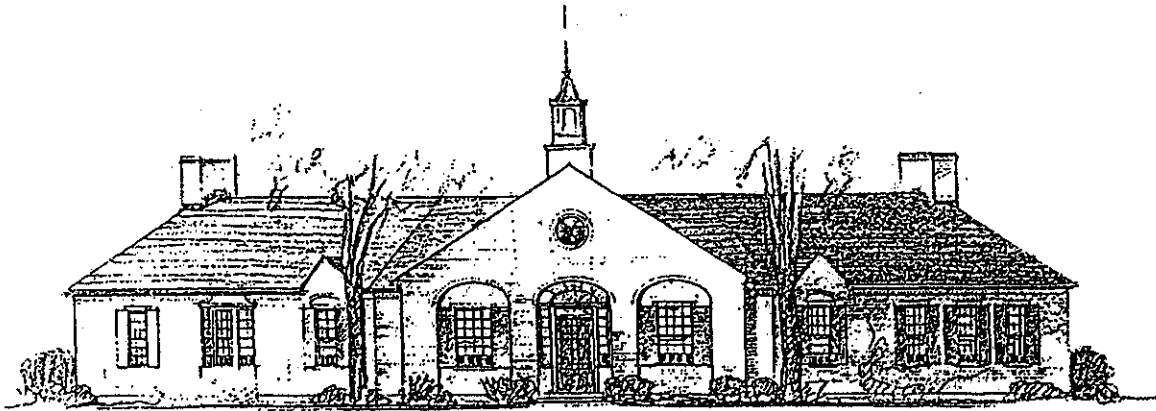


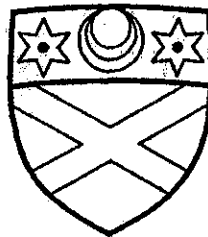
**THE TOWN OF**  
**BURRILLVILLE, RHODE ISLAND**



**Comprehensive Annual Financial Report**

**Fiscal Year Ended**

**June 30, 2013**



# **TOWN OF BURRILLVILLE, RHODE ISLAND**

## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

**PREPARED BY: JOHN P. MAINVILLE**

**FINANCE DIRECTOR**

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED JUNE 30, 2013**

**TABLE OF CONTENTS**

	<b><u>Schedule</u></b>	<b><u>Page(s)</u></b>
<b>INTRODUCTORY SECTION:</b>		
Letter of Transmittal .....		i - xiii
List of Town Officials .....		xiv
Organization Chart .....		xv
Certificate of Achievement for Excellence in Financial Reporting .....		xvi
<b>FINANCIAL SECTION:</b>		
Independent Auditor's Report .....		1 - 3
<b>Required Supplementary Information:</b>		
Management's Discussion and Analysis .....		4 - 25
<b>Basic Financial Statements:</b>		
<b>Government-Wide Financial Statements:</b>		
Statement of Net Position .....	A-1	26 - 27
Statement of Activities .....	A-2	28
<b>Fund Financial Statements:</b>		
<b>Governmental Funds:</b>		
Balance Sheet .....	B-1	29 - 30
Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position .....	B-1	31
Statement of Revenues, Expenditures, and Changes in Fund Balances .....	B-2	32 - 33
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) .....	B-3	34
<b>Proprietary Funds:</b>		
Statement of Fund Net Position .....	C-1	35
Statement of Revenues, Expenses and Changes in Fund Net Position .....	C-2	36
Statement of Cash Flows .....	C-3	37
<b>Fiduciary Funds:</b>		
Statement of Fiduciary Net Position .....	D-1	38
<b>Notes to Basic Financial Statements</b> .....		39 - 81
<b>Required Supplementary Information:</b>		
Schedule of Funding Progress for Pension Plans and Other Post Employment Benefits .....	E-1	82
Schedule of Revenues, Expenditures, Other Financing Sources (Uses), and Changes in Fund Balance (Non-GAAP Budgetary Basis) Budget and Actual – General Fund .....	E-2	83
Schedule of Revenues, Expenditures, and Other Financing Sources (Uses), and Changes in Fund Balance (Non-GAAP Budgetary Basis) Budget and Actual – Burrillville School Department General Fund .....	E-3	84
Notes to Required Supplementary Information .....		85

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED JUNE 30, 2013**

**TABLE OF CONTENTS**

	<u>Schedule</u>	<u>Page(s)</u>
<b>FINANCIAL SECTION (Continued):</b>		
<b>Other Supplementary Information:</b>		
<b>Non-Major Governmental Funds:</b>		
Combining Balance Sheet.....	F-1	86 - 90
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances .....	F-2	91 - 95
<b>Non-Major Proprietary Funds:</b>		
Combining Statement of Fund Net Position .....	G-1	96
Combining Statement of Revenues, Expenses and Changes in Fund Net Position .....	G-2	97
Combining Statement of Cash Flows .....	G-3	98
<b>Agency Funds:</b>		
Combining Statement of Changes in Assets and Liabilities .....	H-1	99
<b>Component Units:</b>		
Combining Statement of Net Position .....	I-1	100
Combining Statement of Activities.....	I-2	101
Combining Statement of Cash Flows.....	I-3	102
<b>General Fund:</b>		
Schedule of Revenues and Expenditures – Budget and Actual – Budgetary Basis – General Fund .....	J-1	103 - 106
<b>STATISTICAL SECTION:</b>		
	<u>Table</u>	
Net Position by Component – Last Ten Fiscal Years.....	1	107
Changes in Net Position – Last Ten Fiscal Years .....	2	108 – 110
Changes in Fund Balance, Governmental Funds – Last Ten Fiscal Years .....	3	111 – 112
Fund Balances, Governmental Funds – Last Ten Fiscal Years.....	4	113
Property Tax Levies and Collections - Last Ten Fiscal Years.....	5	114
Assessed and Estimated Actual Value of Property - Last Ten Fiscal Years.....	6	115
Property Tax Rates - Direct and Overlapping Governments - Last Ten Fiscal Years.....	7A	116
Property Tax Rates and Outstanding Debt - Overlapping Governments - Last Ten Fiscal Years .....	7B	117
Principal Taxpayers - Current Year and Nine Years Ago.....	8	118
Wastewater Treatment Facility - Special Assessment Billings and Collections - Fiscal Year Activity Since Inception.....	9	119
Computation of Legal Debt Margin - Last Ten Fiscal Years .....	10	120
Ratio of Net General Obligation Bonded Debt to Assessed Value and Net General Obligation Bonded Debt Per Capita - Last Ten Fiscal Years .....	11A	121
Ratio of Outstanding Debt to Assessed Value and Debt Per Capita - Last Ten Fiscal Years .....	11B	122
Ratio of Annual Debt Service Expenses for General Obligation Bonded Debt to Total General Governmental Expenses - Last Ten Fiscal Years.....	12	123
Computation of Direct and Overlapping Bonded Debt - General Obligation Bonds.....	13	124
Revenue Bond Coverage - Water and Sewer Authority - Last Ten Fiscal Years.....	14	125
Status of Bond Authorizations .....	15	126
Demographic Statistics - Population, Income, Education, and Unemployment Rates - Last Ten Fiscal Years.....	16A	127
Demographic Statistics - Registered Voters, Births, Deaths, New Housing Units - Last Ten Fiscal Years.....	16B	128
Principal Employers - Current Year and Nine Years Ago.....	17	129

(CONTINUED)



**TOWN OF BURRILLVILLE, RHODE ISLAND**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED JUNE 30, 2013**

---

**TABLE OF CONTENTS**

	<b><u>Table</u></b>	<b><u>Page(s)</u></b>
<b>STATISTICAL SECTION (Continued):</b>		
Demographic Statistics - Population and Median Income - 20th Century.....	18	130
Full Time Equivalent Municipal Government Employees By Function - Last Ten Fiscal Years...	19	131
Miscellaneous Statistics.....	20	132 - 133
Allocation of Tax Dollar - Last Ten Fiscal Years.....	21	134
Allocation of Tax Base.....	22	135
Municipal Employee Retirement System - Analysis of Funding Progress.....	23A - B	136 - 137
Wastewater Treatment Facility - Disposal Activity.....	24	138
Personnel Contracts.....	25	139
 <b>REPORT IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS:</b>		
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <u>Government Auditing Standards</u> .....		140 - 141
Schedule of Findings and Responses .....		142 - 143

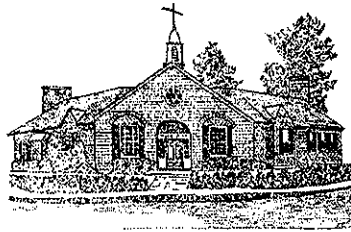
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# ***TOWN OF BURRILLVILLE***

## **INTRODUCTORY SECTION**

# TOWN OF BURRILLVILLE

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



TOWN BUILDING  
HARRISVILLE, R.I.

Phone (401) 568-4300  
Ext. 121  
Fax (401) 568-0490  
TDD (401) 568-1710

December 17, 2013

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, 2013 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, 2013. 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 Financial section 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.

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 ([www.burrillville.org](http://www.burrillville.org)). 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 treatment facility and a library.

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 206th anniversary since becoming incorporated on October 29, 1806. Since January 1, 1989, the Town has operated under a home rule charter, which was adopted at the November 8, 1988 general election after receiving legislative approval authorizing a referendum to seek voter acceptance of a home rule charter. The Charter was amended November 6, 1990, November 5, 1996, and November 9, 2004. The Town Council appoints the Town Manager and all boards and commission members. The seven member Council is elected at large at the regular biennial elections for staggered four-year terms.

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

## **FACTORS AFFECTING FINANCIAL CONDITION**

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

The 2010 census indicated that Burrillville has a population of 15,955 (a 159 [or 1%] increase in population from the 2000 census – 15,796). The number of new housing units continued to grow by an average of 29 units per year over the past 10 years. Most Town residents commute to jobs in the northern RI and Providence area. The Town's labor force has increased from 7,635 to 9,523 since 2004. Employment opportunities within the Town are approximately 2,787.

As required by law, the Town completed its latest three [3] year statistical revaluation and implemented effective December 31, 2009. A full revaluation of all property was recently completed and will be the basis for assessing fiscal year ending June 2014 taxes.

Effective for the assessment period of December 31, 1998, the Town received legislative authorization and implemented a program whereby new construction after that date will be assessed on a pro-rata basis.

Net assessed values have increased by \$63,904,475 (4.27%) over last year's valuations. A significant portion of the increase is associated with bringing the balance of Ocean State Power/TransCanada on the tax roll. Prior to this year there was a PILOT [payment in lieu of tax] agreement with the power company. Approximately 72.7% of the Town's tax base is residential. There have been approximately 286 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>2004</u>	<u>2013</u>	<u>% Change</u>
* Population	15,796	15,955	1.01%
Labor Force	8,566	9,523	9.08%
Employed	8,069	8,471	7.04%
Unemployment Rate	4.8%	9.30%	93.75%
* Median Age	37.5	42.4	13.07%
* Per Capita Income	\$31,514	\$41,751	32.48%
* Median Household Income	\$52,587	\$68,904	31.03%
School Enrollment	2,577	2,423	(5.98%)
* High School Graduates	80.40%	82.90%	3.11%
* Bachelor Degrees	16.20%	21.60%	33.33%
Net Assessed Values	821,921,494	1,560,729,539	89.89%
Median Selling Price (Single Family)	246,590	221,000	(10.38%)

### \*2010 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 Burrillville Industrial Foundation (BIF) 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. One tenant, Daniele Proscuitto, recently acquired additional land and began construction on a 500,000 square foot expansion project. The balance of the park is being marketed by the BIF. 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 included the renovation of the former Stillwater Mill site, which is also the location of the Jesse Smith Memorial Library. A key component of the revitalization of this area included the Woonsocket Neighborhood Development Corporation [WNDC] renovation of the former Clocktower building which was completed in 2011 and completion of the pavilion in 2012.

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 is good until March 2016. 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 finalized and adopted on June 13, 2012 [#12-161] by the Town Council in conformance with Article 10 of the Burrillville Home Rule Charter. During the year there were three (3) supplemental budget appropriations adopted by the Town Council, which totaled \$3,972,622 including one transfer totaling a \$2,983,118 increase [#13-039] related to capital improvements carried forward from the prior year. There was a transfer [\$605,000] made to various reserve funds from additional funds available due to the Town exceeding its fund balance policy in fiscal year ending 2012. Finally \$384,504 [#12-162] was committed to provide funding for one time contingencies and programs that are being phased out.

## **ACCOUNTING SYSTEM AND BUDGET CONTROL (Continued)**

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.

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 starting with fiscal year ending June 30, 2013 on March 28, 2012 which calls for a budget of \$4,044,500.

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 [revised January 2012]. 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 \$400,000 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 \$19,616,128 in cash and cash equivalents on June 30, 2013. 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.

## **CASH MANAGEMENT (Continued)**

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. 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 committed and assigned 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.

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 2013 was \$22,858. This income category was slightly less than last year [\$29,007]. These low earnings continue to reflect the effect of a low interest rate environment. Interest income is also generated for other funds under the care and custody of the Town finance department.

## **FUND BALANCE**

Historically, Town staff has recommended an Unassigned 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 (\$3,476,272 or 7.57% of the FYE June 30, 2014 budget - \$45,942,762 [#30-223] – Adopted on June 12, 2013). This is the third year in which debt service payments did not exceed 12% of budget. Prior to that time period, the annual debt service payments for the last ten (10) years had moderately exceeded 12% of current budget appropriations. While the 12% fund balance policy has served the Town well over the years, management believes that it is time for the Town to modify its fund balance policy to reflect the minimum GFOA recommendation of at least two months expenses or 16.67%. Migrating to this level should be obtainable within a few years without disrupting the Town's ability to operate.

Based upon the results of the audit for FYE June 30, 2013, the Town's Unassigned Fund Balance [\$7,143,229] is approximately 15.55% of the 2014 budget, which is more than the Town's existing 12% Fund Balance policy by \$1,630,098. However, a fund balance policy reflecting the GFOA recommended minimum balance would require a 16.67% level which would be equivalent to \$7,658,658 or \$515,429 higher than the current level. This balance under the existing fund balance policy remains available for one time applications. 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).



## FUND BALANCE (Continued)

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 unassigned fund balance is a one-time benefit to the community that is typically impractical to replace in the following year.
- The unassigned 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 committed and assigned 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 unassigned 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 fiscal year [2010] when a portion of the motor vehicle excise and school state aid was not paid).
- A reduction of unassigned 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 unassigned 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 costs of these benefits are projected to be approximately \$1,089,720 (\$167,342 to the Town and \$922,378 to the School Department). The Town committed a portion of fund balance to address the issue of unfunded vacation and sick leave benefits on the municipal side. The committed amount as of June 30, 2013 was \$316,969, which represents 189.4% of the Town's total liability \$167,342 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 sick leave liability [\$893,535].
  - A key component of GASB 34 involves the inclusion of capital assets, including infrastructure, into the annual operating statements.

## FUND BALANCE (Continued)

- 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 \$2,510,127 - \$1,588,534 [63.29%] of this amount relates to school employees, \$811,550 [32.33%] for municipal employees \$19,531 [0.78%] for library employees, and \$90,512 [3.61%] for wastewater treatment employees. The Town has committed a portion of fund balance [\$352,331] to assist in covering the unfunded actuarial accrued liability for its municipal employees as determined by Danziger & Markhoff, LLP. The recommended annual contribution rate [ARC] for 2013 was \$213,879. Of that amount \$228,284 was included with the payment of health insurance premiums during 2013 leaving a net OPEB obligation of \$26,658 as of June 30, 2103.
- 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 and rink renovation projects, 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 also benefited 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 unassigned 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:

- In terms of economic development, the Burrillville Redevelopment Agency and the Town have 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.
    - Approximately 44 acres of land in Commerce Park was sold in 2012 to Daniele Prosciutto for expansion of that facility [construction which will add approximately 500,000 square feet to their existing commercial operation has commenced].

## MAJOR INITIATIVES (Continued)

- The Public Safety Department continues to be involved with several ongoing endeavors including the following:
  - Completion of the thirteenth year of operating the Municipal Court.
  - Enhancement of the Citizens Police Academy (17th Graduating Class) and Juvenile Hearing Board.
  - Continued the expansion and support of a variety of programs such as Click It or Ticket, Community Policing, Senior Citizen, Underage Tobacco and Alcohol, and Child Safety Programs.
  - 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.
- The Public Works Department along with its normal duties:
  - Handled approximately 23 winter storms - consisting of 80 inches of snow this year.
  - Several major construction projects are proceeding with the assistance of grants including:
    - Granite Mill – Gonyea Park
    - Relocation of the skateboard park to Chapel Street
    - The Rail Trail – Bike Path project
    - Improvements to Duck Pond – located off of the Rail Trail
    - Road construction including Hill Road and Ross Road
  - Continued implementation of the Infrastructure Program, which is designed to upgrade and expand the Town's program of sidewalk construction and road paving.
    - A number of roads including Lapham Farm Road, Pinewood Lane, and a portion of Sayles Avenue were engineered and paved.
    - Levy Rink parking lot.
    - The crack sealing and street sign replacement program continued.
    - Also the Farmers' Market Pavilion located in the Stillwater Mill Complex was completed.
  - Equipment purchases included several police vehicles as well as DPW trucks/plows.
  - 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 sixth consecutive year.
  - The Town's WEB site and GIS systems continue to be expanded and enhanced.
- The Family Fair completed its 22<sup>nd</sup> year. It is an annual event that is coordinated through the Recreation Department and brings together a number of agencies and organizations that serve the Town's entire population in one form or another including churches, fire departments, health care organizations, businesses throughout RI, and various Town departments.
- The Farmers Market celebrated its seventh year of existence and first year at its new location – the newly constructed pavilion located in the Stillwater Mill Complex.
  - The Farmers partnered with the Recreation Department, Jesse Smith Library, Pascoag Utility District, and area businesses to hold a number of different events when the market is open including:
    - Family Fair
    - Green Festival
    - Celebrate Burrillville Day
- The Downtown Pascoag Neighborhood Association [DPNA] and Recreation Department continue to host a number of events in the downtown Pascoag area including Pumpkinfest and Victorian Night.
- 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.
- The Town is home to Renegade 154, a division of the Northern RI Robotics Collaborative, which is a youth organization that has successfully competed on a local, national, and international level. They have been the RI FIRST [For Inspiration and Recognition in Science and Technology] Tech Challenge Champions for several years in a row and have won the international competition in Atlanta for the last 3 years.

## 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 before the PILOT agreement expired and (2) to address the Town's outstanding debt burden. The balance committed for Debt Reduction was \$3,526,370 on June 30, 2013.

## DEBT ADMINISTRATION (Continued)

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 which has been paid off. 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. Finally, 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 completed in fiscal year June 30, 2011. These remaining four issues represent the only time that the Town has elected to issue bonds under RIGL 45-12-2. All other bond issues have been by special legislative action which requires both legislative and local voter approval.

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, 2013, the Town's remaining authorized but unissued debt authority consists of the following - \$500,000 for open space projects.

When the Town went to the bond market in the summer of 2000, the Town received a rating upgrade by both Fitch's Investors Service (from A to A+) and Moody's Rating Agency (from A2 to A1). The Moody rating was reaffirmed and the Fitch rating was again upgraded to AA- when the Town went to market in October 2006 and reaffirmed in 2008. Both Moody's and Fitch recalibrated their Town ratings in April 2010. Moody's upgraded the Town's rating to Aa2; Fitch upgraded the Town to AA. The Fitch rating was reaffirmed when a surveillance review was conducted in October 2010 and, more recently, in October 2012. 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 unassigned fund balance sufficient to cover its pending debt obligations.

Historically the Town has utilized a significant amount of its Unassigned Fund Balance as an interim source of revenue for operations and debt management. 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 unassigned 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 (15.55%) its minimal goal of maintaining a sufficient unassigned 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. Moving forward, management will recommend a transition from the existing 12% fund balance policy to the GFOA recommended policy of 16.67% as noted previously in the fund balance section.

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.

## **DEBT ADMINISTRATION (Continued)**

In the interest of continuing to improve 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, maintenance of the capital 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 may be weak.

## **RISK MANAGEMENT**

Burrillville is a member of the Rhode Island Interlocal Risk Management Trust (RIIRMT – The Trust). 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.

The Trust provides all property, liability, worker's compensation, life, health and dental, 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 require 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, 2013.

## **INDEPENDENT AUDIT (Continued)**

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, 2012. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

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

Sincerely,



John P. Mainville  
Finance Director

TOWN OF BURRILLVILLE, RHODE ISLAND

MUNICIPAL OFFICERS

June 30, 2013

TOWN COUNCIL

Nancy F. Binns, President  
Wallace F. Lees, Pro-tem  
Edward J. Blanchard  
Kimberly A. Brissette-Brown  
John F. Pacheco III  
David J. Place  
Steven N. Rawson

TOWN OFFICIALS

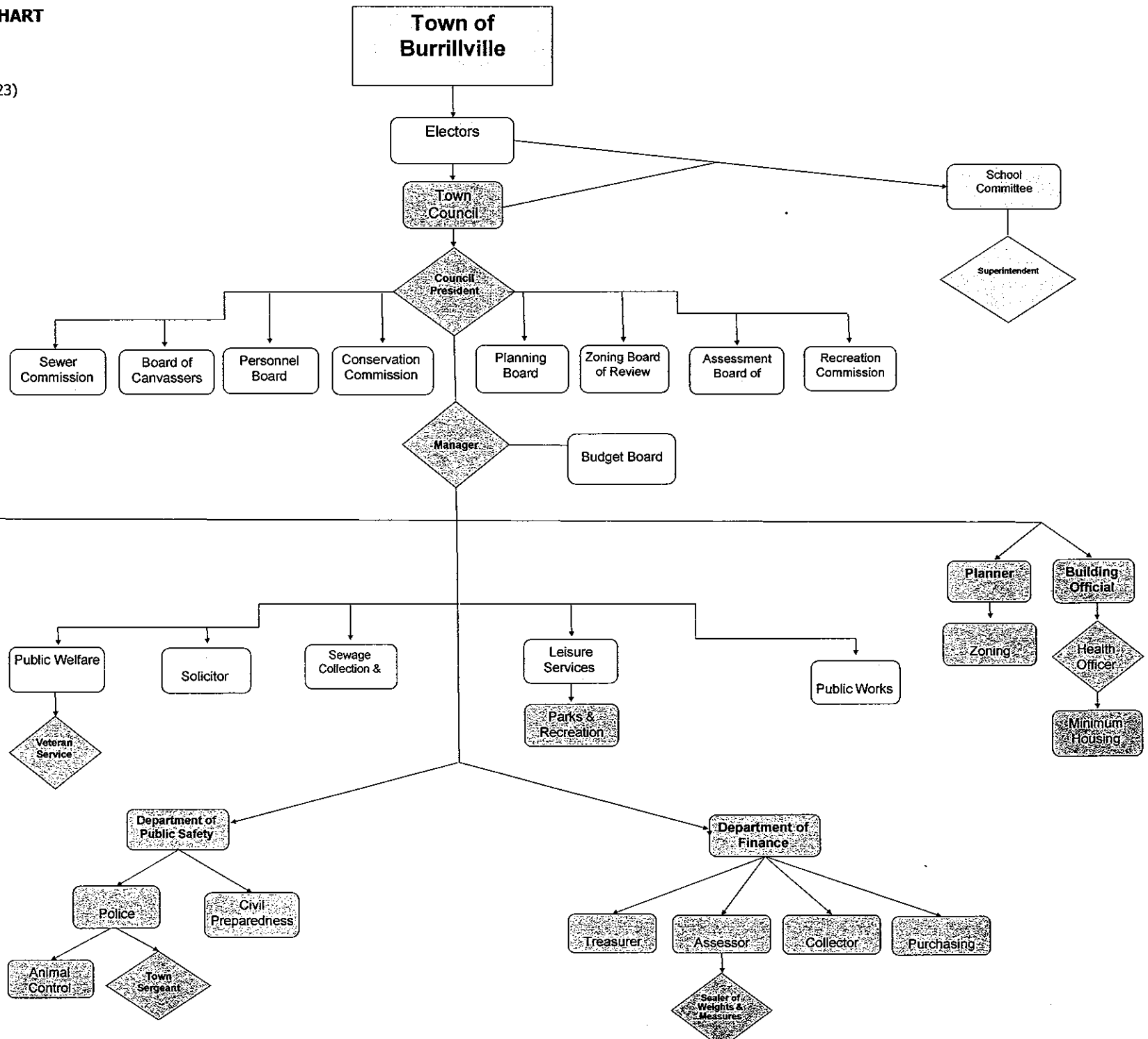
Town Manager	Michael C. Wood
Assessor	Susan R. Makar
Building Official	Joseph F. Raymond
Clerk	Louise R. Phaneuf, CMC
Emergency Management Director	Glen D. Biddiscombe
Finance Director/Tax Collector	John P. Mainville, CGFM
Municipal Court Judge	Joseph P. Carroll
Planning/Economic Development Coordinator	Thomas J. Kravitz, MCP
Police Chief	Col. Stephen J. Lynch
Probate Court Judge	Pierre G. Rondeau
Public Works-Director/Engineer	Jeffrey M. McCormick, PE
Recreation/Special Events Coordinator	Andrea C. Hall
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 25, 1990 (#90-123)





Government Finance Officers Association

**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, 2012**

Executive Director/CEO

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# ***TOWN OF BURRILLVILLE***

## **FINANCIAL SECTION**

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## **INDEPENDENT AUDITOR'S REPORT**

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

**Mark V. Caccia**  
CPA, MST, CVA

**Donna T. Caccia**  
CPA, MST, CFP™

To the Honorable Town Council  
Burrillville, Rhode Island

### **Report on Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Town of Burrillville, Rhode Island, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Town of Burrillville, Rhode Island, as of June 30, 2013, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, historical pension and other post-employment benefit information, and budgetary comparison information on pages 4 through 25 and 82 through 85 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 inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Burrillville, Rhode Island's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 17, 2013, 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* in considering the Town of Burrillville, Rhode Island's internal control over financial reporting and compliance.

*Cayer Caccia, LLP*

December 17, 2013

**Town of Burrillville, Rhode Island**  
**Management's Discussion and Analysis**  
**JUNE 30, 2013**

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, 2013. The Town annually presents its financial statements in compliance with the reporting model required by GASB 34.

Effective July 1, 2012, the Town of Burrillville implemented GASB Statement 63, which provides financial reporting guidance for incorporating deferred outflows and inflows of resources and by renaming that measure as net position rather than net assets. See footnote 1 on page 40 for additional explanation.

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, 2013 by \$89.73 million (net position). Of this amount, only \$12.55 million (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- As of June 30, 2013, the Town's governmental activities reported total net position of \$63.07 million.
- The Town of Burrillville's total net position increased by \$1.12 million, or 1.26%, for the year ended. The net position of governmental activities increased by \$1.49 million, an 2.42% increase from fiscal 2012. The net position of business-type activities decreased by \$0.37 million, or 1.37% from 2012.
- The Town's general fund reported a fund balance of \$15.1 million at the end of fiscal year ending 2013. This compares to a fund balance of \$15.8 million at the end of fiscal 2012. It is important to note that 2013 is the third year of reporting under the new fund balance requirements which incorporate a number of funds that were previously considered to be special appropriation funds. The unassigned fund balance for the year was \$7.1 million (\$6.4 million in 2012). This is a \$0.7 million increase over the prior year's unassigned fund balance.
- The Town ended the fiscal year with a budgetary operating excess of revenue over expenditures of \$3,384,217 in 2013. Included in this amount is \$1,613,907 of unexpended capital improvement funds which have been carried over to fiscal year ending June 2014.

## Financial Highlights (Continued)

- The School Department ended the fiscal year with a budgetary excess of revenue over expenditures of \$21,444 (\$66,266 in 2012). The School fund balance is \$618,369 (\$795,301 in 2012).
- The Town's total long-term liabilities decreased by \$2,772,778 [government activities \$2,762,393; business type \$10,385] or 10.35% in 2013 which was primarily due to scheduled debt service payments of \$2,792,000.

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



## Government-wide Financial Statements (Continued)

The *Statement of Net Position* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of 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 position 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 Position* 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 Position* 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 the Jesse M. Smith Memorial Library and determined that these agencies met the criteria to be disclosed as discretely presented component units.

## 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. Both Town 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 Position 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, the School Department, and Major Capital all 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.

The Town implemented the provisions of Governmental Accounting Standards Board Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54) in fiscal year 2011. GASB 54 establishes criteria for classifying fund balances into specifically defined classifications and clarifies the definitions for governmental funds. GASB 54 defines the following five categories of fund balance:

Nonspendable – items that cannot be spent because they are not in a spendable form or legally or contractually required to be maintained intact.

Restricted – items that are restricted by external parties or imposed by grants, laws or legislation.

Committed – items that have been committed by formal action by the entity's highest level of decision-making authority.

Assigned – items that have been allocated by committee action where the government's intent is to use the funds for a specific purpose.

Unassigned – items that have no restrictions placed on them.

The Town maintains certain funds that have been reclassified to the Town General Fund under GASB 54. The ending fund balance of these funds was \$5,667,301 at June 30, 2013.

## **Fund Financial Statements (Continued)**

The focus of the Town of Burrillville's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, the unassigned fund balance may serve as a useful measure of the Town's net resources available for spending at the end of the fiscal year. The Fund Balance section of the Balance Sheet for Governmental Funds is presented in the format required by GASB Statement 54.

- *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 Fund Net Position and the Statement of Revenues, Expenses and Changes in Fund Net Position. 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, and 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 Statement of Fiduciary Net Position. 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 Department general fund.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

### The Town's Overall Operations

The Town of Burrillville has prepared the fiscal year ending June 30, 2013 financials in a format prescribed by the Government Accounting Standards Board Statement 34 (GASB 34).

#### June 30, 2013

The Town's combined net position was \$89.73 million in 2013. Analyzing the net position and net expenses of governmental and business-type activities separately, the governmental activities are \$63.07 million and the business-type activities net position is \$26.66 million in 2013. This analysis focuses on the net position (Table 1), changes in net position - 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 position (84.19%) 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.

#### June 30, 2012

The Town's combined net position was \$88.61 million in 2012. Analyzing the net position and net expenses of governmental and business-type activities separately, the governmental activities are \$61.59 million and the business-type activities net position are \$27.02 million in 2012. This analysis focuses on the net position (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 position (85.59%) 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 Position - Primary Government  
June 30

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	2013	2012	2013	2012	2013	2012
Current and other assets	\$26,194,313	\$26,062,204	\$4,183,312	\$4,047,760	\$30,377,625	\$30,109,964
Capital assets	65,498,940	67,359,717	22,907,554	23,392,265	88,406,494	90,751,982
Total assets	91,693,253	93,421,921	27,090,866	27,440,025	118,784,119	120,861,946
Current liabilities	7,685,360	8,173,491	337,400	309,857	8,022,760	8,483,348
Noncurrent liabilities	20,936,410	23,661,803	98,579	106,383	21,034,989	23,768,186
Total liabilities	28,621,770	31,835,294	435,979	416,240	29,057,749	32,251,534
Net position:						
Net investment in capital assets	52,675,553	52,510,063	22,863,296	23,327,395	75,538,849	75,837,458
Restricted	1,641,822	1,623,115			1,641,822	1,623,115
Unrestricted	8,754,108	7,453,449	3,791,591	3,696,390	12,545,699	11,149,839
Total net position	\$63,071,483	\$61,586,627	\$26,654,887	\$27,023,785	\$89,726,370	\$88,610,412

The total net position in governmental activities increased by \$1.48 million. Governmental activities capital assets decreased by \$1.86 million. For additional analysis see Table 3. Governmental activities current liabilities decreased by \$0.49 million. Governmental activities noncurrent liabilities decreased by \$2.73 million due mainly to principal payments on long-term debt.

The net position in Business-type activities decreased nominally by \$0.37 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>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Revenues:						
Program Revenues:						
Charges for services	\$ 1,253,213	\$ 1,280,837	\$ 3,193,491	\$ 3,162,415	\$4,446,704	\$ 4,443,252
Operating grants and contributions	16,621,443	16,843,576	495,734	456,526	17,117,177	17,300,102
Capital grants and contributions	1,827,122	2,172,752		30,000	1,827,122	2,202,752
General revenues:						
Property Taxes	28,285,449	28,336,337			28,285,449	28,336,337
Unrestricted Investment	39,498	35,729	3,767	4,193	43,265	39,922
Contributions not restricted to specific programs		51,700				51,700
Gain on sale of capital asset		453,114				453,114
Total Revenues	<u>48,026,725</u>	<u>49,174,045</u>	<u>3,692,992</u>	<u>3,653,134</u>	<u>51,719,717</u>	<u>52,827,179</u>
Expenses:						
General government	4,396,511	3,733,679			4,396,511	3,733,679
Public safety	3,389,940	3,415,060			3,389,940	3,415,060
Public works	3,707,455	2,668,744			3,707,455	2,668,744
Education	33,028,589	32,541,038			33,028,589	32,541,038
Parks and recreation	620,427	677,186			620,427	677,186
Libraries	758,161	719,188			758,161	719,188
Community development	95,097	138,389			95,097	138,389
Interest on long-term debt	797,123	897,440			797,123	897,440
Sewer Authority			2,063,559	1,975,858	2,063,559	1,975,858
School Cafeteria			905,739	881,015	905,739	881,015
Levy Rink			419,984	426,675	419,984	426,675
Extended Day Care			421,174	423,541	421,174	423,541
Total expenses	<u>46,793,303</u>	<u>44,790,724</u>	<u>3,810,456</u>	<u>3,707,089</u>	<u>50,603,759</u>	<u>48,497,813</u>
Revenues over (under) expenses	1,233,422	4,383,321	(117,464)	(53,955)	1,115,958	4,329,366
Transfers in (out)	<u>251,434</u>	<u>231,976</u>	<u>(251,434)</u>	<u>(231,976)</u>	<u>0</u>	<u>0</u>
Increase (decrease) in net position	1,484,856	4,615,297	(368,898)	(285,931)	1,115,958	4,329,366
Net Position, July 1,	<u>61,586,627</u>	<u>56,971,330</u>	<u>27,023,785</u>	<u>27,309,716</u>	<u>88,610,412</u>	<u>84,281,046</u>
Net Position, June 30	<u>\$63,071,483</u>	<u>\$61,586,627</u>	<u>\$26,654,887</u>	<u>\$27,023,785</u>	<u>\$89,726,370</u>	<u>\$88,610,412</u>

The decrease in governmental activities revenues of \$1.15 million is primarily the net result of decreases in operating grants/contributions (\$0.22 million) from FEMA, CDBG, and federal stimulus, decreases in capital grants/contributions (\$0.35 million) due to a decline in various one time grants (ARRA, LEAP, EECBG, federal stimulus) and a sale of a capital asset in FYE 2012 (\$0.45 million).

Governmental activity expenses increased by \$2.00 million which reflects increased costs associated with general government (\$0.66 million), public works (\$1.04 million), and education (\$0.49 million) offset by decreased costs in interest on long-term debt (\$0.10 million).

The net position associated with business-type activities declined by \$0.37 million which relates to a slight increase associated with sewer assessment fees received coupled with a slight increase in overall expenses and transfers out related to debt.

## **Review of Major Governmental Funds**

### **General Fund**

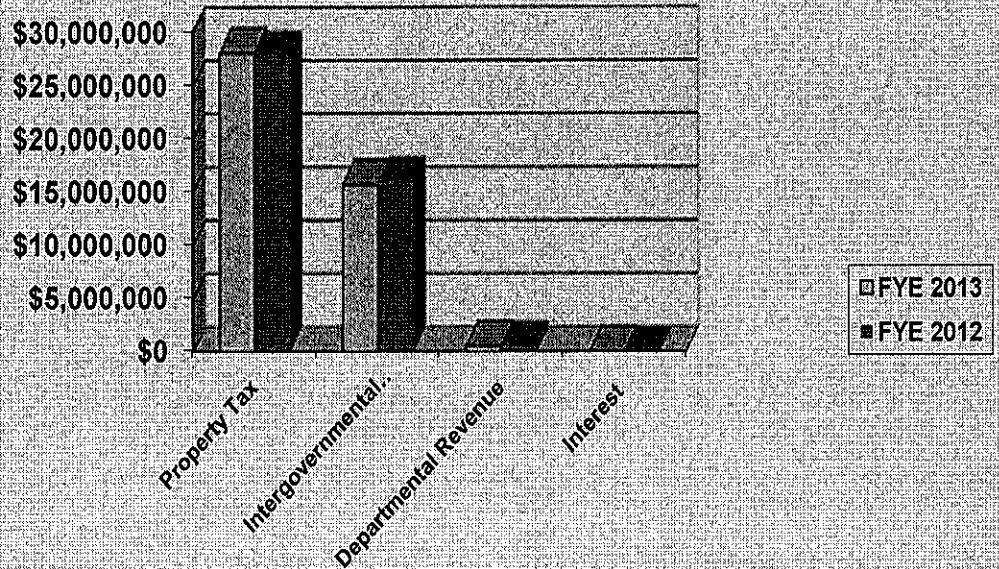
The General Fund is the primary fund through which the majority of the Town's revenues and expenditures flow. The Town finished the year within the limits established by the adopted budget. The Town carefully monitors its expenditures and eliminates all but the most necessary. When savings are incurred 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 2013, there were three [3] supplementary budget amendments to the General Fund in the net amount of \$3,972,622. This amount was comprised of the carryover of FYE 2012 capital improvement funding (\$2,983,118), transfers of excess fund balance policy funds (\$605,000), and \$384,504 towards a restricted budget for one time and phased out expenses.

A comparative breakdown of revenues and expenditures associated with the General Fund on a budgetary basis for the fiscal years ending June 30, 2013 and 2012 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 0.19% or \$84,500.

<b><u>Revenues</u></b>	<b><u>FYE 2013</u></b>	<b><u>FYE 2012</u></b>	<b><u>% Change</u></b>	<b><u>\$ Change</u></b>
Property Taxes	\$28,047,069	\$27,781,892	0.95%	\$265,177
Intergovernmental Revenue	15,702,816	16,030,376	(2.04)%	(327,560)
Departmental Revenue	541,809	565,477	(4.19)%	(23,668)
Interest Income	22,858	21,307	7.28%	1,551
Total Revenues	\$44,314,552	\$44,399,052	(0.19)%	\$(84,500)

## REVENUES



June 30, 2013

Overall non-tax revenues were \$349,677 less than the prior year due mainly to a federal grant received in FYE 2012 (\$607,610). Actual revenues were \$893,877 more than budgeted. The primary reasons for the favorable revenue variance within the fiscal year 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 \$510,878 - which includes tax revenue of \$410,103. The Town collected approximately 97.82% of the fiscal year 2013 tax levy.
- Second, the Town's intergovernmental revenue was more than the budget by \$249,707. This amount includes additional amounts received from Medicaid reimbursements (\$89,531) and School Construction (\$133,946). This year represents the thirteenth year of funding under the State's motor vehicle phase out program but the program is now only providing minimal funding to the communities.
- Third, there was an increase in departmental revenue (\$139,934) which is primarily due to an increase in license/fees (\$60,615), building (\$22,088) and service/assessment (\$46,551) receipts.
- Finally, interest income was again under budget in the amount of \$6,642. The decrease is primarily attributed to the continued low interest rate environment.



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, 2013 being greater than anticipated. A 97.38% collection rate was budgeted for FYE 2013 and 97.82% was actually collected. The collection rate used for budgeting purposes was based upon historical collection data.

A comparison of actual expenditures incurred during FYE 2013 reveals that the Town expenses were \$2,003,407 less than the amount appropriated. This was achieved by limiting expenditures to essential services only. A significant portion of this amount [\$1,613,907] is for capital improvement activities related to general administration, police, school, and public works projects which has been re-appropriated for FYE June 30, 2014.

The most significant governmental expense for the municipality during 2013 was in providing for public safety, which incurred expenses of \$2.27 million. The major components of public safety are police and animal control. Other significant governmental expenses for the municipality include public works at \$1.31 million; general government at \$1.52 million, which includes all administrative offices; general services (\$1.33 million) such as refuse collection/recycling; debt at \$3.60 million, and insurance/benefits at \$1.77 million.

#### June 30, 2012

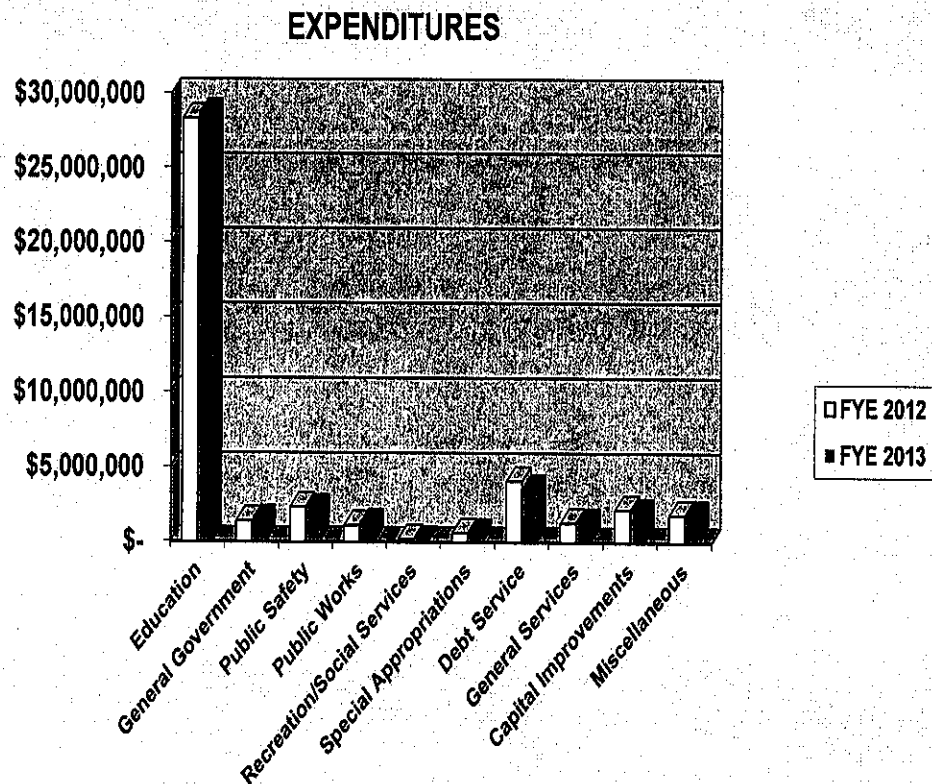
Overall non-tax revenues were \$445,197 more than the prior year due to moderate increases in State revenue and medicaid reimbursements. Actual revenues were \$682,748 more than budgeted. The primary reasons for the favorable revenue variance within the fiscal year were:

- 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 \$370,056 - which includes tax revenue of \$314,726. The Town collected approximately 97.69% of the fiscal year 2012 tax levy.
- Second, the Town's intergovernmental revenue was more than the budget by \$208,557. This amount includes additional amounts received from Medicaid reimbursements (\$95,587), State PILOT (\$42,464), and Telephone (\$38,410). This year represents the twelfth year of funding under the State's motor vehicle phase out program but the program is now only providing minimal funding to the communities.
- Third, there was an increase in departmental revenue (\$117,828) which is primarily due to an increase in building (\$29,443) and service/assessment (\$69,930) receipts.
- Fourth, interest income was again under budget in the amount of \$13,693. The decrease is primarily attributed to the continued low interest rate environment.

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, 2012 being greater than anticipated. A 97.3% collection rate was budgeted for FYE 2012 and 97.69% was actually collected. The collection rate used for budgeting purposes was based upon historical collection data.

A comparison of actual expenditures incurred during FYE 2012 reveals that the Town expenses were \$4,149,790 less than the amount appropriated. This was achieved by limiting expenditures to essential services only. A significant portion of this amount [\$2,983,119] was for capital improvement activities related to general administration, police, school, and public works projects which were re-appropriated for FYE June 30, 2013.

The most significant governmental expense for the municipality during 2012 was in providing for public safety, which incurred expenses of \$2.33 million. The major components of public safety are police and animal control. Other significant governmental expenses for the municipality include public works at \$1.10 million; general government at \$1.38 million, which includes all administrative offices; general services (\$1.29 million) such as refuse collection/recycling; debt at \$4.08 million, and insurance/benefits at \$1.68 million.



	<u>FYE 2013</u>	<u>FYE 2012</u>	<u>% Chg</u>	<u>\$ Chg</u>
<b><u>Expenditures</u></b>				
Education	\$28,733,605	\$28,333,604	1.41%	\$400,001
General Government	1,518,912	1,382,583	9.86%	136,329
Public Safety	2,267,201	2,329,206	(2.66)%	(62,005)
Public Works	1,309,011	1,098,304	19.18%	210,707
Recreation & Social Services	143,403	165,920	(13.57)%	(22,517)
Special Appropriations	637,713	598,618	6.53%	39,095
Debt Services	3,599,231	4,078,997	(11.76)%	(479,766)
General Services	1,328,940	1,294,894	2.63%	34,046
Capital Improvements	1,997,211	2,156,128	7.37%	(158,917)
Miscellaneous	1,895,759	1,820,610	4.13%	75,149
<b><u>Other Financing (Sources) Uses</u></b>				
Transfer from Fund Balance	(3,972,622)	(3,757,877)	(5.17)%	(214,745)
Sale of Capital Assets		(913,124)	100.00%	913,124
Transfers In	(1,284,417)	(485,598)	(164.50)%	(798,819)
Transfer Out-Capital Projects	1,761,882	365,419	382.15%	1,396,463
Transfer Out- Special Revenue	994,506	1,302,854	23.67%	(308,348)
<b>Total Expenditures ( Net of Transfers)</b>	<b><u>\$40,930,335</u></b>	<b><u>39,770,538</u></b>	<b><u>2.92%</u></b>	<b><u>\$1,159,797</u></b>
<b>Excess of Revenues over Expenditures- Budgetary Basis</b>	<b><u>\$ 3,384,217</u></b>	<b><u>\$ 4,628,514</u></b>	<b><u>(26.88)%</u></b>	<b><u>\$(1,244,297)</u></b>

## **Fund Balance**

### June 30, 2013

The net effect of operations as described above on the budgetary basis reveals that the Town completed fiscal year ending June 30, 2013 with a net excess of revenues over expenditures in the amount of \$3,384,217. Note that this amount included as revenue the budgeted amount of \$3,972,622 from the Unassigned Fund Balance. When this is factored out, there is actually a net decrease to fund balance associated with the excess of expenditures over revenues of \$588,405.

The Town's fund balance decreased from \$15,800,289 to \$15,112,921. The Town's fund balance is broken down into the following components which are detailed in footnote 9(a) and comprised of cash or other assets that will eventually be converted into cash such as receivables:

1. Nonspendable. An amount (\$688,484) 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. Committed. An amount (\$7,189,902) which includes a number of funds that had previously been identified as special revenue funds in prior audits including Other School Activities, Debt Reduction, Other Post Employment Benefits, Unfunded Liability/Incentive Pay, Recycling Program, Pension Reserve Fund, and Healthcare Contingency. It also includes \$1,613,907 which was re-appropriated in FYE 2014 for capital projects.

## **Fund Balance (Continued)**

3. Assigned. An amount (\$91,306) related to funding reserved for the School Department.
4. Unassigned. Finally after all of the above items are considered, the remaining value is referred to as the Town's Unassigned Fund Balance is \$7,143,229, which is a increase of \$766,931 over last year's Unassigned Fund Balance \$6,376,298. This increase is due to the net effect of budget activity combined with a number of planned fund balance draw downs during FYE 2013 related to capital improvement carryover and fund balance in excess of the fund balance policy. This leaves an Unassigned Fund Balance on June 30, 2013 of \$7,143,229 which is approximately 15.55% of the total budget currently appropriated for FYE June 30, 2014 (\$45,942,762).

### June 30, 2012

The net effect of operations as described above on the budgetary basis reveals that the Town completed fiscal year ending June 30, 2012 with a net excess of revenues over expenditures in the amount of \$4,628,514. Note that this amount included as revenue the budgeted amount of \$3,757,877 from the Unassigned 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 \$870,637.

The Town's fund balance increased from \$13,900,748 to \$15,800,289. The Town's fund balance is broken down into the following components which are detailed in footnote 9(a) and comprised of cash or other assets that will eventually be converted into cash such as receivables and equities:

1. Nonspendable. An amount (\$668,840) 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. Committed. An amount (\$8,617,069) which includes a number of funds that had previously been identified as special revenue funds in prior audits including Other School Activities, Debt Reduction, Other Post Employment Benefits, Unfunded Liability/Incentive Pay, Recycling Program, and Healthcare Contingency. It also includes \$3,337,518 which was re-appropriated in FYE 2013 for capital projects.
3. Assigned. An amount (\$138,082) related to funding reserved for the School Department.
4. Unassigned. Finally after all of the above items are considered, the value of what use to be referred to as the Town's Unassigned Fund Balance is \$6,376,298, which is a decrease of \$116,802 over last year's Unassigned Fund Balance (\$6,493,100). This decrease is due to the net effect of budget activity combined with a number of planned fund balance drawdowns during FYE 2012 related to capital improvement carryover and fund balance in excess of the fund balance policy. This leaves an Unassigned Fund Balance on June 30, 2012 of \$6,376,298 which is approximately 14.19% of the total budget currently appropriated for FYE June 30, 2013 (\$44,948,156).

## **School Department**

### June 30, 2013

The School Department had revenues for the year ended June 30, 2013 of \$14.2 million. This was derived from \$13.3 million of intergovernmental revenues and \$0.9 million of state pension contribution revenues. In addition to general operating revenues, the School Department also received \$15.4 million of other financing sources in the form of transfers in from the General Fund.

Expenditures for the School Department totaled \$29.8 million. This entire amount represents expenditures related to education.

The excess of expenditures over revenues was \$0.18 million for the fiscal year ended June 30, 2013.

### June 30, 2012

The School Department had revenues for the year ended June 30, 2012 of \$14.5 million. This was derived from \$13.4 million of intergovernmental revenues and \$1.1 million of state pension contribution revenues. In addition to general operating revenues, the School Department also received \$15.0 million of other financing sources in the form of transfers in from the General Fund.

Expenditures for the School Department totaled \$29.5 million. This entire amount represents expenditures related to education.

The excess of expenditures over revenues was \$0.08 million for the fiscal year ended June 30, 2012.

## **Major Capital Fund**

### June 30, 2013

The Major Capital Fund is considered a major fund for the year ended June 30, 2013 due to a significant transfer of funds into the account from the general operating budget in the amount of \$1,472,000. This amount was part of the annual capital program for which no specific projects were designated. There also was a transfer out in the amount of \$300,000 to the Debt Reduction Fund.

It is anticipated that these funds will be used in the future for projects in lieu of bonding. Currently the School Department is working on a 5 year capital program required by the State in order to be eligible for school construction aid. Included in that program is the replacement of some roofs at the high school in the near future. It is anticipated that a portion of these funds will be used at that time.

### June 30, 2012

The Major Capital Fund had minimal activity during the year ended June 30, 2012 which consisted of interest earnings (\$3,331) and a minor contribution of \$42,529 from the general fund capital improvement budget. This fund was considered a non-major fund for the year ended June 30, 2012.

## **Business-type Activities**

### **Proprietary Activities**

#### **June 30, 2013**

Revenues of the Town's business-type activities were \$3.69 million for the fiscal year ending June 30, 2013. Expenses for the Town's business-type activities were \$4.06 million for the year, resulting in a decrease in net position of \$0.37 million. The decrease in net position was mainly from the result of the following:

- The Town's sewer system recorded charges for services of \$1.96 million, expenses of \$2.06 million and transfers out of \$0.27 million resulting in a decrease in net position of \$0.37 million.

#### **June 30, 2012**

Revenues of the Town's business-type activities were \$3.65 million for the fiscal year ending June 30, 2012. Expenses for the Town's business-type activities were \$3.92 million for the year, resulting in a decrease in net position of \$0.29 million. The decrease in net position was the result of several factors, including the following:

- The Town's sewer system recorded charges for services of \$1.90 million, and expenses of \$2.22 million resulting in a decrease in net position of \$0.30 million.

## **Capital Assets and Debt Administration**

### **Capital Project Funds**

The Town had several active capital projects in fiscal year June 30, 2013.

Completed capital projects included the Farmer's Market/Pavilion, Lapham Farm Road, Sayles Avenue, Pinewood Lane, the Levy Rink parking lot, and road work related to paving and cracksealing.

Some projects that are continuing to carry balances including the Route 102/Commerce Park, Granite Mill/Gonyea Park, Rail Trail, and the Skateboard Park Relocation. Active capital projects carried over from the prior year include Duck Pond, Ross Road, and Hill Road.

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 fiscal year 2013, the Town had \$88.4 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.) This amount represents a net decrease (including additions and deductions) of \$2.4 million or 2.5% over the prior fiscal year's net assets (\$90.8 million).

## Capital Assets and Debt Administration (Continued)

### Capital Assets (Continued)

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 capital 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>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Land	\$ 2,909,741	\$ 2,866,859	\$ 382,443	\$ 382,443	\$ 3,292,184	\$ 3,249,302
Construction in progress	778,383	1,760,624	46,384		824,767	1,760,624
Leasehold improvements			34,398	34,398	34,398	34,398
Collection systems			34,514,621	34,514,621	34,514,621	34,514,621
Buildings and improvements	71,318,111	70,798,281	7,973,885	7,973,885	79,291,996	78,772,166
Equipment	1,938,156	1,819,128	372,362	291,428	2,310,518	2,110,556
Vehicles	4,236,137	3,766,275	135,261	135,261	4,371,398	3,901,536
Furniture			659,957	658,578	659,957	658,578
Infrastructure	<u>18,041,597</u>	<u>17,117,382</u>			<u>18,041,597</u>	<u>17,117,382</u>
Total Assets	99,222,125	98,128,549	44,119,311	43,990,614	143,341,436	142,119,163
Less accumulated depreciation	<u>(33,723,185)</u>	<u>(30,768,832)</u>	<u>(21,211,757)</u>	<u>(20,598,349)</u>	<u>(54,934,942)</u>	<u>(51,367,181)</u>
Totals	<u>\$ 65,498,940</u>	<u>\$ 67,359,717</u>	<u>\$ 22,907,554</u>	<u>\$ 23,392,265</u>	<u>\$ 88,406,494</u>	<u>\$ 90,751,982</u>

This year's major capital expenditures included:

- Completion of construction and road/sidewalk improvements (Lapham Farm Road, Sayles Avenue, the Pavilion).
- Acquisition of various equipment including public works equipment (trucks) and police vehicles.
- The School Department also had funding allocated towards various building improvements, wireless network, and a vehicle.

The 2014 Capital Budget has been adopted and while individual projects are subject to change, the budget calls for spending of capital projects, principally in these major categories: administration, economic development, parks and recreation, schools, and street improvements.

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

## Capital Assets and Debt Administration (Continued)

### Debt Administration

#### June 30, 2013

The total outstanding long-term bonded debt on June 30, 2013 was \$21,677,387, which represents a decrease of \$2,798,267 from June 30, 2012 (\$24,475,654). This decrease was primarily due to the net effect of annual debt payments (\$ 2,792,000) on outstanding issues.

#### June 30, 2012

The total outstanding long-term bonded debt on June 30, 2012 was \$24,475,654, which represents a decrease of \$3,178,038 from June 30, 2011 (\$27,653,692). This decrease was primarily the net effect of annual debt payments (\$2,787,000) on outstanding issues and a \$384,771 loan payment to the Burrillville Industrial Foundation which was associated with the sale of land in Commerce Park.

Table 4

Long Term Debt  
June 30

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
General Obligation Bonds	\$21,677,387	\$24,475,654		
Leases Payable			\$ 44,258	\$ 64,870
Compensated Absences	1,089,720	1,113,249	82,277	71,000
Net OPEB Obligation	24,703	38,300	1,955	3,005
Landfill Post-Closure Costs	1,090,000	1,017,000		
Totals	<u>\$23,881,810</u>	<u>\$26,644,203</u>	<u>\$ 128,490</u>	<u>\$138,875</u>

The Town does have overlapping debt totaling \$2,517,563, 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, 2013 and June 30, 2012. Note that Loans Payable and Bond Anticipation Notes (BANS) are not incorporated in these calculations.

<u>Various Debt Ratios</u>		
	<u>6/30/2013</u>	<u>6/30/2012</u>
Total Outstanding Long-Term Bonded Debt	\$21,554,229	\$24,346,229
Debt per Capita -		
2010 Census (15,955)	\$1,337	\$1,526
State Average \$1,767		
City/town average \$1,695		
Net Assessed Values	\$1,560,729,539	\$1,496,825,064
Debt to Net Assessed Values	1.38%	1.63%
Tax Rate per \$ 1,000	\$40.00	\$40.00
Split Rate (RE & MV)	\$16.17	\$16.15
Portion of Tax Rate Funding Debt		
- Percent of Tax Dollar	6.99%	7.21%
Credit Ratings -		
Fitch's Investor's Service	AA	AA
Moody's Rating Agency	Aa2	Aa2

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 A1 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 reaffirmed its rating when a surveillance review was conducted in October 2010 and, more recently, October 2012.

Historically the Town has utilized a significant amount of its Unassigned 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 unassigned 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 15.55% is slightly above its minimal goal of maintaining a sufficient unassigned fund balance. Maintenance of this minimum 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 2014 budget, tax rates, and fees that will be charged for the business-type activities.

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

- The unemployment rate for the Town of Burrillville is 9.30 percent. This compares to the State's average unemployment rate of 8.90 percent and the national average of 7.90 percent.
- According to the Tax Assessor, the average 2014 single family home in Burrillville is valued for assessment purposes at \$201,604, the average commercial property is valued at \$555,791, and the average industrial property is valued at \$719,100.
- Although the Town does not have any immediate plans to go to market, 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.
- The State's overall economy and the continued freeze and reductions of various State aid to the communities continue to impact the Town's budget significantly.
- Certain employment costs including health insurance continue to rise significantly requiring constant reevaluation of those programs

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

A number of factors were considered when the Town's budget for the fiscal year ending June 30, 2014 was being prepared including the following:

- The overall adopted budget was \$45,942,762, which was an increase of \$994,606 over the 2013 budget [\$44,948,156].
  - Capital improvements increased by \$420,174 [17.90%].
  - The School operating budget increased from \$28,733,604 to \$29,305,000 or 1.99%. The net dollar increase is \$571,396.
  - The municipal operating and debt budgets increased by \$58,272 [0.61%].
  - Debt declined by \$125,236 [3.48%].
- The General Fund's largest single revenue source is property taxes – State revenue is second. The Town's tax rate increased by 14.9% from \$16.17 to \$18.58 per \$1,000 valuation for fiscal year ending 2014. This tax rate increase was driven solely by the impact of full revaluation of properties. Property values declined by approximately 15%. The net effect of the tax rate increase was designed to be tax neutral to the average single family homeowner when comparing the 2013 tax bill to the prior year.
- Of this tax rate (\$18.58), 27.0% is utilized for General Fund activities, 57.0% is used for School Operations, 6.1% is used for debt service, and 9.9% is for capital improvements.
- Stated another way, 59.5% is allocated toward School Operations and Debt; 28.0% is allocated towards Municipal Operations and Debt; 9.9% is allocated towards Capital Improvements; and 2.6% is allocated towards Wastewater Treatment Debt.
- The 2014 Budget provides for continuation of the Town's capital improvement program, which annually includes significant infrastructure upgrades. In the past, the Town's CIP Budget did not include any reliance on the current year tax levy. CIP costs are now incorporated in the tax levy due to the expiration of the OSP/TransCanada tax treaty which has brought those property assessments into the tax roll.
- The General Fund's portion of property tax revenue for FY 2014 is estimated to be \$28.85 million. The increase in tax levy (approximately \$1.02 million) relates primarily to the final addition of Ocean State Power/TransCanada property to the tax roll due to the expiration of a prior PILOT agreement.
- The Town continues to pursue economic development opportunities to assist in spreading the tax burden among commercial and residential property owners.

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## **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.

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# ***TOWN OF BURRILLVILLE***

## **BASIC FINANCIAL STATEMENTS**

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TOWN OF BURRILLVILLE, RHODE ISLANDSTATEMENT OF NET POSITION  
JUNE 30, 2013

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
<b>ASSETS:</b>				
<b>Current assets:</b>				
Cash and cash equivalents	\$ 23,168,003	\$ 3,088,776	\$ 26,256,779	\$ 284,773
Receivables:				
Taxes, net	980,764		980,764	
Sewer assessments and user fees, net		667,703	667,703	
Other	244,819	9,517	254,336	1,050
Town-held tax liens	688,484		688,484	
Due from:				
Primary government				45,108
Other governments	757,069	29,290	786,359	
Component unit	3,750		3,750	
Internal balances	89,836	(89,836)		
Prepaid expenses		6,060	6,060	174,859
Deposits				1,000
Inventory		15,302	15,302	
<b>Total current assets</b>	<b>25,932,725</b>	<b>3,726,812</b>	<b>29,659,537</b>	<b>506,790</b>
<b>Noncurrent assets:</b>				
Capital assets:				
Non-depreciable	3,688,124	428,827	4,116,951	467,808
Depreciable, net	61,810,816	22,478,727	84,289,543	10,292
Promissory note receivable				50,000
Sewer assessment fees		456,500	456,500	
Bond issuance costs, net	261,588		261,588	
<b>Total noncurrent assets</b>	<b>65,760,528</b>	<b>23,364,054</b>	<b>89,124,582</b>	<b>528,100</b>
<b>TOTAL ASSETS</b>	<b>91,693,253</b>	<b>27,090,866</b>	<b>118,784,119</b>	<b>1,034,890</b>
<b>LIABILITIES:</b>				
<b>Current liabilities:</b>				
Accounts payable	1,659,713	246,690	1,906,403	5,134
Accrued payroll	2,235,253	38,693	2,273,946	17,707
Accrued interest	203,396		203,396	
Due to:				
Primary government				3,750
Other governments	1,020	4,800	5,820	
Component unit	45,108		45,108	
Current portion of long-term debt	2,945,400	29,911	2,975,311	
Unearned revenue	518,397	16,169	534,566	51,000
Other liabilities	77,073	1,137	78,210	
<b>Total current liabilities</b>	<b>7,685,360</b>	<b>337,400</b>	<b>8,022,760</b>	<b>77,591</b>

SEE NOTES TO THE BASIC FINANCIAL STATEMENTS.

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLANDSTATEMENT OF NET POSITION  
JUNE 30, 2013

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>Noncurrent liabilities:</b>				
Long-term debt, net	20,936,410	98,579	21,034,989	
<b>Total noncurrent liabilities</b>	20,936,410	98,579	21,034,989	0
<b>TOTAL LIABILITIES</b>	28,621,770	435,979	29,057,749	77,591
<b>NET POSITION:</b>				
Net investment in capital assets	52,675,553	22,863,296	75,538,849	478,100
Restricted - nonexpendable	797,270		797,270	
Restricted for:				
General government	85,245		85,245	
Public safety	64,635		64,635	
Recreation and social services	115,904		115,904	
Education	539,546		539,546	
Community development	39,222		39,222	
Unrestricted	8,754,108	3,791,591	12,545,699	479,199
<b>TOTAL NET POSITION</b>	<b>\$ 63,071,483</b>	<b>\$ 26,654,887</b>	<b>\$ 89,726,370</b>	<b>\$ 957,299</b>

**TOWN OF BURRILLVILLE, RHODE ISLAND****STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2013**

Functions/Programs:	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Units
		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	\$ 4,396,511	\$ 489,127	\$ 533,717	\$ 17,979	\$ (3,355,688)		\$ (3,355,688)	
Public safety	3,389,940	161,791	49,287	2,070	(3,176,792)		(3,176,792)	
Public works	3,707,455	18,117			(3,689,338)		(3,689,338)	
Education	33,028,589	398,626	15,813,623	1,439,272	(15,377,068)		(15,377,068)	
Recreation and social services	620,427	175,570	3,732	69,411	(371,714)		(371,714)	
Libraries	758,161		125,987	298,390	(333,784)		(333,784)	
Community development	95,097	9,982	95,097		9,982		9,982	
Interest on long-term debt	797,123				(797,123)		(797,123)	
<b>Total governmental activities</b>	<b>46,793,303</b>	<b>1,253,213</b>	<b>16,621,443</b>	<b>1,827,122</b>	<b>(27,091,525)</b>		<b>(27,091,525)</b>	
<b>Business-type activities:</b>								
Sewer Authority	2,063,559	1,956,817				\$ (106,742)	(106,742)	
School Cafeteria	905,739	434,741	495,734			24,736	24,736	
Levy Rink	419,984	403,232				(16,752)	(16,752)	
Extended Day Care	421,174	398,701				(22,473)	(22,473)	
<b>Total business-type activities</b>	<b>3,810,456</b>	<b>3,193,491</b>	<b>495,734</b>	<b>0</b>	<b>0</b>	<b>(121,231)</b>	<b>(121,231)</b>	
<b>Total primary government</b>	<b>\$ 50,603,759</b>	<b>\$ 4,446,704</b>	<b>\$ 17,117,177</b>	<b>\$ 1,827,122</b>	<b>(27,091,525)</b>	<b>(121,231)</b>	<b>(27,212,756)</b>	
<b>Component Units:</b>								
Burrillville Redevelopment Agency	\$ 38,484	\$ 35,292						\$ (3,192)
Jesse M. Smith Memorial Library	692,743	19,785	673,786					828
<b>Total component units</b>	<b>\$ 731,227</b>	<b>\$ 55,077</b>	<b>\$ 673,786</b>	<b>\$ 0</b>				<b>(2,364)</b>
<b>General revenues:</b>								
Property taxes					28,285,449		28,285,449	
Unrestricted investment earnings					39,498	3,767	43,265	692
<b>Transfers</b>					251,434	(251,434)		
<b>Total general revenues and transfers</b>					<b>28,576,381</b>	<b>(247,667)</b>	<b>28,328,714</b>	<b>692</b>
<b>Change in net position</b>					<b>1,484,856</b>	<b>(368,898)</b>	<b>1,115,958</b>	<b>(1,672)</b>
<b>Net Position - beginning of year</b>					<b>61,586,627</b>	<b>27,023,785</b>	<b>88,610,412</b>	<b>958,971</b>
<b>Net Position - end of year</b>					<b>\$ 63,071,483</b>	<b>\$ 26,654,887</b>	<b>\$ 89,726,370</b>	<b>\$ 957,299</b>

SEE NOTES TO THE BASIC FINANCIAL STATEMENTS.



TOWN OF BURRILLVILLE, RHODE ISLAND

**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2013**

	General Fund	School Department	Major Capital	Other Governmental Funds	Total Governmental Funds
<b>ASSETS:</b>					
Cash and cash equivalents	\$ 19,616,128	\$ 462,934	\$ 1,571,812	\$ 1,517,129	\$ 23,168,003
Receivables:					
Taxes, net	980,764				980,764
Other	77,687	28,484		138,648	244,819
Town-held tax liens	688,484				688,484
Due from:					
Other funds		3,176,804	1,856,644	698,874	5,732,322
Component unit	3,750				3,750
Other governments	328,950	6,008		422,111	757,069
<b>TOTAL ASSETS</b>	<b>\$ 21,695,763</b>	<b>\$ 3,674,230</b>	<b>\$ 3,428,456</b>	<b>\$ 2,776,762</b>	<b>\$ 31,575,211</b>
<b>LIABILITIES AND FUND BALANCES:</b>					
<b>LIABILITIES:</b>					
Accounts payable	\$ 408,807	\$ 1,139,489		\$ 111,417	\$ 1,659,713
Accrued payroll and benefits	231,579	1,889,059		114,615	2,235,253
Due to:					
Other funds	5,058,928	9,912		573,646	5,642,486
Component units	45,108				45,108
Other governments				1,020	1,020
Deferred revenues	767,674	17,401		500,996	1,286,071
Other liabilities	70,746			6,327	77,073
<b>TOTAL LIABILITIES</b>	<b>6,582,842</b>	<b>3,055,861</b>	<b>\$ 0</b>	<b>1,308,021</b>	<b>10,946,724</b>

(CONTINUED)

SEE NOTES TO THE BASIC FINANCIAL STATEMENTS.

TOWN OF BURRILLVILLE, RHODE ISLAND

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2013**

	General Fund	School Department	Major Capital	Other Governmental Funds	Total Governmental Funds
<b>LIABILITIES AND FUND BALANCES (Continued):</b>					
<b>FUND BALANCES:</b>					
Nonspendable	688,484			108,786	797,270
Restricted				844,552	844,552
Committed	7,189,902	75,000	3,428,456	515,403	11,208,761
Assigned	91,306	543,369			634,675
Unassigned	7,143,229				7,143,229
<b>TOTAL FUND BALANCES</b>	<b>15,112,921</b>	<b>618,369</b>	<b>3,428,456</b>	<b>1,468,741</b>	<b>20,628,487</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 21,695,763</b>	<b>\$ 3,674,230</b>	<b>\$ 3,428,456</b>	<b>\$ 2,776,762</b>	<b>\$ 31,575,211</b>

TOWN OF BURRILLVILLE, RHODE ISLAND

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION  
JUNE 30, 2013**

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

<b>Total Fund Balances (B-1)</b>	\$ 20,628,487
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	65,498,940
Long-term liabilities (including bond premium) are not due and payable in the current period and therefore are not reported in the funds.	(23,881,810)
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 Position.	767,674
Accrued interest payable is recorded in governmental activities, but is not recorded in the funds.	(203,396)
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>261,588</u>
<b>Total Net Position (A-1)</b>	<u><u>\$ 63,071,483</u></u>

TOWN OF BURRILLVILLE, RHODE ISLAND

**STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2013**

	General Fund	School Department	Major Capital	Other Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>					
General property taxes	\$ 28,047,069				\$ 28,047,069
Intergovernmental	2,437,463	\$ 13,297,656		\$ 2,321,374	18,056,493
Licenses, permits and fees	428,758				428,758
Investment income	32,106		\$ 3,924	3,468	39,498
Departmental	113,051				113,051
Other	77,212			290,024	367,236
Intergovernmental - pension contribution		942,371			942,371
<b>TOTAL REVENUES</b>	<b>31,135,659</b>	<b>14,240,027</b>	<b>3,924</b>	<b>2,614,866</b>	<b>47,994,476</b>
<b>EXPENDITURES:</b>					
<b>Current:</b>					
General government	2,869,478			28,318	2,897,796
Public safety	2,289,430			74,570	2,364,000
Public works	1,346,786				1,346,786
Education	243,084	28,609,144		1,913,127	30,765,355
Recreation and social services	187,020			122,546	309,566
Libraries	628,770			125,987	754,757
Community development				95,097	95,097
Employee benefits and other	2,005,009				2,005,009
Intergovernmental - pension contribution		942,371			942,371
<b>Debt Service:</b>					
Principal	2,792,000				2,792,000
Interest and other costs	807,231				807,231
<b>Capital:</b>					
Capital outlay	2,104,102	257,393		227,302	2,588,797
<b>TOTAL EXPENDITURES</b>	<b>15,272,910</b>	<b>29,808,908</b>	<b>0</b>	<b>2,586,947</b>	<b>47,668,765</b>
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)</b>	<b>15,862,749</b>	<b>(15,568,881)</b>	<b>3,924</b>	<b>27,919</b>	<b>325,711</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, 2013**

	General Fund	School Department	Major Capital	Other Governmental Funds	Total Governmental Funds
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in	352,716	15,435,949	1,472,000	294,885	17,555,550
Transfers out	(16,902,833)	(44,000)	(300,000)	(57,283)	(17,304,116)
<b>NET OTHER FINANCING SOURCES (USES)</b>	<u>(16,550,117)</u>	<u>15,391,949</u>	<u>1,172,000</u>	<u>237,602</u>	<u>251,434</u>
<b>NET CHANGE IN FUND BALANCES</b>	(687,368)	(176,932)	1,175,924	265,521	577,145
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>15,800,289</u>	<u>795,301</u>	<u>2,252,532</u>	<u>1,203,220</u>	<u>20,051,342</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u><u>\$ 15,112,921</u></u>	<u><u>\$ 618,369</u></u>	<u><u>\$ 3,428,456</u></u>	<u><u>\$ 1,468,741</u></u>	<u><u>\$ 20,628,487</u></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, 2013**

<b>Net Change in Fund Balances - Total Governmental Funds (B-2):</b>	<b>\$ 577,145</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 depreciation exceeded capital outlays in the current period.	(1,860,777)
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 position. This amount is the net effect of these differences.	2,798,267
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.	2,254
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.	(35,874)
Adjustment to accrued interest payable related to general obligation bonds which is required to be recorded for government-wide financial statement presentation.	31,665
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.	(27,824)
<b>Change in Net Position of Governmental Activities (A-2)</b>	<b>\$ 1,484,856</b>

TOWN OF BURRILLVILLE, RHODE ISLAND

**STATEMENT OF FUND NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2013**

	<u>Sewer Authority</u>	<u>School Cafeteria Fund</u>	<u>Non-major Enterprise Funds</u>	<u>Totals</u>
<b>ASSETS:</b>				
<b>Current assets:</b>				
Cash and cash equivalents	\$ 2,757,327	\$ 84,257	\$ 247,192	\$ 3,088,776
Receivables:				
Accounts, net		5,428	4,089	9,517
Sewer assessments and user fees, net	667,703			667,703
Due from:				
Other funds		61,066		61,066
Other governments		29,290		29,290
Prepaid expenses	4,740		1,320	6,060
Inventory	4,565	10,737		15,302
<b>Total current assets</b>	<b>3,434,335</b>	<b>190,778</b>	<b>252,601</b>	<b>3,877,714</b>
<b>Noncurrent assets:</b>				
Sewer assessment fees	456,500			456,500
Net capital assets	22,647,130	21,463	238,961	22,907,554
<b>Total noncurrent assets</b>	<b>23,103,630</b>	<b>21,463</b>	<b>238,961</b>	<b>23,364,054</b>
<b>TOTAL ASSETS</b>	<b>26,537,965</b>	<b>212,241</b>	<b>491,562</b>	<b>27,241,768</b>
<b>LIABILITIES:</b>				
<b>Current liabilities:</b>				
Accounts payable	60,767	174,290	11,633	246,690
Accrued payroll	21,865		16,828	38,693
Due to other funds		10,131	140,771	150,902
Due to other governments	4,800			4,800
Other liabilities	1,137			1,137
Deferred revenue		11,169	5,000	16,169
Capital leases payable			21,741	21,741
Accrued compensated absences	6,000	400	1,770	8,170
<b>Total current liabilities</b>	<b>94,569</b>	<b>195,990</b>	<b>197,743</b>	<b>488,302</b>
<b>Noncurrent liabilities:</b>				
Capital leases payable, net			22,517	22,517
Accrued compensated absences	54,286	3,899	15,922	74,107
Net other post employment benefit obligation	1,955			1,955
<b>Total noncurrent liabilities</b>	<b>56,241</b>	<b>3,899</b>	<b>38,439</b>	<b>98,579</b>
<b>TOTAL LIABILITIES</b>	<b>150,810</b>	<b>199,889</b>	<b>236,182</b>	<b>586,881</b>
<b>NET POSITION:</b>				
Net investment in capital assets	22,647,130	21,463	194,703	22,863,296
Unrestricted	3,740,025	(9,111)	60,677	3,791,591
<b>TOTAL NET POSITION</b>	<b>\$ 26,387,155</b>	<b>\$ 12,352</b>	<b>\$ 255,380</b>	<b>\$ 26,654,887</b>

SEE NOTES TO THE BASIC FINANCIAL STATEMENTS.

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
 PROPRIETARY FUNDS  
 YEAR ENDED JUNE 30, 2013**

	<u>Sewer Authority</u>	<u>School Cafeteria Fund</u>	<u>Non-major Enterprise Funds</u>	<u>Totals</u>
<b>OPERATING REVENUES:</b>				
Charges for usage and service	\$ 1,923,486	\$ 434,741	\$ 801,933	\$ 3,160,160
Miscellaneous	33,331			33,331
<b>Total operating revenues</b>	<u>1,956,817</u>	<u>434,741</u>	<u>801,933</u>	<u>3,193,491</u>
<b>OPERATING EXPENSES:</b>				
Operations	664,798	796,569	258,238	1,719,605
Personnel	824,325	101,056	548,510	1,473,891
Depreciation	574,436	8,114	30,858	613,408
<b>Total operating expenses</b>	<u>2,063,559</u>	<u>905,739</u>	<u>837,606</u>	<u>3,806,904</u>
<b>OPERATING LOSS</b>	<u>(106,742)</u>	<u>(470,998)</u>	<u>(35,673)</u>	<u>(613,413)</u>
<b>NONOPERATING REVENUES (EXPENSES):</b>				
Investment income	3,176		591	3,767
Intergovernmental		495,734		495,734
Interest expense			(3,552)	(3,552)
<b>Total nonoperating revenues (expenses)</b>	<u>3,176</u>	<u>495,734</u>	<u>(2,961)</u>	<u>495,949</u>
<b>INCOME (LOSS) BEFORE TRANSFERS</b>	<u>(103,566)</u>	<u>24,736</u>	<u>(38,634)</u>	<u>(117,464)</u>
<b>TRANSFERS IN (OUT)</b>	<u>(265,434)</u>	<u>0</u>	<u>14,000</u>	<u>(251,434)</u>
<b>CHANGE IN NET POSITION</b>	<u>(369,000)</u>	<u>24,736</u>	<u>(24,634)</u>	<u>(368,898)</u>
<b>TOTAL NET POSITION - BEGINNING</b>	<u>26,756,155</u>	<u>(12,384)</u>	<u>280,014</u>	<u>27,023,785</u>
<b>TOTAL NET POSITION - ENDING</b>	<u>\$ 26,387,155</u>	<u>\$ 12,352</u>	<u>\$ 255,380</u>	<u>\$ 26,654,887</u>

SEE NOTES TO THE BASIC FINANCIAL STATEMENTS.



TOWN OF BURRILLVILLE, RHODE ISLAND

**STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2013**

	Sewer Authority	School Cafeteria Fund	Non-major Enterprise Funds	Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Cash received from customers	\$ 2,050,484	\$ 434,506	\$ 803,468	\$ 3,288,458
Cash received from providing services	39,831			39,831
Cash paid to suppliers	(656,025)	(770,156)	(265,581)	(1,691,762)
Cash paid to employees	(812,105)	(100,720)	(549,138)	(1,461,963)
<b>Net cash provided by (used for) operating activities</b>	<b>622,185</b>	<b>(436,370)</b>	<b>(11,251)</b>	<b>174,564</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>				
Nonoperating grants received		490,064		490,064
Transfer from (to) other funds	(265,434)		14,000	(251,434)
(Increase) decrease in due from other funds		(61,066)	14,900	(46,166)
Increase (decrease) in due to other funds		(44,387)	13,338	(31,049)
<b>Net cash provided by (used for) noncapital financing activities</b>	<b>(265,434)</b>	<b>384,611</b>	<b>42,238</b>	<b>161,415</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Acquisition of capital assets	(127,318)		(1,379)	(128,697)
Principal payment on capital lease payable			(20,612)	(20,612)
Interest expense			(3,552)	(3,552)
<b>Net cash used for capital and related financing activities</b>	<b>(127,318)</b>	<b>0</b>	<b>(25,543)</b>	<b>(152,861)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Interest on investments	3,176		591	3,767
<b>Net cash provided by investing activities</b>	<b>3,176</b>	<b>0</b>	<b>591</b>	<b>3,767</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>232,609</b>	<b>(51,759)</b>	<b>6,035</b>	<b>186,885</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>2,524,718</b>	<b>136,016</b>	<b>241,157</b>	<b>2,901,891</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>\$ 2,757,327</b>	<b>\$ 84,257</b>	<b>\$ 247,192</b>	<b>\$ 3,088,776</b>
<b>Reconciliation of operating loss to net cash provided by (used for) operating activities:</b>				
Operating loss	\$ (106,742)	\$ (470,998)	\$ (35,673)	\$ (613,413)
Adjustments to reconcile:				
Depreciation	574,436	8,114	30,858	613,408
(Increase) decrease in accounts receivable	133,498	(753)	2,624	135,369
(Increase) decrease in prepaid expenses	(2,423)		1,092	(1,331)
Decrease in inventory		180		180
Increase (decrease) in accounts payable	12,289	26,233	(8,436)	30,086
Increase in accrued payroll	1,233		469	1,702
Decrease in other liabilities	(1,093)			(1,093)
Increase (decrease) in deferred revenue		518	(1,089)	(571)
Increase (decrease) in accrued compensated absences	12,037	336	(1,096)	11,277
Decrease in net other post employment benefit obligation	(1,050)			(1,050)
<b>Net cash provided by (used for) operating activities</b>	<b>\$ 622,185</b>	<b>\$ (436,370)</b>	<b>\$ (11,251)</b>	<b>\$ 174,564</b>

SEE NOTES TO THE BASIC FINANCIAL STATEMENTS.

TOWN OF BURRILLVILLE, RHODE ISLANDSTATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
JUNE 30, 2013

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	Agency Funds
	Pupil Activity Funds
<b>ASSETS:</b>	
Cash and cash equivalents	\$ 132,641
Investments	2,321
<b>TOTAL ASSETS</b>	<u>\$ 134,962</u>
<b>LIABILITIES:</b>	
Deposits held in custody for others	<u>\$ 134,962</u>

SEE NOTES TO THE BASIC FINANCIAL STATEMENTS.

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2013**

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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. 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 units. 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 the Governmental Accounting Standards Board (GASB). 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 criteria, the Burrillville Redevelopment Agency and the Jesse M. Smith Memorial Library have been presented as component units of the Town, hereafter referred to as "component units", in the accompanying financial statements.

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2013**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Reporting Entity (Continued)***

**Discretely Presented Component Units Disclosure** - The following component units are reported in the financial statements to emphasize that they are legally separate from the Town but are included because the Town is financially accountable for and is able to impose its will on the organizations. Unless otherwise indicated, the notes to the basic financial statements pertain only to the primary government because certain disclosures of the component units are not significant relative to the primary government. A description of the component units and their relationship with the Town are 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.

**Jesse M. Smith Memorial Library** - Established under the Levy Trust in 1933, the Jesse M. Smith Memorial Library (the "Library") provides free educational and reference resources to residents of the Town as well as other patrons. The Library is governed by a Board of Trustees, which must be composed of five members that are appointed by the Town Council. Operations of the Library are primarily financed through an appropriation from the Town's General Fund and the Town Council must approve any issuance of debt. The Library's capital assets belong to the Town. Separate financial statements for the Library are not issued.

***Recently Issued Accounting Standards***

The Town implemented the following pronouncements for the year ended June 30, 2013.

- GASB Statement No. 60 - Accounting and Financial Reporting for Service Concession Arrangements.
- GASB Statement No. 61 - The Financial Reporting Entity: Omnibus-an amendment of GASB Statements No. 14 and No. 34.
- GASB Statement No. 62 - Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements.

The adoption of these Statements did not have an impact on the Town's financial position or results of operations.

The Town also implemented GASB Statement No. 63 - Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position. This statement provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position. Deferred outflows of resources and deferred inflows of resources are now required to be reported separately from assets and liabilities. The adoption of this Statement resulted in a change in the presentation of the balance sheet to what is now referred to as the Statement of Fund Net Position and the term "net assets" is changed to "net position" throughout the financial statements.

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2013**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Recently Issued Accounting Standards (Continued)***

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

- GASB Statement No. 65 - Items Previously Reported as Assets and Liabilities, effective for the Town's fiscal year ending June 30, 2014. The objective of this statement is to provide financial reporting guidance for deferred outflows of resources and deferred inflows of resources. It requires the reclassification of amounts previously reported as assets and liabilities to deferred outflows of resources or deferred inflows of resources or to expenses or revenues. The implementation of GASB Statement No. 65 will change the beginning net position resulting primarily from the change in accounting for deferred bond issuance costs. Bond issuance costs will now be expensed as incurred. In addition, this Statement requires the amounts deferred on refunding to be reported as a deferred outflow or a deferred inflow of resources on the statement of net position, rather than as an addition to or a reduction from the bond liability.
- GASB Statement No. 66 - Technical Corrections - 2012 - an amendment of GASB Statements No. 10 and No. 62, effective for the Town's fiscal year ending June 30, 2014.
- GASB Statement No. 67 - Financial Reporting for Pension Plans - an amendment of GASB Statement No. 25, effective for the Town's fiscal year ending June 30, 2014.
- GASB Statement No. 68 - Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27, effective for the Town's fiscal year ending June 30, 2015.
- GASB Statement No. 69 - Government Combinations and Disposals of Government Operations, effective for the Town's fiscal year ending June 30, 2015.
- GASB Statement No. 70 - Accounting and Financial Reporting for Nonexchange Financial Guarantees effective for the Town's fiscal year ending June 30, 2014.

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

***Basis of Presentation***

***Government-Wide Financial Statements***

The Statement of Net Position 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.

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2013**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Basis of Presentation (Continued)***

***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.

**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.

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2013**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Basis of Presentation (Continued)***

***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 Department – This fund accounts for the operation and maintenance of the Burrillville Public Schools. Its primary revenue sources are the appropriation from the Town of Burrillville, operating aid from the State of Rhode Island, and Medicaid reimbursements.
Capital Projects:	Major Capital – This fund accounts for Town appropriations set aside for the purpose of funding major capital acquisitions.
Proprietary:	Sewer Authority – This fund is used to account for the activities of the Sewer Commission.  School Cafeteria Fund – This fund accounts for the School Department's food service operation.

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2013**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Major and Non-Major Funds (Continued)**

**Non-Major:**

Special Revenue: School Restricted Grants, Community Recreation, Town Clerk – Technology, Historical Records, Solemn Federal Task Force, Animal Shelter Donation Account, Library Grant, Community Emergency Response Training, Byrne Grant, Spring Lake, Community Development Block Grant, Automatic External Defibrillator, Active Shooter Grant, Cops That Care, Ocean State Power Funds, Narcotics Guidance Council, Police Grant – Operation Riptide, Police Task Force, and Police Legislative Grant.

Capital Projects: Granite Mill/Gonyea Park, Skateboard Park, Rail Trail Harrisville/Pascoag, Callahan Renovation Project, Route 102 Commerce Park, Open Space/Land Acquisition and Pavilion Farmer's Market.

Permanent: Cemetery Fund, Frank H. Potter Bridgeway Fund, Alice McGreevy Thompson Fund, and Jesse M. Smith Memorial Library Fund.

Proprietary: Levy Rink and Extended Day Care.

**Measurement Focus**

On the government-wide Statement of Net Position 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 position.
- (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, 2013**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Basis of Accounting***

In the government-wide Statement of Net Position 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 \$308,200 for property taxes. Major receivable balances for the governmental activities include property taxes (50% of balance) and intergovernmental grants and aid (38% 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, 2013**

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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 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 nonspendable 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 capital assets are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated capital 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, 2013**

**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 Position. 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.....	5 - 25 years
Vehicles .....	3 - 20 years
Leasehold improvements.....	5 - 15 years
Infrastructure and land improvements....	10 - 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, 2013, 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 .....	\$ 87,210		\$ 87,210
Administrative Departments.....	42,237		42,237
Public Works Department.....	34,198		34,198
Recreation Department.....	3,697		3,697
School Department .....	28,843	\$893,535	922,378
TOTAL .....	<u>\$196,185</u>	<u>\$893,535</u>	<u>\$1,089,720</u>

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2013**

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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.

***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.

***Long-Term Debt***

In the governmental-wide financial statements, long-term debt obligations are reported as liabilities in the statement of net position. Bonds payable are reported net of the applicable bond premium or discount. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

Governmental funds recognize bond premiums and discounts, as well as bond issuance costs, in the period issued. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources and discounts on debt issuances are reported as other financing uses. Issuance costs, even if withheld from the actual net proceeds received, are reported as expenditures. Interest is reported as an expenditure in the period in which the related payment is made.

***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. Encumbrances do not constitute expenditures or liabilities under generally accepted accounting principles. The only outstanding encumbrances at June 30, 2013 were for the Burrillville School Department and amounted to \$84,906.

(CONTINUED)

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**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2013**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Equity Classifications***

**Government-Wide Statements**

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

- (a) Net investment in capital asset - 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 "net investment in capital assets".

**Fund Statements**

Governmental fund equity is classified as fund balance. Fund balances of the governmental funds are reported separately within classifications based on a hierarchy of the constraints placed on the use of those resources. The classifications are based on the relative strength of the constraints that control how the specific amounts can be spent. The classifications are nonspendable, restricted, and unrestricted, which includes committed, assigned, and unassigned fund balance classifications.

***Nonspendable*** - The nonspendable fund balance classification includes amounts that cannot be spent because they are not expected to be converted to cash, or legally or contractually required to be maintained intact.

***Restricted*** - Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation.

***Committed*** - The committed fund balance classification includes amounts that can be used only for specific purposes pursuant to constraints formally imposed by a simple majority vote of the Town Council through a Town Council resolution. Those committed amounts cannot be used for any other purpose unless the Town Council removes or changes the specified use by taking the same type of action it employed to previously commit those accounts.

***Assigned*** - Amounts in the assigned fund balance classification are intended to be used by the Town for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by majority vote of the Town Council.

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2013**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Equity Classifications (Continued)***

**Fund Statements (Continued)**

**Unassigned** - Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The Town's charter requires a minimum unassigned fund balance of 5% of the subsequent year's budget. Management, along with Town Council support, has recommend a 12% minimum fund balance since 1988.

The Town applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

***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 position 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 \$1,860,777 difference are as follows:

Capital outlay .....	\$ 1,096,576
Depreciation expense .....	<u>(2,957,353)</u>
Net adjustment to decrease <i>net change in fund balances-</i> <i>total governmental funds</i> to arrive at <i>change in net position</i> <i>of governmental activities</i> .....	<u><b>\$(1,860,777)</b></u>

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 position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities." The details of this \$2,798,267 difference are as follows:

Principal repayments – general obligation debt .....	\$2,792,000
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 position</i> <i>of governmental activities</i> .....	<u><b>\$2,798,267</b></u>

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2013**

**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**

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 \$2,254 difference are as follows:

Deferred revenue – beginning .....	\$ (765,420)
Deferred revenue – ending .....	<u>767,674</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>position of governmental activities</i> .....	<u>\$ 2,254</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 \$35,874 difference are as follows:

Decrease in liability for compensated absences .....	\$ 23,529
Increase in liability for landfill closure .....	(73,000)
Decrease in liability for net OPEB obligation .....	<u>13,597</u>
Net adjustment to decrease <i>net change in fund balances -</i> <i>total governmental funds</i> to arrive at <i>change in net position</i> <i>of governmental activities</i> .....	<u>\$(35,874)</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 \$31,665 difference are as follows:

Accrued Interest – beginning .....	\$ 235,061
Accrued Interest – ending .....	<u>(203,396)</u>
Net adjustment to increase <i>net change in fund balances-</i> <i>total governmental funds</i> to arrive at <i>change in net position of</i> <i>governmental activities</i> .....	<u>\$ 31,665</u>

**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.

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2013**

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**2. BUDGETARY PROCESS (Continued)**

**(a) Adoption (Continued)**

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 Department 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 three supplemental budgetary revisions made during the year totaling \$3,972,622. The increase was due primarily to capital improvement budget appropriations of \$2,983,118 and one-time transfers to other funds totaling \$989,504 due to the excess fund balance policy.

**(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 2013 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 2013.

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(CONTINUED)



**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2013**

**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> .....	\$ 49,571,591	\$ 46,187,374
Less: Transfer from Fund Balance to revenue for current year .....	(3,972,622)	
Less: School Department revenues included in General Fund Budget	(13,297,656)	
Less: School Department expenditures included in General Fund .....		(13,297,656)
Activity of funds classified with the General Fund for the purposes of GASB Statement No. 54 .....	<u>(812,938)</u>	<u>(713,975)</u>
<b>Statement of Revenues, Expenditures, and Changes in Fund Balances (B-2)</b> .....	<u>\$ 31,488,375</u>	<u>\$ 32,175,743</u>

**A reconciliation of the School Department'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> .....	\$28,883,605	\$28,862,161
Less: Transfer from Fund Balance to revenue for current year .....	(150,000)	
Less: Current year encumbrances .....		(84,906)
Add: Prior year encumbrances .....		133,282
Adjustment for pension contribution made by State of Rhode Island on behalf of employees .....	<u>942,371</u>	<u>942,371</u>
<b>Statement of Revenues, Expenditures, and Changes in Fund Balances (B-2)</b> .....	<u>\$29,675,976</u>	<u>\$29,852,908</u>

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2013**

**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.

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 \$24,649,757 while the bank balance was \$24,877,604, of which \$8,467,152 was covered by federal depository insurance and \$16,410,452 was uninsured and collateralized by securities held by the pledging financial institution's trust department in the Town's name. The Town also had nonnegotiable certificates of deposit totaling \$2,014,613 which were FDIC insured under the Certificate of Deposit Account Registry Service (CDARS) at June 30, 2013.

The following is a reconciliation of the Town's cash and cash equivalents as of June 30, 2013:

	<b><u>Primary Government</u></b>	<b><u>Component Units</u></b>
Total deposits	\$24,364,984	\$284,773
Add: petty cash and cash on hand	9,817	0
Add: certificates of deposit	2,014,613	0
Add: investments classified as cash equivalents	6	0
Less: fiduciary funds cash (not included in the government-wide financial statements)	<u>(132,641)</u>	<u>0</u>
<b>Total cash and cash equivalents reported in the financial statements (A-1)</b>	<b><u>\$ 26,256,779</u></b>	<b><u>\$284,773</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, 2013, the Town did not have any material uncollateralized investments.

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2013**

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

**(b) Investments (Continued)**

Concentration of Credit Risk - At June 30, 2013, the Town had substantially all of its investments concentrated in federally insured certificates of deposit. At June 30, 2013, the Town did not have any investments in common stock or other equity investments.

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, 2013, the Town had the following cash and 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 .....	\$ 6	Varies (1)	Daily	Aaa-mf/AAAm
Certificate of deposit .....	2,321	0.03%	5/29/14	not rated
Total investments .....	2,327			
Deposits .....	24,649,757			
Certificate of deposit .....	1,007,090	0.25%	7/05/13	not rated
Certificate of deposit .....	1,007,523	0.23%	7/11/13	not rated
Petty cash and cash on hand .....	9,817			
Total cash and investments .....	<u>\$26,676,514</u>			

(1) Annualized 30 day yield of 0.0% for June 2013.

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2013**

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

**(b) Investments (Continued)**

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 Position:**

Investments.....	\$ 2,327
Less: investments classified as cash equivalents.....	(6)
Less: fiduciary funds investments (not included in the government-wide statement) .....	(2,321)
<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, 2011. 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 2013 were based on an assessed value of approximately \$1,560,729,539 at December 31, 2011 and amounted to \$27,830,582. Collections on the 2013 tax levy through June 30, 2013 amounted to \$27,224,031, which represents 97.82% 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, 2013 (\$1,288,964) are recorded as a receivable, net of an allowance for uncollectible property taxes of \$308,200. Those net property taxes receivable which were not collected within the 60 days immediately following June 30, 2013 are recorded as deferred revenue and amounted to \$767,674 at June 30, 2013. Property taxes recognized as revenue for the fiscal year ended June 30, 2013 (due to their collection within the 60 days immediately following June 30, 2013) amounted to \$213,090.

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 \$337,222. 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, 2013**

**5. INTERGOVERNMENTAL RECEIVABLES AND PAYABLES**

Intergovernmental receivables and payables 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 .....	\$ 320,636	
School Department General Fund.....	6,008	
<b>Non-major funds.....</b>	<b>25,004</b>	<b>\$ 1,020</b>
<b>Total.....</b>	<b>351,648</b>	<b>1,020</b>
<b>Federal government:</b>		
<b>Major funds:</b>		
General Fund .....	8,314	
<b>Non-major funds.....</b>	<b>397,107</b>	
<b>Total.....</b>	<b>405,421</b>	<b>0</b>
<b>Total governmental activities .....</b>	<b>\$ 757,069</b>	<b>\$1,020</b>
<b>Business-type activities:</b>		
<b>State of Rhode Island:</b>		
<b>Major fund:</b>		
Sewer Commission .....	\$ 0	\$4,800
<b>Federal government:</b>		
School Cafeteria Fund .....	29,290	
<b>Total.....</b>	<b>29,290</b>	<b>0</b>
<b>Total business-type activities .....</b>	<b>\$ 29,290</b>	<b>\$4,800</b>

**6. INTERFUND BALANCES**

Individual fund and discretely presented component unit receivable and payable balances at June 30, 2013, are as follows:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
<b>Governmental activities:</b>		
<b>Major funds:</b>		
General Fund .....		\$5,058,928
School Department General Fund.....	\$3,176,804	9,912
Major Capital .....	1,856,644	
<b>Non-major funds.....</b>	<b>698,874</b>	<b>573,646</b>
<b>Total governmental activities.....</b>	<b>5,732,322</b>	<b>5,642,486</b>
<b>Business-type activities:</b>		
<b>Major funds:</b>		
School Cafeteria Fund .....	61,066	10,131
<b>Non-major funds.....</b>		<b>140,771</b>
<b>Total business type activities .....</b>	<b>61,066</b>	<b>150,902</b>
<b>Balances at June 30, 2013.....</b>	<b>\$5,793,388</b>	<b>\$5,793,388</b>

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2013**

**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 .....	\$ 3,750	\$45,108
<b>Discretely presented component units:</b>		
Burrillville Redevelopment Agency .....		3,750
Jesse M. Smith Memorial Library .....	45,108	
<b>Balances at June 30, 2013 .....</b>	<b><u>\$48,858</u></b>	<b><u>\$48,858</u></b>

**7. CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2013 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 .....	\$ 2,866,859	\$ 42,882		\$ 2,909,741
Construction in progress .....	1,760,624	136,026	\$(1,118,267)	778,383
<b>Total capital assets not being depreciated</b> .....	<b>4,627,483</b>	<b>178,908</b>	<b>(1,118,267)</b>	<b>3,688,124</b>
<b>Other capital assets:</b>				
Buildings and improvements .....	70,798,281	519,830		71,318,111
Equipment .....	1,819,128	119,028		1,938,156
Vehicles .....	3,766,275	472,862	(3,000)	4,236,137
Infrastructure .....	17,117,382	924,215		18,041,597
<b>Total other capital assets</b> .....	<b>93,501,066</b>	<b>2,035,935</b>	<b>(3,000)</b>	<b>95,534,001</b>
<b>Less: accumulated depreciation for:</b>				
Buildings and improvements .....	(20,899,997)	(1,537,674)		(22,437,671)
Equipment .....	(983,066)	(174,608)		(1,157,674)
Vehicles .....	(2,229,535)	(277,467)	3,000	(2,504,002)
Infrastructure .....	(6,656,234)	(967,604)		(7,623,838)
<b>Total accumulated depreciation</b> .....	<b>(30,768,832)</b>	<b>(2,957,353)</b>	<b>3,000</b>	<b>(33,723,185)</b>
<b>Other capital assets, net</b> .....	<b>62,732,234</b>	<b>(921,418)</b>	<b>0</b>	<b>61,810,816</b>
<b>Governmental activities capital assets, net .....</b>	<b>\$ 67,359,717</b>	<b>\$ (742,510)</b>	<b>\$(1,118,267)</b>	<b>\$ 65,498,940</b>

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2013**

**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 .....		\$ 46,384		46,384
<b>Total capital assets not being depreciated ...</b>	<b>382,443</b>	<b>46,384</b>	<b>\$0</b>	<b>428,827</b>
<b>Other capital assets:</b>				
Leasehold improvements .....	34,398			34,398
Collection systems .....	34,514,621			34,514,621
Plant and buildings .....	7,973,885			7,973,885
Plant equipment .....	291,428	80,934		372,362
Motor vehicles .....	135,261			135,261
Furniture and equipment .....	658,578	1,379		659,957
<b>Total other capital assets .....</b>	<b>43,608,171</b>	<b>82,313</b>	<b>0</b>	<b>43,690,484</b>
<b>Less: accumulated depreciation for:</b>				
Leasehold improvements .....	(25,851)	(2,268)		(28,119)
Collection systems .....	(12,837,731)	(508,557)		(13,346,288)
Plant and buildings .....	(7,086,807)	(44,816)		(7,131,623)
Plant equipment .....	(161,319)	(16,537)		(177,856)
Motor vehicles .....	(117,531)	(4,527)		(122,058)
Furniture and equipment .....	(369,110)	(36,703)		(405,813)
<b>Total accumulated depreciation .....</b>	<b>(20,598,349)</b>	<b>(613,408)</b>	<b>0</b>	<b>(21,211,757)</b>
<b>Other capital assets, net .....</b>	<b>23,009,822</b>	<b>(531,095)</b>	<b>0</b>	<b>22,478,727</b>
<b>Business-type activities capital assets, net .....</b>	<b>\$23,392,265</b>	<b>\$ (484,711)</b>	<b>\$0</b>	<b>\$ 22,907,554</b>

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

<b>Governmental activities:</b>	
General government .....	\$ 232,836
Public safety .....	202,995
Education .....	1,088,988
Recreation and social services .....	273,092
Public works .....	1,159,442
<b>Total governmental activities depreciation expense .....</b>	<b>\$2,957,353</b>
<b>Business-type activities:</b>	
Sewer Authority .....	\$ 574,436
School Cafeteria Fund .....	8,114
Non-major enterprise funds .....	30,858
<b>Total business-type activities depreciation expense .....</b>	<b>\$ 613,408</b>

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2013**

**7. CAPITAL ASSETS (Continued)**

**Discretely Presented Component Units:**

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Burrillville Redevelopment Agency:</b>				
<b>Capital assets not being depreciated:</b>				
Land .....	\$467,808			\$467,808
<b>Capital assets, net .....</b>	<b>\$467,808</b>	<b>\$ 0</b>	<b>\$0</b>	<b>\$467,808</b>
<b>Jesse M. Smith Memorial Library:</b>				
<b>Other capital assets:</b>				
Furniture and equipment.....	\$ 23,350	\$ 2,561		\$ 25,911
Less: accumulated depreciation for:				
Furniture and equipment.....	(11,412)	(4,207)		(15,619)
<b>Other capital assets, net .....</b>	<b>\$ 11,938</b>	<b>\$ (1,646)</b>	<b>\$0</b>	<b>\$ 10,292</b>

**8. LONG-TERM LIABILITIES**

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

Long-term liability activity for the year ended June 30, 2013 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.....	\$24,346,229		\$(2,792,000)	\$21,554,229	\$2,768,000
Plus: bond premium, net of amortization .....	229,071		(28,215)	200,856	
Less: amount deferred on refunding .....	(99,646)		21,948	(77,698)	
<b>Total long-term debt .....</b>	<b>24,475,654</b>	<b>\$ 0</b>	<b>(2,798,267)</b>	<b>21,677,387</b>	<b>2,768,000</b>
<b>Other long-term liabilities:</b>					
Compensated absences .....	1,113,249	368,137	(391,666)	1,089,720	130,400
Landfill closure and post-closure costs .....	1,017,000	73,000		1,090,000	47,000
Net OPEB obligation .....	38,300		(13,597)	24,703	
<b>Total other long-term liabilities .....</b>	<b>2,168,549</b>	<b>441,137</b>	<b>(405,263)</b>	<b>2,204,423</b>	<b>177,400</b>
Governmental activities long-term liabilities .....	<b>\$26,644,203</b>	<b>\$441,137</b>	<b>\$(3,203,530)</b>	<b>\$23,881,810</b>	<b>\$2,945,400</b>

(CONTINUED)



**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2013**

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

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

Long-term liability activity for the year ended June 30, 2013 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>Business-type activities:</b>					
<b>Long-term debt:</b>					
Leases payable.....	\$ 64,870	\$ 0	\$(20,612)	\$ 44,258	\$22,517
<b>Other long-term liabilities:</b>					
Compensated absences .....	71,000	64,077	(52,800)	82,277	8,170
Net OPEB obligation.....	3,005		(1,050)	1,955	
<b>Total other long-term liabilities.....</b>	<u>74,005</u>	<u>64,077</u>	<u>\$(53,850)</u>	<u>84,232</u>	<u>8,170</u>
<b>Total business-type activities.....</b>	<u>\$138,875</u>	<u>\$64,077</u>	<u>\$(74,462)</u>	<u>\$128,490</u>	<u>\$30,687</u>

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, 2013**

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

**(b) Bonds and Notes Outstanding**

At June 30, 2013, the Town's bonds and notes payable are comprised of the following:

**GOVERNMENTAL ACTIVITIES**

<u>Description</u>	<u>Date Issued</u>	<u>Original Principal</u>	<u>Due Date</u>	<u>Interest Rate</u>	<u>Outstanding June 30, 2012</u>	<u>Issued</u>	<u>Paid</u>	<u>Outstanding June 30, 2013</u>
School bonds:	12/1/99	\$5,500,000	11/1/14	4.35% - 6.5%	\$ 1,095,000		\$ 365,000	\$ 730,000
	8/15/00	8,000,000	8/15/15	4.5% - 5.25%	2,000,000		500,000	1,500,000
	6/15/06	7,500,000	5/15/26	4.0%- 5.0%	5,250,000		375,000	4,875,000
	Subtotal				8,345,000	\$0	1,240,000	7,105,000
Sewer bonds:	3/6/92	2,900,000	9/1/13	6.327%	290,000		145,000	145,000
	11/13/03	5,600,000	9/1/24	1.410%	4,220,000		288,000	3,932,000
	11/1/06	400,000	11/1/26	4.0% - 5.0%	300,000		20,000	280,000
	12/21/06	3,500,000	9/1/27	1.165% - 1.315%	2,800,000		175,000	2,625,000
	Subtotal				7,610,000	0	628,000	6,982,000
Refunding bonds:	10/1/02	9,145,000	7/15/17	2.5% - 5.0%	1,725,000		300,000	1,425,000
	11/1/06	2,090,000	5/1/15	4.0%	675,000		230,000	445,000
	Subtotal				2,400,000	0	530,000	1,870,000
Library bonds:	11/1/06	5,000,000	11/1/26	4.0% - 5.0%	3,750,000	0	250,000	3,500,000
Landfill bonds:	6/24/10	2,160,000	9/1/25	0.27% - 2.79%	2,016,000	0	144,000	1,872,000
					24,121,000	0	2,792,000	21,329,000
Note payable:	5/20/09	610,000	5/20/19	None	225,229	0	0	225,229
					24,346,229	\$0	\$2,792,000	\$21,554,229

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2013**

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

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

During the fiscal year ended June 30, 2013, the Town retired \$2,792,000 in principal on its existing outstanding bonds and loans.

During the fiscal year ended June 30, 2013, the Town incurred the following interest expense:

Library bonds .....	\$139,468
Sewer bonds .....	155,602
School bonds .....	378,908
Refunding bonds .....	83,391
Landfill bonds .....	48,622
Total .....	<u>\$805,991</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. Due to the sale of Town property, a principal payment of \$384,771 was made during the fiscal year ended June 30, 2012. The outstanding balance of the note payable was \$225,229 at June 30, 2013. The loan may be prepaid at any time without penalty.

**(d) Capital Leases**

The Levy Rink has a lease agreement for financing the acquisition of an ice resurfacing machine.

The asset acquired through the capital lease is as follows:

**Business-type Activities**

	<u>Levy Rink</u>
<b>Assets:</b>	
Equipment .....	\$112,850
Less: accumulated depreciation .....	<u>(32,869)</u>
<b>Total .....</b>	<u>\$ 79,981</u>

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2013**

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

**(d) Capital Leases (Continued)**

The following schedule summarizes the future minimum lease payments under the capital lease, and the present value of the net minimum lease payments at June 30, 2013:

<u>Fiscal year ending June 30:</u>	<u>Business-type Activities</u>
2014 .....	\$ 24,164
2015 .....	<u>24,164</u>
<b>Total minimum lease payments</b> .....	48,328
Less: amount representing interest .....	<u>(4,070)</u>
<b>Present value of future minimum lease payments</b>	<b><u>\$ 44,258</u></b>

**(e) Debt Service Requirements**

At June 30, 2013, 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>
2014 .....	\$ 2,768,000	\$ 703,332	\$ 3,471,332
2015 .....	2,618,000	598,056	3,216,056
2016 .....	2,029,000	511,645	2,540,645
2017 .....	1,590,000	449,632	2,039,632
2018 .....	1,586,000	398,931	1,984,931
2019 .....	1,512,229	350,389	1,862,618
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>Total</b> .....	<b><u>\$21,554,229</u></b>	<b><u>\$4,271,775</u></b>	<b><u>\$25,826,004</u></b>

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2013**

**9. FUND EQUITY**

**(a) Fund Balance Constraints**

The constraints on fund balance as reported in aggregate in the Governmental Funds Balance Sheet are detailed below according to fund balance classification.

	<u>General Fund</u>	<u>School Department</u>	<u>Major Capital</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b><i>Nonspendable:</i></b>					
Perpetual care.....				\$ 82,786	\$ 82,786
Endowments.....				26,000	26,000
Tax sale property .....	\$ 688,484				688,484
<b><i>Restricted for:</i></b>					
General government.....				85,245	85,245
Public safety.....				64,635	64,635
Recreation and social services.....				115,904	115,904
Education .....				539,546	539,546
Community development .....				39,222	39,222
<b><i>Committed to:</i></b>					
General government.....	130,153				130,153
Recreation and social services.....				268,116	268,116
Debt service .....	3,526,370				3,526,370
Capital projects .....			\$3,428,456	247,287	3,675,743
Unfunded liability and incentive pay .....	316,969				316,969
Employee benefits .....	1,602,503				1,602,503
Subsequent year's budget .....	1,613,907	\$ 75,000			1,688,907
<b><i>Assigned for:</i></b>					
Education .....	91,306	543,369			634,675
<b><i>Unassigned</i></b> .....	<u>7,143,229</u>				<u>7,143,229</u>
<b><i>Total Fund Balances</i></b> .....	<u>\$15,112,921</u>	<u>\$ 618,369</u>	<u>\$3,428,456</u>	<u>\$1,468,741</u>	<u>\$20,628,487</u>

**(b) Fund Deficits**

There were no funds that had a deficit fund equity balance at June 30, 2013. The Town's policy is to cover deficit fund equity balances through General Fund contributions.

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2013**

**9. FUND EQUITY (Continued)**

**(c) Fund Deficits**

The following individual funds had deficits for the year ended June 30, 2013:

**Major governmental activities:**

General Fund .....	\$687,368
School Department .....	176,932

**Non-major governmental activities:**

**Special Revenue Funds:**

Ocean State Power Funds .....	9,372
Narcotics Guidance Council .....	4,452
Police Task Force .....	4,556

**Capital Project Funds:**

Callahan Renovation Project .....	12,465
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**Permanent Funds:**

Cemetery Fund .....	364
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**Major business-type activities:**

Sewer Authority .....	369,000
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**Non-major business-type-activities:**

Extended Day Care .....	51,882
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**10. DEFINED BENEFIT PENSION PLANS**

Effective July 1, 2012, the State administered retirement system was modified to include both defined benefit and defined contribution plan components. General employees and local teachers participate in a hybrid plan that combines both a defined benefit pension plan and a defined contribution plan. Police and fire employees participate only in the defined benefit plan unless they do not participate in Social Security in which case they also participate in the defined contribution plan.

**(a) Municipal Employees' Retirement System**

**Plan Description**

The Town's defined benefit pension plan, Municipal Employees' Retirement System of the State of Rhode Island (MERS), provides retirement, death and disability benefits, and an optional cost of living adjustment (COLA) as outlined in Chapter 45-21 of the Rhode Island General Laws (RIGL). The benefits may be amended by the Rhode Island General Assembly. MERS is an agent multiple-employer defined benefit plan administered by the Employees' Retirement System of Rhode Island (the 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 multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability 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, 50 Service Avenue, Warwick, RI 02886 or at [www.ersri.org](http://www.ersri.org). The payroll for employees covered by the System for the year ended June 30, 2013 was approximately \$5,669,971, and the Town wide payroll (municipal, police, and school) was approximately \$23,855,506.

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2013**

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

**(a) Municipal Employees' Retirement System (Continued)**

**Retirement Eligibility and Plan Benefits**

Service credits accrued at June 30, 2012 are protected under the Rhode Island Retirement Security Act. Beginning July 1, 2012, members receive a benefit accrual of 1.0% per year. Effective July 1, 2012 the retirement age mirrors the Social Security Normal Retirement Age not to exceed age 67. Benefits are based on the five-year average compensation multiplied by the accumulated service credit percentage. Joint and survivor retirement benefits options are available.

**Cost of Living Adjustments**

Pursuant to the Rhode Island Retirement Security Act, the Cost of Living Adjustment (COLA) has been suspended for any unit whose funding level is less than 80%. The COLA provision can be reviewed in a five-year interval. When the funding level of a plan exceeds 80%, eligible retirees may receive a COLA annually effective on their date of retirement plus one month. The COLA will be calculated as the five (5) year smoothed investment rate of return less 5.50%, with a 0.00% floor and a 4.00% cap. COLA will be delayed until the later of age 55 or three years after retirement. The COLA will be applied to the first \$25,000 of benefits indexed annually.

**Disability Retirement Provisions**

The Plan also provides nonservice-connected disability benefits after 5 years of service; service-connected disability pensions with no minimum service requirement.

**Funding Policy**

The funding policy is outlined in RIGL Sections 45-21-41, 45-21-42, and 45-21-52 (which can be amended by the Rhode Island General Assembly). MERS members are required to contribute 2.0% of their annual covered salary. The Town is required to contribute at an actuarially determined rate; the current rate is 7.33% of annual covered payroll.

<u>Year Ended June 30</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
2011	\$174,650	100%	\$0
2012	\$281,321	100%	\$0
2013	\$415,608	100%	\$0

**Funded Status and Funding Progress**

The funded status of the Plan as of June 30, 2012 (the date of the most recent actuarial valuation) was as follows:

<u>Actuarial Valuation Date June 30</u>	<u>(A) Actuarial Value of Assets</u>	<u>(B) Actuarially Accrued Liability (AAL)</u>	<u>(A-B) Overfunded (Unfunded) AAL (UAAL)</u>	<u>(A/B) Funded Ratio</u>	<u>(C) Covered Payroll</u>	<u>[(B-A)/C] UAAL as a Percentage of Covered Payroll</u>
2012	\$23,934,744	\$23,889,151	\$45,593	100.2%	\$5,692,303	0.8%

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2013**

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

**(a) Municipal Employees' Retirement System (Continued)**

**Annual Pension Cost**

For 2013, the Town's annual pension cost of \$226,136 for MERS was equal to the Town's required and actual contributions. The required contribution was determined as part of the June 30, 2010 actuarial valuation. The actuarial methods and assumptions used in that valuation follow:

	<u>Municipal Employees' Pension Plan</u>
Valuation date.....	6/30/10
Actuarial cost method.....	Entry Age Normal Cost
Amortization method .....	Level Percent of Payroll - Closed
Remaining amortization period.	25 years
Asset valuation method .....	5-year Smoothed Market Value
Actuarial assumptions:	
Investment rate of return .....	7.50%
Projected salary increases .....	4.0%-8.0%
Inflation adjustments .....	2.75%

Cost of living adjustments are equal to the average five-year fund asset performance (percent) greater than 5.5% up to a maximum of 4% - the COLA is to be applied to the first \$25,000 of benefits, indexed over time. COLA is delayed until the later of Social Security eligibility age or 3 years after retirement. A 2% COLA is assumed after July 1, 2012.

**(b) Police Pension Plan**

**Plan Description**

All full-time police members participate in the same Municipal Employees' Retirement System of the State of Rhode Island (described above). The payroll for employees covered by the System for the year ended June 30, 2013 was approximately \$1,137,426, and the Town wide payroll was approximately \$23,855,506. 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 accrued liability 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 2012 Annual Financial Report, which may be obtained from the administrative offices of the State of Rhode Island Retirement Board, 50 Service Avenue, Warwick, Rhode Island, 02886 or [www.ersri.org](http://www.ersri.org). This report is the most recent report available from the State, who administers the Plan.

(CONTINUED)



**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2013**

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

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

**Retirement Eligibility and Plan Benefits**

Effective July 1, 2012 the benefit accrual for all plans is 2.0% per year based on the five-year average compensation, exclusive of overtime. Retirement age is 55 years old with 25 years of total service or for members with five years of service but less than 25 years of service the new retirement age will mirror the Social Security Normal Retirement Age not to exceed 67. Police officers or firefighters who were at least 45 years old, had 10 or more years of contributing service and were eligible to retire prior to age 52 under the law in effect on June 30, 2012, may retire at age 52. Police and fire employees may retire with a reduced pension benefit if they have 20 years of service and are within five years of their retirement eligibility. The actuarially reduced benefit is calculated based on how close the member is to the eligibility date that is prescribed in the Rhode Island Retirement Security Act. Joint and survivor retirement benefit options are available.

**Cost of Living Adjustments**

Pursuant to the Rhode Island Retirement Security Act, the Cost of Living Adjustment (COLA) has been suspended for any unit whose funding level is less than 80%. The COLA provision can be reviewed in a five-year interval. When the funding level of a plan exceeds 80%, eligible retirees may receive a COLA annually effective on their date of retirement plus one month. The COLA will be calculated as the five (5) year smoothed investment rate of return less 5.50%, with a 0.00% floor and a 4.00% cap. COLA will be delayed until the later of age 55 or three years after retirement. The COLA will be applied to the first \$25,000 of benefits indexed annually.

**Disability Retirement Provisions**

The Plan also provides nonservice-connected disability benefits after 5 years of service; service-connected disability pensions with no minimum service requirement.

**Funding Policy**

The funding policy is outlined in RIGL Sections 45-21-41, 45-21-42, and 45-21-52 (which can be amended by the Rhode Island General Assembly). Covered police employees are required to contribute 8.0% of their salary. The Town is required to contribute at an actuarially determined rate; the current rate is 12.03% of annual covered payroll.

<u>Year Ended June 30</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
2011	\$131,162	100%	\$0
2012	\$123,663	100%	\$0
2013	\$136,832	100%	\$0

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2013**

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

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

**Funded Status and Funding Progress**

The funded status of the plan as of June 30, 2012 (the date of the most recent actuarial valuation) was as follows:

Actuarial Valuation Date <u>June 30</u>	(A) Actuarial Value of Assets	(B) Actuarially Accrued Liability (AAL)	(A-B) Overfunded (Underfunded) AAL (UAAL)	(A/B) Funded Ratio	(C) Covered Payroll	[(B-A)/C] UAAL as a Percentage of Covered Payroll
2012	\$8,062,286	\$10,281,233	\$(2,218,947)	78.4%	\$1,034,588	(214.5%)

**Annual Pension Cost**

For 2013, the Town's annual pension cost of \$136,832 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, 2010 actuarial valuation. The actuarial methods and assumptions used in that valuation follow:

<u>Municipal Police Pension Plan</u>	
Valuation date .....	6/30/10
Actuarial cost method .....	Entry Age Normal Cost
Amortization method .....	Level Percent of Payroll - Closed
Remaining amortization period .....	25 years
Asset valuation method .....	5-year Smoothed Market Value
Actuarial assumptions:	
Investment rate of return .....	7.5%
Projected salary increases .....	4.25%-14.25%
Inflation adjustments .....	2.75%

Cost of living adjustments are equal to the average five-year fund asset performance (percent) greater than 5.5% up to a maximum of 4% - the COLA is to be applied to the first \$25,000 of benefits, indexed over time. For MERS Police, COLA is delayed until the later of age 55 or 3 years after retirement. A 2% COLA is assumed after July 1, 2012.

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.

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2013**

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

**(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 Department participate in the Employees' Retirement System a cost-sharing multiple-employer defined benefit plan administered by the Employees' Retirement System of Rhode Island (the System). In addition to classified employees, the System covers substantially all employees of the State of Rhode Island. The Plan provides retirement, death and disability benefits (as well as annual cost of living allowances if certain conditions have been met) as outlined in Chapters 36-10 and 16-16 of the Rhode Island General Laws (RIGL). The benefits may be amended by the Rhode Island General Assembly. The payroll for employees covered by the System for the year ended June 30, 2013, was \$13,835,698, including \$655,686 of federally reimbursed payroll; the total payroll for all School employees was \$18,127,052.

The System issues an annual financial report that includes financial statements and required supplementary information. A copy of the report can be obtained from the State Employees Retirement Board, 50 Service Avenue, Warwick, RI 02886 or at [www.ersri.org](http://www.ersri.org).

***Funding Policy***

The funding policy is outlined in RIGL sections 16-16-22 and 36-10-2 (which can be amended by the Rhode Island General Assembly). Active plan members must contribute 3.75% of his/her compensation. The School Department and the State are collectively required to contribute at an actuarially determined rate expressed as a percentage of total compensation paid to the active membership. The employer contribution is split and paid 40% by the State and 60% by the school district with the exception of teachers who work in federally funded programs where 100% is paid by the school district and reimbursed by the federal government. For fiscal 2013, the total employer rate was 17.87% (7.15% State share and 10.72% local share). The State share of the employer contribution rate includes the total cost of prior contribution deferrals which was .28% for fiscal 2013.

The School Department contributed \$1,530,068, \$1,788,292 and \$1,547,729 during the fiscal years 2013, 2012 and 2011, respectively, equal to 100% of the actuarially required contributions for those respective years. For financial reporting purposes, the State's share of contributions are reflected as on behalf-payments and are included as both revenue and expenditures in the accompanying financial statements.

***Teachers Survivor Benefits***

The plan provides a survivor benefit to public school teachers in lieu of Social Security as outlined in sections 16-16-25 through 16-16-38 of the Rhode Island General Laws (RIGL). Spouse, parents, family or children's benefits are payable upon death of a member. In lieu of a survivor benefit, members may opt to receive a lump sum return of their contributions plus interest upon retirement. The benefits may be amended by the Rhode Island General Assembly.

The cost of the benefits provided by the plan are two percent (2%) of the member's annual salary up to but not exceeding an annual salary of \$9,600; one-half (1/2) of the cost is contributed by the member by deductions from his or her salary, and the other half (1/2) is contributed and paid by the school district. These contributions are in addition to the contributions required for regular pension benefits.

The School Department contributed \$20,256, \$20,249 and \$20,710 during the fiscal years 2013, 2012 and 2011, respectively, equal to 100% of the required contributions for those respective years.

CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2013**

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

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

**Teachers Survivor Benefits (Continued)**

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

**11. DEFINED CONTRIBUTION PLAN**

**(a) Plan Description**

General employees and local teachers participating in the defined benefit plan, as described above, also participate in a defined contribution plan of the Employees' Retirement System as authorized by General Law Chapter 36-10.3. The defined contribution plan is established under IRS Section 401(a) and is administered by TIAA-CREF and the Employees' Retirement System of Rhode Island (the System). Employees may choose among various investment options available to plan participants.

Employee contributions are immediately vested while employer contributions are vested after three years of contributory service. Contributions required under the plan by both the employee and employer are established by the General Laws, which are subject to amendment by the General Assembly.

Amounts in the defined contribution plan are available to participants in accordance with Internal Revenue Service guideline for such plans.

**(b) Plan Funding Policy**

The funding policy for teachers, who do not contribute to social security, is outlined in RIGL chapter 36-10.3 (which can be amended by the Rhode Island General Assembly). Active plan members must contribute 7% of his/her compensation and the School Department is required to contribute 2.6% (net of State reimbursement). The plan members and School Department contributed \$876,719 and \$340,113 respectively, during the fiscal year ended June 30, 2013.

The funding policy for general employees is outlined in RIGL chapter 36-10.3 (which can be amended by the Rhode Island General Assembly). Active plan members must contribute 5% of his/her compensation and the Town is required to contribute 1%. The plan members and Town/School Department contributed \$270,845 and \$52,720 respectively, during the fiscal year ended June 30, 2013.

The System issues an annual financial report that includes financial statements and required supplementary information for all of the plans it administers. The most recent report available from the State for the fiscal year ending June 30, 2012 may be obtained from the administrative offices of the State of Rhode Island Retirement Board, 50 Service Avenue, Warwick, Rhode Island, 02886 or at [www.ersri.org](http://www.ersri.org).

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2013**

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**12. 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, 2013 totaled \$188,620. Total payments to be made for fiscal year ending June 30, 2014 total \$167,620 consisting of \$144,120 for rental of Town Hall facilities and \$23,500 for capital improvements.

***School Department***

The School Department has contracted with Durham School Services to have bus service provided for students through the last day of school in June 2015. The annual payment on this contract varies from year to year based on the transportation needs of the department. There is a 3% increase each year on the cost per bus as dictated by the bus transportation contract with Durham School Services. Busing costs associated with this agreement totaled approximately \$1,823,592 for the year ended June 30, 2013.

***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 2013 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.

**13. 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. The Town adopted the requirements of GASB No. 45 during the year ended June 30, 2009, and 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.

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2013**

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

***Plan Description (Continued)***

The Town's OPEB Plan is a single-employer defined benefit plan offering healthcare benefits that are administered by the Rhode Island Interlocal Risk Management Trust. The Town provides post employment healthcare benefits to eligible retirees in accordance with the various labor contracts and personnel policies. As of June 30, 2012, 442 individuals (360 active employees and 82 retirees plus beneficiaries) 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, Danziger & Markhoff, LLP, 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, 2012. The plan does not issue a stand-alone report.

***Funding Policy***

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

***Benefit Provisions and Contributions:***

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

**Plan Type:** **Medical:** Self funded health insurance through the Rhode Island Interlocal Risk Management Trust.

**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.

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2013**

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

***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:** 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.

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

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

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

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

***Classes of Employees Covered***

As of July 1, 2012 membership data was as follows:

Active Employees	360
Retirees plus beneficiaries	<u>82</u>
Total Plan Members	<u>442</u>

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2013**

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

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 Post Employment 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, 2013, 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 \$228,284. 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).....	\$ 213,879
Interest on net OPEB obligation.....	1,652
Adjustment to annual required contribution .....	(1,894)
Annual OPEB cost (expense) .....	213,637
Contributions made.....	(228,284)
Decrease in net OPEB obligation .....	(14,647)
 Net OPEB obligation - July 1, 2012.....	 41,305
 Net OPEB obligation - June 30, 2013.....	 \$ 26,658

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 Ending</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
6/30/2011	\$200,899	92.2%	\$44,436
6/30/2012	\$206,374	101.5%	\$41,305
6/30/2013	\$213,637	106.9%	\$26,658

**Funded Status and Funding Progress**

The funded status of the Plan as of July 1, 2012 was as follows:

<u>Actuarial Valuation Date</u>	<u>(A) Actuarial Value of Assets</u>	<u>(B) Actuarial Accrued Liability (AAL)</u>	<u>(B-A) Unfunded Actuarial Accrued Liability (UAAL)</u>	<u>(A/B) Funded Ratio</u>	<u>(C) Covered Payroll</u>	<u>[(A-B)/C] UAAL as a Percentage of Covered Payroll</u>
July 1, 2012	\$0	\$2,510,127	\$2,510,127	0.0%	\$22,066,792	11.4%

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.

(CONTINUED)



**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2013**

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

**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:

Discount Rate .....	4.00%
Health Care and Trend Rate Contribution .....	5.00% - 8.00%
Ultimate Medical Trend Rate .....	5.00%
Year Ultimate Medical Trend Rate Reached .....	2016
Actuarial Funding Method .....	Projected Unit Credit
Actuarial Cost Method .....	Entry Age Normal - Level Percentage
The remaining amortization period at June 30, 2012 .	26 years
Valuation Type .....	Closed Group
Payroll Growth Rate .....	2.50%
Mortality Rate .....	RP-2000 Mortality Table

**14. MAJOR TAX REVENUE SOURCE**

The Town had a tax treaty and agreement with Transcanada/Ocean State Power (OSP), an electric generating facility, which required OSP to pay the Town annual fixed payments in lieu of taxes. As of December 31, 2011, the agreement with OSP expired and OSP has been included in the tax levy. OSP has also exercised its right to appeal the tax levy for fiscal years 2012 and 2013.

**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 respective liability have not been included in the Town's financial statements for the year ended June 30, 2013.

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2013**

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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 the previous year. Settled claims resulting from these risks have not exceeded the Trust Coverage in any of the past 26 fiscal years.

During the fiscal year ended June 30, 2013, the Town paid premiums of \$66,405 for workers' compensation coverage and \$117,871 for property and liability coverage.

At June 30, 2013, the Trust held reserves for future payments of open cases of \$103,000 for property and liability claims and \$3,500 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, 2013, 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 Department or Sewer Commission Fund because they are treated by the Trust as separate entities having their own coverage.

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(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2013**

**17. 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. During the year ended June 30, 2013, the interfund transfers were primarily to transfer the remaining fund balance of a completed capital project fund to the General Fund, and to reimburse the General Fund for wages and expenses advanced by the General Fund for Special Revenue funds.

Interfund transfers for fiscal year ended June 30, 2013 are as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
<b>Governmental activities:</b>		
<b>Major funds:</b>		
General Fund .....	\$ 352,716	\$16,902,833
School Department.....	15,435,949	44,000
Major Capital .....	1,472,000	300,000
<b>Non-major funds</b> .....	294,885	57,283
<b>Total governmental activities</b> .....	<u>\$17,555,550</u>	<u>\$17,304,116</u>
 <b>Business-type activities:</b>		
<b>Major funds:</b>		
Sewer Authority .....		\$265,434
<b>Non-major funds</b> .....	\$ 14,000	
<b>Total business-type activities</b> .....	<u>\$ 14,000</u>	<u>\$265,434</u>

**18. 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. Postclosure monitoring costs are estimated at \$13,000 per year for the remaining eight years.

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 required 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 landfill capping project was completed in fiscal year 2011. Postclosure monitoring costs are estimated at \$34,000 per year for the remaining 29 years. 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.

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2013**

**18. LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS (Continued)**

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	\$13,000	8	\$ 104,000	\$13,000	\$ 91,000
Whipple Avenue	1976	N/A	34,000	29	986,000	34,000	952,000
			<u>\$47,000</u>		<u>\$1,090,000</u>	<u>\$47,000</u>	<u>\$1,043,000</u>

**19. 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 Burrillville Redevelopment Agency 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 August 5, 2013 provided the Borrower has not sold the property within five years of the agreement, and the buyer satisfies all the obligations under the agreement. The note is without interest and contains prepayment penalties which reduce the amount of the loan forgiveness. The balance of the note was \$50,000 at June 30, 2013. The Burrillville Redevelopment Agency has recorded deferred revenue to offset the potential loan forgiveness amount.

**20. PUBLIC ENTITY RISK POOL**

***The Health Pool***

The Town participates in a public entity risk pool 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 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 a policy year divided by the sum of all subscribers in the Pool for the same period.

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2013**

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**20. PUBLIC ENTITY RISK POOL (Continued)**

***The Health Pool (Continued)***

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.

For the year ended June 30, 2013, unaudited results indicate that the Pool generated \$128,093,522 in revenues and excess of revenues over expenses of \$7,357,330. The Pool had \$54,689,018 in total assets and \$24,344,121 in total equity as of June 30, 2013.

The Pool retains certain levels of insurance risk. Specific losses in excess of \$1 million to a limit of \$2 million are covered by a Backstop Account internal to the Trust that is funded by annual Backstop Account payments from the Health Pool. As of June 30, 2013, the Pool's membership consisted of 41 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.

**21. SUBSEQUENT EVENTS**

On August 5, 2013, the promissory note described in Note 19 with the Burrillville Redevelopment Agency was forgiven.

(CONCLUDED)

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***TOWN OF BURRILLVILLE***

**REQUIRED SUPPLEMENTARY  
INFORMATION**

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**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>						
2010	\$23,338,522	\$25,978,360	\$(2,639,838)	89.8%	\$5,552,647	(47.5)%
2011	\$23,308,991	\$23,383,539	\$ (74,548)	99.7%	\$5,657,728	(1.3)%
2012	\$23,934,744	\$23,889,151	\$ 45,593	100.2%	\$5,692,303	0.8%
<b><u>Police Units – Municipal Employees' Retirement System</u></b>						
2010	\$7,670,056	\$ 9,329,853	\$(1,659,797)	82.2%	\$1,256,789	(132.1)%
2011	\$7,879,873	\$ 8,439,844	\$ (559,971)	93.4%	\$1,221,576	(45.8)%
2012	\$8,062,286	\$10,281,233	\$(2,218,947)	78.4%	\$1,034,588	(214.5)%
<b><u>Other Post Employment Benefits</u></b>						
7/01/10 (FY11)	\$0	\$2,189,232	\$2,189,232	0%	\$21,013,587	(10.4)%
7/01/10 (FY12)*	\$0	\$2,190,597	\$2,190,597	0%	Not Available	N/A
7/01/12 (FY13)	\$0	\$2,510,127	\$2,510,127	0%	\$22,066,792	(11.4)%

\* As allowed by GASB 45, the valuation results have been projected forward to fiscal year June 30, 2012.

**Notes to the Schedule of Funding Progress****Changes affecting the June 30, 2012 actuarial valuation:**

The assumptions for the Municipal Employees' Retirement System are consistent with the 2011 valuation, with the exception of certain assumption changes that resulted from the enactment of the Rhode Island Retirement Security Act of 2011. The marriage assumption was modified to reflect the expected percentage of members that will be eligible for survivor benefits upon their death, the incidence of disability was lowered to incorporate a continued trend of significantly fewer incidents of disability than anticipated by the current assumption, and the missing data assumption was updated to incorporate an assumption for missing beneficiary data.

The method used to determine the actuarial value of assets is the five-year smoothed market method. A small adjustment was made to the method used to smooth investment gains and losses to allow gains and losses to offset each other immediately. This modification will reduce future volatility in the actuarial value of assets while ensuring that the actuarial value always trends directly towards the market value of assets.

**Changes affecting the June 30, 2011 actuarial valuation:**

The retirement rates were modified to be consistent with the retirement eligibility changes instituted by the Rhode Island Retirement Security Act of 2011. Members that were assumed to retire prior to the Act, but before the earliest allowable age under the Act, are assumed to retire once eligible.

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, 2013**

	Originally Adopted Budget	Final Approved Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
<b>REVENUES:</b>				
General property taxes	\$ 27,536,191	\$ 27,536,191	\$ 28,047,069	\$ 510,878
Intergovernmental	15,453,109	15,453,109	15,702,816	249,707
Licenses, permits and fees	335,375	335,375	428,758	93,383
Investment income	29,500	29,500	22,858	(6,642)
Departmental	66,500	66,500	113,051	46,551
<b>Total revenues</b>	<b>43,420,675</b>	<b>43,420,675</b>	<b>44,314,552</b>	<b>893,877</b>
<b>EXPENDITURES:</b>				
<b>Current:</b>				
General government	3,048,047	2,926,165	2,847,852	78,313
Public safety	2,188,484	2,269,784	2,267,201	2,583
Public works	1,261,704	1,309,404	1,309,011	393
Recreation and social services	157,158	162,658	143,403	19,255
Libraries	628,463	628,463	628,463	
Employee benefits and other	2,247,188	2,191,688	1,905,009	286,679
<b>Debt service:</b>				
Principal	2,792,000	2,792,000	2,792,000	
Interest and other costs	809,508	809,508	807,231	2,277
<b>Capital outlay</b>	<b>875,000</b>	<b>3,611,118</b>	<b>1,997,211</b>	<b>1,613,907</b>
<b>Total expenditures</b>	<b>14,007,552</b>	<b>16,700,788</b>	<b>14,697,381</b>	<b>2,003,407</b>
<b>Excess of revenues over expenditures</b>	<b>29,413,123</b>	<b>26,719,887</b>	<b>29,617,171</b>	<b>2,897,284</b>
<b>Other financing sources (uses):</b>				
Transfers out	(30,210,604)	(31,489,990)	(31,489,993)	(3)
Transfers in	797,481	797,481	1,284,417	486,936
Reappropriation of prior year's designated fund balance		3,972,622	3,972,622	
<b>Net other financing sources (uses)</b>	<b>(29,413,123)</b>	<b>(26,719,887)</b>	<b>(26,232,954)</b>	<b>486,933</b>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>3,384,217</b>	<b>\$ 3,384,217</b>
Less: reappropriated fund balance			(3,972,622)	
Add: excess of revenues and other sources over expenditures and other uses of funds classified with the General Fund for purposes of GASB Statement No. 54			(98,963)	
<b>Fund Balance, beginning of year</b>			<b>15,800,289</b>	
<b>Fund Balance, end of year</b>			<b>\$ 15,112,921</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 DEPARTMENT GENERAL FUND  
YEAR ENDED JUNE 30, 2013**

	Originally Adopted Budget	Final Approved Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
<b>Revenues:</b>				
State aid	\$ 12,965,501	\$ 12,965,501	\$ 12,965,501	
Miscellaneous	250,000	250,000	332,155	\$ 82,155
<b>Total revenues</b>	<u>13,215,501</u>	<u>13,215,501</u>	<u>13,297,656</u>	<u>82,155</u>
<b>Expenditures:</b>				
<b>Current:</b>				
Salaries	16,642,492	16,690,356	16,731,247	(40,891)
Employee benefits	6,250,685	6,250,685	6,232,614	18,071
Purchased services	4,782,614	4,720,675	4,587,059	133,616
Supplies and materials	927,192	933,981	1,022,823	(88,842)
Other	49,964	52,317	50,461	1,856
<b>Capital outlay</b>	<u>186,658</u>	<u>191,591</u>	<u>193,957</u>	<u>(2,366)</u>
<b>Total expenditures</b>	<u>28,839,605</u>	<u>28,839,605</u>	<u>28,818,161</u>	<u>21,444</u>
<b>Excess of revenues over (under) expenditures before other financing sources (uses)</b>	<u>(15,624,104)</u>	<u>(15,624,104)</u>	<u>(15,520,505)</u>	<u>103,599</u>
<b>Other financing sources (uses):</b>				
Transfer from Town of Burrillville	15,518,104	15,518,104	15,435,949	(82,155)
Transfers to other funds	(44,000)	(44,000)	(44,000)	
Reappropriation of prior year fund balance	150,000	150,000	150,000	
<b>Net other financing sources</b>	<u>15,624,104</u>	<u>15,624,104</u>	<u>15,541,949</u>	<u>(82,155)</u>
<b>Excess of revenues and other financing sources over (under) expenditures</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>21,444</u>	<u>\$ 21,444</u>
Add: current year encumbrances			84,906	
Less: prior year encumbrances			(133,282)	
Less: reappropriated fund balance			(150,000)	
<b>Fund balance, beginning of year</b>			<u>795,301</u>	
<b>Fund balance, end of year</b>			<u>\$ 618,369</u>	

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2013**

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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, 2013:

Excess of revenues and other sources over expenditures and other uses (Non-GAAP Budgetary Basis).....	\$ 3,384,217
Fund balance reappropriated.....	(3,972,622)
Excess of revenues and other sources over expenditures and other uses of funds classified with the General Fund for purposes of GASB Statement No. 54 .....	<u>(98,963)</u>
Net change in fund balance (GAAP).....	<u>\$ (687,368)</u>

The following reconciliation summarizes the differences for the School Department's General Fund between budgetary and GAAP basis accounting principles for the year ended June 30, 2013:

Excess of revenues and other sources over expenditures and other uses (Non-GAAP Budgetary Basis).....	\$ 21,444
Fund balance reappropriated.....	(150,000)
Current year encumbrances .....	84,906
Prior year encumbrances.....	<u>(133,282)</u>
Net change in fund balance (GAAP).....	<u>\$ (176,932)</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.

#### **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.

#### **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.

#### **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 Grant**

This fund accounts for grant monies utilized for upgrades to the Police Department's radio system.

#### **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 Grant**

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.

#### **Automatic External Defibrillator**

This fund accounts for monies received to assist in the purchase of automated external defibrillators.

#### **Active Shooter Grant**

This fund accounts for grant monies received through Rhode Island EMA to train officers on an immediate response to an active shooter.

#### **Cops That Care Grant**

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

(CONTINUED)

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# ***TOWN OF BURRILLVILLE***

## **NON-MAJOR GOVERNMENTAL FUNDS**

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### **SPECIAL REVENUE FUNDS**

#### **Ocean State Power Funds**

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

#### **Narcotics Guidance Council**

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

#### **Police Grant – Operation Riptide**

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

#### **Police Task Force**

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

#### **Police Legislative Grant**

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

# ***TOWN OF BURRILLVILLE***

## **NON-MAJOR GOVERNMENTAL FUNDS**

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### **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 transfers. The following funds are reported in this section:*

#### **Granite Mill/Gonyea Park**

This fund accounts for monies utilized for the purpose of constructing a park in Pascoag at the site of the former Granite Mill.

#### **Skateboard Park**

This fund accounts for monies utilized for the purpose of constructing a Town skateboard park on Chapel Street.

#### **Rail Trail Harrisville/Pascoag**

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

#### **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.

#### **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.

#### **Pavilion - Farmer's Market**

This fund accounts for monies received to construct a pavilion at the former Stillwater Mill Complex for the purpose of providing a permanent location for the Farmer's Market and other activities.

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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, 2013**

	Special Revenue Funds					
	School Restricted Grants	Community Recreation	Town Clerk - Technology	Historical Records	Solemn Federal Task Force	Animal Shelter Donation Account
<b>ASSETS:</b>						
Cash and cash equivalents	\$ 298,958	\$ 115,781				
Receivables:						
Other						
Due from:						
Other funds	313,029		\$ 49,626	\$ 26,612		\$ 1,780
Other governments	166,930					
<b>TOTAL ASSETS</b>	<b>\$ 778,917</b>	<b>\$ 115,781</b>	<b>\$ 49,626</b>	<b>\$ 26,612</b>	<b>\$0</b>	<b>\$ 1,780</b>
<b>LIABILITIES AND FUND BALANCES:</b>						
<b>LIABILITIES:</b>						
Accounts payable	\$ 53,052	\$ 90	\$ 8,793			
Accrued payroll and benefits	100,646					
Due to:						
Other funds	386,165	705				
Other governments				\$ 900		
Deferred revenues	239,054					
Other liabilities						
<b>TOTAL LIABILITIES</b>	<b>778,917</b>	<b>795</b>	<b>8,793</b>	<b>900</b>	<b>\$0</b>	<b>\$ 0</b>
<b>FUND BALANCES:</b>						
Nonspendable for:						
Perpetual care						
Endowments						
Restricted for:						
General government			40,833	25,712		
Public safety						1,780
Recreation and social services		66,293				
Education						
Community development						
Committed for:						
Recreation and social services		48,693				
Capital projects						
<b>TOTAL FUND BALANCES</b>	<b>0</b>	<b>114,986</b>	<b>40,833</b>	<b>25,712</b>	<b>0</b>	<b>1,780</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 778,917</b>	<b>\$ 115,781</b>	<b>\$ 49,626</b>	<b>\$ 26,612</b>	<b>\$0</b>	<b>\$ 1,780</b>

(CONTINUED)



TOWN OF BURRILLVILLE, RHODE ISLAND

**COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2013**

	Special Revenue Funds					
	Library Grant	Community Emergency Response Training	Byrne Grant	Spring Lake	Community Development Block Grant	Automatic External Defibrillator
<b>ASSETS:</b>						
Cash and cash equivalents				\$ 262,477	\$ 34,336	
Receivables:						
Other					137,918	
Due from:						
Other funds		\$ 48,846			4,887	\$ 18,700
Other governments			\$ 10,275		54,690	
<b>TOTAL ASSETS</b>	<b>\$0</b>	<b>\$ 48,846</b>	<b>\$ 10,275</b>	<b>\$ 262,477</b>	<b>\$ 231,831</b>	<b>\$ 18,700</b>
<b>LIABILITIES AND FUND BALANCES:</b>						
<b>LIABILITIES:</b>						
Accounts payable				\$ 2,948	\$ 5,994	
Accrued payroll and benefits				13,969		
Due to:						
Other funds			\$ 6,278	26,137	27,725	
Other governments						
Deferred revenues			3,997		158,890	
Other liabilities						
<b>TOTAL LIABILITIES</b>	<b>\$0</b>	<b>\$ 0</b>	<b>10,275</b>	<b>43,054</b>	<b>192,609</b>	<b>\$ 0</b>
<b>FUND BALANCES:</b>						
Nonspendable for:						
Perpetual care						
Endowments						
Restricted for:						
General government						18,700
Public safety		48,846				
Recreation and social services						
Education						
Community development					39,222	
Committed for:						
Recreation and social services				219,423		
Capital projects						
<b>TOTAL FUND BALANCES</b>	<b>0</b>	<b>48,846</b>	<b>0</b>	<b>219,423</b>	<b>39,222</b>	<b>18,700</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$0</b>	<b>\$ 48,846</b>	<b>\$ 10,275</b>	<b>\$ 262,477</b>	<b>\$ 231,831</b>	<b>\$ 18,700</b>

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND****COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2013**

	Special Revenue Funds						
	Active Shooter Grant	Cops That Care	Ocean State Power Funds	Narcotics Guidance Council	Police Grant - Operation Riptide	Police Task Force	Police Legislative Grant
<b>ASSETS:</b>							
Cash and cash equivalents			\$ 577,690			\$ 12,077	
Receivables:							
Other			730				
Due from:							
Other funds		\$ 232		\$ 126,628			\$ 2,052
Other governments	\$ 3,610				\$ 1,429		
<b>TOTAL ASSETS</b>	<b>\$ 3,610</b>	<b>\$ 232</b>	<b>\$ 578,420</b>	<b>\$ 126,628</b>	<b>\$ 1,429</b>	<b>\$ 12,077</b>	<b>\$ 2,052</b>
<b>LIABILITIES AND FUND BALANCES:</b>							
<b>LIABILITIES:</b>							
Accounts payable			\$ 38,874	\$ 1,666			
Accrued payroll and benefits							
Due to:							
Other funds	\$ 3,610			75,351	\$ 1,429		
Other governments						\$ 120	
Deferred revenues		\$ 232					
Other liabilities							
<b>TOTAL LIABILITIES</b>	<b>3,610</b>	<b>232</b>	<b>38,874</b>	<b>77,017</b>	<b>1,429</b>	<b>120</b>	<b>\$ 0</b>
<b>FUND BALANCES:</b>							
Nonspendable for:							
Perpetual care							
Endowments							
Restricted for:							
General government							
Public safety						11,957	2,052
Recreation and social services				49,611			
Education			539,546				
Community development							
Committed for:							
Recreation and social services							
Capital projects							
<b>TOTAL FUND BALANCES</b>	<b>0</b>	<b>0</b>	<b>539,546</b>	<b>49,611</b>	<b>0</b>	<b>11,957</b>	<b>2,052</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 3,610</b>	<b>\$ 232</b>	<b>\$ 578,420</b>	<b>\$ 126,628</b>	<b>\$ 1,429</b>	<b>\$ 12,077</b>	<b>\$ 2,052</b>

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND****COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2013**

	Capital Project Funds					
	Granite Mill/ Gonyea Park	Skateboard Park	Rail Trail Harrisville/ Pascoag	Callahan Renovation Project	Route 102 Commerce Park	Open Space/ Land Acquisition
<b>ASSETS:</b>						
Cash and cash equivalents						\$ 100,697
Receivables:						
Other						
Due from:						
Other funds					\$ 106,482	
Other governments	\$ 105,000	\$ 61,834	\$ 18,343			
<b>TOTAL ASSETS</b>	<b>\$ 105,000</b>	<b>\$ 61,834</b>	<b>\$ 18,343</b>	<b>\$0</b>	<b>\$ 106,482</b>	<b>\$ 100,697</b>
<b>LIABILITIES AND FUND BALANCES:</b>						
<b>LIABILITIES:</b>						
Accounts payable						
Accrued payroll and benefits						
Due to:						
Other funds	\$ 6,177	\$ 22,280	\$ 17,789			
Other governments						
Deferred revenues	98,823					
Other liabilities						
<b>TOTAL LIABILITIES</b>	<b>105,000</b>	<b>22,280</b>	<b>17,789</b>	<b>\$0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>FUND BALANCES:</b>						
Nonspendable for:						
Perpetual care						
Endowments						
Restricted for:						
General government						
Public safety						
Recreation and social services						
Education						
Community development						
Committed for:						
Recreation and social services						
Capital projects		39,554	554		106,482	100,697
<b>TOTAL FUND BALANCES</b>	<b>0</b>	<b>39,554</b>	<b>554</b>	<b>0</b>	<b>106,482</b>	<b>100,697</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 105,000</b>	<b>\$ 61,834</b>	<b>\$ 18,343</b>	<b>\$0</b>	<b>\$ 106,482</b>	<b>\$ 100,697</b>

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND****COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2013**

	Capital Project Funds	Permanent Funds				Total Non-Major Governmental Funds
	Pavilion - Farmer's Market	Cemetery Fund	Frank H. Potter Bridgeway Fund	Alice McGreevy Thompson Fund	Jesse M. Smith Memorial Library Fund	
<b>ASSETS:</b>						
Cash and cash equivalents		\$ 82,786	\$ 16,022	\$ 1,199	\$ 15,106	\$ 1,517,129
Receivables:						
Other						138,648
Due from:						
Other funds						698,874
Other governments						422,111
<b>TOTAL ASSETS</b>	<b>\$0</b>	<b>\$ 82,786</b>	<b>\$ 16,022</b>	<b>\$ 1,199</b>	<b>\$ 15,106</b>	<b>\$ 2,776,762</b>
<b>LIABILITIES AND FUND BALANCES:</b>						
<b>LIABILITIES:</b>						
Accounts payable						\$ 111,417
Accrued payroll and benefits						114,615
Due to:						
Other funds						573,646
Other governments						1,020
Deferred revenues						500,996
Other liabilities			\$ 6,022	\$ 199	\$ 106	6,327
<b>TOTAL LIABILITIES</b>	<b>\$0</b>	<b>\$ 0</b>	<b>6,022</b>	<b>199</b>	<b>106</b>	<b>1,308,021</b>
<b>FUND BALANCES:</b>						
Nonspendable for:						
Perpetual care		82,786				82,786
Endowments			10,000	1,000	15,000	26,000
Restricted for:						
General government						85,245
Public safety						64,635
Recreation and social services						115,904
Education						539,546
Community development						39,222
Committed for:						
Recreation and social services						268,116
Capital projects						247,287
<b>TOTAL FUND BALANCES</b>	<b>0</b>	<b>82,786</b>	<b>10,000</b>	<b>1,000</b>	<b>15,000</b>	<b>1,468,741</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$0</b>	<b>\$ 82,786</b>	<b>\$ 16,022</b>	<b>\$ 1,199</b>	<b>\$ 15,106</b>	<b>\$ 2,776,762</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, 2013**

	Special Revenue Funds					
	School Restricted Grants	Community Recreation	Town Clerk - Technology	Historical Records	Solemn Federal Task Force	Animal Shelter Donation Account
<b>REVENUES:</b>						
Intergovernmental	\$ 1,960,475	\$ 2,307			\$ 4,853	
Investment income		271				
Other	73,978	10,651	\$ 17,979	\$ 3,185		\$ 5,755
<b>TOTAL REVENUES</b>	<b>2,034,453</b>	<b>13,229</b>	<b>17,979</b>	<b>3,185</b>	<b>4,853</b>	<b>5,755</b>
<b>EXPENDITURES:</b>						
<b>Current:</b>						
General government			17,442	70		
Public safety					4,853	5,441
Public libraries						
Recreation and social services		4,414				
Education	1,913,127					
Community development						
<b>Capital outlay</b>	<b>121,326</b>					
<b>TOTAL EXPENDITURES</b>	<b>2,034,453</b>	<b>4,414</b>	<b>17,442</b>	<b>70</b>	<b>4,853</b>	<b>5,441</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)</b>	<b>0</b>	<b>8,815</b>	<b>537</b>	<b>3,115</b>	<b>0</b>	<b>314</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in						
Transfers out						
<b>NET OTHER FINANCING SOURCES (USES)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>0</b>	<b>8,815</b>	<b>537</b>	<b>3,115</b>	<b>0</b>	<b>314</b>
<b>FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR</b>	<b>0</b>	<b>106,171</b>	<b>40,296</b>	<b>22,597</b>	<b>0</b>	<b>1,466</b>
<b>FUND BALANCE (DEFICIT) AT END OF YEAR</b>	<b>\$ 0</b>	<b>\$ 114,986</b>	<b>\$ 40,833</b>	<b>\$ 25,712</b>	<b>\$ 0</b>	<b>\$ 1,780</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, 2013**

	Special Revenue Funds					
	Library Grant	Community Emergency Response Training	Byrne Grant	Spring Lake	Community Development Block Grant	Automatic External Defibrillator
<b>REVENUES:</b>						
Intergovernmental	\$ 125,987	\$ 7,000	\$ 7,151		\$ 95,097	
Investment income				\$ 502	1,357	
Other				166,344	9,982	
<b>TOTAL REVENUES</b>	<b>125,987</b>	<b>7,000</b>	<b>7,151</b>	<b>166,846</b>	<b>106,436</b>	<b>\$ 0</b>
<b>EXPENDITURES:</b>						
<b>Current:</b>						
General government						
Public safety		888	5,081			
Public libraries	125,987					
Recreation and social services				118,132		
Education						
Community development					95,097	
<b>Capital outlay</b>		1,800	2,070			
<b>TOTAL EXPENDITURES</b>	<b>125,987</b>	<b>2,688</b>	<b>7,151</b>	<b>118,132</b>	<b>95,097</b>	<b>0</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)</b>	<b>0</b>	<b>4,312</b>	<b>0</b>	<b>48,714</b>	<b>11,339</b>	<b>0</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in	3					
Transfers out				(35,000)		
<b>NET OTHER FINANCING SOURCES (USES)</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>(35,000)</b>	<b>0</b>	<b>0</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>3</b>	<b>4,312</b>	<b>0</b>	<b>13,714</b>	<b>11,339</b>	<b>0</b>
<b>FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR</b>	<b>(3)</b>	<b>44,534</b>	<b>0</b>	<b>205,709</b>	<b>27,883</b>	<b>18,700</b>
<b>FUND BALANCE (DEFICIT) AT END OF YEAR</b>	<b>\$ 0</b>	<b>\$ 48,846</b>	<b>\$ 0</b>	<b>\$ 219,423</b>	<b>\$ 39,222</b>	<b>\$ 18,700</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, 2013**

	Special Revenue Funds						
	Active Shooter Grant	Cops That Care	Ocean State Power Funds	Narcotics Guidance Council	Police Grant - Operation Riptide	Police Task Force	Police Legislative Grant
<b>REVENUES:</b>							
Intergovernmental	\$ 3,610			\$ 24,645	\$ 19,738		\$ 2,500
Investment income			\$ 881			\$ 17	
Other						250	500
<b>TOTAL REVENUES</b>	<b>3,610</b>	<b>\$0</b>	<b>881</b>	<b>24,645</b>	<b>19,738</b>	<b>267</b>	<b>3,000</b>
<b>EXPENDITURES:</b>							
<b>Current:</b>							
General government			10,253				
Public safety	3,610			29,097	19,738	4,823	1,039
Public libraries							
Recreation and social services							
Education							
Community development							
<b>Capital outlay</b>							
<b>TOTAL EXPENDITURES</b>	<b>3,610</b>	<b>0</b>	<b>10,253</b>	<b>29,097</b>	<b>19,738</b>	<b>4,823</b>	<b>1,039</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)</b>	<b>0</b>	<b>0</b>	<b>(9,372)</b>	<b>(4,452)</b>	<b>0</b>	<b>(4,556)</b>	<b>1,961</b>
<b>OTHER FINANCING SOURCES (USES):</b>							
Transfers in				5,000			
Transfers out				(5,000)			
<b>NET OTHER FINANCING SOURCES (USES)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>0</b>	<b>0</b>	<b>(9,372)</b>	<b>(4,452)</b>	<b>0</b>	<b>(4,556)</b>	<b>1,961</b>
<b>FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR</b>	<b>0</b>	<b>0</b>	<b>548,918</b>	<b>54,063</b>	<b>0</b>	<b>16,513</b>	<b>91</b>
<b>FUND BALANCE (DEFICIT) AT END OF YEAR</b>	<b>\$ 0</b>	<b>\$0</b>	<b>\$ 539,546</b>	<b>\$ 49,611</b>	<b>\$ 0</b>	<b>\$ 11,957</b>	<b>\$ 2,052</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, 2013**

	Capital Project Funds					
	Granite Mill/ Gonyea Park	Skateboard Park	Rail Trail Harrisville/ Pascoag	Callahan Renovation Project	Route 102 Commerce Park	Open Space/ Land Acquisition
<b>REVENUES:</b>						
Intergovernmental	\$ 6,177	\$ 61,834				\$ 251
Investment income						
Other			\$ 1,400			
<b>TOTAL REVENUES</b>	<b>6,177</b>	<b>61,834</b>	<b>1,400</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>251</b>
<b>EXPENDITURES:</b>						
<b>Current:</b>						
General government						
Public safety						
Public libraries						
Recreation and social services						
Education						
Community development						
<b>Capital outlay</b>	<b>6,177</b>	<b>82,162</b>	<b>11,409</b>			
<b>TOTAL EXPENDITURES</b>	<b>6,177</b>	<b>82,162</b>	<b>11,409</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)</b>	<b>0</b>	<b>(20,328)</b>	<b>(10,009)</b>	<b>0</b>	<b>0</b>	<b>251</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in		59,882	205,000			
Transfers out				(12,465)		
<b>NET OTHER FINANCING SOURCES (USES)</b>	<b>0</b>	<b>59,882</b>	<b>205,000</b>	<b>(12,465)</b>	<b>0</b>	<b>0</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>0</b>	<b>39,554</b>	<b>194,991</b>	<b>(12,465)</b>	<b>0</b>	<b>251</b>
<b>FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR</b>	<b>0</b>	<b>0</b>	<b>(194,437)</b>	<b>12,465</b>	<b>106,482</b>	<b>100,446</b>
<b>FUND BALANCE (DEFICIT) AT END OF YEAR</b>	<b>\$ 0</b>	<b>\$ 39,554</b>	<b>\$ 554</b>	<b>\$ 0</b>	<b>\$ 106,482</b>	<b>\$ 100,697</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, 2013**

	Capital Project Funds	Permanent Funds				Total Non-Major Governmental Funds
	Pavilion - Farmer's Market	Cemetery Fund	Frank H. Potter Bridgeway Fund	Alice McGreevy Thompson Fund	Jesse M. Smith Memorial Library Fund	
<b>REVENUES:</b>						
Intergovernmental						\$ 2,321,374
Investment income		\$ 112	\$ 38	\$ 3	\$ 36	3,468
Other						290,024
<b>TOTAL REVENUES</b>	<b>\$ 0</b>	<b>112</b>	<b>38</b>	<b>3</b>	<b>36</b>	<b>2,614,866</b>
<b>EXPENDITURES:</b>						
<b>Current:</b>						
General government		476	38	3	36	28,318
Public safety						74,570
Public libraries						125,987
Recreation and social services						122,546
Education						1,913,127
Community development						95,097
<b>Capital outlay</b>	<b>2,358</b>					<b>227,302</b>
<b>TOTAL EXPENDITURES</b>	<b>2,358</b>	<b>476</b>	<b>38</b>	<b>3</b>	<b>36</b>	<b>2,586,947</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)</b>	<b>(2,358)</b>	<b>(364)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>27,919</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in	25,000					294,885
Transfers out	(4,818)					(57,283)
<b>NET OTHER FINANCING SOURCES (USES)</b>	<b>20,182</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>237,602</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>17,824</b>	<b>(364)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>265,521</b>
<b>FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR</b>	<b>(17,824)</b>	<b>83,150</b>	<b>10,000</b>	<b>1,000</b>	<b>15,000</b>	<b>1,203,220</b>
<b>FUND BALANCE (DEFICIT) AT END OF YEAR</b>	<b>\$ 0</b>	<b>\$ 82,786</b>	<b>\$ 10,000</b>	<b>\$ 1,000</b>	<b>\$ 15,000</b>	<b>\$ 1,468,741</b>

(CONCLUDED)

# ***TOWN OF BURRILLVILLE***

## **NON-MAJOR PROPRIETARY FUNDS**

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### **ENTERPRISE FUNDS**

#### **Levy Rink**

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

#### **Extended Day Care**

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

TOWN OF BURRILLVILLE, RHODE ISLAND

**COMBINING STATEMENT OF FUND NET POSITION  
NON-MAJOR PROPRIETARY FUNDS  
JUNE 30, 2013**

	Levy Rink	Extended Day Care	Totals
<b>ASSETS:</b>			
<b>Current assets:</b>			
Cash and cash equivalents	\$ 3,408	\$ 243,784	\$ 247,192
Receivables:			
Accounts		4,089	4,089
Prepaid expenses		1,320	1,320
<b>Total current assets</b>	<u>3,408</u>	<u>249,193</u>	<u>252,601</u>
<b>Noncurrent assets:</b>			
Net capital assets	202,304	36,657	238,961
<b>Total noncurrent assets</b>	<u>202,304</u>	<u>36,657</u>	<u>238,961</u>
<b>TOTAL ASSETS</b>	<u>205,712</u>	<u>285,850</u>	<u>491,562</u>
<b>LIABILITIES:</b>			
<b>Current liabilities:</b>			
Accounts payable	8,989	2,644	11,633
Accrued payroll		16,828	16,828
Due to other funds	99,475	41,296	140,771
Deferred revenue		5,000	5,000
Capital leases payable	21,741		21,741
Accrued compensated absences	1,770		1,770
<b>Total current liabilities</b>	<u>131,975</u>	<u>65,768</u>	<u>197,743</u>
<b>Noncurrent liabilities:</b>			
Capital leases payable, net	22,517		22,517
Accrued compensated absences	15,922		15,922
<b>Total noncurrent liabilities</b>	<u>38,439</u>	<u>0</u>	<u>38,439</u>
<b>TOTAL LIABILITIES</b>	<u>170,414</u>	<u>65,768</u>	<u>236,182</u>
<b>NET POSITION:</b>			
Net investment in capital assets	158,046	36,657	194,703
Unrestricted	(122,748)	183,425	60,677
<b>TOTAL NET POSITION</b>	<u>\$ 35,298</u>	<u>\$ 220,082</u>	<u>\$ 255,380</u>

TOWN OF BURRILLVILLE, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
NON-MAJOR PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2013**

	<u>Levy Rink</u>	<u>Extended Day Care</u>	<u>Totals</u>
<b>OPERATING REVENUES:</b>			
Charges for usage and service	\$ 403,232	\$ 398,701	\$ 801,933
<b>Total operating revenues</b>	<u>403,232</u>	<u>398,701</u>	<u>801,933</u>
<b>OPERATING EXPENSES:</b>			
Operations	182,946	75,292	258,238
Personnel	211,763	336,747	548,510
Depreciation	21,723	9,135	30,858
<b>Total operating expenses</b>	<u>416,432</u>	<u>421,174</u>	<u>837,606</u>
<b>OPERATING LOSS</b>	<u>(13,200)</u>	<u>(22,473)</u>	<u>(35,673)</u>
<b>NONOPERATING REVENUES (EXPENSES):</b>			
Investment income		591	591
Interest expense	(3,552)		(3,552)
<b>Total nonoperating revenues (expenses)</b>	<u>(3,552)</u>	<u>591</u>	<u>(2,961)</u>
<b>LOSS BEFORE TRANSFERS</b>	(16,752)	(21,882)	(38,634)
<b>TRANSFERS IN (OUT)</b>	<u>44,000</u>	<u>(30,000)</u>	<u>14,000</u>
<b>CHANGE IN NET POSITION</b>	27,248	(51,882)	(24,634)
<b>TOTAL NET POSITION - BEGINNING</b>	<u>8,050</u>	<u>271,964</u>	<u>280,014</u>
<b>TOTAL NET POSITION - ENDING</b>	<u>\$ 35,298</u>	<u>\$ 220,082</u>	<u>\$ 255,380</u>

TOWN OF BURRILLVILLE, RHODE ISLAND

**COMBINING STATEMENT OF CASH FLOWS  
NON-MAJOR PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2013**

	Levy Rink	Extended Day Care	Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash received from customers	\$ 403,232	\$ 400,236	\$ 803,468
Cash paid to suppliers	(189,357)	(76,224)	(265,581)
Cash paid to employees	(212,859)	(336,279)	(549,138)
<b>Net cash provided by (used for) operating activities</b>	<b>1,016</b>	<b>(12,267)</b>	<b>(11,251)</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
Transfer from (to) other funds	44,000	(30,000)	14,000
Increase in due from other funds		14,900	14,900
Increase (decrease) in due to other funds	(23,458)	36,796	13,338
<b>Net cash provided by noncapital financing activities</b>	<b>20,542</b>	<b>21,696</b>	<b>42,238</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Acquisition of capital assets		(1,379)	(1,379)
Principal payment on capital lease payable	(20,612)		(20,612)
Interest expense	(3,552)		(3,552)
<b>Net cash used for capital and related financing activities</b>	<b>(24,164)</b>	<b>(1,379)</b>	<b>(25,543)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Interest on investments		591	591
<b>Net cash provided by investing activities</b>	<b>0</b>	<b>591</b>	<b>591</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(2,606)</b>	<b>8,641</b>	<b>6,035</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>6,014</b>	<b>235,143</b>	<b>241,157</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>\$ 3,408</b>	<b>\$ 243,784</b>	<b>\$ 247,192</b>
 <b>Reconciliation of operating loss to net cash provided by (used for) operating activities:</b>			
Operating loss	\$ (13,200)	\$ (22,473)	\$ (35,673)
Adjustments to reconcile:			
Depreciation	21,723	9,135	30,858
Decrease in accounts receivable		2,624	2,624
Decrease in prepaid expenses		1,092	1,092
Decrease in accounts payable	(6,411)	(2,025)	(8,436)
Increase in accrued payroll		469	469
Decrease in deferred revenue		(1,089)	(1,089)
Decrease in accrued compensated absences	(1,096)		(1,096)
<b>Net cash provided by (used for) operating activities</b>	<b>\$ 1,016</b>	<b>\$ (12,267)</b>	<b>\$ (11,251)</b>

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# ***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, 2013**

	<u>Beginning Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Balance</u>
<b><u>PUPIL ACTIVITY FUNDS</u></b>				
<b><u>ASSETS</u></b>				
Cash and cash equivalents	\$ 158,768	\$ 391,720	\$ 417,847	\$ 132,641
Investments	2,519	2	200	2,321
<b><u>TOTAL ASSETS</u></b>	<b><u>\$ 161,287</u></b>	<b><u>\$ 391,722</u></b>	<b><u>\$ 418,047</u></b>	<b><u>\$ 134,962</u></b>
<b><u>LIABILITIES</u></b>				
Deposits held in custody for others	\$ 161,287	\$ 391,722	\$ 418,047	\$ 134,962

# ***TOWN OF BURRILLVILLE***

## **COMPONENT UNITS**

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### **Burrillville Redevelopment Agency**

This Agency was created to encourage, direct, and regulate new development and redevelopment within the 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.

### **Jesse M. Smith Memorial Library**

This component unit was created to account for the activities of the Jesse M. Smith Memorial Library.

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**TOWN OF BURRILLVILLE, RHODE ISLAND****COMBINING STATEMENT OF NET POSITION  
COMPONENT UNITS  
JUNE 30, 2013**

	Burrillville Redevelopment Agency	Jesse M. Smith Memorial Library	Total
<b>ASSETS:</b>			
<b>Current assets:</b>			
Cash and cash equivalents	\$ 172,053	\$ 112,720	\$ 284,773
Receivables:			
Other	1,050		1,050
Due from:			
Primary government		45,108	45,108
Prepaid expenses	174,859		174,859
Deposits	1,000		1,000
<b>Total current assets</b>	<b>348,962</b>	<b>157,828</b>	<b>506,790</b>
<b>Noncurrent assets:</b>			
Capital assets:			
Non-depreciable	467,808		467,808
Depreciable, net		10,292	10,292
Promissory note receivable	50,000		50,000
<b>Total noncurrent assets</b>	<b>517,808</b>	<b>10,292</b>	<b>528,100</b>
<b>TOTAL ASSETS</b>	<b>866,770</b>	<b>168,120</b>	<b>1,034,890</b>
<b>LIABILITIES:</b>			
<b>Current liabilities:</b>			
Accounts payable	250	4,884	5,134
Accrued payroll	1,803	15,904	17,707
Due to:			
Primary government	3,750		3,750
Unearned revenue	50,000	1,000	51,000
<b>Total current liabilities</b>	<b>55,803</b>	<b>21,788</b>	<b>77,591</b>
<b>TOTAL LIABILITIES</b>	<b>55,803</b>	<b>21,788</b>	<b>77,591</b>
<b>NET POSITION:</b>			
Net investment in capital assets	467,808	10,292	478,100
Unrestricted	343,159	136,040	479,199
<b>TOTAL NET POSITION</b>	<b>\$ 810,967</b>	<b>\$ 146,332</b>	<b>\$ 957,299</b>

**TOWN OF BURRILLVILLE, RHODE ISLAND****COMBINING STATEMENT OF ACTIVITIES  
COMPONENT UNITS  
YEAR ENDED JUNE 30, 2013**

	Program Revenues				Net (Expense) Revenue and Changes in Net Position		Totals
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Burrillville Redevelopment Agency	Jesse M. Smith Memorial Library	
<b>Burrillville Redevelopment Agency</b>							
Economic Development	\$ 38,484	\$ 35,292	\$ 0	\$ 0	\$ (3,192)		\$ (3,192)
<b>Total Burrillville Redevelopment Agency</b>	38,484	35,292	0	0	(3,192)		(3,192)
<b>Jesse M. Smith Memorial Library</b>							
Operations	692,743	19,785	673,786	0	0	\$ 828	828
<b>Total Jesse M. Smith Memorial Library</b>	692,743	19,785	673,786	0	0	828	828
<b>Total component units</b>	<u>\$ 731,227</u>	<u>\$ 55,077</u>	<u>\$ 673,786</u>	<u>\$ 0</u>	<u>(3,192)</u>	<u>828</u>	<u>(2,364)</u>
<b>General revenues:</b>							
Unrestricted investment earnings					590	102	692
<b>Total general revenues</b>					590	102	692
<b>Change in net position</b>					(2,602)	930	(1,672)
<b>Net Position - beginning of year</b>					813,569	145,402	958,971
<b>Net Position - end of year</b>					<u>\$ 810,967</u>	<u>\$ 146,332</u>	<u>\$957,299</u>

**TOWN OF BURRILLVILLE, RHODE ISLAND****COMBINING STATEMENT OF CASH FLOWS  
COMPONENT UNITS  
YEAR ENDED JUNE 30, 2013**

	Burrillville Redevelopment Agency	Jesse M. Smith Memorial Library	Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash received from customers	\$ 35,292	\$ 19,854	\$ 55,146
Cash paid to suppliers	(35,385)	(164,037)	(199,422)
Cash paid to employees	(6,890)	(525,867)	(532,757)
<b>Net cash used for operating activities</b>	<b>(6,983)</b>	<b>(670,050)</b>	<b>(677,033)</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
Nonoperating grants received		673,786	673,786
Increase in due from primary government		(1,983)	(1,983)
Decrease in due to primary government	(60,596)		(60,596)
<b>Net cash provided by (used for) noncapital financing activities</b>	<b>(60,596)</b>	<b>671,803</b>	<b>611,207</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Acquisition of capital assets		(2,561)	(2,561)
<b>Net cash used for capital and related financing activities</b>	<b>0</b>	<b>(2,561)</b>	<b>(2,561)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Interest on investments	590	102	692
<b>Net cash provided by investing activities</b>	<b>590</b>	<b>102</b>	<b>692</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(66,989)</b>	<b>(706)</b>	<b>(67,695)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>239,042</b>	<b>113,426</b>	<b>352,468</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>\$ 172,053</b>	<b>\$ 112,720</b>	<b>\$ 284,773</b>
<b>Reconciliation of operating loss to net cash used for operating activities:</b>			
Operating loss	\$ (3,192)	\$ (672,958)	\$ (676,150)
Adjustments to reconcile:			
Depreciation		4,207	4,207
Decrease in prepaid expenses	6,273		6,273
Decrease in accounts payable	(10,010)	(1,090)	(11,100)
Decrease in accrued payroll	(54)	(278)	(332)
Increase in deferred revenue		69	69
<b>Net cash used for operating activities</b>	<b>\$ (6,983)</b>	<b>\$ (670,050)</b>	<b>\$ (677,033)</b>

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***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, 2013**

	<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	\$ 27,382,191	\$ 27,382,191	\$ 27,792,294		\$ 27,792,294	\$ 410,103
Interest on delinquent taxes and other	137,000	137,000	236,146		236,146	99,146
Payment in lieu of taxes	17,000	17,000	18,629		18,629	1,629
<b>Total property taxes</b>	<b>27,536,191</b>	<b>27,536,191</b>	<b>28,047,069</b>	<b>\$ 0</b>	<b>28,047,069</b>	<b>510,878</b>
<b>Intergovernmental revenues:</b>						
State of Rhode Island including:						
School aid	12,965,501	12,965,501		12,958,125	12,958,125	(7,376)
School construction	1,184,000	1,184,000	1,317,946		1,317,946	133,946
Motor vehicle phase out	214,709	214,709	203,823		203,823	(10,886)
Medicaid reimbursement	250,000	250,000		339,531	339,531	89,531
Meals and beverage tax	177,509	177,509	190,489		190,489	12,980
Pilot	108,973	108,973	118,852		118,852	9,879
Telephone tax	192,019	192,019	199,730		199,730	7,711
Police and other	62,000	62,000	75,930		75,930	13,930
Library construction	298,398	298,398	298,390		298,390	(8)
<b>Total intergovernmental revenues</b>	<b>15,453,109</b>	<b>15,453,109</b>	<b>2,405,160</b>	<b>13,297,656</b>	<b>15,702,816</b>	<b>249,707</b>
<b>Departmental revenues:</b>						
Licenses, permits and fees:						
Licenses and fees	251,375	251,375	311,990		311,990	60,615
Building official	49,000	49,000	71,088		71,088	22,088
Miscellaneous	35,000	35,000	45,680		45,680	10,680
Services/assessments	66,500	66,500	113,051		113,051	46,551
<b>Total departmental revenues</b>	<b>401,875</b>	<b>401,875</b>	<b>541,809</b>	<b>0</b>	<b>541,809</b>	<b>139,934</b>
<b>Investment income</b>	<b>29,500</b>	<b>29,500</b>	<b>22,858</b>	<b>0</b>	<b>22,858</b>	<b>(6,642)</b>
<b>Total revenues</b>	<b>43,420,675</b>	<b>43,420,675</b>	<b>31,016,896</b>	<b>13,297,656</b>	<b>44,314,552</b>	<b>893,877</b>

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLANDGENERAL FUND**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL - BUDGETARY BASIS  
YEAR ENDED JUNE 30, 2013**

	<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	39,705	40,955	40,917		40,917	38
Town clerk	227,702	227,702	211,775		211,775	15,927
Tax assessor	129,735	129,735	125,306		125,306	4,429
Town manager	182,097	182,097	180,322		180,322	1,775
Building official	124,744	125,444	122,958		122,958	2,486
Town treasurer	275,847	275,847	274,490		274,490	1,357
Tax collector	119,529	119,529	112,683		112,683	6,846
Information systems	199,075	199,075	199,000		199,000	75
Town planner	126,386	127,186	127,184		127,184	2
Boards, agencies, and committees	148,969	149,569	109,595		109,595	39,974
General fund contingency	100,000	3,668	1,000		1,000	2,668
Miscellaneous town expense	11,038	12,138	11,371		11,371	767
Buildings - administration	2,400	2,400	2,311		2,311	89
<b>Total general government</b>	<b>1,687,227</b>	<b>1,595,345</b>	<b>1,518,912</b>	<b>0</b>	<b>1,518,912</b>	<b>76,433</b>
<b>Public Safety:</b>						
Police department	2,041,741	2,121,641	2,121,612		2,121,612	29
Animal control	121,492	122,892	122,861		122,861	31
Civil defense	6,751	6,751	5,039		5,039	1,712
Municipal court	18,500	18,500	17,689		17,689	811
<b>Total public safety</b>	<b>2,188,484</b>	<b>2,269,784</b>	<b>2,267,201</b>	<b>0</b>	<b>2,267,201</b>	<b>2,583</b>
<b>Public Works:</b>						
Highway department	1,261,704	1,309,404	1,309,011		1,309,011	393
<b>Total public works</b>	<b>1,261,704</b>	<b>1,309,404</b>	<b>1,309,011</b>	<b>0</b>	<b>1,309,011</b>	<b>393</b>

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLANDGENERAL FUND**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL - BUDGETARY BASIS  
YEAR ENDED JUNE 30, 2013**

	<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	134,717	139,667	120,891		120,891	18,776
Operation of mini-bus	22,441	22,991	22,512		22,512	479
<b>Total recreation and social services</b>	<u>157,158</u>	<u>162,658</u>	<u>143,403</u>	<u>0</u>	<u>143,403</u>	<u>19,255</u>
<b>Special Appropriations</b>	<u>10,950</u>	<u>10,950</u>	<u>9,250</u>	<u>0</u>	<u>9,250</u>	<u>1,700</u>
<b>Debt Service:</b>						
General obligation bonds:						
Principal	2,792,000	2,792,000	2,792,000		2,792,000	0
Interest	807,508	807,508	805,991		805,991	1,517
Bond registration fees and other	2,000	2,000	1,240		1,240	760
<b>Total debt service</b>	<u>3,601,508</u>	<u>3,601,508</u>	<u>3,599,231</u>	<u>0</u>	<u>3,599,231</u>	<u>2,277</u>
<b>General Services</b>	<u>1,360,820</u>	<u>1,330,820</u>	<u>1,328,940</u>	<u>0</u>	<u>1,328,940</u>	<u>1,880</u>
<b>Capital Improvements Program:</b>						
School department	200,000	291,331	200,128		200,128	91,203
Police department	65,870	105,278	92,960		92,960	12,318
Public works	592,530	2,715,999	1,314,428		1,314,428	1,401,571
Administration	16,600	498,510	389,695		389,695	108,815
<b>Total capital improvements program</b>	<u>875,000</u>	<u>3,611,118</u>	<u>1,997,211</u>	<u>0</u>	<u>1,997,211</u>	<u>1,613,907</u>
<b>Library:</b>						
Pascoag Library	53,500	53,500	53,500		53,500	0
Jesse M. Smith Memorial Library	574,963	574,963	574,963		574,963	0
<b>Total library</b>	<u>628,463</u>	<u>628,463</u>	<u>628,463</u>	<u>0</u>	<u>628,463</u>	<u>0</u>

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLANDGENERAL FUND**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL - BUDGETARY BASIS  
YEAR ENDED JUNE 30, 2013**

	<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	2,109,038	2,053,538	1,774,479		1,774,479	279,059
Legal services	95,000	95,000	98,869		98,869	(3,869)
Other professional services	32,200	32,200	22,411		22,411	9,789
<b>Total miscellaneous</b>	<u>2,236,238</u>	<u>2,180,738</u>	<u>1,895,759</u>	<u>0</u>	<u>1,895,759</u>	<u>284,979</u>
<b>Total expenditures</b>	<u>14,007,552</u>	<u>16,700,788</u>	<u>14,697,381</u>	<u>0</u>	<u>14,697,381</u>	<u>2,003,407</u>
<b>Excess of revenues over (under) expenditures before other financing sources (uses)</b>	<u>29,413,123</u>	<u>26,719,887</u>	<u>16,319,515</u>	<u>13,297,656</u>	<u>29,617,171</u>	<u>2,897,284</u>
<b>Other financing sources (uses):</b>						
Transfers out:						
Special revenue funds	(28,738,604)	(29,728,108)	(16,430,455)	(13,297,656)	(29,728,111)	(3)
Capital project funds	(1,472,000)	(1,761,882)	(1,761,882)		(1,761,882)	0
Transfers in:						0
Special revenue funds	502,481	502,481	971,701		971,701	469,220
Capital project funds	0	0	17,282		17,282	17,282
Enterprise funds	295,000	295,000	295,434		295,434	434
Reappropriation of prior year's designated fund balance	0	3,972,622	0	3,972,622	3,972,622	0
<b>Net other financing sources (uses)</b>	<u>(29,413,123)</u>	<u>(26,719,887)</u>	<u>(16,907,920)</u>	<u>(9,325,034)</u>	<u>(26,232,954)</u>	<u>486,933</u>
<b>Net change in fund balance - budgetary basis</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (588,405)</u>	<u>\$ 3,972,622</u>	<u>\$ 3,384,217</u>	<u>\$ 3,384,217</u>

(CONCLUDED)



# TOWN OF BURRILLVILLE

## STATISTICAL SECTION

This part of the Town of Burrillville's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends	
<i>These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.</i>	107 - 113
Revenue Capacity	
<i>These schedules contain information to help the reader assess the government's most significant local revenue source - property taxes.</i>	114 - 119
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>	120 - 126
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>	127 - 130
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>	131 - 139

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

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TABLE 1

TABLE 1

TOWN OF BURRILLVILLE

## NET POSITION BY COMPONENT

## LAST TEN FISCAL YEARS

Unaudited

(Accrual basis of accounting)

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>Governmental activities:</b>										
Net investment in capital assets	\$52,675,553	\$52,510,063	\$50,468,604	\$ 48,797,754	\$ 45,691,128	\$ 42,950,757	\$ 33,748,145	\$ 16,449,422	\$ 20,677,984	\$ 13,516,167
Restricted	1,641,822	1,623,115	1,659,612	509,616	509,946	110,529	106,568	7,419,103	1,965,612	1,876,349
Unrestricted (deficit)	8,754,108	7,453,449	4,843,114	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>\$63,071,483</b>	<b>\$61,586,627</b>	<b>\$56,971,330</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>										
Net investment in capital assets	\$22,863,296	\$23,327,395	\$23,845,022	\$ 23,960,980	\$ 23,772,455	\$ 14,854,961	\$ 22,032,969	\$ 19,869,433	\$ 17,545,499	\$ 17,834,884
Unrestricted	3,791,591	3,696,390	3,464,694	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>\$26,654,887</b>	<b>\$27,023,785</b>	<b>\$27,309,716</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>										
Net investment in capital assets	\$75,538,849	\$75,837,458	\$74,313,626	\$ 72,758,734	\$ 69,463,583	\$ 57,805,718	\$ 55,781,114	\$ 36,318,855	\$ 38,223,483	\$ 31,351,051
Restricted	1,641,822	1,623,115	1,659,612	509,616	509,946	110,529	106,568	7,419,103	1,965,612	1,876,349
Unrestricted	12,545,699	11,149,839	8,307,808	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>\$89,726,370</b>	<b>\$88,610,412</b>	<b>\$84,281,046</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>

TABLE 2

TABLE 2

TOWN OF BURRILLVILLE

CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
Unaudited  
(Accrual basis of accounting)

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>EXPENSES:</b>										
<b>Governmental activities:</b>										
General government	\$ 4,396,511	\$ 3,733,679	\$ 3,458,261	\$ 1,854,412	\$ 3,576,715	\$ 4,028,881	\$ 3,179,437	\$ 3,434,626	\$ 3,180,474	\$ 2,949,158
Public safety	3,389,940	3,415,060	3,333,909	3,276,694	3,447,071	3,305,109	2,450,317	2,285,274	1,916,299	2,115,792
Public works	3,707,455	2,668,744	2,801,890	2,390,143	2,540,063	6,521,874	1,857,393	1,363,199	1,335,720	1,072,093
Education	33,028,589	32,541,038	32,052,165	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	620,427	677,186	704,553	651,196	679,872	672,229	454,032	425,447	377,328	361,333
Public libraries	758,161	719,188	687,442	663,940	655,149	486,987	406,832	383,873	301,534	282,265
Community development	95,097	138,389	302,475	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	797,123	897,440	986,957	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>46,793,303</b>	<b>44,790,724</b>	<b>44,327,652</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	2,063,559	1,975,858	1,879,819	1,897,454	1,867,278	1,742,335	1,682,383	1,868,573	1,930,468	1,899,715
School Cafeteria Fund	905,739	881,015	831,026	848,061	896,122	935,438	877,141	863,317	813,114	762,035
Levy Rink	419,984	426,675	490,935	433,847	434,991	369,511	292,428	339,196	318,731	262,838
Extended Day Care	421,174	423,541	403,444	426,606	436,463	426,023	416,946	395,503	430,158	346,198
<b>Total business-type activities</b>	<b>3,810,456</b>	<b>3,707,089</b>	<b>3,605,224</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>50,603,759</b>	<b>48,497,813</b>	<b>47,932,876</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>

TABLE 2

TABLE 2

TOWN OF BURRILLVILLE

**CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
Unaudited  
(Accrual basis of accounting)**

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>PROGRAM REVENUES:</b>										
<b>Governmental activities:</b>										
Charges for services:										
General government	489,127	462,930	827,003	570,359	625,451	516,877	805,370	748,762	710,807	644,457
Public safety	161,791	179,835	143,367	58,135	127,741	176,930	147,432	52,632	75,089	91,141
Public works	18,117	10,814	24,927	8,546	8,657					
Education	398,626	409,517	392,133	295,303	203,044	384,706	267,781	280,777	343,343	303,703
Other activities	185,552	217,741	205,500	217,365	176,241	389,269	235,734	46,490	56,724	61,864
Operating grants and contributions	16,621,443	16,843,576	16,056,834	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	1,827,122	2,172,752	2,748,116	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>19,701,778</b>	<b>20,297,165</b>	<b>20,397,880</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	1,956,817	1,899,351	1,865,345	1,705,029	1,718,947	2,437,515	1,667,150	1,304,774	1,175,684	1,115,187
School Cafeteria Fund	434,741	439,470	456,569	451,403	497,268	578,461	621,452	613,046	593,855	582,873
Levy Rink	403,232	381,426	395,110	395,430	384,349	274,656	236,172	289,665	262,824	303,195
Extended Day Care	398,701	442,168	439,046	417,873	436,301	453,228	429,714	412,502	442,299	426,259
Operating grants and contributions	495,734	456,526	420,967	418,814	354,303	333,980	277,226	232,081	207,699	187,205
Capital grants and contributions		30,000						500,000		
<b>Total business-type activities     revenues</b>	<b>3,689,225</b>	<b>3,648,941</b>	<b>3,577,037</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>23,391,003</b>	<b>23,946,106</b>	<b>23,974,917</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	(27,091,525)	(24,493,559)	(23,929,772)	(21,937,799)	(23,250,777)	(27,094,040)	(21,398,152)	(20,913,752)	(19,313,017)	(19,041,755)
Business-type activities	(121,231)	(58,148)	(28,187)	(217,419)	(243,686)	604,533	(37,184)	(114,521)	(810,110)	(656,067)
<b>Total primary government     net expense</b>	<b>(27,212,756)</b>	<b>(24,551,707)</b>	<b>(23,957,959)</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>

TABLE 2

TABLE 2

TOWN OF BURRILLVILLECHANGES IN NET POSITION  
LAST TEN FISCAL YEARSUnaudited  
(Accrual basis of accounting)

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>GENERAL REVENUES AND OTHER</b>										
<b>CHANGES IN NET POSITION:</b>										
<b>Governmental activities:</b>										
Property taxes and other	28,285,449	28,336,337	28,287,435	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	39,498	35,729	49,337	50,545	182,379	480,206	886,814	395,289	216,444	158,655
Grants and contributions not restricted to specific programs		51,700			31,940			229,399	2,400,000	
Gain (loss) on transfer of capital asset		453,114			(122,075)					
Transfers	251,434	231,976	110,324	(402,138)	(73,246)	(2,152,228)	(2,934,425)	(2,427,679)	(589,492)	(331,072)
<b>Total governmental activities</b>	<b>28,576,381</b>	<b>29,108,856</b>	<b>28,447,096</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	3,767	4,193	5,321	6,000	20,973	75,560	69,841	22,010	22,529	9,077
Transfers	(251,434)	(231,976)	(110,324)	402,138	73,246	2,152,228	2,934,425	2,427,679	589,492	331,072
<b>Total business-type activities</b>	<b>(247,667)</b>	<b>(227,783)</b>	<b>(105,003)</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>28,328,714</b>	<b>28,881,073</b>	<b>28,342,093</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>CHANGE IN NET POSITION:</b>										
Governmental activities	1,484,856	4,615,297	4,517,324	7,581,364	6,202,912	54,051	4,287,515	4,168,977	7,933,241	4,802,565
Business-type activities	(368,898)	(285,931)	(133,190)	190,719	(149,467)	2,832,321	2,967,082	2,335,168	(198,089)	(315,918)
<b>Total primary government</b>	<b>\$ 1,115,958</b>	<b>\$ 4,329,366</b>	<b>\$ 4,384,134</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>

TABLE 3

TABLE 3

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

	2013	2012	2011	2010	2009
<b>Revenues:</b>					
Property taxes	\$ 28,047,069	\$ 27,781,892	\$ 27,222,631	\$ 26,895,875	\$ 25,779,882
Intergovernmental revenue	18,056,493	18,696,279	19,578,833	21,547,412	21,949,668
Licenses and permits	428,758	413,651	379,920	424,534	396,096
Investment income	39,498	35,729	49,337	50,545	182,379
Departmental	113,051	151,826	117,621	41,059	98,813
Other revenues	367,236	406,915	354,473	666,539	756,099
<b>Total revenues</b>	<b>47,052,105</b>	<b>47,486,292</b>	<b>47,702,815</b>	<b>49,625,964</b>	<b>49,162,937</b>
<b>Expenditures:</b>					
General government	2,897,796	2,757,020	2,859,297	3,050,803	3,005,485
Public safety	2,364,000	2,457,175	2,322,265	2,349,704	2,472,563
Public works	1,346,786	1,207,801	1,322,058	1,056,622	1,245,485
Education	30,765,355	30,119,535	29,742,567	29,409,513	28,974,064
Recreation and social services	309,566	362,877	347,489	323,508	358,915
Libraries	754,757	718,842	681,998	654,072	655,149
Community development	95,097	138,389	302,475	1,036,258	578,650
Employee benefits and other	2,005,009	1,880,728	1,784,316	1,889,863	2,174,298
Debt service:					
Principal	2,792,000	3,171,771	2,694,000	4,630,000	3,636,000
Interest and other costs	807,231	907,226	989,124	1,070,078	1,190,662
Bond issuance costs				33,924	
Capital outlay	2,588,797	3,281,412	2,904,027	6,164,637	3,294,558
<b>Total expenditures</b>	<b>46,726,394</b>	<b>47,002,776</b>	<b>45,949,616</b>	<b>51,668,982</b>	<b>47,585,829</b>
<b>Excess of revenue over (under) expenditures</b>	<b>325,711</b>	<b>483,516</b>	<b>1,753,199</b>	<b>(2,043,018)</b>	<b>1,577,108</b>
<b>Other financing sources (uses):</b>					
Proceeds from bond issuance			139,229	2,796,818	319,597
Bond premium					
Refunding bond proceeds				1,820,000	610,000
Proceeds from loan		913,124			
Proceeds from sale of capital asset		15,759,870	17,471,074	22,429,122	17,972,665
Transfers in	17,555,550				
Repayment of debt to escrow agent					
Transfers out	(17,304,116)	(15,527,894)	(17,360,750)	(22,831,260)	(18,045,911)
Bond issuance costs					
<b>Net other financing sources (uses)</b>	<b>251,434</b>	<b>1,145,100</b>	<b>249,553</b>	<b>4,214,680</b>	<b>856,351</b>
<b>Net change in fund balances</b>	<b>\$ 577,145</b>	<b>\$ 1,628,616</b>	<b>\$ 2,002,752</b>	<b>\$ 2,171,662</b>	<b>\$ 2,433,459</b>
<b>Debt service as a percentage of noncapital expenditures</b>	<b>8.2%</b>	<b>9.3%</b>	<b>8.6%</b>	<b>12.5%</b>	<b>10.9%</b>

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

TABLE 3

TABLE 3

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

	2008	2007	2006	2005	2004
<b>Revenues:</b>					
Property taxes	\$ 25,130,561	\$ 24,081,205	\$ 23,729,036	\$ 22,453,768	\$ 21,376,802
Intergovernmental revenue	21,924,878	22,183,385	20,305,437	19,987,117	19,541,153
Licenses and permits	447,898	518,998	636,186	719,948	552,960
Investment income	480,206	886,814	395,289	216,444	158,655
Departmental	156,244	128,674	33,303	48,168	65,189
Other revenues	1,169,525	798,780	1,670,019	1,155,052	1,121,918
Total revenues	49,309,312	48,597,856	46,769,270	44,580,497	42,816,677
<b>Expenditures:</b>					
General government	2,990,265	3,013,611	3,140,147	2,986,377	2,863,660
Public safety	2,429,767	2,305,526	2,193,993	2,175,013	2,107,292
Public works	1,287,046	1,105,007	1,057,396	1,064,257	918,503
Education	29,154,947	28,392,459	27,753,517	26,846,036	26,023,368
Recreation and social services	367,361	347,061	322,624	277,772	273,603
Libraries	486,987	406,832	383,873	301,534	282,265
Community development	83,463	128,780	57,261	153,706	225,817
Employee benefits and other	2,388,966	2,206,948	2,951,902	2,567,546	2,307,554
Debt service:					
Principal	3,695,000	2,893,512	3,167,500	3,487,500	4,217,500
Interest and other costs	1,269,412	1,220,080	882,198	1,016,212	1,199,232
Bond issuance costs		77,754	116,224		
Capital outlay	9,073,084	15,457,888	4,141,208	3,062,269	3,123,166
Total expenditures	53,226,298	57,555,458	46,167,843	43,938,222	43,541,960
<b>Excess of revenue over (under) expenditures</b>	<b>(3,916,986)</b>	<b>(8,957,602)</b>	<b>601,427</b>	<b>642,275</b>	<b>(725,283)</b>
<b>Other financing sources (uses)</b>					
Proceeds from bond issuance	2,108,229	7,937,425	9,883,679	553,951	421,072
Bond premium		81,578	154,350		
Refunding bond proceeds		2,090,000			
Proceeds from loan	268,000				
Proceeds from sale of capital asset	150,000				
Transfers in	22,223,532	16,619,424	15,101,443	17,173,325	15,384,293
Repayment of debt to escrow agent		(2,079,525)			
Transfers out	(24,375,760)	(19,553,849)	(17,529,122)	(17,762,817)	(15,715,365)
Bond issuance costs					(71,000)
<b>Net other financing sources (uses)</b>	<b>374,001</b>	<b>5,095,053</b>	<b>7,610,350</b>	<b>(35,541)</b>	<b>19,000</b>
<b>Net change in fund balances</b>	<b>\$ (3,542,985)</b>	<b>\$ (3,862,549)</b>	<b>\$ 8,211,777</b>	<b>\$ 606,734</b>	<b>\$ (706,283)</b>
<b>Debt service as a percentage of noncapital expenditures</b>	<b>11.2%</b>	<b>10.0%</b>	<b>9.9%</b>	<b>11.0%</b>	<b>13.4%</b>

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

TABLE 4

TABLE 4

TOWN OF BURRILLVILLE

**FUND BALANCES, GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**Unaudited**  
**(Modified Accrual Basis of Accounting)**

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<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
Nonspendable	\$ 688,484	\$ 668,840	\$ 667,189							
Restricted										
Committed	7,189,902	8,617,069	6,642,277							
Assigned	91,306	138,082	98,182							
Unassigned	7,143,229	6,376,298	6,493,100							
<b>Total general fund</b>	<b>15,112,921</b>	<b>15,800,289</b>	<b>13,900,748</b>	<b>10,231,784</b>	<b>8,519,043</b>	<b>7,396,572</b>	<b>9,375,588</b>	<b>9,046,267</b>	<b>7,490,529</b>	<b>7,018,847</b>
<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
Nonspendable	108,786	109,150	109,216							
Restricted	844,552	845,125	883,207							
Committed	4,018,859	2,863,741	2,986,057							
Assigned	543,369									
Unassigned		433,037	543,498							
<b>Total all other governmental funds</b>	<b>5,515,566</b>	<b>4,251,053</b>	<b>4,521,978</b>	<b>6,188,190</b>	<b>5,729,269</b>	<b>4,418,281</b>	<b>5,982,250</b>	<b>10,695,640</b>	<b>4,039,601</b>	<b>3,795,315</b>
<b>Total governmental funds</b>	<b>\$20,628,487</b>	<b>\$20,051,342</b>	<b>\$ 18,422,726</b>	<b>\$ 16,419,974</b>	<b>\$ 14,248,312</b>	<b>\$11,814,853</b>	<b>\$15,357,838</b>	<b>\$19,741,907</b>	<b>\$11,530,130</b>	<b>\$10,814,162</b>



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
2004	\$17,278,137	\$16,868,002	97.63%	\$381,100	\$17,249,102	99.83%
2005	\$18,174,466	\$17,822,568	98.06%	\$325,606	\$18,148,174	99.86%
2006	\$19,162,222	\$18,783,376	98.02%	\$339,064	\$19,122,440	99.79%
2007	\$19,481,713	\$19,049,497	97.78%	\$383,068	\$19,432,565	99.75%
2008	\$20,379,384	\$20,007,667	98.18%	\$317,293	\$20,324,960	99.73%
2009	\$21,011,173	\$20,598,406	98.04%	\$351,071	\$20,949,477	99.71%
2010	\$21,867,633	\$21,394,794	97.84%	\$413,342	\$21,808,136	99.73%
2011	\$23,547,101	\$22,939,416	97.42%	\$489,739	\$23,429,155	99.50%
2012	\$26,687,010	\$26,069,800	97.69%	\$457,766	\$26,527,566	99.40%
2013	\$27,830,582	\$27,224,031	97.82%	\$0	\$27,224,031	97.82%

(1) Reflects original assessment and additional assessments.

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 *
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%
2011	\$1,265,518,100	\$158,579,377	\$ 36,519,747	\$ 24,764,689	\$ 1,362,813,041	\$1,337,402,395	101.90%
2012	\$1,376,048,600	\$185,976,520	\$ 36,949,767	\$ 28,250,289	\$ 1,496,825,064	\$1,226,905,790	122.00%
2013	\$1,429,210,758	\$198,123,000	\$ 37,662,786	\$ 28,941,433	\$ 1,560,729,539	\$1,573,157,483	99.21%

**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, 2006, effective for the Town's fiscal year ending June 30, 2008.

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

\* 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
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 [2]	-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	0.00%	\$9.82	\$30.18
	RE/Tangible	\$12.62	6.50%	\$3.10	\$9.52
2011	Motor Vehicle	\$40.00	0.00%	\$9.82	\$30.18
	RE/Tangible	\$15.65 [3]	24.01%	\$3.10	\$9.52
2012	Motor Vehicle	\$40.00	0.00%	\$15.56	\$24.44
	RE/Tangible	\$16.15	3.19%	\$6.28	\$9.87
2013	Motor Vehicle	\$40.00	0.00%	\$15.82	\$24.18
	RE/Tangible	\$16.17	0.12%	\$6.40	\$9.77

[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, 2006, effective for the Town's fiscal year ending June 30, 2008

[3] 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	Harrisville Fire District			Nasonville Fire District			Oakland-Mapleville Fire District			Pascoag Fire District		
FYE	August 31			September 30			July 31			October 31		
	Tax Rate	Debt Outstanding		Tax Rate	Debt Outstanding		Tax Rate	Debt Outstanding		Tax Rate	Debt Outstanding	
2004	\$ 2.13	\$ 223,105		\$ 1.15	\$ -		\$ 1.87	\$ 755,031		\$ 2.00	\$ 225,179	
2005	\$ 1.61	\$ 259,997		\$ 0.68	\$ -		\$ 1.16	\$ 742,681		\$ 1.45	\$ 218,225	
2006	\$ 1.72	\$ 136,065		\$ 0.68	\$ -		\$ 1.16	\$ 729,304		\$ 1.45	\$ 196,548	
2007	\$ 1.76	\$ 325,276		\$ 0.99	\$ -		\$ 1.38	\$ 715,302		\$ 1.53	\$ 1,308,183	
2008	\$ 1.83	\$ 929,607		\$ 1.20	\$ -		\$ 1.30	\$ 706,535		\$ 1.48	\$ 1,024,069	
2009	\$ 1.87	\$ 908,339		\$ 1.20	\$ -		\$ 1.30	\$ 700,704		\$ 1.48	\$ 975,006	
2010	\$ 1.87	\$ 860,326		\$ 1.25	\$ -		\$ 1.30	\$ 605,342		\$ 1.48	\$ 919,656	
2011	\$ 2.50	\$ 833,310		\$ 1.38	\$ -		\$ 1.39	\$ 586,125		\$ 1.81	\$ 857,924	
2012	\$ 2.50	\$ 781,952		\$ 1.38	\$ -		\$ 1.39	\$ 576,437		\$ 1.81	\$ 1,447,055	
2013	\$ 2.50	\$ 604,610		\$ 1.43	\$ -		\$ 1.41	\$ 563,969		\$ 1.81	\$ 1,348,984	

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, 2012, effective for the Town's fiscal year ending June 30, 2014.

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

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

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	2013 Rank	Percentage of Total Assessed Valuation	Tax Levy	Percentage of Tax Levy	Assessed Valuation	2004 Rank	Percentage of Total Assessed Valuation	Tax Levy	Percentage of Tax Levy
Fiscal Year Ending June 30, 2013							Fiscal Year Ending June 30, 2004				
Ocean State							Formerly under a PILOT agreement				
Power/TransCanada	Utility	\$ 166,378,713	1	10.66%	\$ 2,690,351	9.67%					
Algonquin Gas	Utility	\$ 18,366,051	2	1.18%	\$ 296,979	1.07%	\$ 12,589,972	1	1.53%	\$ 249,281	1.44%
Narragansett Electric	Utility	\$ 15,437,052	3	0.99%	\$ 249,628	0.90%	\$ 10,837,788	3	1.32%	\$ 214,588	1.24%
Tennessee Gas Pipeline Co.	Utility	\$ 6,532,048	4	0.42%	\$ 105,623	0.38%	\$ 12,534,060	2	1.52%	\$ 248,174	1.44%
Laginema Realty LLC	Realty	\$ 5,372,600	5	0.34%	\$ 92,696	0.33%	---		---	---	---
Cox Cable RI, Inc.	Cable Company	\$ 5,251,984	6	0.34%	\$ 84,925	0.31%	\$ 5,057,260	4	0.62%	\$ 100,134	0.58%
Wright's Farm Inc.	Restaurant	\$ 4,959,590	7	0.32%	\$ 80,197	0.29%	\$ 2,501,200	10	0.30%	\$ 49,524	0.29%
Danielle International	Producer/Meat	\$ 4,697,659	8	0.30%	\$ 75,961	0.27%	\$ 3,016,900	8	0.37%	\$ 59,735	0.35%
Bliss Golf Investors LLC	Golf Course	\$ 4,690,173	9	0.30%	\$ 75,840	0.27%	\$ 1,351,700	15	0.16%	\$ 26,764	0.15%
Harken, Inc.	Nursing Home	\$ 4,600,255	10	0.29%	\$ 74,386	0.27%	\$ 3,835,300	7	0.47%	\$ 75,939	0.44%
Burrillville Health Center	Nursing Home	\$ 4,450,607	11	0.29%	\$ 71,966	0.26%	\$ 4,418,700	5	0.54%	\$ 87,490	0.51%
Bradford Court Association	Elderly Housing	\$ 3,855,564	12	0.25%	\$ 62,344	0.22%	\$ 2,682,900	9	0.33%	\$ 53,121	0.31%
Stillwater Heights INC	Housing Complex	\$ 2,870,800	13	0.18%	\$ 46,420	0.17%	---		---	---	---
Burrillville Nursing Home (Jolly Rest Home)	Nursing Home	\$ 2,855,635	14	0.18%	\$ 46,175	0.17%	\$ 2,341,800	11	0.28%	\$ 46,368	0.27%
Bronco Realty LLC	Realty	\$ 2,137,988	15	0.14%	\$ 34,571	0.12%	\$ -		0.00%	\$ -	0.00%
Laurelle Realty Trust	Golf Course	\$ 1,969,300	16	0.13%	\$ 31,844	0.11%	\$ 2,281,200	12	0.28%	\$ 46,827	0.27%
Maplehill Mobile Home Park	Mobile Home										
Maplehill Mobile Home Park	Park	\$ 2,002,700	17	0.13%	\$ 74,786	0.27%	\$ 4,392,324	6	0.53%	\$ 55,127	0.32%
Lockheed Window	Manufacturing	\$ 1,594,187	18	0.10%	\$ 25,778	0.09%	\$ 1,476,846	14	0.18%	\$ 18,534	0.11%
Mapleville Main (Boliden Metech, Inc.)	Metals Recycling	---		---	---	---	\$ 1,104,700	16	0.13%	\$ 22,209	0.13%
Pascoag Fire District - Electric	Utility	---		---	---	---	\$ 2,245,180	13	0.27%	\$ 47,973	0.28%
Pascoag Fire District - Water	Utility	---		---	---	---	\$ 778,398	17	0.09%	\$ 15,412	0.09%
<b>Total</b>		<b>\$ 258,022,906</b>		<b>16.53%</b>	<b>\$ 4,220,471</b>	<b>15.16%</b>	<b>\$ 73,446,228</b>		<b>8.94%</b>	<b>\$ 1,417,200</b>	<b>8.20%</b>
<b>2013</b> <b>Total Assessed Values (Net) = \$ 1,560,729,539</b> <b>Total Tax Levied = \$ 27,830,582</b>							<b>2004</b> <b>Total Assessed Values (Net) = \$ 821,921,494</b> <b>Total Tax Levied = \$ 17,278,137</b>				

Source: Burrillville Tax Assessor's Office

TABLE 9

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

Fiscal Year	Contract Number(s)	Special Assessment Billings	Special Assessments Collected	RESIDENTIAL USER CHARGE	Contract Number	Description of Wastewater Treatment Contracts
1980	2, 3	\$632,866	---	---	1	Wastewater Treatment Facility (Non-assessment)
1981	5, 6	281,154	\$99,336	\$65.00	2	Pascoag/Harrisville Interceptor
1982	7, 8	228,106	135,306	65.00	3	Pascoag/Bridgeton
1983	9, 10, 80	72,288	122,945	65.00	4	Pascoag
1984	4	361,430	97,229	100.00	5	Harrisville
1985	11	193,230	154,895	100.00	6	Pascoag
1986	---	---	169,710	100.00	7	Pascoag
1987	14, 81	138,840	110,500	100.00	8	Harrisville
1988	82	75,000	135,224	150.00	9	Pascoag/Harrisville
1989	13, 15	295,597	95,363	150.00	10	Pascoag (Industrial Drive)
1990	---	---	208,253	150.00	11	Pascoag/Harrisville
1991	---	---	75,818	162.00	12	WWT Plant Improvements (Non-assessment)
1992	17	110,050	67,344	174.00	13	Harrisville/Glendale (Spring Lake)
1993	16A, 16B	238,990	120,091	174.00	14	Harrisville
1994	---	54,532	157,801	186.00	14A	Harrisville Village
1995	---	---	76,454	198.00	15	Oakland/Mapleville
1996	84	20,970	87,204	204.00	15A	Adler-Clear River Park
1997	85	7,810	87,017	222.00	16A	Oakland
1998	---	---	76,090	222.00	16B	Mapleville
1999	84 (Phase II)	13,950	75,409	222.00	16B - Add On	Maplehill Mobile
2000	---	---	55,561	228.00	17	Harrisville
2001	---	---	33,638	228.00	18	Oakland
2002	86	17,232	38,663	240.00	19A-1	Glendale
2003	15A	10,304	37,341	249.00	19A-2	Glendale
2004	16B Add On	93,378	16,011	270.00	19BT	Mohegan
2005	---	5,073	13,110	285.00	19BC	Mohegan/Spring Lake Road/Joslin Road
2006	87	45,515	45,515	303.00		
2007	14A	151,800	74,125	321.00		
2008	19A-1	49,817	5,432	351.00		
	19A-2	263,723	8,955	---		
	19BT	59,880	---	---		
	19BC	332,820	---	---		
	11A	63,429	19,848	---		
	11B	27,120	8,040	---		
2009	---	---	173,878	354.00		
2010	---	---	112,096	354.00		
2011	20	77419	93,709	354.00		
2012	---	---	107,984	369.00		
2013	---	---	83,846	381.00		

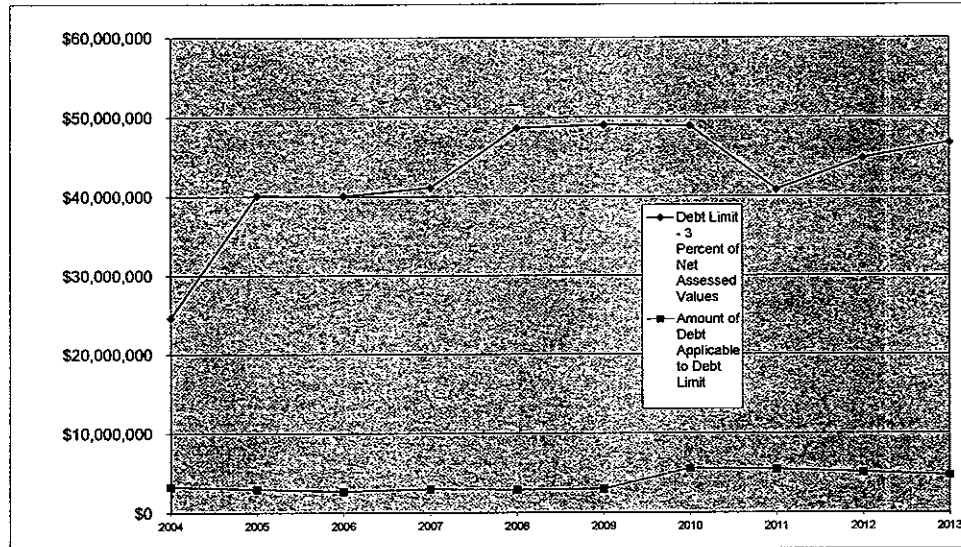
**SUBDIVISIONS**

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

Source: Wastewater Treatment Facility

TABLE 10

TOWN OF BURRILLVILLE  
COMPUTATION OF LEGAL DEBT MARGIN  
LAST TEN YEARS



Net Assessed Values \$ 1,560,729,539

Debt Limit - 3 Percent of Net Assessed Values \$46,821,886

Amount of Debt Applicable to Debt Limit:

Total Bonded Debt \$21,329,000

Outstanding Bond Anticipation Notes 0

Bonds Authorized but Unissued 500,000

Less: Bonds & Notes Authorized By Special Act (17,144,500)

Amount of Debt Applicable to Debt Limit 4,684,500

Legal Debt Margin \$42,137,386

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Net Assessed Valuations (in 000s)	\$ 821,921	\$ 338,232	\$ 1,335,127	\$ 1,370,126	\$ 1,622,903	\$ 1,635,021	\$ 1,631,118	\$ 1,362,813	\$ 1,496,825	\$ 1,560,730
Debt Limit - 3 Percent of										
Net Assessed Values (in 000s)	24,658	40,146	40,054	41,104	48,687	49,051	48,934	40,884	44,905	46,822
Amount of Debt Applicable to Debt Limit (in 000s)	3,269	2,975	2,681	2,974	2,901	2,999	5,552	5,448	5,066	4,685
Legal Debt Margin	\$ 21,389	\$ 37,171	\$ 37,373	\$ 38,130	\$ 45,786	\$ 46,052	\$ 43,382	\$ 35,437	\$ 39,839	\$ 42,137
Legal Debt Margin as a Percentage of Debt Limit	15.28%	8.00%	7.17%	7.80%	6.34%	6.51%	12.80%	15.37%	12.72%	11.12%

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
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%	\$245.33	\$142.11	13.33%
2007	\$ 1,370,126,489	\$4,113,592	\$1,500,710	\$2,612,882	0.19%	\$249.23	\$158.31	13.79%
2008	\$ 1,622,903,045	\$4,964,412	\$2,252,182	\$2,712,230	0.17%	\$301.24	\$164.58	11.87%
2009	\$ 1,635,020,818	\$4,826,662	\$2,210,735	\$2,615,927	0.16%	\$292.88	\$158.73	12.54%
2010	\$ 1,631,118,106	\$3,880,078	\$1,588,453	\$2,291,625	0.14%	\$243.19	\$143.63	15.84%
2011	\$ 1,362,813,040	\$3,683,124	\$1,484,312	\$2,198,812	0.16%	\$230.84	\$137.81	17.69%
2012	\$ 1,496,825,064	\$4,077,458	\$1,345,453	\$2,732,005	0.18%	\$255.56	\$171.23	16.38%
2013	\$ 1,560,729,539	\$3,597,991	\$1,184,000	\$2,413,991	0.15%	\$225.51	\$151.30	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, 2006, effective for the Town's fiscal year ending June 30, 2008.  
 Statistical Revaluation as of December 31, 2009, effective for the Town's fiscal year ending June 30, 2011.

\* 2010 Population Per Census 15,955

\*\* 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	Estimated Actual Valuation	General Obligation Bonded Debt	Ratio of Bonded Debt to Assessed Value	Bonded Debt Per Capita	* Personal Income (in 000s)	** Percentage of Personal Income to Debt
2004	\$ 905,798,428	\$25,219,584	2.78%	\$1,529	\$ 497,802	1.97%
2005	\$ 1,574,760,562	\$22,286,035	1.42%	\$1,346	\$ 512,605	2.30%
2006	\$ 1,696,291,514	\$29,002,214	1.71%	\$1,753	\$ 539,789	1.86%
2007	\$ 1,586,896,559	\$34,111,127	2.15%	\$2,062	\$ 567,388	1.66%
2008	\$ 1,738,328,026	\$32,792,356	1.89%	\$1,982	\$ 589,350	1.80%
2009	\$ 1,716,016,812	\$30,085,953	1.75%	\$1,818	\$ 605,148	2.01%
2010	\$ 1,708,692,757	\$29,462,771	1.72%	\$1,847	\$ 614,613	2.09%
2011	\$ 1,337,402,395	\$26,908,000	2.01%	\$1,686	\$ 651,676	2.42%
2012	\$ 1,226,905,790	\$24,121,000	1.97%	\$1,512	\$ 667,804	2.77%
2013	\$ 1,573,157,483	\$21,329,000	1.36%	\$1,337	NA	NA

## Note:

Full Property Revaluation as of December 31, 2003, effective for fiscal year ending 2005.  
 Statistical Revaluation as of December 31, 2006, effective for fiscal year 2008.  
 Statistical Revaluation as of December 31, 2009, effective for fiscal year 2011.  
 The Town does not have any lease agreements or special assessment debt.

\* 2010 Population Per Census 15,955

\*\* 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
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%
2011	\$2,694,000	\$988,124	\$3,682,124	\$44,327,652	8.31%
2012	\$3,171,771	\$905,687	\$4,077,458	\$44,790,724	9.10%
2013	\$2,792,000	\$805,991	\$3,597,991	\$46,793,303	7.69%

TABLE 13

TABLE 13

COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT  
GENERAL OBLIGATION BONDS  
June 30, 2013  
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 *	\$21,329,000	100.00%	\$21,329,000
<b>II. Overlapping Debt **:</b>			
Harrisville Fire District	\$604,610	100.00%	\$604,610
Nasonville Fire District	\$0	100.00%	\$0
Oakland-Mapleville Fire District	\$563,969	100.00%	\$563,969
Pascoag Fire District	\$1,348,984	100.00%	\$1,348,984
<b>Total</b>	<b>\$2,517,563</b>	<b>100.00%</b>	<b>\$2,517,563</b>
<b>Total Direct and Overlapping Debt</b>			<b>\$23,846,563</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, 2013  
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-				
36 S2919		Construction/Equip/Furnishings	\$ 5,000,000	\$ 5,000,000	\$ -	\$ -
568	2004	Callahan School				
S3136		Elementary Construction/Renovation	\$ 7,500,000	\$ 7,500,000	\$ -	\$ -
45-12-2	2006	Sewage Disposal System - Construction Improvements	\$ 3,500,000	\$ 3,500,000	\$ -	\$ -
45-12-2	2010	Whipple Landfill Closure	\$ 2,160,000	\$ 2,160,000	\$ -	\$ -
TOTAL			\$ 85,360,000	\$ 84,619,600	\$ -	\$ 500,000

NOTE: With the exception of the 1995, 1999, 2006, and 2010 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		Median Household Income	Median Age	Education Level		School (3) Enrollment	Unemployment Rate (4)		
		(in 000s) (2)	Per Capita (2)			High School Graduate	Bachelor's Degree		Town	RI	USA
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	16,480	605,148	\$ 37,928	-	-	-	-	2,556	9.30%	9.47%	7.44%
2010 (1)	15,955	614,613	\$ 38,425	\$68,904	42.4	82.9%	21.6%	2,468	11.84%	12.14%	9.79%
2011	15,995	651,676	\$ 40,743	-	-	-	-	2,474	10.79%	11.26%	9.30%
2012	15,995	667,804	\$ 41,751	-	-	-	-	2,487	10.59%	11.15%	8.55%
2013	15,995	NA	NA	-	-	-	-	2,423	9.30%	8.90%	7.90%

## Sources:

- (1) 2010 Census Data & Census Bureau Estimates
- (2) US Bureau of Economic Analysis, Regional Economic Information System. The Town's population is 2.55% 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

Fiscal Year	Registered Voters *	% of Total Population	****	Births	Deaths	Natural Increase	New Housing Units **	Median Selling Price***
			Estimated Population					(Single Family)
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	69%	15,955	149	155	-6	35	\$240,840
2011	11,576	73%	15,955	113	185	-72	15	\$214,450
2012	11,709	73%	15,955	111	167	-56	7	\$199,500
2013	11,567	72%	15,955	130	204	-74	16	\$221,000

\* Per Town Clerk.

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

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

\*\*\*\* Population based on 2010 US Census

TABLE 17

TABLE 17

TOWN OF BURRILLVILLE  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO  
June 30, 2013  
Unaudited

Name	Type of Business	2013			2004		
		Number Employed	Percent of Town Employment	Rank	Number Employed	Percent of Town Employment	Rank
Burrillville School Department *	Public School System	355	12.55%	1	330	14.72%	2
Zambarano Hospital	State Facility	303	10.71%	2	381	16.99%	1
Danielle Prosciutto	Producer/Meats	300	10.60%	3	160	7.14%	4
Wright's Farm	Restaurant	176	6.22%	4	170	7.58%	3
Overlook Nursing Home	Nursing Home	150	5.30%	5	145	6.47%	5
Bayberry Commons Nursing Home	Nursing Home	120	4.24%	6	100	4.46%	7
Pine Grove Health Center	Nursing Home	100	3.53%	7	120	5.35%	6
Lockheed Aluminum	Manufacturer	86	3.04%	8	75	3.35%	8
Town of Burrillville *	Municipal Government	93	3.29%	9	100	0.00%	7
Crystal Lake	Golf Course	60	2.12%	10	70	3.12%	9
Bruin Plastics	Manufacturer	50	1.77%	11	NR	0.00%	NR
Ocean State Power	Utility	36	1.27%	12	38	1.69%	11
Boliden Metech, Inc.	Metal Refiner	NR	0.00%	NR	52	2.32%	10
Total Town Employment		2829	64.65%		2,242	73.19%	

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%
2010	15,955	1.01%	\$ 68,904	31.03%	\$ 55,569	41.86%

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									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Animal Control	2.5	2.5	2.5	2.5	2.0	2.0	2.0	2.0	2.0	2.0
Board of Canvassers	1.0	1.0	1.0	1.0	1.0	1.0	1.0	0.0	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	1.5	1.5	1.5	1.5	1.0	1.0	1.0	0.5	0.5	0.5
Information Systems	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Library	N/A	N/A	N/A	N/A	N/A	N/A	12.0	12.0	13.0	13.0
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	32.5	32.5	30.5	30.5	29.0	28.5	26.0
Public Works	16.0	17.0	17.0	17.0	16.0	14.0	15.5	16.5	16.5	16.5
Recreation	2.0	2.0	2.0	2.0	2.5	2.5	2.0	2.0	2.0	2.0
Tax Assessor	4.0	4.0	4.0	4.0	3.0	2.0	2.0	2.0	2.0	2.0
Tax Collector	3.0	3.0	3.0	3.0	3.0	2.0	2.0	2.0	2.0	2.0
Town Clerk	4.0	4.0	4.0	4.0	4.0	4.0	4.0	3.5	3.0	4.0
Transportation	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Treasurer	5.0	5.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	5.0
Waste Water Treatment	8.0	7.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0
Total	<u>89.5</u>	<u>89.5</u>	<u>89.5</u>	<u>90.5</u>	<u>88.0</u>	<u>82.0</u>	<u>95.0</u>	<u>92.5</u>	<u>93.5</u>	<u>93.0</u>

Full-time Equivalent Municipal Government Employees by Function

N/A - No Information Available

TABLE 20

TABLE 20

**TOWN OF BURRILLVILLE**  
**MISCELLANEOUS STATISTICS**  
 JUNE 30, 2013  
 Unaudited

<b>County</b>	<b>Providence</b>
<b>Established</b>	<b>1730</b>
<b>Incorporated</b>	<b>1806</b>
<b>Charter Adopted</b>	<b>1989</b>
<b>Type of Government</b>	<b>Council/Manager</b>
<b>Area of Town:</b>	
Total Square Miles	57.3
Land - Square Miles	55.8
Water - Square Miles	1.5
<b>Culture and Recreation:</b>	
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
<b>Education - Number of Public Schools:</b>	
- Elementary	3
- Middle	1
- Secondary	1
Number of Private Schools	2
<b>Public Safety:</b>	
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, 2013  
 Unaudited

<b>Road System:</b>	
Total Miles	161.5
State Miles	46.0
Town Miles	115.5
Bridges - Town	8
<b>Sewerage System:</b>	
Miles of Sewer Lines	51
Number of:	
- Treatment Plants	1
- Pump Stations	11
- Residential Users	3,563
- Metered Users	38
Maximum Average Daily Capacity of Treatment Plant	1.5 million gallons
<b>Industrial Park:</b>	
Burrillville Industrial Park	53 Acres
Route 102 Commerce Park	254 Acres
Clear River Drive Industrial Park	24 Acres
<b>Fiscal Year Begins</b>	July 1
<b>Taxes Payable</b>	July 15
<b>Taxes Due &amp;     Penalties Commence</b>	August 1
<b>Interest Penalty</b>	12%
<b>Quarterly Payments (Due Dates) -</b>	
First quarter	August 1
Second quarter	November 1
Third quarter	February 1
Fourth quarter	May 1
<b>Regular Monthly Meetings -</b>	
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
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
2011	MV	\$25.98	\$1.19	\$11.28	\$0.16	\$1.39	\$0.00	\$40.00
	RE/TANG	\$10.16	\$0.47	\$4.41	\$0.07	\$0.54	\$0.00	\$15.65
2012	MV	\$23.23	\$1.17	\$11.62	\$0.51	\$1.16	\$2.31	\$40.00
	RE/TANG	\$9.38	\$0.47	\$4.69	\$0.21	\$0.47	\$0.93	\$16.15
2013	MV	\$22.90	\$1.28	\$10.83	\$0.43	\$1.10	\$3.46	\$40.00
	RE/TANG	\$9.26	\$0.52	\$4.38	\$0.17	\$0.44	\$1.40	\$16.17

TABLE 22

TABLE 22

TOWN OF BURRILLVILLE  
ALLOCATION OF TAX BASE  
Unaudited

Class of Property	<u>Town Average</u>					<u>State Average</u>
	1980	1990	2000	2010	2013	2010
Residential	61.54%	68.45%	74.92%	82.23%	72.72%	75.29%
Commercial/ Industrial	17.21%	13.99%	12.44%	6.63%	15.10%	17.43%
Motor Vehicle	19.19%	16.55%	12.35%	8.14%	8.47%	3.99%
Tangible	2.06%	1.01%	0.29%	3.00%	3.71%	3.29%
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Source: Burrillville Tax Assessor  
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:								
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%
2010	\$ 23,338,522	\$ 25,978,360	89.84%	(\$2,639,838)	\$5,552,647	-47.54%	3.08%	7.00%
2011	\$ 23,308,991	\$ 23,383,539	99.68%	(\$74,548)	\$5,657,728	-1.32%	4.98%	7.00%
2012	\$ 23,934,744	\$ 23,889,151	100.19%	\$45,593	\$5,692,303	0.80%	7.33%	2.00%

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:								
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%
2010	\$7,670,056	\$9,329,853	82.21%	(\$1,659,797)	\$1,256,789	-132.07%	10.17%	10.20%
2011	\$7,879,873	\$8,439,844	93.37%	(\$559,971)	\$1,221,576	-45.84%	10.79%	10.20%
2012	\$8,062,286	\$10,281,233	78.42%	(\$2,218,947)	\$1,034,588	-214.48%	12.03%	8.00%

**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
2004	2,891	28	0.805	1.768	294.6	6,093	2.230	2.202	805.8
2005	2,946	28	0.771	1.650	281.3	6,250	2.280	2.188	798.7
2006	2,963	29	0.872	1.803	318.3	6,204	2.260	2.172	792.6
2007	3,076	46	0.813	1.951	296.7	6,313	2.304	2.161	788.9
2008	3,273	46	0.7982	1.847	292.1	6,445	2.359	2.190	801.4
2009	3,395	41	0.8449	1.784	308.4	6,522	2.381	2.163	789.4
2010	3,419	42	0.9669	2.480	352.9	6,923	2.527	2.028	740.1
2011	3,537	42	0.8213	1.816	298.1	7,618	2.766	2.002	726.7
2012	3,558	38	0.8759	1.641	320.6	9,749	3.568	2.203	806.3
2013	3,563	38	0.8261	1.690	326.3	7,550	2982	2321.000	916.9

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)
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)	1.82 (Aug)
2011	98.20%	97.90%	89.80%	49	78.3 (Jul)	19.4 (Jan)	3.25	4.81 (Apr)	1.11 (Jan)
2012	98.50%	98.60%	92.00%	52	77.0 (Jul)	29.5 (Jan)	3.63	8.28 (Aug)	0.71 (Mar)
2013	98.40%	98.40%	91.50%	50	75.4 (Jul)	25.8 (Jan0)	3.45	9.13 (Jun)	.80 (Nov)

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

Source: Burrillville Wastewater Treatment Facility

## TOWN OF BURRILLVILLE

## PERSONNEL CONTRACTS

JUNE 30, 2013

Unaudited

Police Department	International Brotherhood of Police Officers F.O.P, Lodge #27 Contract expires June 30, 2015
Public Works & Municipal	RI Council 94 AFSCME, AFL-CIO, Local 186 3 Year Contract expires June 30, 2014
Sewer Department	Building Maintenance Service & Industrial Workers - Local Union 1322 5 Year Contract expires June 30, 2015
School Department:	
Teachers	National Education Association Rhode Island Education Association Burrillville Teachers Association 3 Year Contract expired August 31, 2014
Non-Certified	RI Council 94 AFSCME, AFL-CIO, Local 2231 1 Year Contract expires June 30, 2015

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***TOWN OF BURRILLVILLE***

**REPORT IN ACCORDANCE WITH  
GOVERNMENT AUDITING  
STANDARDS**



**Cayer Caccia**

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

**Mark V. Caccia**  
CPA, MST, CVA

**Donna T. Caccia**  
CPA, MST, CFP™

***INDEPENDENT AUDITOR'S 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, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Town of Burrillville, Rhode Island, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Town of Burrillville, Rhode Island's basic financial statements and have issued our report thereon dated December 17, 2013.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Town of Burrillville, Rhode Island's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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. Accordingly, we do not express an opinion on the effectiveness of the Town of Burrillville, Rhode Island's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and responses, we identified certain deficiencies in internal control that we consider to be material weaknesses and 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. (2013-1 and 2013-2).

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. (2013-1 and 2013-2).

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Burrillville, Rhode Island's financial statements are free from 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*.

## The Town of Burrillville, Rhode Island's Response to Findings

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. The Town of Burrillville, Rhode Island's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

## Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Cayer Caccia, LLP*

December 17, 2013

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**SCHEDULE OF FINDINGS AND RESPONSES  
YEAR ENDED JUNE 30, 2013**

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**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 2013-1 and 2013-2. Both of the deficiencies 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**

**2013-1 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 2013, 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, 2013 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** – The Town will continue to rely on the external auditors to assist in the recording of certain complex transactions and the final preparation of the GAAP financial statements because this does not present an independence issue and is more cost effective.

**2013-2 Accurate Posting of 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 monthly review and reconciliation procedures for the Town's significant side funds, including the Town and School Department interfund reconciliation.

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**SCHEDULE OF FINDINGS AND RESPONSES  
YEAR ENDED JUNE 30, 2013**

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**B. FINDINGS RELATED TO AUDIT OF FINANCIAL STATEMENTS (Continued)**

2013-2 Accurate Posting of Financial Activity (Continued)

Corrective Action Plan – Posting of financial data and interfund reconciliations are performed on a monthly basis. Certain transactions required additional analysis, research and discussion with the auditors. The duties and responsibilities assigned to staff are being reviewed and reprioritized in an effort to focus on the concerns being raised.

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

Finding 2012-1 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 2012, 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, 2012 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: The Town acknowledges that it 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, the Town will continue to rely on external auditors to prepare the financial statements.

Finding 2012-2 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 continue to establish and implement monthly review and reconciliation procedures for the Town's significant side funds, including the Town and School interfund reconciliation.

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)