,576,715	\$ 4,028,881	\$ 3,179,437	\$ 3,434,626	\$ 3,180,474	\$ 2,949,158
Public safety	3,276,694	3,447,071	3,305,109	2,450,317	2,285,274	1,916,299	2,115,792
Public works	2,390,143	2,540,063	6,521,874	1,857,393	1,363,199	1,335,720	1,072,093
Education	31,766,101	31,299,601	30,258,377	29,403,540	28,569,871	27,756,166	27,184,891
Recreation and social services	651,196	679,872	672,229	454,032	425,447	377,328	361,333
Public libraries	663,940	655,149	486,987	406,832	383,873	301,534	282,265
Community development	1,036,258	583,196	83,463	128,780	57,261	153,706	225,817
Other			1,553,844	3,223,662	2,951,902	2,567,546	1,626,650
Interest on long-term debt	1,057,533	1,166,159	1,297,028	1,172,555	929,208	974,424	1,159,186
<b>Total governmental activities</b>	<b>42,696,277</b>	<b>43,947,826</b>	<b>48,207,792</b>	<b>42,276,548</b>	<b>40,400,661</b>	<b>38,563,197</b>	<b>36,977,185</b>
<b>Business-type activities:</b>							
Sewer	1,897,454	1,867,278	1,742,335	1,682,383	1,868,573	1,930,468	1,899,715
School Cafeteria Fund	848,061	896,122	935,438	877,141	863,317	813,114	762,035
Levy Rink	433,847	434,991	369,511	292,428	339,196	318,731	262,838
Extended Day Care	426,606	436,463	426,023	416,946	395,503	430,158	346,198
<b>Total business-type activities</b>	<b>3,605,968</b>	<b>3,634,854</b>	<b>3,473,307</b>	<b>3,268,898</b>	<b>3,466,589</b>	<b>3,492,471</b>	<b>3,270,786</b>
<b>Total primary government expenses</b>	<b>46,302,245</b>	<b>47,582,680</b>	<b>51,681,099</b>	<b>45,545,446</b>	<b>43,867,250</b>	<b>42,055,668</b>	<b>40,247,971</b>

**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.

TABLE 2

**TOWN OF BURRILLVILLE**

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

	2010	2009	2008	2007	2006	2005	2004
<b><u>PROGRAM REVENUES:</u></b>							
<b>Governmental activities:</b>							
Charges for services:							
General government	570,359	625,451	516,877	805,370	748,762	710,807	644,457
Public safety	58,135	127,741	176,930	147,432	52,632	75,089	91,141
Public works	8,546	8,657					
Education	295,303	203,044	384,706	267,781	280,777	343,343	303,703
Other activities	217,365	176,241	389,269	235,734	46,490	56,724	61,864
Operating grants and contributions	17,310,421	16,606,635	16,803,743	18,268,107	17,659,717	17,389,782	16,627,602
Capital grants and contributions	2,298,349	2,949,280	2,842,227	1,153,972	698,531	674,435	206,663
<b>Total governmental activities program revenues</b>	<b>20,758,478</b>	<b>20,697,049</b>	<b>21,113,752</b>	<b>20,878,396</b>	<b>19,486,909</b>	<b>19,250,180</b>	<b>17,935,430</b>
<b>Business-type activities:</b>							
Charges for services:							
Sewer	1,705,029	1,718,947	2,437,515	1,667,150	1,304,774	1,175,684	1,115,187
School Cafeteria Fund	451,403	497,268	578,461	621,452	613,046	593,855	582,873
Levy Rink	395,430	384,349	274,656	236,172	289,665	262,824	303,195
Extended Day Care	417,873	436,301	453,228	429,714	412,502	442,299	426,259
Operating grants and contributions	418,814	354,303	333,980	277,226	232,081	207,699	187,205
Capital grants and contributions					500,000		
<b>Total business-type activities program revenues</b>	<b>3,388,549</b>	<b>3,391,168</b>	<b>4,077,840</b>	<b>3,231,714</b>	<b>3,352,068</b>	<b>2,682,361</b>	<b>2,614,719</b>
<b>Total primary government revenues</b>	<b>24,147,027</b>	<b>24,088,217</b>	<b>25,191,592</b>	<b>24,110,110</b>	<b>22,838,977</b>	<b>21,932,541</b>	<b>20,550,149</b>
<b>Net (expenses) revenues:</b>							
Governmental activities	(21,937,799)	(23,250,777)	(27,094,040)	(21,398,152)	(20,913,752)	(19,313,017)	(19,041,755)
Business-type activities	(217,419)	(243,686)	604,533	(37,184)	(114,521)	(810,110)	(656,067)
<b>Total primary government net expense</b>	<b>(22,155,218)</b>	<b>(23,494,463)</b>	<b>(26,489,507)</b>	<b>(21,435,336)</b>	<b>(21,028,273)</b>	<b>(20,123,127)</b>	<b>(19,697,822)</b>

**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.

TABLE 2

**TOWN OF BURRILLVILLE**

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

	2010	2009	2008	2007	2006	2005	2004
<b><u>GENERAL REVENUES AND OTHER CHANGES IN NET ASSETS:</u></b>							
<b>Governmental activities:</b>							
Property taxes and other	29,870,756	28,656,516	27,883,350	26,766,380	26,123,185	24,613,157	23,405,807
State revenue sharing		778,175	936,763	966,898	762,535	606,149	610,930
Unrestricted investment earnings	50,545	182,379	480,206	886,814	395,289	216,444	158,655
Grants and contributions not restricted to specific programs		31,940			229,399	2,400,000	
Loss on transfer of capital asset		(122,075)					
Transfers	(402,138)	(73,246)	(2,152,228)	(2,934,425)	(2,427,679)	(589,492)	(331,072)
<b>Total governmental activities</b>	<b>29,519,163</b>	<b>29,453,689</b>	<b>27,148,091</b>	<b>25,685,667</b>	<b>25,082,729</b>	<b>27,246,258</b>	<b>23,844,320</b>
<b>Business-type activities:</b>							
Unrestricted investment earnings	6,000	20,973	75,560	69,841	22,010	22,529	9,077
Transfers	402,138	73,246	2,152,228	2,934,425	2,427,679	589,492	331,072
<b>Total business-type activities</b>	<b>408,138</b>	<b>94,219</b>	<b>2,227,788</b>	<b>3,004,266</b>	<b>2,449,689</b>	<b>612,021</b>	<b>340,149</b>
<b>Total primary government</b>	<b>29,927,301</b>	<b>29,547,908</b>	<b>29,375,879</b>	<b>28,689,933</b>	<b>27,532,418</b>	<b>27,858,279</b>	<b>24,184,469</b>
<b><u>CHANGE IN NET ASSETS:</u></b>							
Governmental activities	7,581,364	6,202,912	54,051	4,287,515	4,168,977	7,933,241	4,802,565
Business-type activities	190,719	(149,467)	2,832,321	2,967,082	2,335,168	(198,089)	(315,918)
<b>Total primary government</b>	<b>\$ 7,772,083</b>	<b>\$ 6,053,445</b>	<b>\$ 2,886,372</b>	<b>\$ 7,254,597</b>	<b>\$ 6,504,145</b>	<b>\$ 7,735,152</b>	<b>\$ 4,486,647</b>

**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.

TABLE 3

TABLE 3

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

	2010	2009	2008	2007	2006
<b>Revenues:</b>					
Property taxes	\$ 26,895,875	\$ 25,779,882	\$ 25,130,561	\$ 24,081,205	\$ 23,729,036
Intergovernmental revenue	21,547,412	21,949,668	21,924,878	22,183,385	20,305,437
Licenses and permits	424,534	396,096	447,898	518,998	636,186
Investment income	50,545	182,379	480,206	886,814	395,289
Departmental	41,059	98,813	156,244	128,674	33,303
Other revenues	666,539	756,099	1,169,525	798,780	1,670,019
Total revenues	49,625,964	49,162,937	49,309,312	48,597,856	46,769,270
<b>Expenditures:</b>					
General government	3,050,803	3,005,485	2,990,265	3,013,611	3,140,147
Public safety	2,349,704	2,472,563	2,429,767	2,305,526	2,193,993
Public works	1,056,622	1,245,485	1,287,046	1,105,007	1,057,396
Education	29,409,513	28,974,064	29,154,947	28,392,459	27,753,517
Recreation and social services	323,508	358,915	367,361	347,061	322,624
Libraries	654,072	655,149	486,987	406,832	383,873
Community development	1,036,258	578,650	83,463	128,780	57,261
Employee benefits and other	1,889,863	2,174,298	2,388,966	2,206,948	2,951,902
Debt service:					
Principal	4,630,000	3,636,000	3,695,000	2,893,512	3,167,500
Interest and other costs	1,070,078	1,190,662	1,269,412	1,220,080	882,198
Bond issuance costs	33,924			77,754	116,224
Capital outlay	6,164,637	3,294,558	9,073,084	15,457,888	4,141,208
Total expenditures	51,668,982	47,585,829	53,226,298	57,555,458	46,167,843
<b>Excess of revenue over (under) expenditures</b>	<b>(2,043,018)</b>	<b>1,577,108</b>	<b>(3,916,986)</b>	<b>(8,957,602)</b>	<b>601,427</b>
<b>Other financing sources (uses):</b>					
Proceeds from bond issuance	2,796,818	319,597	2,108,229	7,937,425	9,883,679
Bond premium				81,578	154,350
Refunding bond proceeds				2,090,000	
Proceeds from loan	1,820,000	610,000	268,000		
Proceeds from sale of capital asset			150,000		
Transfers in	22,429,122	17,972,665	22,223,532	16,619,424	15,101,443
Repayment of debt to escrow agent				(2,079,525)	
Transfers out	(22,831,260)	(18,045,911)	(24,375,760)	(19,553,849)	(17,529,122)
<b>Net other financing sources (uses)</b>	<b>4,214,680</b>	<b>856,351</b>	<b>374,001</b>	<b>5,095,053</b>	<b>7,610,350</b>
<b>Net change in fund balances</b>	<b>\$ 2,171,662</b>	<b>\$ 2,433,459</b>	<b>\$ (3,542,985)</b>	<b>\$ (3,862,549)</b>	<b>\$ 8,211,777</b>
<b>Debt service as a percentage of noncapital expenditures</b>	<b>12.6%</b>	<b>10.9%</b>	<b>11.2%</b>	<b>10.0%</b>	<b>9.9%</b>

(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)**

	2005	2004	2003	2002	2001
<b>Revenues:</b>					
Property taxes	\$ 22,453,768	\$ 21,376,802	\$ 20,241,627	\$ 19,948,671	\$ 19,841,705
Intergovernmental revenue	19,987,117	19,541,153	19,444,792	18,455,087	14,118,299
Licenses and permits	719,948	552,960	744,280		
Interest on investments	216,444	158,655	166,203	277,938	572,593
Departmental	48,168	65,189	54,218	462,811	394,311
Other revenues	1,155,052	1,121,918	1,177,129	1,090,333	1,331,941
Total revenues	44,580,497	42,816,677	46,769,270	40,234,840	36,258,849
<b>Expenditures:</b>					
General government	2,986,377	2,863,660	2,632,620	1,112,139	982,301
Public safety	2,175,013	2,107,292	1,867,451	1,796,314	1,556,096
Public works	1,064,257	918,503	953,132	846,938	713,360
General services	26,846,036			1,000,036	815,220
Education	277,772	26,023,368	25,640,448	22,577,704	20,884,010
Recreation and social services	301,534	273,603	262,950	167,649	151,244
Libraries	153,706	282,265	253,346	226,712	216,000
Community development	2,567,546	225,817	311,436		
Employee benefits and other		2,307,554	1,486,366	4,321,280	3,533,312
Debt service:					
Principal	3,487,500	4,217,500	5,092,500	3,617,500	2,957,500
Interest and other costs	1,016,212	1,199,232	1,477,153	1,996,105	1,691,426
Capital outlay	3,062,269	3,123,166	3,975,874	2,307,399	6,751,927
Total expenditures	43,938,222	43,541,960	46,167,843	39,969,776	40,252,396
<b>Excess of revenue over (under) expenditures</b>	642,275	(725,283)	601,427	265,064	(3,993,547)
<b>Other financing sources (uses)</b>					
Proceeds from bond issuance	553,951	421,072	9,363,816		5,500,000
Proceeds from leasing			138,450		
Proceeds from loan			800,000		
Transfers in	17,173,325	15,384,293	15,282,526	12,408,992	11,357,400
Repayment of debt to escrow agent			(9,243,350)		
Transfers out	(17,762,817)	(15,715,365)	(15,282,526)	(12,496,661)	(11,357,400)
Bond issuance costs		(71,000)	(118,470)		
<b>Net other financing sources (uses)</b>	(35,541)	19,000	940,446	(87,669)	5,500,000
<b>Net change in fund balances</b>	\$ 606,734	\$ (706,283)	\$ 1,541,873	\$ 177,395	\$ 1,506,453
<b>Debt service as a percentage of noncapital expenditures</b>	11.0%	13.4%	15.6%	14.9%	13.9%

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

(CONCLUDED)

TABLE 4

TOWN OF BURRILLVILLEFUND BALANCES, GOVERNMENTAL FUNDS  
LAST SEVEN FISCAL YEARS

Unaudited

(Modified Accrual Basis of Accounting)

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
<b>General Fund:</b>							
Reserved	\$ 632,855	\$ 478,502	\$ 747,546	\$ 521,381	\$ 1,824,547	\$ 475,191	\$ 628,296
Unreserved	9,598,929	8,040,541	6,649,026	8,854,207	7,221,720	7,015,338	6,390,551
<b>Total general fund</b>	<u>10,231,784</u>	<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>
<b>All Other Governmental Funds:</b>							
Reserved	870,121	3,285,124	746,019	6,157,429	5,594,556	1,490,421	1,248,053
Unreserved						125,000	
Unreserved, reported in:							
Special revenue funds	3,586,493	6,034,762	4,228,352	4,181,880	3,669,236	2,263,999	1,674,108
Capital project funds	1,731,576	(3,590,617)	(556,090)	(4,357,059)	1,431,848	160,181	873,154
<b>Total all other governmental funds</b>	<u>6,188,190</u>	<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>
<b>Total governmental funds</b>	<u>\$ 16,419,974</u>	<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>

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
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%	\$318,789	\$20,917,195	99.55%
2010	\$21,867,633	\$21,394,794	97.84%	\$0	\$21,394,794	97.84%

(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 *
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%
2010	\$1,586,321,800	\$149,720,028	\$ 44,494,748	\$ 60,428,974	\$ 1,631,118,106	\$1,708,692,757	95.46%

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
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	[2]	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	[1]	-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	[3]	-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
2010	Motor Vehicle	\$40.00	[4]	0.00%	\$9.82	\$30.18
	RE/Tangible	\$12.62		6.498%	\$3.10	\$9.52

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

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

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

[4] Statistical Revaluation as of December 31, 2009, effective for the Town's fiscal year ending June 30, 2011.

\* 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
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
2010	(a)    --	\$    2.50    \$    806,325	\$    1.25    \$       -	\$    1.30    \$    625,000	\$    1.48    \$    919,656

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	2010 Rank	Percentage of Total Assessed Valuation	Tax Levy	Percentage of Tax Levy	Assessed Valuation	Percentage of Total Assessed Valuation	2001 Rank	Tax Levy	Percentage of Tax Levy
Fiscal Year Ending June 30, 2010							Fiscal Year Ending June 30, 2001				
Algonquin Gas	Utility	\$ 10,202,550	1	0.59%	\$ 120,900.22	0.55%	\$ 14,871,200	2.13%	1	\$ 327,166	2.15%
Tennessee Gas Pipeline Co.	Utility	\$ 8,190,617	2	0.47%	\$ 103,365.59	0.47%	\$ 667,080	0.10%	16	\$ 14,676	0.10%
Narragansett Electric	Utility	\$ 7,522,939	3	0.43%	\$ 94,939.49	0.43%	\$ 8,796,134	0.00%	2	\$ 193,515	0.00%
Laginestra Realty LLC	Realty	\$ 6,547,000	4	0.38%	\$ 82,623.14	0.38%	---	---	---	---	---
Cox Cable RI, Inc.	Cable Company	\$ 5,245,033	5	0.30%	\$ 66,192.32	0.30%	\$ 1,650,000	0.24%	12	\$ 36,300	0.24%
Danielle International	Producer/Meat	\$ 5,014,300	6	0.29%	\$ 62,280.47	0.28%	\$ 2,377,600	0.34%	7	\$ 52,197	0.34%
Maplehill Mobile Home Park	Mobile Home Park	\$ 4,621,900	7	0.27%	\$ 58,328.38	0.27%	\$ 3,774,458	0.54%	5	\$ 71,337	0.47%
Burrillville Health Center	Nursing Home	\$ 4,523,400	8	0.26%	\$ 57,085.31	0.26%	\$ 3,648,900	0.52%	3	\$ 80,276	0.53%
Bradford Court Association	Elderly Housing	\$ 4,400,600	9	0.25%	\$ 55,535.57	0.25%	\$ 2,373,900	0.34%	6	\$ 52,226	0.34%
Harken, Inc.	Nursing Home	\$ 4,245,300	10	0.24%	\$ 53,575.69	0.24%	\$ 3,418,700	0.49%	4	\$ 74,997	0.49%
Wright's Farm Inc.	Restaurant	\$ 3,920,000	11	0.23%	\$ 49,470.40	0.23%	\$ 1,878,800	0.27%	11	\$ 41,334	0.27%
Stillwater Heights INC	Housing Complex	\$ 3,208,200	12	0.18%	\$ 40,487.48	0.19%	---	---	---	---	---
Burrillville Nursing Home (Jolly Rest Home)	Nursing Home	\$ 3,067,400	13	0.18%	\$ 38,710.59	0.18%	\$ 2,584,100	0.37%	9	\$ 48,839	0.32%
RI Housing	Housing	\$ 2,753,000	14	0.16%	\$ 34,742.86	0.16%	---	---	---	---	---
Bronco Realty LLC	Realty	\$ 2,442,100	15	0.14%	\$ 30,819.30	0.14%	---	---	---	---	---
Laurelle Realty Trust	Golf Course	\$ 2,374,300	16	0.14%	\$ 29,963.67	0.14%	\$ 2,170,800	0.31%	10	\$ 47,318	0.31%
Bliss Golf Investors LLC	Golf Course	\$ 1,959,600	17	0.11%	\$ 24,730.15	0.11%	---	---	---	---	---
Algonquin Gas C/O Duke Energy	Utility	\$ 3,296,500	18	0.19%	\$ 22,119.07	0.10%	---	---	---	---	---
Lockheed Window	Manufacturing	\$ 1,658,100	19	0.10%	\$ 19,648.49	0.09%	\$ 1,227,559	0.18%	15	\$ 26,139	0.17%
Pascoag Fire District - Electric	Utility	---	---	---	---	---	\$ 2,266,552	0.33%	8	\$ 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>\$ 85,192,839.00</u>		<u>4.91%</u>	<u>\$ 1,045,518</u>		<u>\$ 54,827,386</u>	<u>7.86%</u>		<u>\$ 1,184,860</u>	

<b>2010</b>
Total Assessed Values (Gross) = \$1,736,041,828
Total Tax Levied = \$21,867,632.75

<b>2001</b>
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

TABLE 9

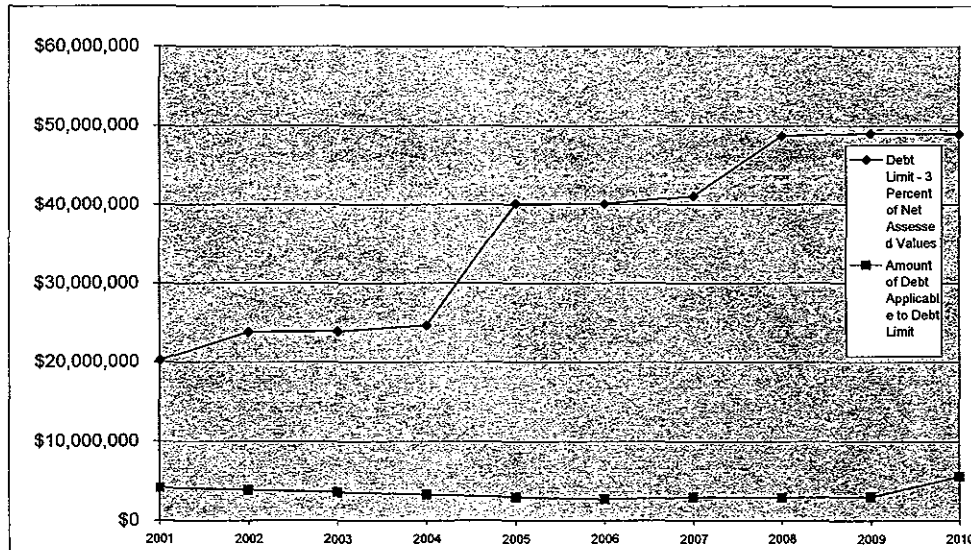
Fiscal Year	Contract Number(s)	Special Assessment Billings	Special Assessments Collected	RESIDENTIAL USER CHARGE	Contract Number	Description of Wastewater Treatment Contracts
1980	2, 3	\$632,866	---	---	1	Wastewater Treatment Facility (Non-assessment)
1981	5, 6	281,154	\$99,336	\$65.00	2	Pascoag/Harrisville 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	---	80	Colonial Road/Paula Drive
	19BT	59,880	---	---	81	Hemlock Farm Estates
	19BC	332,820	---	---	82	Sanwood Estates
	11A	63,429	19,848	---	83	Lynmar Estates
	11B	27,120	8,040	---	84	Whitney Estates
2009	---	---	---	354.00	85	Fox Meadow Estates
2010	---	---	---	354.00	86	Rolling Meadows Estate
					87	Mill Pond
					11A	Smith Estates
					11B	Granite River

Source: Wastewater Treatment Facility

TABLE 10

TOWN OF BURRILLVILLE  
COMPUTATION OF LEGAL DEBT MARGIN  
LAST TEN YEARS

TABLE 10



Net Assessed Values \$1,631,118,106

Debt Limit - 3 Percent of  
Net Assessed Values \$48,933,543

Amount of Debt Applicable to  
Debt Limit:

Total Bonded Debt \$29,462,771

Outstanding Bond Anticipation  
Notes 0

Bonds Authorized but Unissued 500,000

Less: Bonds & Notes  
Authorized By Special Act (24,410,750)

Amount of Debt Applicable to Debt Limit 5,552,021

Legal Debt Margin \$43,381,522

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Net Assessed Valuations	\$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	\$1,631,118,106
Debt Limit - 3 Percent of Net Assessed Values	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	48,933,543
Amount of Debt Applicable to Debt Limit	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	5,552,021
Legal Debt Margin	\$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	\$43,381,522
Legal Debt Margin as a Percentage of Debt Limit	25.83%	19.35%	17.54%	15.28%	8.00%	7.17%	7.80%	6.34%	6.51%	12.80%

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 Year	Net Assessed Valuation	Annual Gross Bonded Debt	Less State Aid on Debt	Annual Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Gross Bonded Debt Per Capita	Net Bonded Debt Per Capita	Percentage of Personal Income to Gross Debt
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	11.87%
2009	\$ 1,635,020,818	\$4,826,662	\$2,210,735	\$2,615,927	0.16%	\$293.34	\$158.98	NA
2010	\$ 1,631,118,106	\$3,880,078	\$1,588,453	\$2,291,625	0.14%	\$235.81	\$139.27	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	Percentage of Personal Income to Debt
2001	\$ 673,937,259	\$36,786,012	5.46%	1.22%
2002	\$ 792,921,162	\$33,168,512	4.18%	1.39%
2003	\$ 795,900,768	\$28,256,012	3.55%	1.70%
2004	\$ 821,921,494	\$25,219,584	3.07%	1.97%
2005	\$ 1,338,231,525	\$22,286,035	1.67%	2.30%
2006	\$ 1,352,622,852	\$29,002,214	2.14%	1.86%
2007	\$ 1,370,126,489	\$34,111,127	2.49%	1.66%
2008	\$ 1,622,903,045	\$32,792,356	2.02%	1.80%
2009	\$ 1,635,020,818	\$30,085,953	1.84%	NA
2010	\$ 1,631,118,106	\$29,462,771	1.81%	NA

## Note:

Full Property Revaluation as of December 31, 2003, effective for fiscal year ending 2004.  
 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
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%
2010	\$2,810,000	\$1,068,828	\$3,878,828	\$42,696,277	9.08%

COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT  
GENERAL OBLIGATION BONDS  
June 30, 2010  
Unaudited

Jurisdiction	Net General Obligation Bonded Debt Outstanding	Percentage Applicable to Government	Amount Applicable to Government
<b>I. Direct Bonded Debt:</b>			
Town of Burrillville *	\$29,462,771	100.00%	\$29,462,771
<b>II. Overlapping Debt **:</b>			
Harrisville Fire District	\$806,325	100.00%	\$806,325
Nasonville Fire District	\$0	100.00%	\$0
Oakland-Mapleville Fire District	\$625,000	100.00%	\$625,000
Pascoag Fire District	\$919,656	100.00%	\$919,656
<b>Total</b>	<b>\$2,350,981</b>	<b>100.00%</b>	<b>\$2,350,981</b>
<b>Total Direct and Overlapping Debt</b>			<b>\$31,813,752</b>

\* 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, 2010  
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 Elementary Construction/Renovation	\$ 7,500,000	\$ 7,500,000	\$ -	\$ -
568						
S3136						
45-12-2	2006	Sewage Disposal System - Construction Improvements	\$ 3,500,000	\$ 2,723,953	\$ -	\$ -
45-12-2	2010	Whipple Landfill Closure	\$ 2,160,000	\$ 2,160,000	\$ -	\$ -
TOTAL			\$ 85,360,000	\$ 83,843,553	\$ -	\$ 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
2001 (1)	16,002	447,753	\$ 28,346	\$52,587	37.5	85.18%	16.20%	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	16,507	539,789	\$ 34,173	-	-	-	-	2,559	4.81%	5.14%	4.83%
2007	16,505	567,388	\$ 35,920	-	-	-	-	2,554	4.60%	4.99%	4.53%
2008	16,480	589,350	\$ 37,274	-	-	-	-	2,518	5.50%	5.77%	4.95%
2009	16,576	NA	NA	-	-	-	-	2,556	9.30%	9.47%	7.44%
2010	16,576	NA	NA	-	-	-	-	2,468	12.40%	12.14%	9.79%

## 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)
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	62%	16,507	107	196	-89	42	\$289,500
2007	11,696	71%	16,505	125	217	-92	43	\$268,750
2008	11,790	72%	16,480	119	216	-97	26	\$266,000
2009	10,893	66%	16,576	111	184	-73	22	\$270,067
2010	10,972	66%	16,576	149	155	-6	35	\$240,840

\*\* 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, 2010  
Unaudited

TABLE 17

Name	Type of Business	2010			Rank	2001			Rank
		Number Employed	Percent of Town Employment			Number Employed	Percent of Town Employment		
Zambarano Hospital	State Facility	319	11.28%		1	400	17.84%		1
Burrillville School Department *	Public School System	290	10.25%		2	345	15.39%		2
Danielle Prosciutto	Producer/Meats	280	9.90%		3	146	6.51%		4
Wright's Farm	Restaurant	180	6.36%		4	150	6.69%		3
Overlook Nursing Home	Nursing Home	160	5.66%		5	132	5.89%		5
Crystal Lake	Golf Course	113	3.99%		6	NR	0.00%		NR
Bayberry Commons Nursing Home	Nursing Home	100	3.53%		7	120	5.35%		6
Pine Grove Health Center	Nursing Home	100	3.53%		8	70	3.12%		9
Lockheed Aluminum	Manufacturer	85	3.00%		9	70	3.12%		10
Town of Burrillville *	Municipal Government	71	2.51%		10	78	3.48%		8
Bruin Plastics	Manufacturer	50	1.77%		11	NR	0.00%		NR
Ocean State Power	Utility	30	1.06%		12	65	2.90%		11
Boliden Metech, Inc.	Metal Refiner	NR	0.00%		NR	84	3.75%		7
Turex Plastic	Manufacturer	NR	0.00%		NR	63	2.81%		12
Total Town Employment		2829	62.85%			2242	76.85%		

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									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Animal Control	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.0	2.0	2.0
Board of Canvassers	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Building Official	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Civil Defense	0.5	0.5	0.5	1.5	1.5	1.5	1.5	1.0	1.0	1.0
Information Systems	1.0	1.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Manager	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	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
Planning	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Police	31.5	31.5	31.5	31.5	31.5	31.5	32.5	32.5	30.5	30.5
Public Works	16.0	16.0	16.0	16.0	17.0	17.0	17.0	16.0	14.0	15.5
Recreation	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.5	2.5	2.0
Tax Assessor	3.0	3.0	3.0	4.0	4.0	4.0	4.0	3.0	2.0	2.0
Tax Collector	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	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
Transportation	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Treasurer	3.0	4.0	5.0	5.0	5.0	4.0	4.0	4.0	4.0	4.0
Total	<u>76.5</u>	<u>77.5</u>	<u>79.5</u>	<u>81.5</u>	<u>82.5</u>	<u>81.5</u>	<u>82.5</u>	<u>80.0</u>	<u>74.0</u>	<u>75.0</u>

Full-time Equivalent Municipal Government Employees by Function

TABLE 20

TABLE 20

TOWN OF BURRILLVILLE  
MISCELLANEOUS STATISTICS  
JUNE 30, 2010  
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, 2010  
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	3419
- Metered Users	42
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
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
2010	MV	\$28.75	\$1.42	\$7.31	\$0.99	\$1.53	\$0.00	\$40.00
	RE/TANG	\$9.07	\$0.45	\$2.31	\$0.31	\$0.48	\$0.00	\$12.62

TABLE 22

TABLE 22

TOWN OF BURRILLVILLE  
ALLOCATION OF TAX BASE  
Unaudited

Class of Property	Town Average			State Average
	1980	1990	2009	2007
Residential	61.54%	68.45%	85.30%	78.85%
Commercial/ Industrial	10.92%	10.00%	5.41%	15.82%
Utility/RR	6.29%	3.99%	0.67%	
Motor Vehicle	19.19%	16.55%	6.18%	2.63%
Tangible	2.06%	1.01%	2.44%	2.70%
Total	100.00%	110.00%	105.41%	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:								
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%
2009	\$ 23,499,023	\$ 22,446,076	104.69%	\$1,052,947	\$5,589,303	18.84%	4.67%	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:								
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%
2009	\$7,553,018	\$7,322,217	103.15%	\$230,801	\$1,285,819	17.95%	12.23%	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
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
2010	3,419	42	0.9669	2.4804	352.9	6,923	2527	2028.000	740.1

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)
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)
2010	97.00%	97.50%	88.00%	50	73.1 (Aug)	23.8 (Jan)	3.68	9.36 (Sept)	1.12 (Jan)

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

Source: Burrillville Wastewater Treatment Facility

TOWN OF BURRILLVILLE  
 PERSONNEL CONTRACTS  
 JUNE 30, 2010  
 Unaudited

Police Department	International Brotherhood of Police Officers IBPO, Lodge #369 1 Year Contract expires June 30, 2009 Under Negotiation
Public Works & Municipal	RI Council 94 AFSCME, AFL-CIO, Local 186 3 Year Contract expires June 30th, 2011
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, 2011
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**

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**Gerard R. Cayer**  
CPA, MST, CVA

**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, 2010, which collectively comprise the Town of Burrillville, Rhode Island's basic financial statements and have issued our report thereon dated December 22, 2010. 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 was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies, or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of findings and responses, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

## Internal Control Over Financial Reporting (Continued)

A *deficiency in internal control* 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 and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and responses to be material weaknesses. (2010-1 and 2010-2).

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompany schedule of findings and responses to be significant deficiencies. (2010-1 and 2010-2).

## 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 22, 2010.

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.

*Cayer Caccia, LLP*

December 22, 2010

**TOWN OF BURRILLVILLE, RHODE ISLAND**  
**SCHEDULE OF FINDINGS AND RESPONSES**  
**YEAR ENDED JUNE 30, 2010**

---

**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 2010-1 and 2010-2. 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**

**2010-1 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 2010, 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, 2010 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.

**2010-2 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, 2010**

---

**C. SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

**Finding 2009-1 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 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.

**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 2009-2 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 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 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)

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