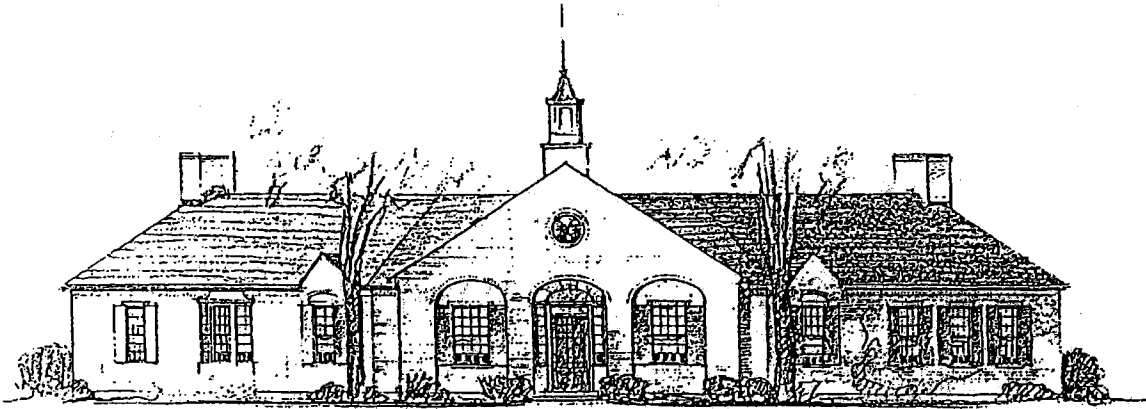


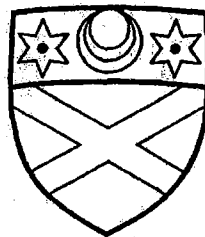
**THE TOWN OF**  
**BURRILLVILLE, RHODE ISLAND**



**Comprehensive Annual Financial Report**

**Fiscal Year Ended**

**June 30, 2015**



# **TOWN OF BURRILLVILLE, RHODE ISLAND**

## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

**PREPARED BY: JOHN P. MAINVILLE**

**FINANCE DIRECTOR**

**TOWN OF BURRILLVILLE, RHODE ISLAND**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED JUNE 30, 2015**

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# ***TOWN OF BURRILLVILLE***

## **INTRODUCTORY SECTION**

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# TOWN OF BURRILLVILLE

TOWN FINANCE OFFICE



TOWN BUILDING  
HARRISVILLE, R.I.

Phone (401) 568-4300

Ext. 121

Fax (401) 568-9473

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December 23, 2015

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, 2015 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, 2015. 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 208th 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). Most Town residents commute to jobs in the northern RI and Providence area. The Town's labor force has decreased from 9,521 to 8,533 since 2006. Employment opportunities within the Town are approximately 2,468 at 271 establishments.

Net assessed values have increased by \$15,940,604 (1.1%) over last year's valuations. 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 completed as of December 31, 2012 and is the basis for assessing this fiscal year ending June 2015 tax levy. The next statistical revaluation is schedule to be effective December 31, 2015.

Approximately 68.07% of the Town's tax base is residential. 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.

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>2006</u>	<u>2015</u>	<u>%Change</u>
* Population	16,507	15,955	(0.33%)
Labor Force	10,008	9,075	(9.32%)
Employed	9,521	8,533	(10.38%)
Unemployment Rate	4.4%	5.4%	22.73%
* Median Age	37.5	42.4	13.07%
Per Capita Income	\$31,514	\$44,150	40.09%
* Median Household Income	\$52,587	\$68,904	31.03%
School Enrollment	2,559	2,396	(6.37%)
* High School Graduates	80.40%	82.90%	3.11%
* Bachelor Degrees	16.20%	21.60%	33.33%
Net Assessed Values	1,352,622,853	1,440,926,137	6.53%
Median Selling Price (Single Family)	289,500	225,000	(22.28%)

### \*2010 Census Data

Burrillville has three industrial parks. The Burrillville Industrial Park [South Main Street] covers 53 acres, is the 23rd largest industrial park in the state, has 15 lots, and eleven tenants. 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/Broncos Highway. Commerce Park has six total lots and currently has three tenants. One tenant, Daniele Prosciutto, completed construction on a 500,000 square foot expansion project. Another tenant, Alashan Cashmere Inc., finished construction on a 13,000 square foot facility. The balance of the park is being marketed by the Burrillville Industrial Foundation.

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.

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.

## 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 11, 2014 [#14-142] by the Town Council in conformance with Article 10 of the Burrillville Home Rule Charter. During the year there were fourteen (14) supplemental budget appropriations adopted by the Town Council totaling \$4,998,996, which included a transfer of \$1,640,108 related to capital improvements carried forward from the prior year. There was also a transfer [\$1,351,952 - #15-032] made to various reserve funds from additional funds available due to the Town exceeding its fund balance policy in fiscal year ending 2014. Other transfers included the following: \$1,418,236 for five capital projects, \$203,700 [#14-143] was committed to provide funding for one time contingencies and programs that are being phased out, and \$385,000 for legal/professional services.

## **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 and Auditor General 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 on March 26, 2014 which authorized a fiscal year ending June 30, 2015 capital budget of \$3,968,740.

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 \$20,547,044 in cash and cash equivalents on June 30, 2015. 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. 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. 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.

## **FUND BALANCE**

Historically, the Finance Department has recommended an Unassigned Fund Balance at a level equivalent to the greater of 12% of the subsequent year's budget appropriations or an amount equal to the Town's budgeted annual debt payment (\$2,549,733 or 5.30%). Note that the FYE June 30, 2016 budget is \$48,128,356 [#14-142 – adopted on June 11, 2015]. This is the fifth 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, the Finance Department believes that it may be time for the Town to consider modifying its fund balance policy to reflect the minimum GFOA recommendation of at least two months expenses or 16.67% - particularly given the impact of pensions on the financial statements. Should the Town Council and Manager approve, migrating to this level could be obtainable within two or three years without disrupting the Town's ability to operate.

Based upon the results of the audit for FYE June 30, 2015, the Town's Unassigned Fund Balance [\$6,427,798] is approximately 13.36% of the 2016 budget, which is greater than the Town's existing 12% Fund Balance policy. However, a fund balance policy reflecting the GFOA recommended minimum balance would require a 16.67% level which would be equivalent to \$8,022,997 or \$1,595,199 higher than the current Unassigned Fund Balance 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 seek to 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 within a given year 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 lessens 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 \$1,139,878 (\$186,348 to the Town and \$953,530 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, 2015 was \$358,045 which represents 192.1% of the Town's total liability \$186,348 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 [\$919,547].
  - 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 \$3,120,605 which is broken down as follows:
      - \$2,016,639 [64.62%] of this amount relates to school employees,
      - \$1,065,247 [34.14%] for municipal employees,
      - \$15,098 [0.48%] for library employees, and
      - \$23,621 [0.76%] for wastewater treatment employees.
- The Town has committed a portion of fund balance [\$650,000] to assist in covering the unfunded actuarial accrued liability for its municipal employees [\$1.07 million] as determined by Clarity in Numbers, LLP.
- The recommended annual contribution rate [ARC] for 2015 was \$233,869. Of that amount \$245,444 was included with the payment of health insurance premiums during 2015 leaving a net OPEB obligation of \$7,022 as of June 30, 2015.
- 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 types 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:

- Administration:
  - The Town received the Certificate of Achievement for Excellence in Financial Reporting award from the Government Finance Officers Association for the eighth consecutive year.
  - The Town's WEB site and GIS systems continue to be expanded and enhanced.
- 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.

## MAJOR INITIATIVES (Continued)

- A Community Development Block Grant [CDBG] was awarded to the Town in the amount of \$550,000 on February 11, 2015. The grant was for the following: Pascoag Revitalization & Workforce Housing Initiative [\$500,000], and Program Administration [\$50,000].
- 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.
    - Construction was completed on approximately 44 acres of land in Commerce Park for the expansion of the existing Daniele Prosciutto facility by approximately 500,000 square feet.
    - A new tenant, Alashan Cashmere Inc., completed construction on a 13,000 sq. ft. building in Commerce Park.
- The Public Safety Department continues to be involved with several ongoing endeavors including the following:
  - Responded to 28,308 calls [28,415 in 2014] for service which included:
    - 406 [364 in 2014] arrests
    - 291 [304 in 2014] motor vehicle accidents
    - 1,900 [1,736 in 2014] citations issued
  - Implemented a program where all officers carry NARCAN, a lifesaving drug used to reverse the effects of a narcotic overdose, which has resulted in saving lives in the community on more than one occasion.
  - Returned a School Resource Officer to the school system after several years of absence.
  - Held the Department's second Annual Awards Night which is designed to recognize publicly outstanding police work which has occurred throughout the year as well as members of the community who have been involved with acts of heroism.
  - Hero Park was erected and dedicated in honor of 8 year old Tyler Seddon who has been battling cancer and considers all first responders heroes. This project was initiated by the Jasper County Missouri Sheriff's office and was completed with the involvement of many local groups/businesses.
  - Continue to partner with the School Department, Anti-drug Abuse, and Anti-bullying task forces to address anti-bullying and anti-drug abuse.
  - Continued its All-Terrain Vehicle patrol program to assist in addressing off road issues including search details, trespassing, vandalism, firearms, and drug activities.
  - Continued its Bike Patrol program which is utilized to patrol the Rail Trail – Bike Path and Spring Lake Beach areas as well as the Harrisville and Pascoag village centers.
  - Completion of the fifteenth [15<sup>th</sup>] year of operating the Municipal Court.
  - Enhancement of the Citizens Police Academy (19th Graduating Class) and Juvenile Hearing Board.

## MAJOR INITIATIVES (Continued)

- 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.
- The Town completed the replacement of the automatic electronic defibrillators [AEDs] in all of the police patrol vehicles and installed AEDs in most of the Town buildings.
  - In 1998, Burrillville was the first community in the State to have all of its patrol officers AED trained.
- The Animal Control Shelter handled 2,538 calls in 2015 [2,644 in 2014].
  - The Shelter has been voted "Best Animal Shelter - Blackstone Valley" in RI Monthly's Best Of RI Awards for the second straight year [2014 & 2015].
  - Received a \$5,000 grant from ASPCA to trap/neuter/release feral cats.
  - Conducted their annual Rabies clinic.
  - Continues to have a solid reputation in response to public safety and public education.
  - Very active on the internet with an up to date web page, Facebook page, and also a member of Petfinder.org.
  - Solid reputation for its volunteer and community service workers program [979 hours].
  - The shelter continues to have high return-to-owner and adoption rates.
- The Public Works Department along with its normal duties:
  - Endured a historic winter with record snow fall this year.
    - Handled approximately 27 winter storms - consisting of 104 inches of snow this year [30 storms / 81 inches in 2014].
  - Several major construction projects were completed and/or are proceeding - some with the assistance of grants or loans - including:
    - Hero Park was completed and dedicated on October 11, 2014
    - Granite Mill – Gonyea Park was completed and dedicated on June 13, 2015
    - Stillwater Playground was started this year and completed in the fall of 2015.
    - White Mill Park is in the process of being upgraded and will be completed in the fall of 2015
    - A number of new projects were started this year including Eagle Peak Recreation, Hauser Field Generator, Police/Library Generators, Brown House/Spring Lake, North Road Bridge, Wilson Reservoir Spillway
  - Continued implementation of the Infrastructure Program, which is designed to upgrade and expand the Town's program of sidewalk construction and road paving.
    - A portion of Hill Road was reclaimed and paved.
    - A number of roads including Davis Drive, Ledgewood Lane, Snake Hill, Smith Hill, Lake Shore Drive, Lapham Farm Road were engineered and paved .
    - The crack sealing and street sign replacement program continued.
  - Equipment purchases included a flailing tractor and trailer.
  - 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)

- The Jesse Smith Memorial Library had 64,989 [69,169 in 2014] patrons visit its operation during the 2,580 hours that it was open in FYE 2015.
  - The Library, with assistance from the Friends of Jesse Smith Library and the June Rockwell Levy Foundation, sponsored its Riverwalk Concert Series which provided 6 musical acts [attendance was 1,112 for 6 concerts - 1,028 for 7 concerts in 2014].
  - Received a Champlin Foundation grant for lighting and security camera upgrades.
  - Other information related to the JSM Library include:
    - Circulation 76,921 [80,011 – 2014]
    - Active Cardholders 6,503 [6,644 – 2014]
    - Programs 547 [476 – 2014]
- The Family Fair completed its 24<sup>th</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 ninth year of existence and fourth year at its new location – the newly constructed pavilion located in the Stillwater Mill Complex.
  - The Farmers Market partnered with the Recreation Department, Jesse Smith Library, Pascoag Utility District, and area businesses to continue 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 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 nine [9] years in a row and during that time span have won the international competition three [3] times.

## 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 \$4,356,515 on June 30, 2015.

## 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 Rhode Island Clean Water Finance Agency 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.

In FYE 2015, the Town entered into a loan agreement in the amount of \$680,000 through Rhode Island Clean Water Finance Agency under a new State road and bridge program for the purpose of replacing the North Road Bridge. Subsequent to FYE 2015, the Town closed on a \$3.7 million loan through RI Infrastructure Bank [formerly RI Clean Water Finance Agency] as part of a \$6.3 million bond authority associated with the upgrading of the wastewater treatment plant. These issues also are under RIGL 45-12-2.

The above issues represent the only times 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. Table 15 in the Statistical section summarizes all bond issues since 1964.

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, 2015, 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 surveillance reviews were conducted in October 2010, October 2012, and, more recently, in September 2014. This is especially noteworthy in the current economy given that a number of communities 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 above (13.36%) 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.

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.

## **DEBT ADMINISTRATION (Continued)**

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

In the interest of 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, conduct periodic internal audits, and finalization of a written financial procedure 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. 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.

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. The School Department received a Loss Prevention award in 2014.

## **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, 2015.

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, 2014. 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, 2015

TOWN COUNCIL

John F. Pacheco III, President

Steven N. Rawson, Pro-tem

Nancy F. Binns

Michelle D. Bouchard

Kimberly A. Brissette-Brown

Donald A. Fox

David J. Place

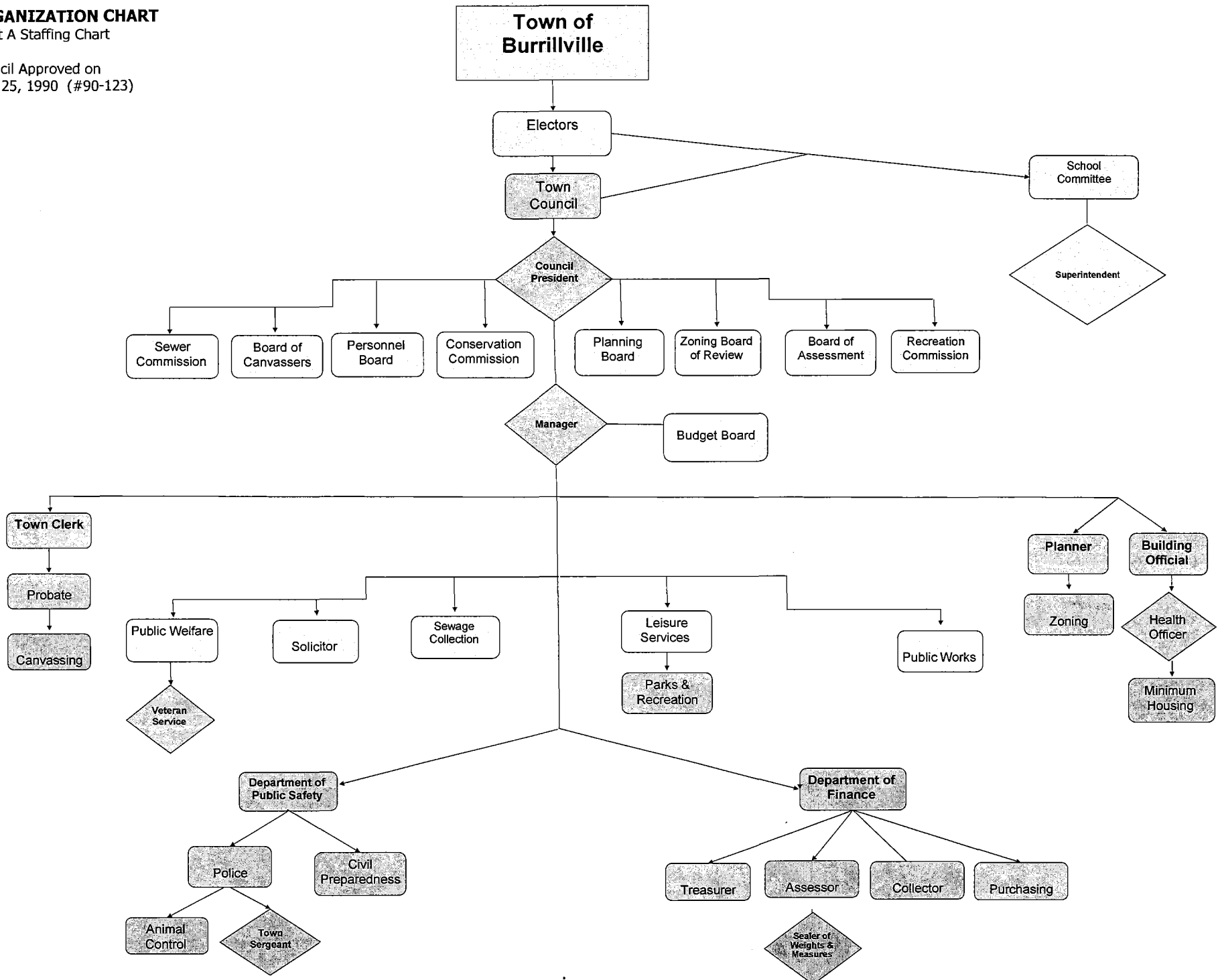
TOWN OFFICIALS

Town Manager	Michael C. Wood
Assessor	Susan R. Makar, RICA
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	Kevin D. Heitke
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	Dr. Frank Pallotta
Solicitor	Oleg Nikolyszyn
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, 2014**

Executive Director/CEO

# ***TOWN OF BURRILLVILLE***

## **FINANCIAL SECTION**

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## **INDEPENDENT AUDITOR'S REPORT**

**Gerard R. Cayer**  
CPA, MST

**Mark V. Caccia**  
CPA, MST

**Donna T. Caccia**  
CPA, MST, CFP™

To the Honorable Town Council  
Burrillville, Rhode Island

### **Report on the 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, 2015, 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, 2015, 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.

## Emphasis of Matter

As described in Note 1 to the financial statements, in 2015, the Town of Burrillville, Rhode Island adopted new accounting guidance, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27, as amended by GASB Statement No. 71*. Our opinion is not modified with respect to this matter.

## 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 24 and 93 through 102 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 inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *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, detailed budgetary schedules, Tax Collector's Annual Report 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, detailed budgetary schedules, and Tax Collector's Annual Report 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, detailed budgetary schedules, and Tax Collector's Annual Report are fairly stated in all material respects in relation to the basic financial statements as a whole.

*Other Information (Continued)*

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 23, 2015, 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 23, 2015

**Town of Burrillville, Rhode Island**  
**Management's Discussion and Analysis**  
**JUNE 30, 2015**

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, 2015. The Town annually presents its financial statements in compliance with the reporting model required by GASB 34.

Effective July 1, 2014, the Town of Burrillville implemented GASB Statement No. 68, which established new financial reporting requirements for state and local governments which provide their employees with pension benefits, including additional note disclosures and required supplementary information. See Note 1 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, 2015 by \$72.89 million (net position).
- As of June 30, 2015, the Town's governmental activities reported total net position of \$46.28 million.
- The Town of Burrillville's total net position increased by \$3.71 million, or 5.4%, for the year ended. The net position of governmental activities increased by \$3.66 million, a 8.59% increase from fiscal 2014. The net position of business-type activities increased by \$0.05 million, or 0.18% from 2014.
- The Town's general fund reported a fund balance of \$16.75 million at the end of fiscal year ending 2015. This compares to a fund balance of \$15.88 million at the end of fiscal 2014. The unassigned fund balance for the year was \$6.43 million (\$7.48 million in 2014). This is a \$1.05 million decrease over the prior year's unassigned fund balance.
- The Town ended the fiscal year with a budgetary operating excess of revenue over expenditures of \$3,134,487 in 2015. Included in this amount is \$1,665,380 of unexpended capital improvement funds which have been carried over to fiscal year ending June 2016.

## **Financial Highlights (Continued)**

- The School Department ended the fiscal year with a budgetary excess of revenue over expenditures of \$67,040 (\$41,952 in 2014). The School fund balance is \$467,090 (\$551,290 in 2014).
- The Town's total noncurrent liabilities (\$41,583,340) decreased by \$6,100,749 [government activities decreased by \$6,091,989 and business-type activities decreased by \$8,760] or 12.79% in 2015 which was primarily due to scheduled debt service payments of \$2,618,000 and a decrease in the net pension liability of \$4,539,749, offset by bond proceeds of \$680,000.

## **Overview of the Financial Statements**

This discussion and analysis is 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 types 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 \$6,913,175 at June 30, 2015.

## **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, 2015 financials in a format prescribed by the Government Accounting Standards Board Statement 34 (GASB 34).

#### June 30, 2015

The Town's combined net position was \$72.89 million in 2015. Analyzing the net position and net expenses of governmental and business-type activities separately, the governmental activities are \$46.28 million and the business-type activities net position is \$26.61 million in 2015. 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 (108%) 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.

The large deficit unrestricted net position is due mainly to the inclusion of the net pension liability of \$24.68 million offset by the net pension asset of \$4.51 million due to the implementation of GASB Statement No. 68.

#### June 30, 2014

The Town's combined net position was \$69.18 million in 2014. Analyzing the net position and net expenses of governmental and business-type activities separately, the governmental activities are \$42.62 million and the business-type activities net position is \$26.56 million in 2014. 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 (112%) 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.

The large deficit unrestricted net position is due mainly to the inclusion of the net pension liability of \$29.22 million offset by the net pension asset of \$3.05 million due to the implementation of GASB Statement No. 68.

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>	
	<u>2015</u>	<u>2014</u> (as restated)	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u> (as restated)
Current and other assets	\$ 32,666,628	\$ 29,555,820	\$ 4,562,598	\$ 4,440,340	\$ 37,229,226	\$ 33,996,160
Capital assets	65,694,293	65,792,061	22,428,899	22,559,105	88,123,192	88,351,166
Total assets	<u>98,360,921</u>	<u>95,347,881</u>	<u>26,991,497</u>	<u>26,999,445</u>	<u>125,352,418</u>	<u>122,347,326</u>
Deferred outflows of resources	<u>2,735,804</u>	<u>2,534,285</u>	<u>0</u>	<u>0</u>	<u>2,735,804</u>	<u>2,534,285</u>
Current liabilities	8,212,759	7,654,671	313,339	361,322	8,526,098	8,015,993
Noncurrent liabilities	41,517,005	47,608,994	66,335	75,095	41,583,340	47,684,089
Total liabilities	<u>49,729,764</u>	<u>55,263,665</u>	<u>379,674</u>	<u>436,417</u>	<u>50,109,438</u>	<u>55,700,082</u>
Deferred inflows of resources	<u>5,086,147</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5,086,147</u>	<u>0</u>
Net position:						
Net investment in capital assets	56,173,440	54,964,941	22,428,899	22,536,587	78,602,339	77,501,528
Restricted	1,404,629	1,768,261			1,404,629	1,768,261
Unrestricted	<u>(11,297,255)</u>	<u>(14,114,701)</u>	<u>4,182,924</u>	<u>4,026,441</u>	<u>(7,114,331)</u>	<u>(10,088,260)</u>
Total net position	<u>\$ 46,280,814</u>	<u>\$ 42,618,501</u>	<u>\$ 26,611,823</u>	<u>\$26,563,028</u>	<u>\$ 72,892,637</u>	<u>\$ 69,181,529</u>

The total net position in governmental activities increased by \$3.66 million. Governmental activities capital assets decreased by \$0.10 million. For additional analysis see Table 3. Governmental activities current liabilities increased by \$0.56 million. Governmental activities noncurrent liabilities decreased by \$6.10 million due mainly principal payments on long-term debt and a decrease in the net pension liability.

The net position in Business-type activities decreased nominally by \$0.05 million.

The Town implemented GASB Statement No. 68, which established new financial reporting requirements related to pension benefits. Therefore, the Town is showing a prior period adjustment of beginning net position as of July 1, 2013 of \$23,695,601 to recognize the net pension asset and liability. Note the beginning net position is restated as of July 1, 2013 in the management's discussion and analysis to enhance comparability.

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>2015</u>	<u>2014</u> (as restated)	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u> (as restated)
Revenues:						
Program Revenues:						
Charges for services	\$ 1,296,385	\$ 1,380,578	\$3,556,766	\$3,401,986	\$ 4,853,151	\$ 4,782,564
Operating grants and contributions	16,732,895	16,848,991	471,072	490,419	17,203,967	17,339,410
Capital grants and contributions	2,032,741	1,690,931			2,032,741	1,690,931
General revenues:						
Property Taxes	29,901,085	29,209,979			29,901,085	29,209,979
Unrestricted Investment	35,212	37,360	518	3,036	35,730	40,396
Contributions not restricted to specific programs		337,500				337,500
Total Revenues	<u>49,998,318</u>	<u>49,505,339</u>	<u>4,028,356</u>	<u>3,895,441</u>	<u>54,026,674</u>	<u>53,400,780</u>
Expenses:						
General government	4,367,763	3,778,621			4,367,763	3,778,621
Public safety	3,553,642	3,197,182			3,553,642	3,197,182
Public works	3,373,957	3,177,033			3,373,957	3,177,033
Education	32,988,419	32,505,310			32,988,419	32,505,310
Parks and recreation	694,829	646,322			694,829	646,322
Libraries	841,952	788,010			841,952	788,010
Community development	145,521	40,820			145,521	40,820
Interest on long-term debt	569,569	671,216			569,569	671,216
Sewer Authority			2,043,668	2,012,314	2,043,668	2,012,314
School Cafeteria			911,469	905,450	911,469	905,450
Levy Rink			364,075	433,492	364,075	433,492
Extended Day Care			460,702	417,882	460,702	417,882
Total expenses	<u>46,535,652</u>	<u>44,804,514</u>	<u>3,779,914</u>	<u>3,769,138</u>	<u>50,315,566</u>	<u>48,573,652</u>
Revenues over (under) expenses	3,462,666	4,700,825	248,442	126,303	3,711,108	4,827,128
Transfers in (out)	<u>199,647</u>	<u>218,162</u>	<u>(199,647)</u>	<u>(218,162)</u>	<u>0</u>	<u>0</u>
Increase (decrease) in net position	3,662,313	4,918,987	48,795	(91,859)	3,711,108	4,827,128
Net Position, July 1, as restated	<u>42,618,501</u>	<u>37,699,514</u>	<u>26,563,028</u>	<u>26,654,887</u>	<u>69,181,529</u>	<u>64,354,401</u>
Net Position, June 30	<u>\$ 46,280,814</u>	<u>\$42,618,501</u>	<u>\$26,611,823</u>	<u>\$26,563,028</u>	<u>\$72,892,637</u>	<u>\$69,181,529</u>

Governmental activities revenues increased slightly by \$0.49 million primarily due to an increase in capital grants and contributions of \$0.34 million and an increase in property taxes of \$0.69 million offset by a decrease in charges for services of \$0.08 million and a decrease in contributions not restricted to specific programs of \$0.34 million.

Governmental activity expenses increased by \$1.73 million which reflect increased costs associated with general government (\$0.59 million), increased costs for public safety (\$0.36 million), and increased costs for education (\$0.48 million).

The net position associated with business-type activities increased slightly by \$0.05 million which relates to a slight decrease associated with Levy Rink expenses.

## Review of Major Governmental Funds

### General Fund

The General Fund is the primary fund through which the majority of the Town's revenues and expenditures flow. The Town finished the year within the limits established by the adopted budget. The Town carefully monitors its expenditures and eliminates all but the most necessary. When savings are incurred in a given area, every effort is made to avoid unnecessary spending so that those savings can be returned to the General Fund.

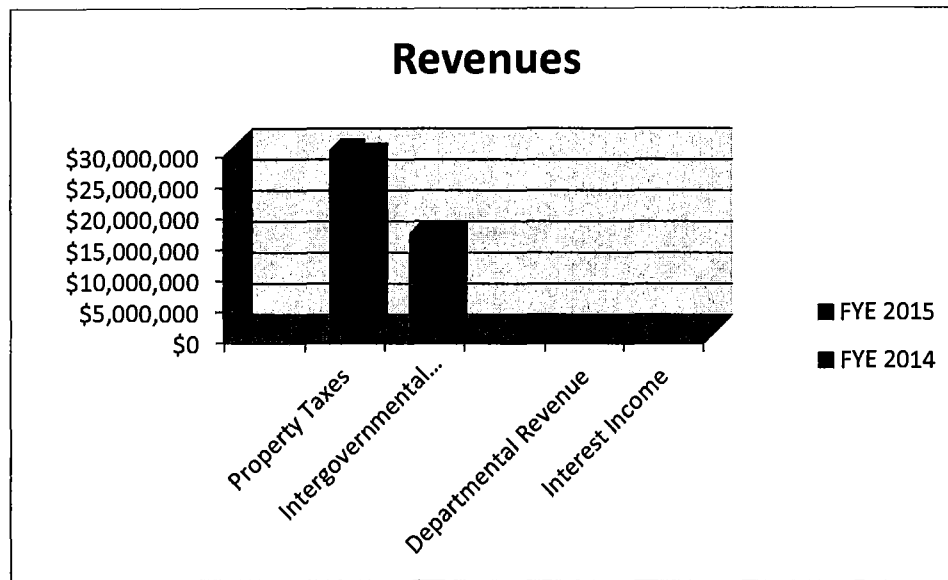
During FYE 2015, there were fourteen (14) supplemental budget appropriations adopted by the Town Council, which totaled \$4,998,996 including one transfer of \$1,640,108 related to capital improvements carried forward from the prior year. There was also a transfer [\$1,351,952 - #15-032] made to various reserve funds from additional funds available due to the Town exceeding its fund balance policy in fiscal year ending 2014. Other transfers included the following: \$1,418,236 for six capital projects, \$203,700 [#14-043] was committed to provide funding for one time contingencies, and programs that are being phased out, and \$385,000 for legal/professional services.

A comparative breakdown of revenues and expenditures associated with the General Fund on a budgetary basis for the fiscal years ending June 30, 2015 and 2014 is listed below. This information is provided for general purposes only.

The Town's general revenues increased in FYE 2015 when compared to the prior year by 2.10% or \$955,636.

<u>Revenues</u>	<u>FYE 2015</u>	<u>FYE 2014</u> <u>(as restated)</u>	<u>% Change</u>	<u>\$ Change</u>
Property Taxes	\$29,649,702	\$28,781,560	3.01%	\$ 868,142
Intergovernmental Revenue	16,288,169	16,028,134	1.62%	260,035
Departmental Revenue	557,633	727,569	(23.36)%	(169,936)
Interest Income	17,645	20,250	(12.86)%	(2,605)
Total Revenues	<u>\$46,513,149</u>	<u>\$45,557,513</u>	<u>2.10%</u>	<u>\$ 955,636</u>

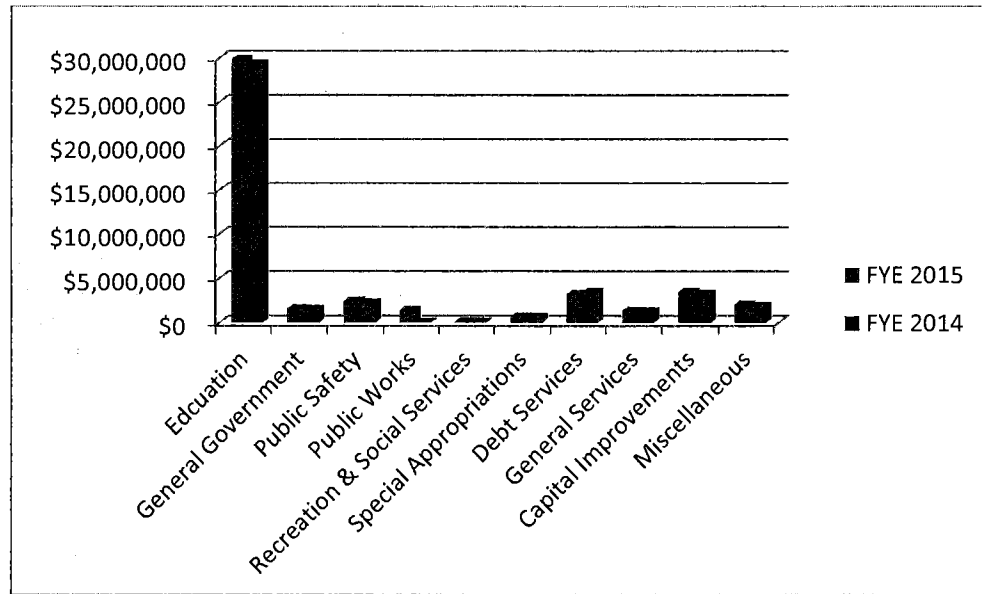
## General Fund (Continued)



The Town's general expenditures increased in FYE 2015 when compared to the prior year by 1.90% or \$806,797.

	<u>FYE 2015</u>	<u>FYE 2014</u> <u>(as restated)</u>	<u>% Chg</u>	<u>\$ Chg</u>
<b><u>Expenditures</u></b>				
Education	\$29,867,052	\$29,375,000	1.68%	\$492,052
General Government	1,599,250	1,551,366	3.09%	47,884
Public Safety	2,468,772	2,287,574	7.92%	181,198
Public Works	1,443,284	1,394,457	3.50%	48,827
Recreation & Social Services	149,163	151,169	(1.33)%	(2,006)
Special Appropriations	712,650	670,588	6.27%	42,062
Debt Services	3,220,370	3,473,032	(7.27)%	(252,662)
General Services	1,363,619	1,314,280	3.75%	49,339
Capital Improvements	3,508,243	3,299,635	6.32%	208,608
Miscellaneous	2,081,934	1,921,987	8.32%	159,947
<b><u>Other Financing (Sources) Uses</u></b>				
Transfer from Fund Balance	(3,255,760)	(2,468,707)	31.88%	(787,053)
Transfers In	(2,329,290)	(2,738,434)	147.94%	409,144
Transfer Out-Capital Projects	1,103,723	1,572,118	29.79%	(468,395)
Transfer Out- Special Revenue	1,445,652	767,800	88.28%	677,852
<b>Total Expenditures ( Net of Transfers)</b>	<b><u>\$43,378,662</u></b>	<b><u>\$ 42,571,865</u></b>	<b><u>1.90%</u></b>	<b><u>\$ 806,797</u></b>
<b>Excess of Revenues over Expenditures- Budgetary Basis</b>	<b><u>\$ 3,134,487</u></b>	<b><u>\$ 2,985,648</u></b>	<b><u>4.99%</u></b>	<b><u>\$ 148,839</u></b>

## General Fund (Continued)



June 30, 2015

Overall non-tax revenues were \$598,649 more than the prior year due mainly to an increase in intergovernmental [FEMA, State] and departmental revenue. Actual revenues were \$1,076,852 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 \$478,203 - which includes tax revenue of \$452,844. The Town collected approximately 97.70% of the fiscal year 2015 tax levy.
- Second, the Town's intergovernmental revenue was more than the budget by \$523,746. This amount includes additional amounts received from Medicaid reimbursements (\$69,748), School aid (\$69,367), and School Construction (\$256,619).
- Third, the Town's departmental revenue was more than budget by \$78,758 which is primarily due to an increase in service/assessment (\$40,781) receipts. Service/assessment relates to an increase in police details.
- Finally, interest income was again slightly under budget in the amount of \$3,855. 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, 2015 being greater than anticipated. A 97.16% collection rate was budgeted for FYE 2015 and 97.80% was actually collected. The collection rate used for budgeting purposes was based upon historical collection data.

## General Fund (Continued)

A comparison of actual expenditures incurred during FYE 2015 reveals that the Town expenses were \$1,849,919 less than the amount appropriated. This was achieved by limiting expenditures to essential services only. A significant portion of this amount [\$1,665,380] is for capital improvement activities related to general administration, police, school, and public works projects which has been re-appropriated for FYE June 30, 2016.

The most significant governmental expense for the municipality during 2015 was in providing for public safety, which incurred expenses of \$2.47 million. The major components of public safety are police and animal control. Other significant governmental expenses for the municipality include public works at \$1.44 million; general government at \$1.60 million, which includes all administrative offices; general services (\$1.36 million) such as refuse collection/recycling; debt at \$3.22 million, and insurance/benefits at \$1.96 million.

### June 30, 2014

Overall non-tax revenues were \$508,470 more than the prior year due mainly to an increase in intergovernmental [FEMA, State] and departmental revenue. Actual revenues were \$1,039,526 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 \$296,670 - which includes tax revenue of \$242,224. The Town collected approximately 97.86% of the fiscal year 2014 tax levy.
- Second, the Town's intergovernmental revenue was more than the budget by \$418,412. This amount includes additional amounts received from Medicaid reimbursements (\$90,601) and School Construction (\$102,438) along with new State Pension Aid [\$75,643].
- Third, the Town's departmental revenue was more than budget by \$325,694 which is primarily due to a significant increase in building (\$132,789) and service/assessment (\$121,663) receipts. Building relates to new construction at Commerce Park and Service/assessment relates to an increase in police details.
- Finally, interest income was again slightly under budget in the amount of \$1,250. 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, 2014 being greater than anticipated. A 97.23% collection rate was budgeted for FYE 2014 and 97.86% was actually collected. The collection rate used for budgeting purposes was based upon historical collection data

A comparison of actual expenditures incurred during FYE 2014 reveals that the Town expenses were \$1,916,244 less than the amount appropriated. This was achieved by limiting expenditures to essential services only. A significant portion of this amount [\$1,640,109] is for capital improvement activities related to general administration, police, school, and public works projects which has been re-appropriated for FYE June 30, 2015.

## **General Fund (Continued)**

The most significant governmental expense for the municipality during 2014 was in providing for public safety, which incurred expenses of \$2.29 million. The major components of public safety are police and animal control. Other significant governmental expenses for the municipality include public works at \$1.39 million; general government at \$1.55 million, which includes all administrative offices; general services (\$1.31 million) such as refuse collection/recycling; debt at \$3.47 million, and insurance/benefits at \$1.81 million.

## **Fund Balance**

### June 30, 2015

The net effect of operations as described above on the budgetary basis reveals that the Town completed fiscal year ending June 30, 2015 with a net excess of revenues over expenditures in the amount of \$3,134,487. Note that this amount included as revenue the budgeted amount of \$3,255,760 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 \$121,273.

The Town's fund balance increased from \$15,877,267 to \$16,754,463. 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 (\$526,987) 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 (\$9,708,597) 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 \$1,665,379 which was re-appropriated in FYE 2016 for capital projects.
3. Assigned. An amount (\$91,081) related to funding reserved for the School Department.
4. Unassigned. Finally after all of the above items are considered, the remaining value of \$6,427,798 is referred to as the Town's Unassigned Fund Balance, which decreased from \$1,224,660 over last year's Unassigned Fund Balance of \$7,652,458. This decrease is due to the net effect of budget activity combined with a number of planned fund balance draw downs during FYE 2015 related to capital improvement carryover and fund balance in excess of the fund balance policy. This leaves an Unassigned Fund Balance on June 30, 2015 of \$6,427,798 which is approximately 13.36% of the total budget currently appropriated for FYE June 30, 2016 (\$48,128,356).



## **Fund Balance (Continued)**

June 30, 2014

The net effect of operations as described above on the budgetary basis reveals that the Town completed fiscal year ending June 30, 2014 with a net excess of revenues over expenditures in the amount of \$2,985,648. Note that this amount included as revenue the budgeted amount of \$2,468,707 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 \$692,941.

The Town's fund balance increased from \$15,112,921 to \$15,877,267. The Town's fund balance is broken down into the following components and is comprised of cash or other assets that will eventually be converted into cash such as receivables:

1. Nonspendable. An amount (\$557,238) 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. This balance also includes \$112,756 for prepaid expenditures.
2. Committed. An amount (\$7,460,527) 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 \$1,640,109 which was re-appropriated in FYE 2015 for capital projects.
3. Assigned. An amount (\$94,288) related to funding reserved for the School Department.
4. Unassigned. Finally after all of the above items are considered, the remaining value of \$7,652,458 is referred to as the Town's Unassigned Fund Balance, which increased by \$509,229 over last year's Unassigned Fund Balance of \$7,143,229. This increase is due to the net effect of budget activity combined with a number of planned fund balance draw downs during FYE 2014 related to capital improvement carryover and fund balance in excess of the fund balance policy. This leaves an Unassigned Fund Balance on June 30, 2014 of \$7,652,458 which is approximately 16.40% of the total budget currently appropriated for FYE June 30, 2015 (\$46,654,635).

## **School Department**

June 30, 2015

The School Department had revenues for the year ended June 30, 2015 of \$14.76 million. This was derived from \$13.59 million of intergovernmental revenues and \$1.17 million of state pension contribution revenues. In addition to general operating revenues, the School Department also received \$16.30 million of other financing sources in the form of transfers in from the General Fund.

Expenditures for the School Department totaled \$31.12 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, 2015.

## **School Department (Continued)**

### June 30, 2014

The School Department had revenues for the year ended June 30, 2014 of \$14.46 million. This was derived from \$13.39 million of intergovernmental revenues and \$1.07 million of state pension contribution revenues. In addition to general operating revenues, the School Department also received \$15.98 million of other financing sources in the form of transfers in from the General Fund.

Expenditures for the School Department totaled \$30.46 million. This entire amount represents expenditures related to education.

The excess of expenditures over revenues was \$0.07 million for the fiscal year ended June 30, 2014.

## **Business-type Activities**

### **Proprietary Activities**

### June 30, 2015

Revenues of the Town's business-type activities were \$4.03 million for the fiscal year ending June 30, 2015. Expenses for the Town's business-type activities were \$3.98 million for the year, resulting in an increase in net position of \$0.05 million. The increase in net position was mainly from the result of an increase in the net position of the Levy Rink of \$0.11 million, an increase in the net position of the Extended Day Care of \$0.07 million offset by a decrease in the net position of the Sewer Authority of \$0.16 million.

### June 30, 2014

Revenues of the Town's business-type activities were \$3.90 million for the fiscal year ending June 30, 2014. Expenses for the Town's business-type activities were \$3.99 million for the year, resulting in a decrease in net position of \$0.09 million. The decrease in net position was mainly from the result of the following:

- The Town's sewer system recorded charges for services of \$2.09 million, expenses of \$2.01 million and transfers out of \$0.26 million resulting in a decrease in net position of \$0.18 million.

## Capital Assets and Debt Administration

### Capital Project Funds

The Town had several active capital projects in fiscal year ended June 30, 2015.

Some projects that continue to carry balances at year end include the Route 102/Commerce Park, Spring Lake Brown House replacement, Eagle Peak Recreation acquisition, generator projects [Hauser field, Police and Library], Lake Shore Drive, North Road Bridge, and Stillwater Recreation. Active capital projects carried over from the prior year include the Granite Mill - Gonyea Park, White Mill Park upgraded, and Wilson Reservoir Spillway.

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 2015, the Town had \$88.12 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 \$0.23 million over the prior fiscal year's net capital assets (\$88.35 million).

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

The Town of Burrillville reports its 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>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Land	\$ 2,909,741	\$ 2,909,741	\$ 382,443	\$ 382,443	\$ 3,292,184	\$ 3,292,184
Construction in progress	632,595	760,908	480,217	297,011	1,112,812	1,057,919
Leasehold improvements			34,398	34,398	34,398	34,398
Collection systems			34,714,465	34,514,621	34,714,465	34,514,621
Buildings and improvements	74,675,147	72,344,562	8,086,385	7,973,885	82,761,532	80,318,447
Equipment	2,038,818	1,966,276	402,210	372,362	2,441,028	2,338,638
Vehicles	4,792,620	4,521,125	135,261	135,261	4,927,881	4,656,386
Furniture			676,258	674,466	676,258	674,466
Infrastructure	20,736,517	20,126,845			20,736,517	20,126,845
Total Assets	105,785,438	102,629,457	44,911,637	44,384,447	150,697,075	147,013,904
Less accumulated depreciation	(40,091,145)	(36,837,396)	(22,482,738)	(21,825,342)	(62,573,883)	(58,662,738)
Totals	<u>\$ 65,694,293</u>	<u>\$ 65,792,061</u>	<u>\$ 22,428,899</u>	<u>\$ 22,559,105</u>	<u>\$ 88,123,192</u>	<u>\$ 88,351,166</u>

## Capital Assets and Debt Administration (Continued)

### Capital Assets (Continued)

This year's major capital expenditures included:

- Completion of construction and road/sidewalk improvements (Hero Park, Rail Trail/Bike Path, crack sealing, and a number of roads [Hill, Snake Hill, Smith Hill, Lapham Farm, Davis Drive].
- Acquisition of various equipment including public works equipment (Flail machine) and police vehicles [SUV and two patrol].
- The School Department also had funding allocated towards various building improvements – primarily related to roof replacements, and building safety.

The 2016 Capital Budget has been adopted and while individual projects are subject to change, the budget calls for spending on 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.

### Debt Administration

#### June 30, 2015

The total outstanding long-term bonded debt on June 30, 2015 was \$16,992,655, which represents a decrease of \$1,966,215 from June 30, 2014 (\$18,958,870). This decrease was primarily due to the net effect of annual debt payments (\$ 2,618,000) on outstanding issues. This decrease was offset by loan proceeds from the RI Infrastructure Bank for the replacement of the North Road Bridge [\$680,000].

#### June 30, 2014

The total outstanding long-term bonded debt on June 30, 2014 was \$18,958,870, which represents a decrease of \$2,796,215 from June 30, 2013 (\$21,755,085). This decrease was primarily due to the net effect of annual debt payments (\$ 2,768,000) on outstanding issues.

Table 4

	Long Term Debt			
	June 30			
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
General Obligation Bonds	\$16,992,655	\$18,958,870		
Leases Payable				\$ 22,518
Compensated Absences	1,139,878	1,121,783	\$85,897	82,146
Net OPEB Obligation	4,934	17,554	2,088	1,069
Landfill Post-Closure Costs	924,000	1,071,000		
Totals	<u>\$19,061,467</u>	<u>\$21,169,207</u>	<u>\$87,985</u>	<u>\$105,733</u>

## Capital Assets and Debt Administration (Continued)

### Debt Administration (Continued)

The Town does have overlapping debt totaling \$2,290,714 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, 2015 and June 30, 2014. Note that Loans Payable and Bond Anticipation Notes (BANS) are not incorporated in these calculations.

<u>Various Debt Ratios</u>		
	<u>6/30/2015</u>	<u>6/30/2014</u>
Total Outstanding Long-Term Bonded Debt	\$16,848,229	\$18,786,229
Debt per Capita -		
2010 Census (15,955)	\$ 1,056	\$1,177
State Average \$1,781		
City/town average \$1,673		
Net Assessed Values	\$1,440,926,137	\$1,424,985,532
Debt to Net Assessed Values	1.17%	1.32%
Tax Rate per \$ 1,000:		
Real Estate	\$ 18.88	\$ 18.58
Motor Vehicle	\$ 40.00	\$ 40.00
Portion of Tax Rate Funding Debt		
- Percent of Tax Dollar	6.31%	6.14%
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 2010, 2012, and, more recently, September 2014.

## **Capital Assets and Debt Administration (Continued)**

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 13.36% is 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 2016 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 5.40 percent. This compares to the State's average unemployment rate of 5.90 percent and the national average of 5.3 percent.
- According to the Tax Assessor, the average 2015 single family home in Burrillville is valued for assessment purposes at \$202,809, the average commercial property is valued at \$559,812, and the average industrial property is valued at \$941,266.
- As part of a major wastewater treatment plant upgrade, the Town closed on a \$3.7 million sewer bond with RI Infrastructure Bank in July, 2015 and is scheduled to close on another \$2.6 million bond in the first quarter of 2016. Additionally, the Town was part of a bond refunding issue with RI Health and Educational Building Corporation in December, 2015 which resulted in a savings of approximately 9% on the remaining amount due on the bond. 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.

## **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, 2016 was being prepared including the following:

- The overall adopted budget was \$48,128,356, which was an increase of \$1,473,721 over the 2015 budget [\$46,654,635].
  - Capital improvements increased by \$803,044 [29.70%].
  - The School operating budget increased from \$29,867,052 to \$30,830,000 or 3.22%. The net dollar increase is \$962,948.
  - The municipal operating and debt budgets decreased \$282,271 [2.13%].
- The General Fund's largest single revenue source is property taxes – State revenue is second. The Town's tax rate remained the same at \$18.88 per \$1,000 valuation for fiscal year ending 2016. This resulted in the average single family homeowner's tax liability remaining the same when comparing the 2016 tax bill to the prior year.
- Of this tax rate (\$18.88), 27.2% is utilized for General Fund activities, 57.2% is used for School Operations, 6.3% is used for debt service, and 9.3% is for capital improvements.
- Stated another way, 60.1% is allocated toward School Operations and Debt; 29.2% is allocated towards Municipal Operations and Debt; 9.3% is allocated towards Capital Improvements; and 1.4% is allocated towards Wastewater Treatment Debt.
- The 2016 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 2016 is estimated to be \$30.48 million. The increase in tax levy (approximately \$.94 million) relates primarily to an increase in school and municipal operating expenses.
- The Town continues to pursue economic development opportunities to assist in spreading the tax burden among commercial and residential property owners.

## **Requests for Information**

### *Contacting the Town's Financial Management*

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



***TOWN OF BURRILLVILLE***

**BASIC  
FINANCIAL STATEMENTS**

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TOWN OF BURRILLVILLE, RHODE ISLAND**STATEMENT OF NET POSITION  
JUNE 30, 2015**

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
<b>ASSETS:</b>				
<b>Current assets:</b>				
Cash and cash equivalents	\$ 23,745,775	\$ 3,452,733	\$ 27,198,508	\$ 241,464
Receivables:				
Taxes, net	1,033,856		1,033,856	
Sewer assessments and user fees, net		857,074	857,074	
Loans				1,339
Other	241,633	11,121	252,754	1,050
Town-held tax liens	526,987		526,987	
Due from:				
Primary government				44,666
Other governments	2,478,377	28,027	2,506,404	
Internal balances	125,608	(125,608)		
Prepaid expenses		7,745	7,745	162,313
Inventory		15,598	15,598	
<b>Total current assets</b>	<b>28,152,236</b>	<b>4,246,690</b>	<b>32,398,926</b>	<b>450,832</b>
<b>Noncurrent assets:</b>				
Loans receivable, net				12,536
Net pension asset	4,514,392		4,514,392	
Capital assets:				
Non-depreciable	3,542,336	862,660	4,404,996	517,833
Depreciable, net	62,151,957	21,566,239	83,718,196	29,222
Sewer assessment fees		315,908	315,908	
<b>Total noncurrent assets</b>	<b>70,208,685</b>	<b>22,744,807</b>	<b>92,953,492</b>	<b>559,591</b>
<b>TOTAL ASSETS</b>	<b>98,360,921</b>	<b>26,991,497</b>	<b>125,352,418</b>	<b>1,010,423</b>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>				
Pension contributions subsequent to measurement date	2,702,002		2,702,002	
Deferred expense on refunding bonds	33,802	0	33,802	0
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b>2,735,804</b>	<b>0</b>	<b>2,735,804</b>	<b>0</b>
<b>LIABILITIES:</b>				
<b>Current liabilities:</b>				
Accounts payable	1,934,985	216,859	2,151,844	7,010
Accrued payroll	2,536,324	50,300	2,586,624	22,191
Accrued interest	149,313		149,313	
Retainage payable	36,001	2,250	38,251	
Due to:				
Other governments	765	6,600	7,365	
Component unit	44,666		44,666	
Current portion of long-term debt	2,228,800	21,650	2,250,450	
Unearned revenue	1,192,915	15,168	1,208,083	255
Other liabilities	88,990	512	89,502	
<b>Total current liabilities</b>	<b>8,212,759</b>	<b>313,339</b>	<b>8,526,098</b>	<b>29,456</b>

(CONTINUED)

SEE NOTES TO THE BASIC FINANCIAL STATEMENTS.

TOWN OF BURRILLVILLE, RHODE ISLAND**STATEMENT OF NET POSITION  
JUNE 30, 2015**

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>Noncurrent liabilities:</b>				
Long-term debt, net	16,832,667	66,335	16,899,002	
Net pension liability	24,684,338		24,684,338	
<b>Total noncurrent liabilities</b>	<b>41,517,005</b>	<b>66,335</b>	<b>41,583,340</b>	<b>0</b>
<b>TOTAL LIABILITIES</b>	<b>49,729,764</b>	<b>379,674</b>	<b>50,109,438</b>	<b>29,456</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
Pension deferrals	5,086,147		5,086,147	
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>5,086,147</b>	<b>0</b>	<b>5,086,147</b>	<b>0</b>
<b>NET POSITION:</b>				
Net investment in capital assets	56,173,440	22,428,899	78,602,339	547,055
Restricted - nonexpendable	634,897		634,897	
Restricted for:				
General government	60,676		60,676	
Public safety	74,156		74,156	
Recreation and social services	98,302		98,302	
Education	518,360		518,360	
Community development	18,238		18,238	
Unrestricted	(11,297,255)	4,182,924	(7,114,331)	433,912
<b>TOTAL NET POSITION</b>	<b>\$ 46,280,814</b>	<b>\$ 26,611,823</b>	<b>\$ 72,892,637</b>	<b>\$ 980,967</b>

(CONCLUDED)

SEE NOTES TO THE BASIC FINANCIAL STATEMENTS.

TOWN OF BURRILLVILLE, RHODE ISLAND**STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2015**

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	\$ 4,367,763	\$ 497,571	\$ 629,256	\$ 9,041	\$ (3,231,895)		\$ (3,231,895)	
Public safety	3,553,642	159,912	49,424		(3,344,306)		(3,344,306)	
Public works	3,373,957	17,173	90,537		(3,266,247)		(3,266,247)	
Education	32,988,419	430,036	15,729,750	1,623,024	(15,205,609)		(15,205,609)	
Recreation and social services	694,829	135,830	30,003	116,875	(412,121)		(412,121)	
Libraries	841,952		141,022	283,801	(417,129)		(417,129)	
Community development	145,521	55,863	62,903		(26,755)		(26,755)	
Interest on long-term debt	569,569				(569,569)		(569,569)	
<b>Total governmental activities</b>	<b>46,535,652</b>	<b>1,296,385</b>	<b>16,732,895</b>	<b>2,032,741</b>	<b>(26,473,631)</b>		<b>(26,473,631)</b>	
<b>Business-type activities:</b>								
Sewer Authority	2,043,668	2,132,056				\$ 88,388	88,388	
School Cafeteria	911,469	464,629	471,072			24,232	24,232	
Levy Rink	364,075	434,457				70,382	70,382	
Extended Day Care	460,702	525,624				64,922	64,922	
<b>Total business-type activities</b>	<b>3,779,914</b>	<b>3,556,766</b>	<b>471,072</b>	<b>0</b>	<b>0</b>	<b>247,924</b>	<b>247,924</b>	
<b>Total primary government</b>	<b>\$ 50,315,566</b>	<b>\$ 4,853,151</b>	<b>\$ 17,203,967</b>	<b>\$ 2,032,741</b>	<b>(26,473,631)</b>	<b>247,924</b>	<b>(26,225,707)</b>	
<b>Component Units:</b>								
Burrillville Redevelopment Agency	\$ 31,449	\$ 35,417						\$ 3,968
Jesse M. Smith Memorial Library	779,812	15,230	\$ 782,697					18,115
<b>Total component units</b>	<b>\$ 811,261</b>	<b>\$ 50,647</b>	<b>\$ 782,697</b>	<b>\$ 0</b>				<b>22,083</b>
<b>General revenues:</b>								
Property taxes					29,901,085		29,901,085	
Unrestricted investment earnings					35,212	518	35,730	716
<b>Transfers</b>					199,647	(199,647)		
<b>Total general revenues and transfers</b>					<b>30,135,944</b>	<b>(199,129)</b>	<b>29,936,815</b>	<b>716</b>
<b>Change in net position</b>					<b>3,662,313</b>	<b>48,795</b>	<b>3,711,108</b>	<b>22,799</b>
<b>Net Position - beginning of year, as restated</b>					<b>42,618,501</b>	<b>26,563,028</b>	<b>69,181,529</b>	<b>958,168</b>
<b>Net Position - end of year</b>					<b>\$ 46,280,814</b>	<b>\$ 26,611,823</b>	<b>\$ 72,892,637</b>	<b>\$ 980,967</b>

SEE NOTES TO THE BASIC FINANCIAL STATEMENTS.

TOWN OF BURRILLVILLE, RHODE ISLAND

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2015**

	General Fund	School Department	Other Governmental Funds	Total Governmental Funds
<b>ASSETS:</b>				
Cash and cash equivalents	\$ 20,547,044	\$ 534,894	\$ 2,663,837	\$ 23,745,775
Receivables:				
Taxes, net	1,033,856			1,033,856
Other	3,618	19,656	218,359	241,633
Town-held tax liens	526,987			526,987
Due from:				
Other funds	44,545	3,247,628	1,234,576	4,526,749
Other governments	418,325	8,187	2,051,865	2,478,377
<b>TOTAL ASSETS</b>	<b>\$ 22,574,375</b>	<b>\$ 3,810,365</b>	<b>\$ 6,168,637</b>	<b>\$ 32,553,377</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES:</b>				
<b>LIABILITIES:</b>				
Accounts payable	\$ 633,269	\$ 1,183,792	\$ 117,924	\$ 1,934,985
Accrued payroll and benefits	269,603	2,123,893	142,828	2,536,324
Retainage payable	36,001			36,001
Due to:				
Other funds	3,975,868	10,021	415,252	4,401,141
Component units	44,666			44,666
Other governments			765	765
Unearned revenues		25,569	1,249,851	1,275,420
Other liabilities			6,485	6,485
<b>TOTAL LIABILITIES</b>	<b>4,959,407</b>	<b>3,343,275</b>	<b>1,933,105</b>	<b>10,235,787</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
Unavailable revenue - property taxes	860,505	0	0	860,505
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>860,505</b>	<b>0</b>	<b>0</b>	<b>860,505</b>

(CONTINUED)

SEE NOTES TO THE BASIC FINANCIAL STATEMENTS.

TOWN OF BURRILLVILLE, RHODE ISLAND

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2015**

	<u>General Fund</u>	<u>School Department</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (Continued):</b>				
<b>FUND BALANCES:</b>				
Nonspendable	526,987		107,910	634,897
Restricted			769,732	769,732
Committed	9,708,597	75,924	3,365,824	13,150,345
Assigned	91,081	391,166		482,247
Unassigned	6,427,798		(7,934)	6,419,864
<b>TOTAL FUND BALANCES</b>	<u>16,754,463</u>	<u>467,090</u>	<u>4,235,532</u>	<u>21,457,085</u>
 <b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	 <u><u>\$ 22,574,375</u></u>	 <u><u>\$ 3,810,365</u></u>	 <u><u>\$ 6,168,637</u></u>	 <u><u>\$ 32,553,377</u></u>

(CONTINUED)

SEE NOTES TO THE BASIC FINANCIAL STATEMENTS.

TOWN OF BURRILLVILLE, RHODE ISLAND

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION  
JUNE 30, 2015**

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

<b>Total Fund Balances (B-1)</b>		\$ 21,457,085
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Governmental capital assets	105,785,438	
Less: accumulated depreciation	<u>(40,091,145)</u>	
		65,694,293
Net pension asset		4,514,392
Contributions to the pension plan in the current fiscal year are deferred outflows of resources on the Statement of Net Position.		2,702,002
Some liabilities, including bonds payable and related deferred outflows of resources, are not due and payable in the current period and therefore are not reported in the funds.		
Governmental bonds payable	(16,848,229)	
Premium	(172,641)	
Current year amortization	28,215	
Deferred expense on refunding bonds	55,750	
Current year amortization	(21,948)	
Compensated absences	(1,139,878)	
Landfill closure and post-closure care costs	(924,000)	
Net OPEB obligation	<u>(4,934)</u>	
		(19,027,665)
Net pension liability		(24,684,338)
Pension related deferrals		(5,086,147)
Certain deferred inflows of resources in governmental funds are susceptible to full accrual on the entity-wide statements.		860,505
Accrued interest payable is recorded in governmental activities, but is not recorded in the funds.		<u>(149,313)</u>
<b>Total Net Position (A-1)</b>		<u><u>\$ 46,280,814</u></u>

(CONCLUDED)

SEE NOTES TO THE BASIC FINANCIAL STATEMENTS.

TOWN OF BURRILLVILLE, RHODE ISLAND

**STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2015**

	General Fund	School Department	Other Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>				
General property taxes	\$ 29,649,702			\$ 29,649,702
Intergovernmental	2,728,086	\$ 13,587,496	\$ 1,946,533	18,262,115
Licenses, permits and fees	420,352			420,352
Investment income	27,130		8,082	35,212
Departmental	137,281			137,281
Other	77,461		292,879	370,340
Intergovernmental - pension contribution		1,176,485		1,176,485
<b>TOTAL REVENUES</b>	<b>33,040,012</b>	<b>14,763,981</b>	<b>2,247,494</b>	<b>50,051,487</b>
<b>EXPENDITURES:</b>				
<b>Current:</b>				
General government	3,019,788		29,235	3,049,023
Public safety	2,500,088		65,505	2,565,593
Public works	1,469,966			1,469,966
Education	63,495	29,684,453	1,435,184	31,183,132
Recreation and social services	156,239		208,520	364,759
Libraries	699,300		141,022	840,322
Community development			145,521	145,521
Employee benefits and other	2,095,884			2,095,884
Intergovernmental - pension contribution		1,176,485		1,176,485
<b>Debt Service:</b>				
Principal	2,618,000			2,618,000
Interest and other costs	602,370		13,700	616,070
<b>Capital:</b>				
Capital outlay	3,520,638	222,799	430,425	4,173,862
<b>TOTAL EXPENDITURES</b>	<b>16,745,768</b>	<b>31,083,737</b>	<b>2,469,112</b>	<b>50,298,617</b>
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)</b>	<b>16,294,244</b>	<b>(16,319,756)</b>	<b>(221,618)</b>	<b>(247,130)</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, 2015**

	<u>General Fund</u>	<u>School Department</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Proceeds from bond issuance			680,000	680,000
Transfers in	1,971,231	16,279,556	1,108,723	19,359,510
Transfers out	(17,388,279)	(44,000)	(1,727,584)	(19,159,863)
<b>NET OTHER FINANCING SOURCES (USES)</b>	<u>(15,417,048)</u>	<u>16,235,556</u>	<u>61,139</u>	<u>879,647</u>
<b>NET CHANGE IN FUND BALANCES</b>	877,196	(84,200)	(160,479)	632,517
<b>FUND BALANCE AT BEGINNING OF YEAR, AS RESTATED</b>	<u>15,877,267</u>	<u>551,290</u>	<u>4,396,011</u>	<u>20,824,568</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ 16,754,463</u>	<u>\$ 467,090</u>	<u>\$ 4,235,532</u>	<u>\$ 21,457,085</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, 2015**

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<b>Net Change in Fund Balances - Total Governmental Funds (B-2):</b>	\$ 632,517
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.	(97,768)
Contributions to the pension plan in the current fiscal year are not included in the Statement of Activities.	2,702,002
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.	1,938,000
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.	49,728
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.	147,792
Adjustment to accrued interest payable related to general obligation bonds which is required to be recorded for government-wide financial statement presentation.	26,534
Pension expense reported in the Statement of Activities does not require the use of current financial resources and, therefore, is not reported as an expenditures in governmental funds.	(1,736,492)
<b>Change in Net Position of Governmental Activities (A-2)</b>	<u><u>\$ 3,662,313</u></u>

TOWN OF BURRILLVILLE, RHODE ISLAND

**STATEMENT OF FUND NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2015**

	Sewer Authority	School Cafeteria Fund	Non-major Enterprise Funds	Totals
<b>ASSETS:</b>				
<b>Current assets:</b>				
Cash and cash equivalents	\$ 2,840,667	\$ 252,845	\$ 359,221	\$ 3,452,733
Accounts receivable, net		4,248	6,873	11,121
Sewer assessments and user fees, net	857,074			857,074
Due from other governments		28,027		28,027
Prepaid expenses	2,888		4,857	7,745
Inventory	4,565	11,033		15,598
<b>Total current assets</b>	<b>3,705,194</b>	<b>296,153</b>	<b>370,951</b>	<b>4,372,298</b>
<b>Noncurrent assets:</b>				
Sewer assessment fees	315,908			315,908
Net capital assets	22,230,427	14,321	184,151	22,428,899
<b>Total noncurrent assets</b>	<b>22,546,335</b>	<b>14,321</b>	<b>184,151</b>	<b>22,744,807</b>
<b>TOTAL ASSETS</b>	<b>26,251,529</b>	<b>310,474</b>	<b>555,102</b>	<b>27,117,105</b>
<b>LIABILITIES:</b>				
<b>Current liabilities:</b>				
Accounts payable	55,758	145,023	16,078	216,859
Accrued payroll	28,949		21,351	50,300
Retainage payable	2,250			2,250
Due to other funds	35,248	76,999	13,361	125,608
Due to other governments	6,600			6,600
Other liabilities	512			512
Unearned revenue		12,268	2,900	15,168
Accrued compensated absences	20,300	500	850	21,650
<b>Total current liabilities</b>	<b>149,617</b>	<b>234,790</b>	<b>54,540</b>	<b>438,947</b>
<b>Noncurrent liabilities:</b>				
Accrued compensated absences	51,731	4,829	7,687	64,247
Net other post employment benefit obligation	2,088			2,088
<b>Total noncurrent liabilities</b>	<b>53,819</b>	<b>4,829</b>	<b>7,687</b>	<b>66,335</b>
<b>TOTAL LIABILITIES</b>	<b>203,436</b>	<b>239,619</b>	<b>62,227</b>	<b>505,282</b>
<b>NET POSITION:</b>				
Net investment in capital assets	22,230,427	14,321	184,151	22,428,899
Unrestricted	3,817,666	56,534	308,724	4,182,924
<b>TOTAL NET POSITION</b>	<b>\$ 26,048,093</b>	<b>\$ 70,855</b>	<b>\$ 492,875</b>	<b>\$ 26,611,823</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, 2015**

	Sewer Authority	School Cafeteria Fund	Non-major Enterprise Funds	Totals
<b>OPERATING REVENUES:</b>				
Charges for usage and service	\$ 2,109,618	\$ 464,629	\$ 960,081	\$ 3,534,328
Miscellaneous	22,438			22,438
<b>Total operating revenues</b>	<b>2,132,056</b>	<b>464,629</b>	<b>960,081</b>	<b>3,556,766</b>
<b>OPERATING EXPENSES:</b>				
Operations	618,820	799,545	299,718	1,718,083
Personnel	807,304	101,387	494,098	1,402,789
Depreciation	617,544	10,537	29,315	657,396
<b>Total operating expenses</b>	<b>2,043,668</b>	<b>911,469</b>	<b>823,131</b>	<b>3,778,268</b>
<b>OPERATING INCOME (LOSS)</b>	<b>88,388</b>	<b>(446,840)</b>	<b>136,950</b>	<b>(221,502)</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>				
Investment income			518	518
Intergovernmental		471,072		471,072
Interest expense			(1,646)	(1,646)
<b>Total nonoperating revenues (expenses)</b>	<b>0</b>	<b>471,072</b>	<b>(1,128)</b>	<b>469,944</b>
<b>INCOME BEFORE TRANSFERS</b>	<b>88,388</b>	<b>24,232</b>	<b>135,822</b>	<b>248,442</b>
<b>TRANSFERS IN (OUT)</b>	<b>(243,647)</b>	<b>0</b>	<b>44,000</b>	<b>(199,647)</b>
<b>CHANGE IN NET POSITION</b>	<b>(155,259)</b>	<b>24,232</b>	<b>179,822</b>	<b>48,795</b>
<b>TOTAL NET POSITION - BEGINNING</b>	<b>26,203,352</b>	<b>46,623</b>	<b>313,053</b>	<b>26,563,028</b>
<b>TOTAL NET POSITION - ENDING</b>	<b>\$ 26,048,093</b>	<b>\$ 70,855</b>	<b>\$ 492,875</b>	<b>\$ 26,611,823</b>

SEE NOTES TO THE BASIC FINANCIAL STATEMENTS.

TOWN OF BURRILLVILLE, RHODE ISLAND

**STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2015**

	Sewer Authority	School Cafeteria Fund	Non-major Enterprise Funds	Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Cash received from customers	\$ 2,006,017	\$ 460,870	\$ 959,016	\$ 3,425,903
Cash received from providing services	22,438			22,438
Cash paid to suppliers	(644,086)	(834,187)	(292,259)	(1,770,532)
Cash paid to employees	(799,336)	(100,547)	(490,717)	(1,390,600)
<b>Net cash provided by (used for) operating activities</b>	<b>585,033</b>	<b>(473,864)</b>	<b>176,040</b>	<b>287,209</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>				
Nonoperating grants received		467,624		467,624
Transfer from other funds			44,000	44,000
Transfer to other funds	(230,290)			(230,290)
Increase (decrease) in due to other funds	21,210	5,168	(77,297)	(50,919)
Increase in due to other governments	6,600			6,600
<b>Net cash provided by (used for) noncapital financing activities</b>	<b>(202,480)</b>	<b>472,792</b>	<b>(33,297)</b>	<b>237,015</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Acquisition of capital assets	(523,148)		(1,792)	(524,940)
Principal payment on capital lease payable			(22,518)	(22,518)
Interest expense			(1,646)	(1,646)
<b>Net cash used for capital and related financing activities</b>	<b>(523,148)</b>	<b>0</b>	<b>(25,956)</b>	<b>(549,104)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Interest on investments			518	518
<b>Net cash provided by investing activities</b>	<b>0</b>	<b>0</b>	<b>518</b>	<b>518</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(140,595)</b>	<b>(1,072)</b>	<b>117,305</b>	<b>(24,362)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>2,981,262</b>	<b>253,917</b>	<b>241,916</b>	<b>3,477,095</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>\$ 2,840,667</b>	<b>\$ 252,845</b>	<b>\$ 359,221</b>	<b>\$ 3,452,733</b>
<b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:</b>				
Operating income (loss)	\$ 88,388	\$ (446,840)	\$ 136,950	\$ (221,502)
Adjustments to reconcile:				
Depreciation	617,544	10,537	29,315	657,396
Decrease in allowance for doubtful accounts			(2,000)	(2,000)
(Increase) decrease in accounts receivable	(103,601)	(635)	2,189	(102,047)
(Increase) decrease in prepaid expenses	2,038		(2,580)	(542)
Increase in inventory		(1,021)		(1,021)
Increase (decrease) in accounts payable	(23,366)	(33,621)	10,039	(46,948)
Increase in accrued payroll	2,381		5,038	7,419
Decrease in other liabilities	(3,938)			(3,938)
Decrease in unearned revenue		(3,124)	(1,254)	(4,378)
Increase (decrease) in accrued compensated absences	4,568	840	(1,657)	3,751
Increase in net other post employment benefit obligation	1,019			1,019
<b>Net cash provided by (used for) operating activities</b>	<b>\$ 585,033</b>	<b>\$ (473,864)</b>	<b>\$ 176,040</b>	<b>\$ 287,209</b>

SEE NOTES TO THE BASIC FINANCIAL STATEMENTS.

TOWN OF BURRILLVILLE, RHODE ISLAND

STATEMENT OF FIDUCIARY NET POSITION  
 FIDUCIARY FUNDS  
 JUNE 30, 2015

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	Agency Funds
	Pupil Activity Funds
<b>ASSETS:</b>	
Cash and cash equivalents	\$ 159,578
Investments	1,923
<b>TOTAL ASSETS</b>	<b>\$ 161,501</b>
<b>LIABILITIES:</b>	
Deposits held in custody for others	\$ 161,501

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SEE NOTES TO THE BASIC FINANCIAL STATEMENTS.

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2015**

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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, 2015**

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**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, 2015.

→ GASB Statement No. 69 – Government Combinations and Disposals of Government Operations.

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

(CONTINUED)



**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2015**

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

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

The Town also implemented GASB Statement No. 68 - Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27 and GASB Statement No. 71 - Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68. During fiscal year 2015, the Town implemented the revised requirements which established new financial reporting requirements for state and local governments which provide their employees with pension benefits, including additional note disclosures and required supplementary information. In addition, GASB Statement No. 68 requires a state or local government employer to recognize a net pension liability and changes in the net pension liability, deferred outflows of resources and deferred inflows of resources which arise from other types of events related to pensions. During the transition year, as permitted, beginning balances for deferred outflows of resources and deferred inflows of resources will not be reported, except for deferred outflows of resources related to contributions made after the measurement date of the beginning net pension liability which is required to be reported by GASB Statement No. 71. The adoption of these statements decreased the July 1, 2014 net position by \$23,519,601, as described in Note 12.

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

- GASB Statement No. 72 - Fair Value Measurement and Application, effective for the Town's fiscal year ending June 20, 2016.
- GASB Statement No. 73 - Accounting and Financial Reporting for Pensions and Related Assets That are Not within the Scope of GASB Statement No. 68, and Amendments to Certain Provisions of GASB Statements No. 67 and 68, effective for the Town's fiscal year ending June 30, 2016.
- GASB Statement No. 74 - Financial Reporting for Postemployment Benefit Plans Other than Pension Plans, effective for the Town's fiscal year ending June 30, 2017.
- GASB Statement No. 75 - Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, effective for the Town's fiscal year ending June 30, 2018.
- GASB Statement No. 76 - The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments, effective for the Town's fiscal year ending June 30, 2016.
- GASB Statement No. 77 - Tax Abatement Disclosures, effective for the Town's fiscal year ending June 30, 2017.

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, 2015**

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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, 2015**

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**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.
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, 2015**

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

***Basis of Presentation (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, Homeland Security Grant, Partnership for Success, Cops That Care, Ocean State Power Funds, Narcotics Guidance Council, Police Grant – Operation Riptide, Police Legislative Grant, Safety Enhancement Grant, Wallace Lees Scholarship, Polling Place Accessibility Grant, and Police Task Force.
Capital Projects:	Eagle Peak Recreation, White Mill Park, Stillwater Mill Revitalization, Granite Mill/Gonyea Park, Skateboard Park, North Road Bridge Park, Route 102 Commerce Park, and Open Space/Land Acquisition.
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, 2015**

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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.

During fiscal year 2015, the Town implemented GASB Statement No 68, Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27. The revised requirements establish new financial reporting requirements for state and local governments which provide their employees with pension benefits, including additional note disclosures and required supplementary information. In addition, GASB Statement No. 68 requires a state or local government employer to recognize a net pension liability and changes in the net pension liability, deferred outflows of resources and deferred inflows of resources which arise from other types of events related to pensions. During the transition year, as permitted, beginning balances for deferred outflows of resources and deferred inflows of resources will not be reported, except for deferred outflows of resources related to contributions made after the measurement date of the beginning net pension liability which is required to be reported by GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date.

***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 \$392,400 for property taxes. Major receivable balances for the governmental activities include property taxes (28% of balance) and intergovernmental grants and aid (66% of balance). Business-type activities report usage and service fees as its major receivables.

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2015**

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

***Accounts Receivable (Continued)***

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.

***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.

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2015**

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

***Property, Plant and Equipment (Continued)***

**Government-Wide Statements (Continued)**

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.

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.....	5 - 39 years
Collection system.....	25 - 60 years
Equipment.....	5 - 25 years
Vehicles .....	3 - 20 years
Leasehold improvements.....	5 - 15 years
Infrastructure and land improvements ....	15 - 40 years

**Fund Financial Statements**

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

***Bond Issuance Costs***

Bond issuance costs are recorded as operating expenses when incurred. The implementation of GASB Statement No. 65 resulted in the write-off of bond issuance costs as of July 1, 2013.

***Amount Deferred on Refunding***

During periods of declining interest rates, the Town has refunded certain bond obligations reducing aggregate debt service. The difference between the reacquisition price and the net carrying amount of the refunded bonds is recorded as an amount deferred on refunding. The deferred amount on refunding is amortized over the remaining life of the refunded bonds, or the life of the new bonds, whichever is shorter. The amortization amount is a component of interest on bonds, and the unamortized balances are recorded as deferred outflows or inflows on the government-wide Statement of Net Position.

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2015**

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

***Pensions***

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Municipal Employees' Retirement System (MERS) of Rhode Island and additions to/deductions from MERS' fiduciary net position have been determined on the same basis as they are reported by MERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

***Deferred Inflows and Outflows of Resources***

In addition to assets, the government-wide statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town currently has two items which qualify for reporting in this category: contributions subsequent to the measurement date for pensions which will be applied to the net pension liability in the next fiscal year and the deferred charges on refunding.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The Town has two items which qualify for reporting in this category. On the Statement of Net Position, the Town reports the deferral of pension expense that results from the implementation of GASB Statement No. 68. On the governmental funds Balance Sheet, under the modified accrual basis of accounting, the Town reports unavailable revenue from one source: property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

***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, 2015, 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 .....	\$106,264		\$ 106,264
Administrative Departments.....	40,273		40,273
Public Works Department.....	37,152		37,152
Recreation Department.....	2,659		2,659
School Department.....	33,983	\$919,547	953,530
<b>Total .....</b>	<b>\$220,331</b>	<b>\$919,547</b>	<b>\$1,139,878</b>

(CONTINUED)



**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2015**

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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 expensed as incurred.

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. The total bond premiums at June 30, 2015 were \$454,744, while the accumulated amortization was \$310,318.

***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, 2015 were for the Burrillville School Department and amounted to \$38,260.

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2015**

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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 assets - 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 position - Consists of net position 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 position - All other net position that does 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 and School Department 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 Town and School General Funds, assigned amounts represent intended uses established by majority vote of the Town Council and School Committee.

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2015**

**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.

***Net Position Flow Assumption***

The Town occasionally funds outlays for a particular purpose from both restricted and unrestricted resources. To determine the amounts to be reported as restricted and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Town's policy to use restricted resources first, then unrestricted as they are needed.

***Fund Balance Flow Assumption***

The Town may fund outlays for a particular purpose from both restricted and unrestricted (total committed, assigned and unassigned fund balances) resources. To calculate the amounts to report as restricted, committed, assigned or unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the Town's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

***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 \$97,768 difference are as follows:

Capital outlay .....	\$ 3,155,981
Depreciation expense .....	<u>(3,253,749)</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>\$ (97,768)</u>

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2015**

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

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

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

Another element of that reconciliation states that "the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. The details of this \$1,938,000 difference are as follows:

Issuance of general obligation bonds .....	\$ (680,000)
Principal repayments – general obligation debt .....	<u>2,618,000</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>\$1,938,000</u>

Another element of that reconciliation states that, "Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds." The details of this \$49,728 difference are as follows:

Deferred revenue – beginning .....	\$ (810,777)
Deferred revenue – ending .....	<u>860,505</u>
Net adjustment to decrease <i>net change in fund balances-</i> <i>total governmental funds</i> to arrive at <i>change in net</i> <i>position of governmental activities</i> .....	<u>\$ 49,728</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 \$147,792 difference are as follows:

Increase in liability for compensated absences .....	\$ (18,095)
Decrease in liability for landfill closure .....	147,000
Decrease in liability for net OPEB obligation.....	12,620
Amortization of current year deferred expense on refunding.....	(21,948)
Amortization of current year bond premium.....	<u>28,215</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>\$ 147,792</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 \$26,534 difference are as follows:

Accrued Interest – beginning .....	\$ 175,847
Accrued Interest – ending .....	<u>(149,313)</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>\$ 26,534</u>

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2015**

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**2. BUDGETARY PROCESS**

**(a) Adoption**

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

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

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

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

Based on State statute, the School Committee is also authorized to spend funds up to the total amount appropriated. The budget of the School 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 fourteen supplemental budgetary revisions made during the year totaling \$4,998,996. The increase was due primarily to capital improvement budget appropriations of \$3,058,344.

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2015**

**2. BUDGETARY PROCESS (Continued)**

**(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 2014 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 2015.

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-8) .....</b>	<b>\$ 52,098,199</b>	<b>\$ 48,963,712</b>
Less: Transfer from Fund Balance to revenue for current year .....	(3,255,760)	
Less: School Department revenues included in General Fund Budget	(13,587,496)	
Less: School Department expenditures included in General Fund .....		(13,587,496)
Activity of funds classified with the General Fund for the purposes of GASB Statement No. 54 .....	(243,700)	(1,242,169)
<b>Statement of Revenues, Expenditures, and Changes in Fund Balances (B-2) .....</b>	<b><u>\$ 35,011,243</u></b>	<b><u>\$ 34,134,047</u></b>

**A reconciliation of the School Department's General Fund revenues, expenditures and other financing sources (uses) as reported on schedules B-2 and E-9 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-9) .....</b>	<b>\$30,005,677</b>	<b>\$29,938,637</b>
Less: Transfer from Fund Balance to revenue for current year .....	(138,625)	
Less: Current year encumbrances .....		(38,260)
Add: Prior year encumbrances .....		50,875
Adjustment for pension contribution made by State of Rhode Island on behalf of employees .....	1,176,485	1,176,485
<b>Statement of Revenues, Expenditures, and Changes in Fund Balances (B-2) .....</b>	<b><u>\$31,043,537</u></b>	<b><u>\$31,127,737</u></b>

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

**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 \$25,566,171 while the bank balance was \$25,928,111, of which \$8,378,292 was covered by federal depository insurance and \$17,549,819 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 \$2,023,918 which were FDIC insured under the Certificate of Deposit Account Registry Service (CDARS) at June 30, 2015.

The following is a reconciliation of the Town's cash and cash equivalents as of June 30, 2015:

	<b><u>Primary Government</u></b>	<b><u>Component Units</u></b>
Total deposits	\$ 25,324,707	\$241,464
Add: petty cash and cash on hand	9,454	0
Add: certificates of deposit	2,023,918	0
Add: investments classified as cash equivalents	7	0
Less: fiduciary funds cash (not included in the government-wide financial statements)	<u>(159,578)</u>	<u>0</u>
<b>Total cash and cash equivalents reported in the financial statements (A-1)</b>	<b><u>\$ 27,198,508</u></b>	<b><u>\$241,464</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, 2015, the Town did not have any material uncollateralized investments.

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

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

**(b) Investments (Continued)**

Concentration of Credit Risk - At June 30, 2015, the Town had substantially all of its investments concentrated in federally insured certificates of deposit. At June 30, 2015, 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, 2015, 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 .....	\$ 7	Varies (1)	Daily	Aaa-mf/AAAm
Certificate of deposit .....	1,923	0.05%	5/29/16	not rated
Total investments.....	1,930			
Deposits .....	25,566,171			
Certificate of deposit .....	1,011,767	0.25%	7/02/15	not rated
Certificate of deposit .....	1,012,151	0.25%	7/09/15	not rated
Petty cash and cash on hand.....	9,454			
Total cash and investments .....	<u>\$27,601,473</u>			

(1) Annualized 30 day yield of 0.0% for June 2015.

(CONTINUED)



**TOWN OF BURRILLVILLE, RHODE ISLAND**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

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**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.....	\$ 1,930
Less: investments classified as cash equivalents.....	(7)
Less: fiduciary funds investments (not included in the government-wide statement) .....	<u>(1,923)</u>
<b>Total investments (A-1) .....</b>	<b><u>\$ 0</u></b>

**4. TAXES RECEIVABLE**

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, 2013. 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 2015 were based on an assessed value of approximately \$1,440,926,137 at December 31, 2013 and amounted to \$29,545,293. Collections on the 2015 tax levy through June 30, 2015 amounted to \$28,894,234, which represents 97.80% 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, 2015 (\$1,426,256) are recorded as a receivable, net of an allowance for uncollectible property taxes of \$392,400. Those net property taxes receivable which were not collected within the 60 days immediately are recorded as unearned revenue and amounted to \$765,850 at June 30, 2015. Property taxes recognized as revenue for the fiscal year ended June 30, 2015 (due to their collection within the 60 days immediately following June 30, 2015) amounted to \$268,006.

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 \$322,464. These receivables are only collectible upon the transfer of title to the property.

In the government-wide financial statements, unearned 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, 2015**

**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 .....	\$ 355,201	
School Department General Fund .....	8,187	
<b>Non-major funds</b> .....	298,935	\$ 765
<b>Total</b> .....	662,323	765
<b>Federal government:</b>		
<b>Major funds:</b>		
General Fund .....	63,124	
<b>Non-major funds</b> .....	1,079,730	
<b>Total</b> .....	1,142,854	0
<b>Other governments:</b>		
<b>Non-major funds</b> .....	673,200	0
<b>Total governmental activities</b> .....	\$ 2,478,377	\$ 765
<b>Business-type activities:</b>		
<b>State of Rhode Island:</b>		
Sewer Authority .....		\$6,600
<b>Total</b> .....	\$ 0	6,600
<b>Federal government:</b>		
School Cafeteria Fund .....	28,027	
<b>Total</b> .....	28,027	0
<b>Total business-type activities</b> .....	\$ 28,027	\$ 6,600

**6. INTERFUND BALANCES**

Interfund balances represent short-term advances from one fund (primarily the General Fund) to another fund. The advances represent balances resulting from operating advances. The composition of interfund balances at June 30, 2015 is as follows.

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
<b>Governmental activities:</b>		
<b>Major funds:</b>		
General Fund .....	\$ 44,545	\$3,975,868
School Department General Fund .....	3,247,628	10,021
<b>Non-major funds</b> .....	1,234,576	415,252
<b>Total governmental activities</b> .....	4,526,749	4,401,141
<b>Business-type activities:</b>		
<b>Major funds:</b>		
Sewer Authority .....		35,248
School Cafeteria Fund .....		76,999
<b>Non-major funds</b> .....		13,361
<b>Total business type activities</b> .....	0	125,608
<b>Balances at June 30, 2015</b> .....	\$4,526,749	\$4,526,749

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2015**

**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 .....	\$ 0	\$44,666
<b>Discretely presented component units:</b>		
Burrillville Redevelopment Agency .....	150	0
Jesse M. Smith Memorial Library .....	44,516	0
<b>Balances at June 30, 2015 .....</b>	<b><u>\$44,666</u></b>	<b><u>\$44,666</u></b>

**7. CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2015 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 .....	\$ 2,909,741			\$ 2,909,741
Construction in progress .....	760,908	\$ 489,707	\$ (618,020)	632,595
<b>Total capital assets not being depreciated</b>	<b><u>3,670,649</u></b>	<b><u>489,707</u></b>	<b><u>(618,020)</u></b>	<b><u>3,542,336</u></b>
<b>Other capital assets:</b>				
Buildings and improvements .....	72,344,562	2,330,585		74,675,147
Equipment .....	1,966,276	72,542		2,038,818
Vehicles .....	4,521,125	271,495		4,792,620
Infrastructure .....	20,126,845	609,672		20,736,517
<b>Total other capital assets</b>	<b><u>98,958,808</u></b>	<b><u>3,284,294</u></b>	<b><u>0</u></b>	<b><u>102,243,102</u></b>
<b>Less: accumulated depreciation for:</b>				
Buildings and improvements .....	(24,011,464)	(1,652,919)		(25,664,383)
Equipment .....	(1,304,280)	(156,059)		(1,460,339)
Vehicles .....	(2,791,194)	(297,506)		(3,088,700)
Infrastructure .....	(8,730,458)	(1,147,265)		(9,877,723)
<b>Total accumulated depreciation</b>	<b><u>(36,837,396)</u></b>	<b><u>(3,253,749)</u></b>	<b><u>0</u></b>	<b><u>(40,091,145)</u></b>
<b>Other capital assets, net</b>	<b><u>62,121,412</u></b>	<b><u>30,545</u></b>	<b><u>0</u></b>	<b><u>62,151,957</u></b>
<b>Governmental activities capital assets, net</b>	<b><u>\$ 65,792,061</u></b>	<b><u>\$ 520,252</u></b>	<b><u>\$(618,020)</u></b>	<b><u>\$ 65,694,293</u></b>

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2015**

**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 .....	297,011	\$ 523,148	\$(339,942)	480,217
<b>Total capital assets not being depreciated ...</b>	<b>679,454</b>	<b>523,148</b>	<b>(339,942)</b>	<b>862,660</b>
<b>Other capital assets:</b>				
Leasehold improvements .....	34,398			34,398
Collection systems .....	34,514,621	199,844		34,714,465
Plant and buildings .....	7,973,885	112,500		8,086,385
Plant equipment .....	372,362	29,848		402,210
Motor vehicles .....	135,261			135,261
Furniture and equipment .....	674,466	1,792		676,258
<b>Total other capital assets .....</b>	<b>43,704,993</b>	<b>343,984</b>	<b>0</b>	<b>44,048,977</b>
Less: accumulated depreciation for:				
Leasehold improvements .....	(30,387)	(1,339)		(31,726)
Collection systems .....	(13,855,764)	(549,442)		(14,405,206)
Plant and buildings .....	(7,174,489)	(41,386)		(7,215,875)
Plant equipment .....	(196,171)	(22,189)		(218,360)
Motor vehicles .....	(126,585)	(4,527)		(131,112)
Furniture and equipment .....	(441,946)	(38,513)		(480,459)
<b>Total accumulated depreciation .....</b>	<b>(21,825,342)</b>	<b>(657,396)</b>	<b>0</b>	<b>(22,482,738)</b>
<b>Other capital assets, net .....</b>	<b>21,879,651</b>	<b>(313,412)</b>	<b>0</b>	<b>21,566,239</b>
<b>Business-type activities capital assets, net .....</b>	<b>\$22,559,105</b>	<b>\$ 209,736</b>	<b>\$(339,942)</b>	<b>\$ 22,428,899</b>

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

<b>Governmental activities:</b>	
General government .....	\$ 232,836
Public safety .....	163,690
Education .....	1,182,768
Recreation and social services .....	297,342
Public works .....	1,377,113
<b>Total governmental activities depreciation expense .....</b>	<b>\$3,253,749</b>
<b>Business-type activities:</b>	
Sewer Authority .....	\$ 617,544
School Cafeteria Fund .....	10,537
Non-major enterprise funds .....	29,315
<b>Total business-type activities depreciation expense .....</b>	<b>\$ 657,396</b>

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2015**

**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 .....	\$517,833			\$517,833
<b>Capital assets, net</b> .....	<u>\$517,833</u>	<u>\$ 0</u>	<u>\$0</u>	<u>\$517,833</u>
<b>Jesse M. Smith Memorial Library:</b>				
<b>Other capital assets:</b>				
Furniture and equipment.....	\$ 29,839	\$ 22,845		\$ 52,684
Less: accumulated depreciation for:				
Furniture and equipment.....	(19,900)	(3,562)		(23,462)
<b>Other capital assets, net</b> .....	<u>\$ 9,939</u>	<u>\$19,283</u>	<u>\$0</u>	<u>\$ 29,222</u>

**8. LONG-TERM LIABILITIES**

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

Long-term liability activity for the year ended June 30, 2015 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.....	\$18,786,229	\$680,000	\$(2,618,000)	\$16,848,229	\$2,029,000
Plus: bond premium, net of amortization .....	172,641		(28,215)	144,426	
<b>Total long-term debt</b> .....	<u>18,958,870</u>	<u>680,000</u>	<u>(2,646,215)</u>	<u>16,992,655</u>	<u>2,029,000</u>
<b>Other long-term liabilities:</b>					
Compensated absences .....	1,121,783	440,371	(422,276)	1,139,878	155,000
Landfill closure and post-closure costs .....	1,071,000		(147,000)	924,000	44,800
Net OPEB obligation.....	17,554		(12,620)	4,934	
<b>Total other long-term liabilities</b> .....	<u>2,210,337</u>	<u>440,371</u>	<u>(581,896)</u>	<u>2,068,812</u>	<u>199,800</u>
Governmental activities long-term liabilities .....	<u>\$21,169,207</u>	<u>\$1,120,371</u>	<u>\$(3,228,111)</u>	<u>\$19,061,467</u>	<u>\$2,228,800</u>

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2015**

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

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

Long-term liability activity for the year ended June 30, 2015 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.....	\$ 22,518	\$ 0	\$(22,518)	\$ 0	\$ 0
<b>Other long-term liabilities:</b>					
Compensated absences .....	82,146	45,942	(42,191)	85,897	21,650
Net OPEB obligation.....	1,069	1,019		2,088	
<b>Total other long-term liabilities.....</b>	<b>83,215</b>	<b>46,961</b>	<b>(42,191)</b>	<b>87,985</b>	<b>21,650</b>
<b>Total business-type activities.....</b>	<b>\$105,733</b>	<b>\$46,961</b>	<b>\$(64,709)</b>	<b>\$87,985</b>	<b>\$21,650</b>

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

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2015**

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

**(b) Bonds and Notes Outstanding**

At June 30, 2015, 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, 2014</u>	<u>Issued</u>	<u>Paid</u>	<u>Outstanding June 30, 2015</u>
School bonds:	12/1/99	\$5,500,000	11/1/14	4.35% - 6.5%	\$ 365,000		\$ 365,000	\$ 0
	8/15/00	8,000,000	8/15/15	4.5% - 5.25%	1,000,000		500,000	500,000
	6/15/06	7,500,000	5/15/26	4.0% - 5.0%	4,500,000		375,000	4,125,000
	Subtotal				5,865,000	\$ 0	1,240,000	4,625,000
Sewer bonds:	11/13/03	5,600,000	9/1/24	1.410%	3,638,000		299,000	3,339,000
	11/1/06	400,000	11/1/26	4.0% - 5.0%	260,000		20,000	240,000
	12/21/06	3,500,000	9/1/27	1.165% - 1.315%	2,450,000		175,000	2,275,000
	Subtotal				6,348,000	0	494,000	5,854,000
Refunding bonds:	10/1/02	9,145,000	7/15/17	2.5% - 5.0%	1,150,000		270,000	880,000
	11/1/06	2,090,000	5/1/15	4.0%	220,000		220,000	0
	Subtotal				1,370,000	0	490,000	880,000
Library bonds:	11/1/06	5,000,000	11/1/26	4.0% - 5.0%	3,250,000	0	250,000	3,000,000
Landfill bonds:	6/24/10	2,160,000	9/1/25	0.27% - 2.79%	1,728,000	0	144,000	1,584,000
Road bonds:	8/29/14	680,000	9/1/25	0.30% - 1.85%	0	680,000		680,000
					18,561,000	680,000	2,618,000	16,623,000
				<b>Subtotal general obligation bonds</b>				
Note payable:	5/20/09	610,000	5/20/19	None	225,229	0	0	225,229
				<b>Total general obligation debt</b>	<b>\$18,786,229</b>	<b>\$ 680,000</b>	<b>\$2,618,000</b>	<b>\$16,848,229</b>

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2015**

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

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

During the fiscal year ended June 30, 2015, the Town retired \$2,618,000 in principal on its existing outstanding bonds and loans.

During the fiscal year ended June 30, 2015, the Town incurred the following interest expense:

Library bonds .....	\$128,813
Sewer bonds .....	124,389
School bonds .....	256,672
Refunding bonds.....	46,516
Landfill bonds.....	44,582
Road bonds.....	198
Total.....	<u>\$601,170</u>

The Town has issued five bonds under the Maximum Aggregate Indebtedness provision (3% Debt Limit) of the Rhode Island General Laws 45-12-2. The five 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, a 2010 \$2,160,000 Landfill bond issue, and a 2014 \$680,000 Road 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, 2015. 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>(55,439)</u>
<b>Total.....</b>	<b><u>\$ 57,411</u></b>

(CONTINUED)



**TOWN OF BURRILLVILLE, RHODE ISLAND**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

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

**(d) Debt Service Requirements**

At June 30, 2015, 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</u> <u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016.....	\$ 2,029,000	\$ 518,729	\$ 2,547,729
2017.....	1,658,000	460,872	2,118,872
2018.....	1,654,000	409,542	2,063,542
2019.....	1,580,229	360,205	1,940,434
2020.....	1,362,000	334,906	1,696,906
2021.....	1,369,000	271,383	1,640,383
2022.....	1,376,000	225,896	1,601,896
2023.....	1,383,000	179,872	1,562,872
2024.....	1,391,000	133,266	1,524,266
2025.....	1,394,000	88,066	1,482,066
2026.....	1,032,000	46,555	1,078,555
2027.....	445,000	12,014	457,014
2028.....	175,000	3,176	178,176
<b>Total .....</b>	<b>\$16,848,229</b>	<b>\$3,044,482</b>	<b>\$19,892,711</b>

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

**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>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Nonspendable:</b>				
Perpetual care.....			\$ 81,910	\$ 81,910
Endowments .....			26,000	26,000
Tax sale property .....	\$ 526,987			526,987
<b>Restricted for:</b>				
Town Clerk.....			60,676	60,676
Police department.....			74,156	74,156
Recreation.....			55,381	55,381
Social Services .....			42,921	42,921
Educational scholarships .....			518,360	518,360
Community development .....			18,238	18,238
<b>Committed to:</b>				
Recycling program.....	115,821			115,821
Revaluation .....	81,499			81,499
Recreational programs.....			132,816	132,816
Debt service .....	4,356,515			4,356,515
Capital projects .....	1,139,625		3,233,008	4,372,633
Unfunded liability and incentive pay .....	358,045			358,045
Employee benefits .....	1,991,713			1,991,713
Subsequent year's budget .....	1,665,379	\$ 75,924		1,741,303
<b>Assigned for:</b>				
Educational programs .....	91,081	391,166		482,247
<b>Unassigned</b> .....	<u>6,427,798</u>		<u>(7,934)</u>	<u>6,419,864</u>
<b>Total Fund Balances</b> .....	<u>\$16,754,463</u>	<u>\$467,090</u>	<u>\$4,235,532</u>	<u>\$21,457,085</u>

**(b) Fund Deficits**

The following funds had a deficit equity balance at June 30, 2015:

Automatic External Defibrillator .....	\$ 348
Eagle Peak Recreation .....	7,586

It is the intention of the Town to cover the above deficits through equipment rebates and General Fund Contributions. The Town's general 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, 2015**

**9. FUND EQUITY (Continued)**

**(c) Fund Deficits**

The following individual funds had deficits for the year ended June 30, 2015:

**Major governmental activities:**

School Department .....	\$ 84,200
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**Non-major governmental activities:**

**Special Revenue Funds:**

Community Recreation .....	5,779
Town Clerk Technology .....	12,491
Spring Lake .....	57,200
Community Development Block Grant.....	23,719
Ocean State Power Funds.....	9,906
Narcotics Guidance Council.....	2,390

**Capital Project Funds:**

Eagle Peak Recreation .....	7,586
Granite Mill/Gonyea Park.....	316
Skateboard Park .....	20,011
Major Capital .....	780,399

**Permanent Funds:**

Cemetery Fund .....	441
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**Major business-type activities:**

Sewer Authority.....	155,259
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**(d) Restatement**

**Governmental Funds:**

The beginning balance of the General Fund fund balance has been restated by \$176,000 to record an allowance on Town held tax liens. The governmental fund financial statements were restated as follows:

Fund balance as of July 1, 2014, as originally reported.....	\$16,053,267
To record an allowance for uncollectible tax liens .....	(176,000)
Fund balance as of July 1, 2014, as restated .....	<u>\$15,877,267</u>

**Governmental Activities:**

As a result of implementing GASB Statement No. 68 as discussed in Note 1, and the restatement of the governmental funds fund balance, the Town restated its governmental activities net position at July 1, 2014 from \$66,314,102 to \$42,618,501.

Net position as of July 1, 2014, as originally reported.....	\$ 66,314,102
To record the net pension liability at July 1, 2014 .....	(29,224,087)
To record deferred outflows related to pensions .....	2,478,535
To record the net pension asset at July 1, 2014.....	3,225,951
To record an allowance for uncollectible tax liens at July 1, 2014 .....	(176,000)
Net position as of July 1, 2014, as restated .....	<u>\$ 42,618,501</u>

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2015**

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**10. DEFINED BENEFIT PENSION PLANS**

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

**General Information about the Pension Plan**

**Plan Description** - The Municipal Employees' Retirement System (MERS) - an agent multiple-employer defined benefit pension plan - provides certain retirement, disability and death benefits to plan members and beneficiaries. MERS was established under Rhode Island General Law and placed under the management of the Employee's Retirement System of Rhode Island (ERSRI) Board to provide retirement allowances to employees of municipalities, housing authorities, water and sewer districts, and municipal police and fire persons that have elected to participate. Benefit provisions are subject to amendment by the General Assembly.

MERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained accessing the ERSRI website at [www.ersri.org](http://www.ersri.org).

**Benefits Provided** - For general employees prior to June 30, 2012 the plan provided retirement benefits equal to 2% of a member's final average salary multiplied by the number of years of total service up to a maximum of 75%. Such benefits are available to members at least age 58 with 10 years of service or after 30 years of service at any age. Benefits accrued at June 30, 2012 are protected under the Rhode Island Retirement Security Act until it is exceeded by the member's full years of service credit, including service after June 30, 2012, multiplied by the average of five consecutive years of compensation. Effective July 1, 2012 the retirement age will mirror the Social Security Normal Retirement Age not to exceed age 67. Members will receive a benefit accrual of 1.0% per year based on the five-year average compensation.

Joint and survivor options are available as well as the Service Retirement Allowance (SRA) Plus option that provides for the payment of a larger benefit before the attainment of age sixty-two (62) and a reduced amount thereafter. The reduced amount is equal to the benefit before age sixty-two (62), including cost-of-living increases, minus the member's estimated social security benefit payable at age sixty-two (62).

Prior to June 30, 2012 police and fire personnel may retire at age 55 if they have 10 years of service or after 25 years of service at any age. An option may be elected to provide a 20 year service pension with a benefit equal to 2.5% for each year of service up to a maximum of 75% for police and fire personnel. Benefits are based on the average of the highest three consecutive years' earnings, exclusive of overtime.

The new retirement age will be 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, that are at least 45 years old, have 10 or more years of contributing service and are eligible to retire prior to age 52 under the law in effect on June 30, 2012, may retire at age 52.

As of June 30, 2012 members will continue to have a frozen benefit accrual of 2.0% per year for a standard 25 year with any age and out plan; 2.5% for a standard 20 year with any age and out plan. Effective July 1, 2012 the optional 20 and 25 year with retirement at any age plans have been eliminated. The benefit accrual for all plans will be 2.0% per year based on the five-year average compensation, exclusive of overtime. 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 will be calculated based on how close the member is to the eligibility date that is prescribed in the Rhode Island Retirement Security Act.

The plan also provides survivor's benefits; and certain lump sum death benefits.

Plan members are vested after five years of service.

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2015**

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

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

**General Information about the Pension Plan (Continued)**

**Benefits Provided (Continued)**

An optional cost-of-living provision may be elected for police and fire personnel and general employees. 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% funded 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. For police and fire units, COLA will be delayed until the later of age 55 or three years after retirement. For general employee units, COLA will be delayed until the later of the Social Security Normal Retirement Age or three years after retirement. The COLA will be applied to the first \$25,000 of benefits indexed annually.

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

**Employees covered by benefit terms.**

At the June 30, 2013 valuation date, the following employees were covered by the benefit terms:

	<u>General Employees</u>	<u>Police Employees</u>
Retirees and Beneficiaries	97	16
Inactive, Nonretired Members	46	2
Active Members	137	21
Total	280	39

**Contributions** - The amount of employee and employer contributions have been established under Rhode Island General Law Chapter 45-21. General employees are required to contribute 2% of their salaries. Public safety employees are required to contribute 8% of their salaries. The Town of Burrillville contributes at a rate of covered employee payroll as determined by an independent actuary on an annual basis. The General Assembly can amend the amount of these contribution requirements. The Town of Burrillville contributed \$497,261 in the year ended June 30, 2015 for general employees and \$323,503 for public safety employees, which was 8.27% and 24.9% of annual covered payroll, respectively.

**Net Pension Liability (Asset)** - The total pension liability was determined by actuarial valuations performed as of June 30, 2013 and rolled forward to June 30, 2014, using the following actuarial assumptions, applied to all periods included in the measurement.

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2015**

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

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

**Net Pension Liability (Asset) (Continued)**

<b>Summary of Actuarial Assumptions Used in the Valuations to determine the Net Pension Liability at the June 30, 2014 measurement date (June 30, 2013 valuation rolled forward to June 30, 2014)</b>	
Actuarial Cost Method	Entry Age Normal - the Individual Entry Age Actuarial Cost methodology is used.
Amortization Method	Level Percent of Payroll - Closed
Equivalent Single Remaining Amortization Period	21 years at June 30, 2014
Actuarial Assumptions	
Investment Rate of Return	7.50%
Projected Salary Increases	General Employees - 3.50% to 7.50% ; Police & Fire Employees - 4.00% to 14.00%
Inflation	2.75%
Mortality	<ul style="list-style-type: none"><li>• Male Employees, MERS General and MERS P&amp;F: 115% of RP-2000 Combined Healthy for Males with White Collar adjustments, projected with Scale AA from 2000.</li><li>• Female Employees, MERS General and MERS P&amp;F: 95% of RP-2000 Combined Healthy for Females with White Collar adjustments, projected with Scale AA from 2000.</li></ul>
Cost of Living Adjustments	COLA is 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 latter of Social Security eligibility age or 3 years after retirement except for MERS Police and Fire for which the COLA is delayed until the later of age 55 or 3 years after retirement. A 2% COLA is assumed after January 1, 2014.

The actuarial assumptions used in the June 30, 2013 valuation rolled forward to June 30, 2014 and the calculation of the total pension liability at June 30, 2014 were consistent with the results of an actuarial experience study performed as of June 30, 2013.

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2015**

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

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

**Net Pension Liability (Asset) (Continued)**

The long-term expected rate of return best-estimate on pension plan investments was determined by the actuary using a building-block method. The actuary started by calculating best-estimate future expected real rates of return (expected returns net of pension plan investment expense and inflation) for each major asset class, based on forward-looking medium-term (10 year) capital market return assumptions developed by eight investment consulting firms. The June 30, 2014 expected arithmetic returns over the medium term by asset class as developed by the State Investment Commission's investment consultant, which are generally consistent with the averages utilized by the actuary, are summarized in the following table:

Asset Class	Target allocation	Medium-term expected real rate of return
Global Equity	38%	6.05%
Private Equity	7%	9.05%
Equity Hedge funds	8%	4.75%
Absolute return hedge	7%	2.95%
Real Return	14%	3.85%
Real Estate	8%	4.45%
Core Fixed	15%	0.25%
Cash	3%	-0.50%
	100%	

These return assumptions are then weighted by the target asset allocation percentage, factoring in correlation effects, to develop the overall medium-term expected rate of return best-estimate on an arithmetic basis. To arrive at the long-term expected return estimate, the actuary adjusts the medium-term number to reflect the longer 30-year time frame required for actuarial calculations. This process produces the actuarial expected return, which is based on a 30-year horizon, and can differ from the medium-term, 10-year-horizon return expectations.

**Discount rate** - The discount rate used to measure the total pension liability of the plans was 7.5 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from the employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2015**

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

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

**Net Pension Liability (Asset) (Continued)**

<b>Changes in the Net Pension Liability (Asset) - General Employees</b>			
	<b>Increase (Decrease)</b>		
	<b>Total Pension Liability</b>	<b>Plan Fiduciary Net Position</b>	<b>Net Pension Liability (Asset)</b>
Balances as of June 30, 2013	\$ 25,291,674	\$ 24,228,236	\$ 1,063,438
Changes for the Year			
Service cost	571,246		571,246
Interest on the total pension liability	1,868,378		1,868,378
Changes in benefits			
Difference between expected and actual experience			
Changes in assumptions	206,772		206,772
Employer contributions		476,580	(476,580)
Employee contributions		120,310	(120,310)
Net investment income		3,599,161	(3,599,161)
Benefit payments, including employee refunds	(1,331,179)	(1,331,179)	
Administrative expense		(22,538)	22,538
Other changes		(47,580)	47,580
Net changes	1,315,217	2,794,754	(1,479,537)
Balances as of June 30, 2014	\$ 26,606,891	\$ 27,022,990	\$ (416,099)

<b>Changes in the Net Pension Liability (Asset) - Police Employees</b>			
	<b>Increase (Decrease)</b>		
	<b>Total Pension Liability</b>	<b>Plan Fiduciary Net Position</b>	<b>Net Pension Liability</b>
Balances as of June 30, 2013	\$ 10,753,837	\$ 8,107,694	\$ 2,646,143
Changes for the Year			
Service cost	238,634		238,634
Interest on the total pension liability	796,207		796,207
Changes in benefits			
Difference between expected and actual experience			
Changes in assumptions	(61,110)		(61,110)
Employer contributions		159,913	(159,913)
Employee contributions		98,864	(98,864)
Net investment income		1,205,386	(1,205,386)
Benefit payments, including employee refunds	(514,109)	(514,109)	
Administrative expense		(7,548)	7,548
Other changes		(1)	1
Net changes	459,622	942,505	(482,883)
Balances as of June 30, 2014	\$ 11,213,459	\$ 9,050,199	\$ 2,163,260

(CONTINUED)



**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2015**

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

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

**Net Pension Liability (Asset) (Continued)**

**Sensitivity of the Net Pension Liability to changes in the discount rate.** The following presents the net pension liability (asset) of the employers calculated using the discount rate of 7.5 percent, as well as what the employers' net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

	1.00% Decrease (6.5%)	Current Discount Rate (7.5%)	1.00 Increase (8.5%)
General Employees	\$2,382,700	\$ (416,099)	\$(3,214,898)
Police Employees	\$3,337,945	\$ 2,163,260	\$ 988,575

**Pension plan fiduciary net position** - detailed information about the pension plan's fiduciary net position is available in the separately issued ERSRI financial report.

***Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions***

For the year ended June 30, 2015, the employer recognized pension expense of \$497,261 for the general employees. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	<b><u>General Employees</u></b>	
	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Differences between expected and actual experience in the measurement of the total pension liability	\$ 0	\$ 0
Differences in assumptions		(174,939)
Net difference between projected and actual earnings in pension plan investments	0	1,449,767
Employer contributions subsequent to measurement date	<u>497,261</u>	<u>0</u>
Total	<u>\$497,261</u>	<u>\$1,274,828</u>

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2015**

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

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

***Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)***

Amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending June 30</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2016	\$ (330,609)
2017	(330,609)
2018	(330,609)
2019	(330,608)
2020	31,833
Thereafter	<u>15,774</u>
<b>Total</b>	<b><u>\$(1,274,828)</u></b>

For the year ended June 30, 2015 the employer recognized pension expense of \$323,503 for the police employees. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

**Police Employees**

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience in the measurement of the total pension liability	\$ 0	\$ 0
Differences in assumptions	0	52,190
Net difference between projected and actual earnings in pension plan investments	0	485,734
Employer contributions subsequent to measurement date	<u>323,503</u>	<u>0</u>
<b>Total</b>	<b><u>\$323,503</u></b>	<b><u>\$537,924</u></b>

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2015**

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

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

***Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)***

Amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending June 30</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2016	\$ (130,353)
2017	(130,353)
2018	(130,353)
2019	(130,355)
2020	(8,920)
Thereafter	<u>(7,590)</u>
<b>Total</b>	<b><u>\$ (537,924)</u></b>

**(b) Employees' Retirement System**

***General Information about the Pension Plan***

**Plan description** - Certain employees of the Burrillville School Department participate in a cost-sharing multiple-employer defined benefit pension plan - the Employees' Retirement System plan - administered by the Employees' Retirement System of the State of Rhode Island (System). Under a cost-sharing plan, pension obligations for employees of all employers are pooled and plan assets are available to pay the benefits of the employees of any participating employer providing pension benefits through the plan, regardless of the status of the employers' payment of its pension obligation to the plan. The plan provides retirement and disability benefits and death benefits to plan members and beneficiaries.

The System issues a publicly available financial report that includes financial statements and required supplementary information for the plans. The report may be obtained at <http://www.ersri.org>.

**Benefit provisions** - The level of benefits provided to participants is established by Chapter 36-10 of the General Laws, which is subject to amendment by the General Assembly. Member benefit provisions vary based on service credits accumulated at dates specified in various amendments to the General Laws outlining minimum retirement age, benefit accrual rates and maximum benefit provisions. In general, members accumulate service credits for each year of service subject to maximum benefit accruals of 80% or 75%. For those hired after June 30, 2012, the benefit accrual rate is 1% per year with a maximum benefit accrual of 40%. Members eligible to retire at September 30, 2009 may retire with 10 years of service at age 60 or after 28 years of service at any age. The retirement eligibility age increases proportionately for other members reflecting years of service and other factors until it aligns with the Social Security Normal Retirement Age, which applies to any member with less than 5 years of service as of July 1, 2012. Members are vested after 5 years of service.

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

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

**(b) Employees' Retirement System (Continued)**

***Benefit provisions (Continued)***

The plan provides for survivor's benefits for service connected death and certain lump sum death benefits. Joint and survivor benefit provision options are available to members.

Cost of living adjustments are provided but are currently suspended until the collective plans covering state employees and teachers reach a funded status of 80%. Until the plans reach an 80% funded status, interim cost of living adjustments are provided at five-year intervals.

The plan also provides nonservice-connected disability benefits after five years of service and service-connected disability benefits with no minimum service requirement.

**Contributions** - The funding policy, as set forth in the General Laws, Section 16-16-22, provides for actuarially determined periodic contributions to the plan. For fiscal 2015, Burrillville School Department teachers were required to contribute 3.75% of their annual covered salary. The State and the Burrillville School Department are required to contribute at an actuarially determined rate, 40% of which is to be paid by the State and the remaining 60% is to be paid by Burrillville School Department; the rates were 8.75% and 12.79% of annual covered payroll for the fiscal year ended June 30, 2015 for the State and Burrillville School Department, respectively. The Burrillville School Department contributed \$1,861,211, \$1,821,960, and \$1,530,068 for the fiscal years ended June 30, 2015, 2014 and 2013, respectively, equal to 100% of the required contributions for each year. 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 and amounted to \$1,176,485 for fiscal year 2015.

***Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources***

At June 30, 2015, the Burrillville School Department reported a liability of \$22,521,078 for its proportionate share of the net pension liability that reflected a reduction for contributions made by the State. The amount recognized by the Burrillville School Department as its proportionate share of the net pension liability, the related State support and the total portion of the net pension liability that was associated with the Burrillville School Department were as follows:

Burrillville School Department proportionate share of the net pension liability	\$22,521,078
State's proportionate share of the net pension liability associated with the Burrillville School Department	<u>15,443,740</u>
Total net pension liability	<u>\$37,964,818</u>

The net pension liability was measured as of June 30, 2014, the measurement date, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2013 rolled forward to June 30, 2014. The Burrillville School Department's proportion of the net pension liability was based on a projection of the Burrillville School Department's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the State, actuarially determined. At June 30, 2014 the Burrillville School Department proportion was 0.92527010%.

Subsequent to June 30, 2014 (the measurement date), litigation challenging the various pension reform measures enacted in previous years by the General Assembly (2009, 2010, and 2011) was settled. The final settlement approved by the Court on July 8, 2015 also included enactment of the pension settlement provisions by the General Assembly.

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2015**

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

**(b) Employees' Retirement System (Continued)**

***Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)***

The amended benefit provisions in the newly enacted legislation and settlement agreement have not been reflected in the determination of the net pension liability at June 30, 2014 (the measurement date). These amended benefit provisions are summarized below:

- Employees with more than 20 years of service at July 1, 2012 will increase their employee contribution rate from 3.75% to 11% and participate solely in the defined benefit plan going forward – service credit accruals will increase from 1% to 2% per year.
- Employees with more than 10 but less than 20 years of service at July 1, 2012 will receive an increased employer contribution to the defined contribution plan.
- Retirees as of June 30, 2015 will receive two \$500 stipends; the interim cost of living increases will occur at 4 year rather 5 year intervals.
- Minor adjustments were made to the actuarial reduction for employees choosing to retire early.

These amendments are not considered to have a material effect on the net pension liability had they been retroactively applied to the calculation of the total pension liability at June 30, 2013 rolled forward to June 30, 2014. An actuarial analysis of the pension settlement provisions enacted by the General Assembly and approved by the Court indicated that the funded ratio at June 30, 2014 for teachers (determined on a funding basis) decreased from 59.6% to 58.2%.

For the year ended June 30, 2015, the Burrillville School Department recognized gross pension expense of \$2,639,165 and revenue of \$1,073,588 for support provided by the State. At June 30, 2015, the Burrillville School Department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred outflows of resources	
Contributions subsequent to the measurement date	\$1,861,211
Deferred inflows of resources	
Change of assumptions	\$ 797,739
Net difference between projected and actual earnings on pension plan investments	1,939,306
<b>Total</b>	<b>\$2,737,045</b>

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2015**

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

**(b) Employees' Retirement System (Continued)**

***Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)***

Deferred outflows of resources totaling \$1,861,211 related to pensions resulting from the Burrillville School Department's contributions in fiscal year 2015 subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2016	\$ (597,773)
2017	(597,773)
2018	(597,773)
2019	(597,773)
2020	(112,946)
Thereafter	(233,007)
<b>Total</b>	<b><u>\$(2,737,045)</u></b>

**Actuarial Assumptions** - the total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary increases	3.50% to 6.50%
Investment rate of return	7.50%

Mortality – male and female teachers: 97% and 92%, respectively of rates in a GRS table based on male and female teacher experience, projected with Scale AA from 2000.

The actuarial assumptions used in the June 30, 2013 valuation rolled forward to June 30, 2014 and the calculation of the total pension liability at June 30, 2014 were consistent with the results of an actuarial experience study performed as of June 30, 2013.

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2015**

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

**(b) Employees' Retirement System (Continued)**

**Actuarial Assumptions (Continued)**

The long-term expected rate of return best-estimate on pension plan investments was determined by the actuary using a building-block method. The actuary started by calculating best-estimate future expected real rates of return (expected returns net of pension plan investment expense and inflation) for each major asset class, based on forward-looking medium-term (10 year) capital market return assumptions developed by eight investment consulting firms. The June 30, 2014 expected arithmetic returns over the medium term by asset class as developed by the State Investment Commission's investment consultant, which are generally consistent with the averages utilized by the actuary, are summarized in the following table:

Asset Class	Target allocation	Medium-term expected real rate of return
Global Equity	38%	6.05%
Private Equity	7%	9.05%
Equity Hedge funds	8%	4.75%
Absolute return hedge	7%	2.95%
Real Return	14%	3.85%
Real Estate	8%	4.45%
Core Fixed	15%	0.25%
Cash	3%	-0.50%
	100%	

These return assumptions are then weighted by the target asset allocation percentage, factoring in correlation effects, to develop the overall medium-term expected rate of return best-estimate on an arithmetic basis. To arrive at the long-term expected return estimate, the actuary adjusts the medium-term number to reflect the longer 30-year time frame required for actuarial calculations. This process produces the actuarial expected return, which is based on a 30-year horizon, and can differ from the medium-term, 10-year-horizon return expectations.

**Discount rate** - the discount rate used to measure the total pension liability was 7.5 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from the employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2015**

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

**(b) Employees' Retirement System (Continued)**

**Sensitivity of the net pension liability (asset) to changes in the discount rate** - the following presents the net pension liability (asset) calculated using the discount rate of 7.5 percent as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

1.00% Decrease (6.5%)	Current Discount Rate (7.5%)	1.00 Increase (8.5%)
\$28,204,867	\$22,521,078	\$16,720,663

**Pension plan fiduciary net position** - detailed information about the pension plan's fiduciary net position is available in the separately issued ERSRI financial report.

**(c) Teachers' Survivors Benefit Plan**

**General Information about the Pension Plan**

**Plan description** - Certain employees of the Burrillville School Department participate in a cost-sharing multiple-employer defined benefit pension plan - the Teachers' Survivors Benefit plan - administered by the Employees' Retirement System of the State of Rhode Island (System). Under a cost-sharing plan, pension obligations for employees of all employers are pooled and plan assets are available to pay the benefits of the employees of any participating employer providing pension benefits through the plan, regardless of the status of the employers' payment of its pension obligation to the plan. The plan provides a survivor benefit to public school teachers in lieu of Social Security since not all school districts participate in Social Security.

The System issues a publicly available financial report that includes financial statements and required supplementary information for the plans. The report may be obtained at [www.ersri.org](http://www.ersri.org).

**Eligibility and plan benefits** - the plan provides a survivor benefit to public school teachers in lieu of Social Security since not all school districts participate in the plan. Specific eligibility criteria and the amount of the benefit is subject to the provisions of Chapter 16-16 of the Rhode Island General Laws which are subject to amendment by the General Assembly. Spouse, parents, family and children's benefits are payable following the death of a member. A spouse shall be entitled to benefits upon attaining the age of sixty (60) years. Children's benefits are payable to the child, including a stepchild or adopted child of a deceased member if the child is unmarried and under the age of eighteen (18) years or twenty-three (23) years and a full time student, and was dependent upon the member at the time of the member's death. Family benefits are provided if at the time of the member's death the surviving spouse has in his or her care a child of the deceased member entitled to child benefits. Parents benefits are payable to the parent or parents of a deceased member if the member did not leave a widow, widower, or child who could ever qualify for monthly benefits on the member's wages and the parent has reached the age of 60 years, has not remarried, and received support from the member.

(CONTINUED)



**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2015**

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

**(c) Teachers' Survivors Benefit Plan (Continued)**

**General Information about the Pension Plan (Continued)**

**Eligibility and plan benefits (Continued)**

In January, a yearly cost-of-living adjustment for spouse's benefits is paid and based on the annual social security adjustment.

Survivors are eligible for benefits if the member has made contributions for at least six months prior to death or retirement.

The TSB plan provides benefits based on the highest salary at the time of retirement of the teacher. Benefits are payable in accordance with the following table:

<u>Highest Annual Salary</u>	<u>Basic Monthly Spouse's Benefit</u>
\$17,000 or less	\$ 750
\$17,001 to \$25,000	\$ 875
\$25,001 to \$33,000	\$ 1,000
\$33,001 to \$40,000	\$ 1,125
\$40,001 and over	\$ 1,250

Benefits payable to children and families are equal to the spousal benefit multiplied by the percentage below:

Parent and 1 Child	Parent and 2 or more Children	One Child Alone	Two Children Alone	Three or more Children Alone	Dependent Parent
150%	175%	75%	150%	175%	100%

**Contributions** - The contribution requirements of active employees and the participating school districts were established under Chapter 16-16 of the Rhode Island General Laws, which may be amended by the 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 respective school district by which the member is employed. These contributions are in addition to the contributions required for regular pension benefits.

The Burrillville School Department contributed \$20,027, \$20,082 and \$20,256 for the fiscal years ended June 30, 2015, 2014 and 2013, respectively, equal to 100% of the required contributions for each year.

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2015**

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

**(c) Teachers' Survivors Benefit Plan (Continued)**

***Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources***

At June 30, 2015, the Burrillville School Department reported an asset of \$4,098,293 for its proportionate share of the net pension asset related to its participation in TSB. The net pension asset was measured as of June 30, 2014, the measurement date, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of June 30, 2013, rolled forward to June 30, 2014. The Burrillville School Department's proportion of the net pension asset was based on its share of contributions to the TSB for fiscal year 2014 relative to the total contributions of all participating employers for that fiscal year. At June 30, 2014, the Burrillville School Department's proportion was 3.29654812%.

For the year ended June 30, 2015, the Burrillville School Department recognized pension expense of \$315,910 – an increase in the net pension asset. At June 30, 2015, the Burrillville School Department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred outflows of resources	
Contributions subsequent to the measurement date	\$ 20,027
Deferred inflows of resources	
Net difference between projected and actual earnings on pension plan investments	\$536,350

\$536,350 reported as deferred outflows of resources related to pensions resulting from the Burrillville School Department contributions in fiscal year 2015 subsequent to the measurement date will be recognized as an addition to the net pension asset for the year ended June 30, 2016. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2016	\$ (134,087)
2017	(134,087)
2018	(134,087)
2019	(134,089)
<b>Total</b>	<b>\$ (536,350)</b>

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2015**

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

**(c) Teachers' Survivors Benefit Plan (Continued)**

**Actuarial Assumptions** - the total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary increases	3.50% to 13.50%
Investment rate of return	7.50%

Mortality rates for male and female teachers were based on 97% (males) and 92% (females) of rates in a GRS table based on male and female teacher experience, projected with scale AA from 2000.

Cost of living adjustment – eligible survivors receive a yearly cost of living adjustment based on the annual social security adjustment – for valuation purposes, a 2.75% cost of living adjustment is assumed.

The actuarial assumptions used in the June 30, 2013 valuation rolled forward to June 30, 2014 and the calculation of the total pension liability at June 30, 2014 were consistent with the results of an actuarial experience study performed as of June 30, 2013.

The long-term expected rate of return best-estimate on pension plan investments was determined by the actuary using a building-block method. The actuary started by calculating best-estimate future expected real rates of return (expected returns net of pension plan investment expense and inflation) for each major asset class, based on forward-looking medium-term (10 year) capital market return assumptions developed by eight investment consulting firms. The June 30, 2014 expected arithmetic returns over the medium term by asset class as developed by the State Investment Commission's investment consultant, which are generally consistent with the averages utilized by the actuary, are summarized in the following table:

Asset Class	Target allocation	Medium-term expected real rate of return
Global Equity	38%	6.05%
Private Equity	7%	9.05%
Equity Hedge funds	8%	4.75%
Absolute return hedge	7%	2.95%
Real Return	14%	3.85%
Real Estate	8%	4.45%
Core Fixed	15%	0.25%
Cash	3%	-0.50%
	100%	

These return assumptions are then weighted by the target asset allocation percentage, factoring in correlation effects, to develop the overall medium-term expected rate of return best-estimate on an arithmetic basis. To arrive at the long-term expected return estimate, the actuary adjusts the medium-term number to reflect the longer 30-year time frame required for actuarial calculations. This process produces the actuarial expected return, which is based on a 30-year horizon, and can differ from the medium-term, 10-year-horizon return expectations.

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2015**

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

**(c) Teachers' Survivors Benefit Plan (Continued)**

**Discount rate** - the discount rate used to measure the total pension liability was 7.5 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from the employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the net pension liability (asset) to changes in the discount rate** - the following presents the net pension liability (asset) calculated using the discount rate of 7.5 percent as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

1.00% Decrease (6.5%)	Current Discount Rate (7.5%)	1.00 Increase (8.5%)
\$(3,512,178)	\$(4,098,293)	\$(4,684,323)

**Pension plan fiduciary net position** - detailed information about the pension plan's fiduciary net position is available in the separately issued ERSRI financial report.

**11. DEFINED CONTRIBUTION PLAN**

**Defined Contribution Plan Description:**

Employees participating in the defined benefit plan, as described above, also participate in a defined contribution plan 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. Employees may choose among various investment options available to plan participants. General employees contribute 5% of their annual covered salary and employers contribute 1% of annual covered salary. Teachers who do not contribute to social security contribute 7% of their annual covered salary and employers contribute 3% of annual covered salary. Employee contributions are immediately vested while employer contributions and any investment earnings thereon are vested after three years of contributory service. Benefit terms and 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.

As previously indicated in the disclosure of recently-enacted pension legislation, the employer contribution for certain qualifying employees will increase slightly beginning in fiscal 2016.

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

The Town of Burrillville recognized pension expense of \$33,592, for the fiscal year ended June 30, 2015. Town of Burrillville plan members contributed \$167,954 during the fiscal year ended June 30, 2015. The Burrillville School Department recognized pension expense of \$328,945 and \$24,306 for teachers and general employees, respectively for the fiscal year ended June 30, 2015. Burrillville School Department plan members contributed \$879,970 during the fiscal year ended June 30, 2015.

The System issues a publicly available financial report that includes financial statements and required supplementary information for plans administered by the system. The report may be obtained at [www.ersri.org](http://www.ersri.org).

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**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2015**

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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, 2015 totaled \$170,120. Total payments to be made for fiscal year ending June 30, 2016 total \$161,120 consisting of \$144,120 for rental of Town Hall facilities and \$17,000 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 \$2,027,000 for the year ended June 30, 2015.

***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 2015 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 a lawsuit filed by a major taxpayer, Transcanada/Ocean State Power (OSP). See Note 14 for additional information.

The Town is also a defendant in other lawsuits. Although the outcome of these other 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.

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2015**

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**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.

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, 2014, 343 individuals (302 active employees and 41 retirees plus beneficiaries) were participating in the Plan. Since 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, Clarity in Numbers, LLC, 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, 2014. 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 Council 94:** 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.

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2015**

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

***Benefit Provisions and Contributions (Continued):***

***Eligibility (Continued):***

**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:** Age 55 and 25 years of service.

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

***Benefit/Cost Sharing:***

**Municipal Council 94:** If a retiree has at least 20 years of service, then the Town covers 100% of the premium for a single plan for five years. If a retiree has less than 20 years of service, the retiree is responsible for 100% of the medical premium.

**Municipal non-union:** If a retiree has over 20 years of service, then the Town covers 100% of the premium for a single plan for the first five years. If a retiree has less than 20 years of service, the retiree is responsible for 100% of the medical premium.

**Municipal Council 94 and Police participants who retired prior to July 1, 2012 have been grandfathered in under the prior coverage:** If a retiree has less than 15 years of service, then he or she must pay 100% of premium. If a retiree has at least 15 years of service, then the Town pays 100% of the premium for the first two years of retirement, 50% of the premium for the next two years of retirement, and 0% thereafter.

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

**Police:** The Town pays 100% of the premium for a single plan for five years.

**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, 2014 membership data was as follows:

Active Employees	302
Retirees plus beneficiaries	<u>41</u>
Total Plan Members	<u>343</u>

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2015**

**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, 2015, 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 \$245,444. 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).....	\$ 233,869
Interest on net OPEB obligation.....	745
Adjustment to annual required contribution .....	(771)
Annual OPEB cost (expense).....	233,843
Contributions made.....	(245,444)
Decrease in net OPEB obligation .....	(11,601)
 Net OPEB obligation - July 1, 2014.....	 18,623
 Net OPEB obligation - June 30, 2015.....	 \$ 7,022

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>
6/30/2013	\$213,637	106.9%	\$26,658
6/30/2014	\$231,663	103.5%	\$18,623
6/30/2015	\$233,843	105.0%	\$ 7,022

**Funded Status and Funding Progress**

The funded status of the Plan as of July 1, 2014 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, 2014	\$0	\$3,120,605	\$(3,120,605)	0.0%	\$24,672,541	(12.6%)

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, 2015**

**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 .....	4.00% - 7.00%
Ultimate Medical Trend Rate .....	4.00%
Year Ultimate Medical Trend Rate Reached .....	2035
Actuarial Funding Method .....	Projected Unit Credit
Actuarial Cost Method .....	Entry Age Normal - Level Percentage
The remaining amortization period at June 30, 2014 .....	20 years
Valuation Type .....	Open Group
Payroll Growth Rate .....	2.50%
Mortality Rate .....	RP-2014 Combined Healthy Mortality Table Projected Generationally with Scale MP-2014
General Inflation Rate .....	2.5%

**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 exercised its right to appeal the tax levy for fiscal years 2012 through 2015. Subsequently, OSP has filed three lawsuits in Superior Court challenging the valuation of its property for those years. The Town is vigorously defending these suits which are in pre-trial stages. The Town successfully filed a motion to dismiss the 2013 case in Superior Court due to the late filing of its appeal. That matter has been appealed to the RI Supreme Court.

The risks of losing these cases and the ultimate exposure are uncertain at this time. If judgments significantly reducing the assessed values are rendered against the Town, significant refunds of taxes paid plus interest would need to be paid to OSP.

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

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**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 Council is responsible for establishing or amending the Plan's provisions and establishing or amending contribution requirements. The defined contribution Plan is currently administered by Voya Financial and AXA Equitable Financial Services, LLC.

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, 2015. Employees are allowed to make contributions to the Plan up to IRC limits, currently \$18,000 (\$24,000 if age 50 or older). There is no Town required contribution and no additional obligation incurred by the Town as a result of the employee contributions. Employee contributions to the Plan for the year ended June 30, 2015 were \$100,728. The Town has an obligation to prudently manage these monies.

**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 28 fiscal years.

During the fiscal year ended June 30, 2015, the Town paid premiums of \$73,614 for workers' compensation coverage and \$137,597 for property and liability coverage.

At June 30, 2015, the Trust held reserves for future payments of open cases of \$115,829 for property and liability claims and \$0 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, 2015, 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.

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2015**

**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, 2015, the interfund transfers were primarily to transfer the remaining fund balance of a completed capital project fund to the General Fund.

Interfund transfers for fiscal year ended June 30, 2015 are as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
<b>Governmental activities:</b>		
<b>Major funds:</b>		
General Fund .....	\$ 1,971,231	\$17,388,279
School Department .....	16,279,556	44,000
<b>Non-major funds</b> .....	1,108,723	1,727,584
<b>Total governmental activities</b> .....	<u>\$19,359,510</u>	<u>\$19,159,863</u>
 <b>Business-type activities:</b>		
<b>Major funds:</b>		
Sewer Authority .....		\$243,647
<b>Non-major funds</b> .....	\$ 44,000	
<b>Total business-type activities</b> .....	<u>\$ 44,000</u>	<u>\$243,647</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 \$13,600 per year for the remaining six 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 \$31,200 per year for the remaining 27 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, 2015**

**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	\$13,600	6	\$ 81,600	\$13,600	\$ 68,000
Whipple Avenue	1976	N/A	<u>31,200</u>	27	<u>842,400</u>	<u>31,200</u>	<u>811,200</u>
			<u>\$44,800</u>		<u>\$924,000</u>	<u>\$44,800</u>	<u>\$879,200</u>

**19. 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.

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 with 90 days notice; otherwise liquidated damages would be assessed at the time of departure prior to the initial three-year period. The Trust may terminate a member's coverage for failure to pay amounts due.

For the year ended June 30, 2015, unaudited results indicate that the Pool generated \$121,823,249 in revenues and excess of revenues over expenses of \$1,316,333. The Pool had \$65,920,738 in total assets and \$40,700,704 in total equity as of June 30, 2015.

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2015**

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

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

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 Health Excess Claims Stoploss Account internal to the Trust that is funded by annual Stoploss Account payments from the Health Pool. As of June 30, 2015, the Pool's membership consisted of 44 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.

**20. SUBSEQUENT EVENTS**

On July 9, 2015, the Town issued \$3,700,000 of general obligation bonds, through Rhode Island Clean Water Finance Agency for the purpose of financing the design, construction, and rehabilitation of the Town's wastewater treatment plant. Bonding authority was provided under RIGL 45-12-2 maximum aggregate indebtedness (3% limit). The bonds require interest at rates varying from 0.53% to 2.67% and require annual principal payments beginning September 1, 2016 through September 1, 2034.

As part of the renovation described above, on December 14, 2015, the Burrillville Sewer Commission entered into an agreement in the amount of \$5,760,000 for the Burrillville Wastewater Treatment Facility Phosphorus and Copper Upgrade.

On December 22, 2015, the Town issued \$3,380,000 of refunding bonds with rates varying from 3.0% to 5.0% requiring annual principal payments beginning May 15, 2017 through May 15, 2026. The refunding bonds were used to fully defease the 2006 Series A general obligation school bonds.

(CONCLUDED)

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# ***TOWN OF BURRILLVILLE***

## **REQUIRED SUPPLEMENTARY INFORMATION**

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TOWN OF BURRILLVILLE, RHODE ISLAND**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**

	<b>General Employees</b> Year Ended June 30, 2014	<b>Police Employees</b> Year Ended June 30, 2014
<b>A. Total pension liability</b>		
1. Service Cost	\$ 571,246	\$ 238,634
2. Interest on the Total Pension Liability	1,868,378	796,207
3. Changes of benefit terms	0	0
4. Difference between expected and actual experience of the Total Pension Liability	0	0
5. Changes of assumptions	206,772	(61,110)
6. Benefit payments, including refunds of employee contributions	(1,331,179)	(514,109)
7. Net change in total pension liability	1,315,217	459,622
8. Total pension liability – beginning	25,291,674	10,753,837
9. Total pension liability – ending (a)	26,606,891	11,213,459
<b>B. Plan fiduciary net position</b>		
1. Contributions – employer	476,580	159,913
2. Contributions – employee	120,310	98,864
3. Net investment income	3,599,161	1,205,386
4. Benefit payments, including refunds of employee contributions	(1,331,179)	(514,109)
5. Pension Plan Administrative Expense	(22,538)	(7,548)
6. Other	(47,580)	(1)
7. Net change in plan fiduciary net position	2,794,754	942,505
8. Plan fiduciary net position – beginning	24,228,236	8,107,694
9. Plan fiduciary net position – ending (b)	27,022,990	9,050,199
<b>C. Net pension liability - ending (a) - (b)</b>	\$ (416,099)	\$ 2,163,260
<b>D. Plan fiduciary net position as a percentage of the total pension liability</b>	101.56%	80.71%
<b>E. Covered employee payroll</b>	\$ 5,799,448	\$ 1,235,806
<b>F. Net pension liability as a percentage of covered payroll</b>	-7.17%	175.05%

TOWN OF BURRILLVILLE, RHODE ISLAND**SCHEDULE OF EMPLOYER CONTRIBUTIONS****Municipal Employees' Retirement System - General Employees**

	<u>Fiscal 2015</u>
Actuarially determined contribution	\$ 497,261
Contributions in relation to the actuarially determined contribution	(497,261)
Contribution deficiency (excess)	<u>\$ 0</u>
Covered-employee payroll	\$ 6,012,830
Contributions as a percentage of covered-employee payroll	8.27%

**Municipal Employees' Retirement System - Police Employees**

	<u>Fiscal 2015</u>
Actuarially determined contribution	\$ 323,503
Contributions in relation to the actuarially determined contribution	(323,503)
Contribution deficiency (excess)	<u>\$ 0</u>
Covered-employee payroll	\$ 1,299,209
Contributions as a percentage of covered-employee payroll	24.90%

**Notes:**

- 1.) Employers participating in the Municipal Employee's Retirement System are required by RI General Laws, Section 45-21-42, to contribute an actuarially determined contribution rate each year.
- 2.) Schedule is intended to show information for 10 years - additional years will be displayed as they become available.

<b>Notes to Schedule</b>	
Actuarial cost method	Entry age normal.
Amortization method	Level percentage of payroll, open
Remaining amortization period	21 years
Inflation	2.75%
Salary Increases	General Employees - 3.50% to 7.50%
	Police & Fire Employees - 4.00% to 14.00%
Investment rate of return	7.50%
Retirement age	Varies depending on Years of Service and Age
Mortality	Male Employees, MERS General and MERS P&F: 115% of RP-2000 Combined Healthy for Males with White Collar adjustments, projected with Scale AA from 2000.
	Female Employees, MERS General and MERS P&F: 95% of RP-2000 Combined Healthy for Females with White Collar adjustments, projected with Scale AA from 2000.



TOWN OF BURRILLVILLE, RHODE ISLAND**SCHEDULE OF BURRILLVILLE SCHOOL DEPARTMENT'S PROPORTIONATE SHARE  
OF THE NET PENSION LIABILITY****Employees' Retirement System**

	<b>Fiscal 2015</b>
Burrillville School Department's proportionate percentage of the net pension liability	0.92527010%
Burrillville School Department's proportionate share of the net pension liability	\$ 22,521,078
State of Rhode Island's proportionate share of the net pension liability associated with the Burrillville School Department	15,443,740
Total	<u>\$ 37,964,818</u>
Burrillville School Department's covered employee payroll	\$ 14,552,080
Burrillville School Department's proportionate share of the net pension liability as a percentage of its covered employee payroll	154.76%
Plan fiduciary net position as a percentage of the total pension liability	61.40%

**Notes:**

- 1.) The amounts presented for each fiscal year were determined as of the June 30th measurement date prior to the fiscal year-end.
- 2.) Schedule is intended to show information for 10 years - additional years will be displayed as they become available.

TOWN OF BURRILLVILLE, RHODE ISLANDSCHEDULE OF BURRILLVILLE SCHOOL DEPARTMENT'S CONTRIBUTIONS**Employees' Retirement System**

	<b>Fiscal 2015</b>
Actuarially determined contribution	\$ 1,861,211
Contributions in relation to the actuarially determined contribution	(1,861,211)
Contribution deficiency (excess)	<u>\$ 0</u>
Covered-employee payroll	\$ 14,552,080
Contributions as a percentage of covered- employee payroll	12.79%

**Notes:**

1.) Employers participating in the State Employee's Retirement System are required by RI General Laws, Section 36-10-2, to contribute an actuarially determined contribution rate each year.

2.) Schedule is intended to show information for 10 years - additional years will be displayed as they become available.

TOWN OF BURRILLVILLE, RHODE ISLAND**SCHEDULE OF BURRILLVILLE SCHOOL DEPARTMENT'S PROPORTIONATE SHARE  
OF THE NET PENSION LIABILITY (ASSET)****Teachers' Survivors Benefit Plan**

	<b>Fiscal 2015</b>
Burrillville School Department's proportionate percentage of the net pension asset	3.29654812%
Burrillville School Department's proportionate share of the net pension asset	\$ 4,098,293
Burrillville School Department's covered employee payroll	\$ 13,966,578
Burrillville School Department's proportionate share of the net pension asset as a percentage of its covered employee payroll	29.3%
Plan fiduciary net position as a percentage of the total pension liability	173.3%

**Notes:**

1.) The amounts presented for each fiscal year were determined as of the June 30th measurement date prior to the fiscal year-end.

2.) Schedule is intended to show information for 10 years - additional years will be displayed as they become available.

TOWN OF BURRILLVILLE, RHODE ISLANDSCHEDULE OF BURRILLVILLE SCHOOL DEPARTMENT'S CONTRIBUTIONS**Teachers' Survivors Benefit Plan**

	<b>Fiscal 2015</b>
Statutorily determined contribution	\$ 20,027
Contributions in relation to the statutorily determined contribution	(20,027)
Contribution deficiency (excess)	<u>\$ 0</u>
Covered-employee payroll	\$ 13,966,578
Contributions as a percentage of covered- employee payroll	0.14%

**Notes:**

1.) Employers participating in the Teachers' Survivor's Benefit Plan contribute at a rate established by the RI General Laws, Section 16-16-35.

2.) Schedule is intended to show information for 10 years - additional years will be displayed as they become available.

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>Other Post Employment Benefits</u></b>						
7/01/12 (FY13)	\$0	\$2,510,127	\$(2,510,127)	0%	\$22,066,792	(11.4%)
7/01/13 (FY14)	\$0	\$2,712,358	\$(2,712,358)	0%	\$22,066,792	(12.3%)
7/01/14 (FY15)	\$0	\$3,120,605	\$(3,120,605)	0%	\$24,672,541	(12.6%)

**Notes to the Schedule of Funding Progress*****Changes Since Last Valuation:***

Amortization of the UAAL was changed from the closed, level percentage of payroll amortization over maximum allowable period of 30 years to open, level percentage of payroll amortization over maximum allowable period of 30 years.

Medical per capita costs were changed based on updated premium information, census data and revised aging factors.

Participation rates for future Council 94, Police and Municipal Nonunion retirees were changed.

Lapse rates for current and future Council 94, Police and Municipal Nonunion retirees were changed.

Mortality table was updated from RP-2000 Mortality Table (projected 27 & 19 years) to RP-2014 Combined Healthy Mortality Table Projected with Scale MP-2014 fully.

Medical care and contribution trend rates were updated from 8.00% initial in fiscal 2014 and 5.00% ultimate in fiscal 2017 to 7.00% initial in fiscal 2015 and 4.00% ultimate in fiscal 2035.

Withdrawal table was updated to 2003 SOA Pension Plan Turnover Study.

**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, 2015**

	Originally Adopted <u>Budget</u>	Final Approved <u>Budget</u>	Actual Budgetary <u>Basis</u>	<u>Variance</u>
<b>REVENUES:</b>				
General property taxes	\$ 29,171,499	\$ 29,171,499	\$ 29,649,702	\$ 478,203
Intergovernmental	15,764,423	15,764,423	16,288,169	523,746
Licenses, permits and fees	382,375	382,375	420,352	37,977
Investment income	21,500	21,500	17,645	(3,855)
Departmental	96,500	96,500	137,281	40,781
<b>Total revenues</b>	<b>45,436,297</b>	<b>45,436,297</b>	<b>46,513,149</b>	<b>1,076,852</b>
<b>EXPENDITURES:</b>				
<b>Current:</b>				
General government	3,120,026	3,016,126	2,962,869	53,257
Public safety	2,420,055	2,474,955	2,468,772	6,183
Public works	1,365,298	1,446,198	1,443,284	2,914
Recreation and social services	146,105	153,605	149,163	4,442
Libraries	698,700	698,700	698,700	
Employee benefits and other	2,308,491	2,204,091	2,095,884	108,207
<b>Debt service:</b>				
Principal	2,618,000	2,618,000	2,618,000	
Interest and other costs	611,906	611,906	602,370	9,536
<b>Capital outlay</b>	<b>1,756,520</b>	<b>5,173,623</b>	<b>3,508,243</b>	<b>1,665,380</b>
<b>Total expenditures</b>	<b>15,045,101</b>	<b>18,397,204</b>	<b>16,547,285</b>	<b>1,849,919</b>
<b>Excess of revenues over expenditures</b>	<b>30,391,196</b>	<b>27,039,093</b>	<b>29,965,864</b>	<b>2,926,771</b>
<b>Other financing sources (uses):</b>				
Transfers out	(30,769,534)	(32,416,427)	(32,416,427)	
Transfers in	378,338	2,121,574	2,329,290	207,716
Reappropriation of prior year's designated fund balance		3,255,760	3,255,760	
<b>Net other financing sources (uses)</b>	<b>(30,391,196)</b>	<b>(27,039,093)</b>	<b>(26,831,377)</b>	<b>207,716</b>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>3,134,487</b>	<b>\$ 3,134,487</b>
Less: reappropriated fund balance			(3,255,760)	
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			998,469	
<b>Fund Balance, beginning of year, as restated</b>			<b>15,877,267</b>	
<b>Fund Balance, end of year</b>			<b>\$ 16,754,463</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, 2015**

	Originally Adopted Budget	Final Approved Budget	Actual Budgetary Basis	Variance
<b>Revenues:</b>				
State aid	\$ 13,217,748	\$ 13,217,748	\$ 13,217,748	
Miscellaneous	250,000	250,000	369,748	\$ 119,748
<b>Total revenues</b>	<b>13,467,748</b>	<b>13,467,748</b>	<b>13,587,496</b>	<b>119,748</b>
<b>Expenditures:</b>				
<b>Current:</b>				
Salaries	17,444,658	17,302,572	17,293,651	8,921
Employee benefits	6,414,681	6,454,516	6,440,135	14,381
Purchased services	4,797,556	4,800,606	4,693,540	107,066
Supplies and materials	1,031,001	1,156,704	1,251,571	(94,867)
Other	31,609	31,609	33,286	(1,677)
<b>Capital outlay</b>	<b>117,301</b>	<b>90,799</b>	<b>182,454</b>	<b>(91,655)</b>
<b>Total expenditures</b>	<b>29,836,806</b>	<b>29,836,806</b>	<b>29,894,637</b>	<b>(57,831)</b>
<b>Excess of revenues over (under) expenditures before other financing sources (uses)</b>	<b>(16,369,058)</b>	<b>(16,369,058)</b>	<b>(16,307,141)</b>	<b>61,917</b>
<b>Other financing sources (uses):</b>				
Transfer from Town of Burrillville	16,274,433	16,274,433	16,279,556	(5,123)
Transfers to other funds	(44,000)	(44,000)	(44,000)	
Reappropriation of prior year fund balance	138,625	138,625	138,625	
<b>Net other financing sources (uses)</b>	<b>16,369,058</b>	<b>16,369,058</b>	<b>16,374,181</b>	<b>5,123</b>
<b>Excess of revenues and other financing sources over (under) expenditures</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>67,040</b>	<b>\$ 67,040</b>
Add: current year encumbrances			38,260	
Less: prior year encumbrances			(50,875)	
Less: reappropriated fund balance			(138,625)	
<b>Fund balance, beginning of year</b>			<b>551,290</b>	
<b>Fund balance, end of year</b>			<b>\$ 467,090</b>	

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2015**

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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, 2015:

Excess of revenues and other sources over expenditures and other uses (Non-GAAP Budgetary Basis).....	\$ 3,134,487
Fund balance reappropriated.....	(3,255,760)
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>998,469</u>
Net change in fund balance (GAAP).....	<u>\$ 877,196</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, 2015:

Excess of revenues and other sources over expenditures and other uses (Non-GAAP Budgetary Basis).....	\$ 67,040
Fund balance reappropriated.....	(138,625)
Current year encumbrances .....	38,260
Prior year encumbrances.....	<u>(50,875)</u>
Net change in fund balance (GAAP).....	<u>\$ (84,200)</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.

#### **Library Grant**

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

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(CONTINUED)

# ***TOWN OF BURRILLVILLE***

## **NON-MAJOR GOVERNMENTAL FUNDS**

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### **SPECIAL REVENUE FUNDS**

#### **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 all-terrain vehicles.

#### **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.

#### **Homeland Security Grant**

This fund accounts for grant monies received for School communication improvements.

#### **Partnership for Success**

This fund accounts for grant monies received for substance abuse prevention and awareness.

#### **Cops That Care**

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 contributed every year for twenty years to the Ocean State Power Scholarship Fund. The fund is headed by a committee which approves the awards of local scholarships.

#### **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 Legislative Grant**

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

#### **Safety Enhancement Grant**

This fund accounts for grant monies received for police training equipment.

#### **Wallace Lees Scholarship**

This fund accounts for memorial donations received to be used for scholarships for local students.

#### **Polling Place Accessibility Grant**

This fund accounts for grant monies received for voter accessibility at the Burrillville Middle School.

#### **Police Task Force**

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

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(CONTINUED)

# ***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:*

#### **Eagle Peak Recreation**

This fund accounts for monies utilized for land acquisition to be used for active and passive recreation purposes.

#### **White Mill Park**

This fund accounts for monies utilized for repairing and upgrading the White Mill Park.

#### **Stillwater Mill Revitalization**

This fund accounts for monies utilized to create a public playground area at the Stillwater Mill Complex.

#### **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.

#### **North Road Bridge Project**

This fund accounts for bond proceeds received from the Rhode Island Infrastructure Bank for the purpose of replacing the North Road Bridge.

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(CONTINUED)

# ***TOWN OF BURRILLVILLE***

## **NON-MAJOR GOVERNMENTAL FUNDS**

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### **CAPITAL PROJECT FUNDS**

#### **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.

#### **Major Capital**

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

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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, 2015**

	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	\$ 68,932	\$ 102,086				
Other receivables						
Due from:						
Other funds	145,639	2,226	\$ 34,925	\$ 30,976		\$ 7,798
Other governments	389,158				\$ 881	
<b>TOTAL ASSETS</b>	<b>\$ 603,729</b>	<b>\$ 104,312</b>	<b>\$ 34,925</b>	<b>\$ 30,976</b>	<b>\$ 881</b>	<b>\$ 7,798</b>
<b>LIABILITIES AND FUND BALANCES:</b>						
<b>LIABILITIES:</b>						
Accounts payable	\$ 67,969		\$ 4,460			\$ 95
Accrued payroll and benefits	125,847					
Due to:						
Other funds	257,918				\$ 881	
Other governments				\$ 765		
Unearned revenues	151,995					
Other liabilities						
<b>TOTAL LIABILITIES</b>	<b>603,729</b>	<b>\$ 0</b>	<b>4,460</b>	<b>765</b>	<b>881</b>	<b>95</b>
<b>FUND BALANCES:</b>						
Nonspendable for:						
Perpetual care						
Endowments						
Restricted for:						
General government			30,465	30,211		
Public safety						7,703
Recreation and social services		55,381				
Education						
Community development						
Committed for:						
Recreation and social services		48,931				
Capital projects						
Unassigned						
<b>TOTAL FUND BALANCES</b>	<b>0</b>	<b>104,312</b>	<b>30,465</b>	<b>30,211</b>	<b>0</b>	<b>7,703</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 603,729</b>	<b>\$ 104,312</b>	<b>\$ 34,925</b>	<b>\$ 30,976</b>	<b>\$ 881</b>	<b>\$ 7,798</b>

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2015**

	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				\$ 110,164	\$ 21,947	
Other receivables					217,629	
Due from:						
Other funds		\$ 53,192		3,104		
Other governments			\$ 8,342		591,295	
<b>TOTAL ASSETS</b>	<b>\$0</b>	<b>\$ 53,192</b>	<b>\$ 8,342</b>	<b>\$ 113,268</b>	<b>\$ 830,871</b>	<b>\$ 0</b>
<b>LIABILITIES AND FUND BALANCES:</b>						
<b>LIABILITIES:</b>						
Accounts payable		\$ 2,018		\$ 4,452		
Accrued payroll and benefits				16,981		
Due to:						
Other funds				2,450	\$ 27,200	\$ 348
Other governments						
Unearned revenues			\$ 8,342	5,500	785,433	
Other liabilities						
<b>TOTAL LIABILITIES</b>	<b>\$0</b>	<b>2,018</b>	<b>8,342</b>	<b>29,383</b>	<b>812,633</b>	<b>348</b>
<b>FUND BALANCES:</b>						
Nonspendable for:						
Perpetual care						
Endowments						
Restricted for:						
General government						
Public safety		51,174				
Recreation and social services						
Education						
Community development					18,238	
Committed for:						
Recreation and social services				83,885		
Capital projects						
Unassigned						(348)
<b>TOTAL FUND BALANCES</b>	<b>0</b>	<b>51,174</b>	<b>0</b>	<b>83,885</b>	<b>18,238</b>	<b>(348)</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$0</b>	<b>\$ 53,192</b>	<b>\$ 8,342</b>	<b>\$ 113,268</b>	<b>\$ 830,871</b>	<b>\$ 0</b>

(CONTINUED)



TOWN OF BURRILLVILLE, RHODE ISLAND

**COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2015**

	Special Revenue Funds						
	Homeland Security Grant	Partnership for Success	Cops That Care	Ocean State Power Funds	Narcotics Guidance Council	Police Grant - Operation Riptide	Police Legislative Grant
<b>ASSETS:</b>							
Cash and cash equivalents				\$ 553,294			
Other receivables				730			
Due from:							
Other funds			\$ 232		\$ 56,350		\$ 3,406
Other governments	\$ 69,000	\$ 80,000			1,667	\$ 1,022	
<b>TOTAL ASSETS</b>	<b>\$ 69,000</b>	<b>\$ 80,000</b>	<b>\$ 232</b>	<b>\$ 554,024</b>	<b>\$ 58,017</b>	<b>\$ 1,022</b>	<b>\$ 3,406</b>
<b>LIABILITIES AND FUND BALANCES:</b>							
<b>LIABILITIES:</b>							
Accounts payable		36		\$ 38,894			
Accrued payroll and benefits							
Due to:							
Other funds		\$ 32,483			\$ 15,096	\$ 1,022	
Other governments							
Unearned revenues	\$ 69,000	47,481	\$ 232				
Other liabilities							
<b>TOTAL LIABILITIES</b>	<b>69,000</b>	<b>80,000</b>	<b>232</b>	<b>38,894</b>	<b>15,096</b>	<b>1,022</b>	<b>\$ 0</b>
<b>FUND BALANCES:</b>							
Nonspendable for:							
Perpetual care							
Endowments							
Restricted for:							
General government							
Public safety							3,406
Recreation and social services					42,921		
Education				515,130			
Community development							
Committed for:							
Recreation and social services							
Capital projects							
Unassigned							
<b>TOTAL FUND BALANCES</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>515,130</b>	<b>42,921</b>	<b>0</b>	<b>3,406</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 69,000</b>	<b>\$ 80,000</b>	<b>\$ 232</b>	<b>\$ 554,024</b>	<b>\$ 58,017</b>	<b>\$ 1,022</b>	<b>\$ 3,406</b>

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2015**

**ASSETS:**

Cash and cash equivalents

Other receivables

Due from:

Other funds

Other governments

**TOTAL ASSETS**

Special Revenue Funds				Capital Project Funds	
Safety Enhancement Grant	Wallace Lees Scholarship	Polling Place Accessibility Grant	Police Task Force	Eagle Peak Recreation	White Mill Park
			\$ 11,873		
	\$ 3,230			\$ 85,000	\$ 91,241
					28,425
\$0	\$ 3,230	\$0	\$ 11,873	\$ 85,000	\$ 119,666

**LIABILITIES AND FUND BALANCES:****LIABILITIES:**

Accounts payable

Accrued payroll and benefits

Due to:

Other funds

Other governments

Unearned revenues

Other liabilities

**TOTAL LIABILITIES**

				\$ 7,586	
				85,000	\$ 28,425
\$0	\$ 0	\$0	\$ 0	92,586	28,425

**FUND BALANCES:**

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

Unassigned

**TOTAL FUND BALANCES**

			11,873		
	3,230				91,241
				(7,586)	
0	3,230	0	11,873	(7,586)	91,241
\$0	\$ 3,230	\$0	\$ 11,873	\$ 85,000	\$ 119,666

**TOTAL LIABILITIES AND FUND BALANCES**

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2015**

	Capital Project Funds					
	Stillwater Mill Revitalization	Granite Mill/ Gonyea Park	Skateboard Park	North Road Bridge Project	Route 102 Commerce Park	Open Space/ Land Acquisition
<b>ASSETS:</b>						
Cash and cash equivalents						\$ 101,189
Other receivables						
Due from:						
Other funds	\$ 4,937				\$ 106,482	
Other governments	100,000	\$ 23,875		\$ 673,200		
<b>TOTAL ASSETS</b>	<b>\$ 104,937</b>	<b>\$ 23,875</b>	<b>\$0</b>	<b>\$ 673,200</b>	<b>\$ 106,482</b>	<b>\$ 101,189</b>
<b>LIABILITIES AND FUND BALANCES:</b>						
<b>LIABILITIES:</b>						
Accounts payable						
Accrued payroll and benefits						
Due to:						
Other funds		\$ 17,955		\$ 51,845		
Other governments						
Unearned revenues	\$ 68,443					
Other liabilities						
<b>TOTAL LIABILITIES</b>	<b>68,443</b>	<b>17,955</b>	<b>\$0</b>	<b>51,845</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	36,494	5,920		621,355	106,482	101,189
Unassigned						
<b>TOTAL FUND BALANCES</b>	<b>36,494</b>	<b>5,920</b>	<b>0</b>	<b>621,355</b>	<b>106,482</b>	<b>101,189</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 104,937</b>	<b>\$ 23,875</b>	<b>\$0</b>	<b>\$ 673,200</b>	<b>\$ 106,482</b>	<b>\$ 101,189</b>

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2015**

	Capital Project Funds	Permanent Funds				Total Non-Major Governmental Funds
	Major Capital	Cemetery Fund	Frank H. Potter Bridgeway Fund	Alice McGreevy Thompson Fund	Jesse M. Smith Memorial Library Fund	
<b>ASSETS:</b>						
Cash and cash equivalents	\$ 1,579,489	\$ 82,378	\$ 16,100	\$ 1,205	\$ 15,180	\$ 2,663,837
Other receivables						218,359
Due from:						
Other funds	690,838					1,234,576
Other governments						2,051,865
<b>TOTAL ASSETS</b>	<b>\$ 2,270,327</b>	<b>\$ 82,378</b>	<b>\$ 16,100</b>	<b>\$ 1,205</b>	<b>\$ 15,180</b>	<b>\$ 6,168,637</b>
<b>LIABILITIES AND FUND BALANCES:</b>						
<b>LIABILITIES:</b>						
Accounts payable						\$ 117,924
Accrued payroll and benefits						142,828
Due to:						
Other funds		\$ 468				415,252
Other governments						765
Unearned revenues						1,249,851
Other liabilities			\$ 6,100	\$ 205	\$ 180	6,485
<b>TOTAL LIABILITIES</b>	<b>\$ 0</b>	<b>468</b>	<b>6,100</b>	<b>205</b>	<b>180</b>	<b>1,933,105</b>
<b>FUND BALANCES:</b>						
Nonspendable for:						
Perpetual care		81,910				81,910
Endowments			10,000	1,000	15,000	26,000
Restricted for:						
General government						60,676
Public safety						74,156
Recreation and social services						98,302
Education						518,360
Community development						18,238
Committed for:						
Recreation and social services						132,816
Capital projects	2,270,327					3,233,008
Unassigned						(7,934)
<b>TOTAL FUND BALANCES</b>	<b>2,270,327</b>	<b>81,910</b>	<b>10,000</b>	<b>1,000</b>	<b>15,000</b>	<b>4,235,532</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 2,270,327</b>	<b>\$ 82,378</b>	<b>\$ 16,100</b>	<b>\$ 1,205</b>	<b>\$ 15,180</b>	<b>\$ 6,168,637</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, 2015**

	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	\$1,545,449				\$ 4,675	
Investment income		\$ 260				
Other	52,868	11,121	\$ 12,723	\$ 2,294		\$ 19,479
<b>TOTAL REVENUES</b>	<b>1,598,317</b>	<b>11,381</b>	<b>12,723</b>	<b>2,294</b>	<b>4,675</b>	<b>19,479</b>
<b>EXPENDITURES:</b>						
<b>Current:</b>						
General government			11,492	231		
Public safety					4,675	16,959
Public libraries						
Recreation and social services		1,210				
Education	1,431,912					
Community development						
<b>Debt service:</b>						
Interest and other costs						
<b>Capital outlay</b>	<b>166,405</b>		<b>13,722</b>			
<b>TOTAL EXPENDITURES</b>	<b>1,598,317</b>	<b>1,210</b>	<b>25,214</b>	<b>231</b>	<b>4,675</b>	<b>16,959</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)</b>	<b>0</b>	<b>10,171</b>	<b>(12,491)</b>	<b>2,063</b>	<b>0</b>	<b>2,520</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Proceeds from bond issuance						
Transfers in						
Transfers out		(15,950)				
<b>NET OTHER FINANCING SOURCES (USES)</b>	<b>0</b>	<b>(15,950)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>0</b>	<b>(5,779)</b>	<b>(12,491)</b>	<b>2,063</b>	<b>0</b>	<b>2,520</b>
<b>FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR</b>	<b>0</b>	<b>110,091</b>	<b>42,956</b>	<b>28,148</b>	<b>0</b>	<b>5,183</b>
<b>FUND BALANCE (DEFICIT) AT END OF YEAR</b>	<b>\$ 0</b>	<b>\$ 104,312</b>	<b>\$ 30,465</b>	<b>\$ 30,211</b>	<b>\$ 0</b>	<b>\$ 7,703</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, 2015**

	Special Revenue Funds					
	Library Grant	Community Emergency Response Training	Byrne Grant	Spring Lake	Community Development Block Grant	Automatic External Defibrillator
<b>REVENUES:</b>						
Intergovernmental	\$ 141,022	\$ 3,250			\$ 62,903	
Investment income				\$ 398	3,036	
Other				125,465	55,863	\$ 6,971
<b>TOTAL REVENUES</b>	<b>141,022</b>	<b>3,250</b>	<b>\$0</b>	<b>125,863</b>	<b>121,802</b>	<b>6,971</b>
<b>EXPENDITURES:</b>						
<b>Current:</b>						
General government						6,759
Public safety		2,891				
Public libraries	141,022					
Recreation and social services				178,063		
Education						
Community development					145,521	
<b>Debt service:</b>						
Interest and other costs						
<b>Capital outlay</b>						
<b>TOTAL EXPENDITURES</b>	<b>141,022</b>	<b>2,891</b>	<b>0</b>	<b>178,063</b>	<b>145,521</b>	<b>6,759</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)</b>	<b>0</b>	<b>359</b>	<b>0</b>	<b>(52,200)</b>	<b>(23,719)</b>	<b>212</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Proceeds from bond issuance						
Transfers in						
Transfers out				(5,000)		
<b>NET OTHER FINANCING SOURCES (USES)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(5,000)</b>	<b>0</b>	<b>0</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>0</b>	<b>359</b>	<b>0</b>	<b>(57,200)</b>	<b>(23,719)</b>	<b>212</b>
<b>FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR</b>	<b>0</b>	<b>50,815</b>	<b>0</b>	<b>141,085</b>	<b>41,957</b>	<b>(560)</b>
<b>FUND BALANCE (DEFICIT) AT END OF YEAR</b>	<b>\$ 0</b>	<b>\$ 51,174</b>	<b>\$0</b>	<b>\$ 83,885</b>	<b>\$ 18,238</b>	<b>\$ (348)</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, 2015**

	Special Revenue Funds						
	Homeland Security Grant	Partnership for Success	Cops That Care	Ocean State Power Funds	Narcotics Guidance Council	Police Grant - Operation Riptide	Police Legislative Grant
<b>REVENUES:</b>							
Intergovernmental		\$ 32,519			\$ 18,615	\$ 15,655	\$ 3,500
Investment income				\$ 302			
Other							75
<b>TOTAL REVENUES</b>	\$0	32,519	\$0	302	18,615	15,655	3,575
<b>EXPENDITURES:</b>							
<b>Current:</b>							
General government				10,208			
Public safety					21,005	15,655	2,424
Public libraries							
Recreation and social services		29,247					
Education		3,272					
Community development							
<b>Debt service:</b>							
Interest and other costs							
<b>Capital outlay</b>							
<b>TOTAL EXPENDITURES</b>	0	32,519	0	10,208	21,005	15,655	2,424
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)</b>	0	0	0	(9,906)	(2,390)	0	1,151
<b>OTHER FINANCING SOURCES (USES):</b>							
Proceeds from bond issuance							
Transfers in					5,000		
Transfers out					(5,000)		
<b>NET OTHER FINANCING SOURCES (USES)</b>	0	0	0	0	0	0	0
<b>NET CHANGE IN FUND BALANCES</b>	0	0	0	(9,906)	(2,390)	0	1,151
<b>FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR</b>	0	0	0	525,036	45,311	0	2,255
<b>FUND BALANCE (DEFICIT) AT END OF YEAR</b>	\$0	\$ 0	\$0	\$ 515,130	\$ 42,921	\$ 0	\$ 3,406

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
NON-MAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2015**

	Special Revenue Funds				Capital Project Funds	
	Safety Enhancement Grant	Wallace Lees Scholarship	Polling Place Accessibility Grant	Police Task Force	Eagle Peak Recreation	White Mill Park
<b>REVENUES:</b>						
Intergovernmental			\$ 2,070			
Investment income						
Other						
<b>TOTAL REVENUES</b>	\$ 996	\$ 3,230		\$ 1,794		
	996	3,230	2,070	1,794	\$ 0	\$ 0
<b>EXPENDITURES:</b>						
<b>Current:</b>						
General government						
Public safety	996			900		
Public libraries						
Recreation and social services						
Education						
Community development						
<b>Debt service:</b>						
Interest and other costs						
<b>Capital outlay</b>			2,070		7,586	
<b>TOTAL EXPENDITURES</b>	996	0	2,070	900	7,586	0
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)</b>	0	3,230	0	894	(7,586)	0
<b>OTHER FINANCING SOURCES (USES):</b>						
Proceeds from bond issuance						91,241
Transfers in						
Transfers out						
<b>NET OTHER FINANCING SOURCES (USES)</b>	0	0	0	0	0	91,241
<b>NET CHANGE IN FUND BALANCES</b>	0	3,230	0	894	(7,586)	91,241
<b>FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR</b>	0	0	0	10,979	0	0
<b>FUND BALANCE (DEFICIT) AT END OF YEAR</b>	\$ 0	\$ 3,230	\$ 0	\$ 11,873	\$ (7,586)	\$ 91,241

(CONTINUED)



TOWN OF BURRILLVILLE, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
NON-MAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2015**

	Capital Project Funds					
	Stillwater Mill Revitalization	Granite Mill/ Gonyea Park	Skateboard Park	North Road Bridge Project	Route 102 Commerce Park	Open Space/ Land Acquisition
<b>REVENUES:</b>						
Intergovernmental	\$ 31,557	\$ 85,318				
Investment income						\$ 240
Other						
<b>TOTAL REVENUES</b>	<u>31,557</u>	<u>85,318</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>240</u>
<b>EXPENDITURES:</b>						
<b>Current:</b>						
General government						
Public safety						
Public libraries						
Recreation and social services						
Education						
Community development						
<b>Debt service:</b>						
Interest and other costs				13,700		
<b>Capital outlay</b>	35,063	160,634		44,945		
<b>TOTAL EXPENDITURES</b>	<u>35,063</u>	<u>160,634</u>	<u>0</u>	<u>58,645</u>	<u>0</u>	<u>0</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)</b>	<u>(3,506)</u>	<u>(75,316)</u>	<u>0</u>	<u>(58,645)</u>	<u>0</u>	<u>240</u>
<b>OTHER FINANCING SOURCES (USES):</b>						
Proceeds from bond issuance				680,000		
Transfers in	40,000	75,000				
Transfers out			(20,011)			
<b>NET OTHER FINANCING SOURCES (USES)</b>	<u>40,000</u>	<u>75,000</u>	<u>(20,011)</u>	<u>680,000</u>	<u>0</u>	<u>0</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>36,494</u>	<u>(316)</u>	<u>(20,011)</u>	<u>621,355</u>	<u>0</u>	<u>240</u>
<b>FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR</b>	<u>0</u>	<u>6,236</u>	<u>20,011</u>	<u>0</u>	<u>106,482</u>	<u>100,949</u>
<b>FUND BALANCE (DEFICIT) AT END OF YEAR</b>	<u>\$ 36,494</u>	<u>\$ 5,920</u>	<u>\$ 0</u>	<u>\$ 621,355</u>	<u>\$ 106,482</u>	<u>\$ 101,189</u>

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
NON-MAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2015**

	Capital Project Funds	Permanent Funds				Total Non-Major Governmental Funds
	Major Capital	Cemetery Fund	Frank H. Potter Bridgeway Fund	Alice McGreevy Thompson Fund	Jesse M. Smith Memorial Library Fund	
<b>REVENUES:</b>						
Intergovernmental						\$ 1,946,533
Investment income	\$ 3,742	\$ 27	\$ 38	\$ 3	\$ 36	8,082
Other						292,879
<b>TOTAL REVENUES</b>	<b>3,742</b>	<b>27</b>	<b>38</b>	<b>3</b>	<b>36</b>	<b>2,247,494</b>
<b>EXPENDITURES:</b>						
<b>Current:</b>						
General government		468	38	3	36	29,235
Public safety						65,505
Public libraries						141,022
Recreation and social services						208,520
Education						1,435,184
Community development						145,521
<b>Debt service:</b>						
Interest and other costs						13,700
<b>Capital outlay</b>						<b>430,425</b>
<b>TOTAL EXPENDITURES</b>	<b>0</b>	<b>468</b>	<b>38</b>	<b>3</b>	<b>36</b>	<b>2,469,112</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)</b>	<b>3,742</b>	<b>(441)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(221,618)</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Proceeds from bond issuance						680,000
Transfers in	897,482					1,108,723
Transfers out	(1,681,623)					(1,727,584)
<b>NET OTHER FINANCING SOURCES (USES)</b>	<b>(784,141)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>61,139</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(780,399)</b>	<b>(441)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(160,479)</b>
<b>FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR</b>	<b>3,050,726</b>	<b>82,351</b>	<b>10,000</b>	<b>1,000</b>	<b>15,000</b>	<b>4,396,011</b>
<b>FUND BALANCE (DEFICIT) AT END OF YEAR</b>	<b>\$ 2,270,327</b>	<b>\$ 81,910</b>	<b>\$ 10,000</b>	<b>\$ 1,000</b>	<b>\$ 15,000</b>	<b>\$ 4,235,532</b>

(CONCLUDED)

# ***TOWN OF BURRILLVILLE***

## **NON-MAJOR PROPRIETARY FUNDS**

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### **ENTERPRISE FUNDS**

#### **Levy Rink**

This fund accounts for the operation 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, 2015**

	Levy Rink	Extended Day Care	Totals
<b>ASSETS:</b>			
<b>Current assets:</b>			
Cash and cash equivalents	\$ 47,860	\$ 311,361	\$ 359,221
Accounts receivable, net		6,873	6,873
Prepaid expenses		4,857	4,857
<b>Total current assets</b>	<b>47,860</b>	<b>323,091</b>	<b>370,951</b>
<b>Noncurrent assets:</b>			
Net capital assets	160,216	23,935	184,151
<b>Total noncurrent assets</b>	<b>160,216</b>	<b>23,935</b>	<b>184,151</b>
<b>TOTAL ASSETS</b>	<b>208,076</b>	<b>347,026</b>	<b>555,102</b>
<b>LIABILITIES:</b>			
<b>Current liabilities:</b>			
Accounts payable	9,123	6,955	16,078
Accrued payroll		21,351	21,351
Due to other funds	7,985	5,376	13,361
Unearned revenue		2,900	2,900
Accrued compensated absences	850		850
<b>Total current liabilities</b>	<b>17,958</b>	<b>36,582</b>	<b>54,540</b>
<b>Noncurrent liabilities:</b>			
Accrued compensated absences	7,687		7,687
<b>Total noncurrent liabilities</b>	<b>7,687</b>	<b>0</b>	<b>7,687</b>
<b>TOTAL LIABILITIES</b>	<b>25,645</b>	<b>36,582</b>	<b>62,227</b>
<b>NET POSITION:</b>			
Net investment in capital assets	160,216	23,935	184,151
Unrestricted	22,215	286,509	308,724
<b>TOTAL NET POSITION</b>	<b>\$ 182,431</b>	<b>\$ 310,444</b>	<b>\$ 492,875</b>

TOWN OF BURRILLVILLE, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
NON-MAJOR PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2015**

	Levy Rink	Extended Day Care	Totals
<b>OPERATING REVENUES:</b>			
Charges for usage and service	\$ 434,457	\$ 525,624	\$ 960,081
<b>Total operating revenues</b>	<b>434,457</b>	<b>525,624</b>	<b>960,081</b>
<b>OPERATING EXPENSES:</b>			
Operations	191,930	107,788	299,718
Personnel	149,229	344,869	494,098
Depreciation	21,270	8,045	29,315
<b>Total operating expenses</b>	<b>362,429</b>	<b>460,702</b>	<b>823,131</b>
<b>OPERATING INCOME</b>	<b>72,028</b>	<b>64,922</b>	<b>136,950</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>			
Investment income		518	518
Interest expense	(1,646)		(1,646)
<b>Total nonoperating revenues (expenses)</b>	<b>(1,646)</b>	<b>518</b>	<b>(1,128)</b>
<b>INCOME BEFORE TRANSFERS</b>	<b>70,382</b>	<b>65,440</b>	<b>135,822</b>
<b>TRANSFERS IN</b>	<b>44,000</b>	<b>0</b>	<b>44,000</b>
<b>CHANGE IN NET POSITION</b>	<b>114,382</b>	<b>65,440</b>	<b>179,822</b>
<b>TOTAL NET POSITION - BEGINNING</b>	<b>68,049</b>	<b>245,004</b>	<b>313,053</b>
<b>TOTAL NET POSITION - ENDING</b>	<b>\$ 182,431</b>	<b>\$ 310,444</b>	<b>\$ 492,875</b>

TOWN OF BURRILLVILLE, RHODE ISLAND

**COMBINING STATEMENT OF CASH FLOWS  
NON-MAJOR PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2015**

	Levy Rink	Extended Day Care	Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash received from customers	\$ 434,457	\$ 524,559	\$ 959,016
Cash paid to suppliers	(186,401)	(105,858)	(292,259)
Cash paid to employees	(150,886)	(339,831)	(490,717)
<b>Net cash provided by operating activities</b>	<b>97,170</b>	<b>78,870</b>	<b>176,040</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
Transfer from other funds	44,000		44,000
Decrease in due to other funds	(72,556)	(4,741)	(77,297)
<b>Net cash used for noncapital financing activities</b>	<b>(28,556)</b>	<b>(4,741)</b>	<b>(33,297)</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Acquisition of capital assets		(1,792)	(1,792)
Principal payment on capital lease payable	(22,518)		(22,518)
Interest expense	(1,646)		(1,646)
<b>Net cash used for capital and related financing activities</b>	<b>(24,164)</b>	<b>(1,792)</b>	<b>(25,956)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Interest on investments		518	518
<b>Net cash provided by investing activities</b>	<b>0</b>	<b>518</b>	<b>518</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>44,450</b>	<b>72,855</b>	<b>117,305</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>3,410</b>	<b>238,506</b>	<b>241,916</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>\$ 47,860</b>	<b>\$ 311,361</b>	<b>\$ 359,221</b>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>			
Operating income	\$ 72,028	\$ 64,922	\$ 136,950
Adjustments to reconcile:			
Depreciation	21,270	8,045	29,315
Decrease in allowance for doubtful accounts		(2,000)	(2,000)
Decrease in accounts receivable		2,189	2,189
Increase in prepaid expenses		(2,580)	(2,580)
Increase in accounts payable	5,529	4,510	10,039
Increase in accrued payroll		5,038	5,038
Decrease in unearned revenue		(1,254)	(1,254)
Decrease in accrued compensated absences	(1,657)		(1,657)
<b>Net cash provided by operating activities</b>	<b>\$ 97,170</b>	<b>\$ 78,870</b>	<b>\$ 176,040</b>

# ***TOWN OF BURRILLVILLE***

## **AGENCY FUNDS**

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### **Pupil Activity Funds**

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

TOWN OF BURRILLVILLE, RHODE ISLAND

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS  
YEAR ENDED JUNE 30, 2015**

	<u>Beginning Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Balance</u>
<u>PUPIL ACTIVITY FUNDS</u>				
<u>ASSETS</u>				
Cash and cash equivalents	\$ 138,575	\$ 446,743	\$ 425,740	\$ 159,578
Investments	2,122	1	200	1,923
<b>TOTAL ASSETS</b>	<u>\$ 140,697</u>	<u>\$ 446,744</u>	<u>\$ 425,940</u>	<u>\$ 161,501</u>
<u>LIABILITIES</u>				
Deposits held in custody for others	<u>\$ 140,697</u>	<u>\$ 446,744</u>	<u>\$ 425,940</u>	<u>\$ 161,501</u>



# ***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 FUND NET POSITION  
COMPONENT UNITS  
JUNE 30, 2015**

	Burrillville Redevelopment Agency	Jesse M. Smith Memorial Library	Total
<b>ASSETS:</b>			
<b>Current assets:</b>			
Cash and cash equivalents	\$ 131,514	\$ 109,950	\$ 241,464
Loan receivable	1,339		1,339
Other receivables	1,050		1,050
Due from:			
Primary government	150	44,516	44,666
Prepaid expenses	162,313		162,313
<b>Total current assets</b>	<u>296,366</u>	<u>154,466</u>	<u>450,832</u>
<b>Noncurrent assets:</b>			
Loan receivable, net	12,536		12,536
Capital assets:			
Non-depreciable	517,833		517,833
Depreciable, net		29,222	29,222
<b>Total noncurrent assets</b>	<u>530,369</u>	<u>29,222</u>	<u>559,591</u>
<b>TOTAL ASSETS</b>	<u>826,735</u>	<u>183,688</u>	<u>1,010,423</u>
<b>LIABILITIES:</b>			
<b>Current liabilities:</b>			
Accounts payable	2,427	4,583	7,010
Accrued payroll	1,911	20,280	22,191
Unearned revenue		255	255
<b>Total current liabilities</b>	<u>4,338</u>	<u>25,118</u>	<u>29,456</u>
<b>TOTAL LIABILITIES</b>	<u>4,338</u>	<u>25,118</u>	<u>29,456</u>
<b>NET POSITION:</b>			
Net investment in capital assets	517,833	29,222	547,055
Unrestricted	304,564	129,348	433,912
<b>TOTAL NET POSITION</b>	<u>\$ 822,397</u>	<u>\$ 158,570</u>	<u>\$ 980,967</u>

TOWN OF BURRILLVILLE, RHODE ISLAND

**COMBINING STATEMENT OF ACTIVITIES  
COMPONENT UNITS  
YEAR ENDED JUNE 30, 2015**

	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	\$ 31,449	\$ 35,417	\$ 0	\$ 0	\$ 3,968		\$ 3,968
<b>Total Burrillville Redevelopment Agency</b>	31,449	35,417	0	0	3,968		3,968
<b>Jesse M. Smith Memorial Library</b>							
Operations	779,812	15,230	782,697	0	0	\$ 18,115	18,115
<b>Total Jesse M. Smith Memorial Library</b>	779,812	15,230	782,697	0	0	18,115	18,115
<b>Total component units</b>	<b>\$ 811,261</b>	<b>\$ 50,647</b>	<b>\$ 782,697</b>	<b>\$ 0</b>	<b>3,968</b>	<b>18,115</b>	<b>22,083</b>
<b>General revenues:</b>							
Unrestricted investment earnings					698	18	716
<b>Total general revenues</b>					698	18	716
<b>Change in net position</b>					4,666	18,133	22,799
<b>Net Position - beginning of year</b>					817,731	140,437	958,168
<b>Net Position - end of year</b>					<b>\$ 822,397</b>	<b>\$ 158,570</b>	<b>\$980,967</b>

TOWN OF BURRILLVILLE, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
 COMPONENT UNITS  
 YEAR ENDED JUNE 30, 2015**

	Burrillville Redevelopment Agency	Jesse M. Smith Memorial Library	Totals
<b>OPERATING REVENUES:</b>			
Charges for usage and service	\$ 35,417	\$ 15,230	\$ 50,647
<b>Total operating revenues</b>	<u>35,417</u>	<u>15,230</u>	<u>50,647</u>
<b>OPERATING EXPENSES:</b>			
Operations	24,640	177,042	201,682
Personnel	6,809	599,208	606,017
Depreciation		3,562	3,562
<b>Total operating expenses</b>	<u>31,449</u>	<u>779,812</u>	<u>811,261</u>
<b>OPERATING INCOME (LOSS)</b>	<u>3,968</u>	<u>(764,582)</u>	<u>(760,614)</u>
<b>NONOPERATING REVENUES:</b>			
Investment income	698	18	716
Nonoperating grants		782,697	782,697
<b>Total nonoperating revenues</b>	<u>698</u>	<u>782,715</u>	<u>783,413</u>
<b>CHANGE IN NET POSITION</b>	4,666	18,133	22,799
<b>TOTAL NET POSITION - BEGINNING</b>	<u>817,731</u>	<u>140,437</u>	<u>958,168</u>
<b>TOTAL NET POSITION - ENDING</b>	<u>\$ 822,397</u>	<u>\$ 158,570</u>	<u>\$ 980,967</u>

TOWN OF BURRILLVILLE, RHODE ISLAND

**COMBINING STATEMENT OF CASH FLOWS  
COMPONENT UNITS  
YEAR ENDED JUNE 30, 2015**

	Burrillville Redevelopment Agency	Jesse M. Smith Memorial Library	Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash received from customers	\$ 35,417	\$ 15,485	\$ 50,902
Cash paid to suppliers	(20,296)	(185,921)	(206,217)
Cash paid to employees	(6,755)	(597,861)	(604,616)
<b>Net cash provided by (used for) operating activities</b>	<b>8,366</b>	<b>(768,297)</b>	<b>(759,931)</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
Nonoperating grants received		782,697	782,697
Increase in due from primary government	(150)	7,945	7,795
<b>Net cash provided by (used for) noncapital financing activities</b>	<b>(150)</b>	<b>790,642</b>	<b>790,492</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Acquisition of capital assets		(22,845)	(22,845)
<b>Net cash used for capital and related financing activities</b>	<b>0</b>	<b>(22,845)</b>	<b>(22,845)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Issuance of loan receivable	(15,000)		(15,000)
Collections on loan receivable	1,125		1,125
Interest on investments	698	18	716
<b>Net cash provided by (used for) investing activities</b>	<b>(13,177)</b>	<b>18</b>	<b>(13,159)</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(4,961)</b>	<b>(482)</b>	<b>(5,443)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>136,475</b>	<b>110,432</b>	<b>246,907</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>\$ 131,514</b>	<b>\$ 109,950</b>	<b>\$ 241,464</b>
<b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:</b>			
Operating income (loss)	\$ 3,968	\$ (764,582)	\$ (760,614)
Adjustments to reconcile:			
Depreciation		3,562	3,562
Decrease in prepaid expenses	6,273		6,273
Decrease in accounts payable	(1,929)	(8,879)	(10,808)
Increase in accrued payroll	54	1,347	1,401
Increase in unearned revenue		255	255
<b>Net cash provided by (used for) operating activities</b>	<b>\$ 8,366</b>	<b>\$ (768,297)</b>	<b>\$ (759,931)</b>

# ***TOWN OF BURRILLVILLE***

## **GENERAL FUND BUDGETARY SCHEDULES**

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TOWN OF BURRILLVILLE, RHODE ISLANDGENERAL FUND**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL - BUDGETARY BASIS  
YEAR ENDED JUNE 30, 2015**

	<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	\$ 28,986,499	\$ 28,986,499	\$ 29,439,343		\$ 29,439,343	\$ 452,844
Interest on delinquent taxes and other	167,000	167,000	191,665		191,665	24,665
Payment in lieu of taxes	18,000	18,000	18,694		18,694	694
<b>Total property taxes</b>	<b>29,171,499</b>	<b>29,171,499</b>	<b>29,649,702</b>	<b>\$ 0</b>	<b>29,649,702</b>	<b>478,203</b>
<b>Intergovernmental revenues:</b>						
State of Rhode Island including:						
School aid	13,148,381	13,148,381		13,217,748	13,217,748	69,367
School construction	1,200,000	1,200,000	1,456,619		1,456,619	256,619
Motor vehicle phase out	192,748	192,748	201,655		201,655	8,907
Medicaid reimbursement	300,000	300,000		369,748	369,748	69,748
Meals and beverage tax	183,855	183,855	196,623		196,623	12,768
Pilot	112,265	112,265	127,468		127,468	15,203
Telephone tax	199,730	199,730	198,184		198,184	(1,546)
Police and other	68,000	68,000	97,556		97,556	29,556
Library construction	283,800	283,800	283,800		283,800	0
FEMA reimbursement	0	0	63,124		63,124	63,124
Pension incentives	75,644	75,644	75,644		75,644	0
<b>Total intergovernmental revenues</b>	<b>15,764,423</b>	<b>15,764,423</b>	<b>2,700,673</b>	<b>13,587,496</b>	<b>16,288,169</b>	<b>523,746</b>
<b>Departmental revenues:</b>						
Licenses, permits and fees:						
Licenses and fees	286,375	286,375	299,338		299,338	12,963
Building official	61,000	61,000	76,993		76,993	15,993
Miscellaneous	35,000	35,000	44,021		44,021	9,021
Services/assessments	96,500	96,500	137,281		137,281	40,781
<b>Total departmental revenues</b>	<b>478,875</b>	<b>478,875</b>	<b>557,633</b>	<b>0</b>	<b>557,633</b>	<b>78,758</b>
<b>Investment income</b>	<b>21,500</b>	<b>21,500</b>	<b>17,645</b>	<b>0</b>	<b>17,645</b>	<b>(3,855)</b>
<b>Total revenues</b>	<b>45,436,297</b>	<b>45,436,297</b>	<b>32,925,653</b>	<b>13,587,496</b>	<b>46,513,149</b>	<b>1,076,852</b>

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLANDGENERAL FUND**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL - BUDGETARY BASIS  
YEAR ENDED JUNE 30, 2015**

	<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	46,000	46,000	45,777		45,777	223
Town clerk	236,833	237,533	228,938		228,938	8,595
Tax assessor	134,462	135,162	133,560		133,560	1,602
Town manager	196,989	197,689	194,649		194,649	3,040
Building official	124,780	125,480	124,580		124,580	900
Town treasurer	284,238	285,638	284,953		284,953	685
Tax collector	138,697	138,697	134,299		134,299	4,398
Information systems	209,525	210,925	200,663		200,663	10,262
Town planner	128,198	130,398	130,374		130,374	24
Boards, agencies, and committees	113,895	113,895	96,370		96,370	17,525
General fund contingency	90,000	13,000	10,914		10,914	2,086
Miscellaneous town expense	12,538	12,838	12,812		12,812	26
Buildings - administration	2,400	2,400	1,361		1,361	1,039
<b>Total general government</b>	<b>1,718,555</b>	<b>1,649,655</b>	<b>1,599,250</b>	<b>0</b>	<b>1,599,250</b>	<b>50,405</b>
<b>Public Safety:</b>						
Police department	2,262,911	2,316,611	2,315,655		2,315,655	956
Animal control	128,242	128,242	126,079		126,079	2,163
Civil defense	6,802	8,002	7,879		7,879	123
Municipal court	22,100	22,100	19,159		19,159	2,941
<b>Total public safety</b>	<b>2,420,055</b>	<b>2,474,955</b>	<b>2,468,772</b>	<b>0</b>	<b>2,468,772</b>	<b>6,183</b>
<b>Public Works:</b>						
Highway department	1,365,298	1,446,198	1,443,284		1,443,284	2,914
<b>Total public works</b>	<b>1,365,298</b>	<b>1,446,198</b>	<b>1,443,284</b>	<b>0</b>	<b>1,443,284</b>	<b>2,914</b>

(CONTINUED)



TOWN OF BURRILLVILLE, RHODE ISLANDGENERAL FUND**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL - BUDGETARY BASIS  
YEAR ENDED JUNE 30, 2015**

	<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	123,405	130,905	128,378		128,378	2,527
Operation of mini-bus	22,700	22,700	20,785		20,785	1,915
<b>Total recreation and social services</b>	<b>146,105</b>	<b>153,605</b>	<b>149,163</b>	<b>0</b>	<b>149,163</b>	<b>4,442</b>
<b>Special Appropriations</b>	<b>16,450</b>	<b>16,450</b>	<b>13,950</b>	<b>0</b>	<b>13,950</b>	<b>2,500</b>
<b>Debt Service:</b>						
General obligation bonds:						
Principal	2,618,000	2,618,000	2,618,000		2,618,000	0
Interest	609,906	609,906	601,170		601,170	8,736
Bond registration fees and other	2,000	2,000	1,200		1,200	800
<b>Total debt service</b>	<b>3,229,906</b>	<b>3,229,906</b>	<b>3,220,370</b>	<b>0</b>	<b>3,220,370</b>	<b>9,536</b>
<b>General Services</b>	<b>1,401,471</b>	<b>1,366,471</b>	<b>1,363,619</b>	<b>0</b>	<b>1,363,619</b>	<b>2,852</b>
<b>Capital Improvements Program:</b>						
School department	527,300	1,790,559	1,805,598		1,805,598	(15,039)
Police department	74,325	108,074	38,653		38,653	69,421
Public works	1,044,500	2,406,547	1,152,438		1,152,438	1,254,109
Administration	110,395	828,443	511,554		511,554	316,889
Recreation	0	40,000	0		0	40,000
<b>Total capital improvements program</b>	<b>1,756,520</b>	<b>5,173,623</b>	<b>3,508,243</b>	<b>0</b>	<b>3,508,243</b>	<b>1,665,380</b>
<b>Library:</b>						
Pascoag Library	57,500	57,500	57,500		57,500	0
Jesse M. Smith Memorial Library	641,200	641,200	641,200		641,200	0
<b>Total library</b>	<b>698,700</b>	<b>698,700</b>	<b>698,700</b>	<b>0</b>	<b>698,700</b>	<b>0</b>

(CONTINUED)

TOWN OF BURRILLVILLE, RHODE ISLANDGENERAL FUND**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL - BUDGETARY BASIS  
YEAR ENDED JUNE 30, 2015**

	<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	2,154,341	2,059,941	1,962,044		1,962,044	97,897
Legal services	110,000	104,000	103,596		103,596	404
Other professional services	27,700	23,700	16,294		16,294	7,406
<b>Total miscellaneous</b>	<b>2,292,041</b>	<b>2,187,641</b>	<b>2,081,934</b>	<b>0</b>	<b>2,081,934</b>	<b>105,707</b>
<b>Total expenditures</b>	<b>15,045,101</b>	<b>18,397,204</b>	<b>16,547,285</b>	<b>0</b>	<b>16,547,285</b>	<b>1,849,919</b>
<b>Excess of revenues over (under) expenditures before other financing sources (uses)</b>	<b>30,391,196</b>	<b>27,039,093</b>	<b>16,378,368</b>	<b>13,587,496</b>	<b>29,965,864</b>	<b>2,926,771</b>
<b>Other financing sources (uses):</b>						
Transfers out:						
Special revenue funds	(29,872,052)	(31,312,704)	(17,725,208)	(13,587,496)	(31,312,704)	0
Capital project funds	(897,482)	(1,103,723)	(1,103,723)		(1,103,723)	0
Transfers in:						
Special revenue funds	46,950	201,950	404,019		404,019	202,069
Capital project funds	88,388	1,681,624	1,681,624		1,681,624	0
Enterprise funds	243,000	238,000	243,647		243,647	5,647
Reappropriation of prior year's designated fund balance	0	3,255,760		3,255,760	3,255,760	0
<b>Net other financing sources (uses)</b>	<b>(30,391,196)</b>	<b>(27,039,093)</b>	<b>(16,499,641)</b>	<b>(10,331,736)</b>	<b>(26,831,377)</b>	<b>207,716</b>
<b>Net change in fund balance - budgetary basis</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ (121,273)</b>	<b>\$ 3,255,760</b>	<b>\$ 3,134,487</b>	<b>\$ 3,134,487</b>

(CONCLUDED)

TOWN OF BURRILLVILLE, RHODE ISLAND**TAX COLLECTOR'S ANNUAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015****Real Estate and Personal Property Taxes**

Fiscal Year End	Balance July 1, 2014	Current year Assessment	Additions	(Abatements)	Refunds and Adjustments	Amount to be Collected	Collections	Balance June 30, 2015
2015		\$ 29,545,293	\$ 11,843	\$ 86,354	\$ 64,740	\$ 29,535,522	\$ 28,894,234	\$ 641,288
2014	\$ 643,587			2,182	(9,360)	632,045	487,877	144,168
2013	155,088			2,519	(747)	151,822	47,048	104,774
2012	116,898			2,454	(83)	114,361	13,624	100,737
2011	100,226			1,696		98,530	8,557	89,973
2010	54,163			99		54,064	3,221	50,843
2009	57,618				(153)	57,465	2,886	54,579
2008	52,851			560	89	52,380	1,581	50,799
2007	48,114			957		47,157	1,377	45,780
2006	39,431			932	(86)	38,413	1,103	37,310
2005 and prior	125,345			19,072	1,038	107,311	1,306	106,005
	1,393,321	\$ 29,545,293	\$ 11,843	\$ 116,825	\$ 55,438	\$ 30,889,070	\$ 29,462,814	1,426,256
Less: estimated allowance for uncollectible accounts	(347,900)							(392,400)
Net property taxes	\$ 1,045,421							\$ 1,033,856

**Schedule of Most Recent Net Assessed Property  
Value by Category**

Description of Property	Rates	Assessed Valuations	Levy
Real-Property- Residential	\$ 18.88	\$ 1,022,095,878	\$ 18,705,238
Real-Property-Commercial/Industrial	18.88	262,002,000	4,921,626
Motor Vehicles	40.00	138,763,296	4,432,540
Tangible and Personal Property	18.88	78,696,407	1,485,889
<b>Total</b>		1,501,557,581	\$ 29,545,293
Exemptions		(60,631,444)	
<b>Net Assessed Values</b>		\$ 1,440,926,137	

**Reconciliation of Current Year Property Tax Revenue**

Current year collections	\$ 29,462,814
<b>Adjustments and reversals</b>	
Add: Revenue collected 60 days subsequent to fiscal year ended ended June 30, 2015	268,006
Less: Prior year revenue collected 60 days subsequent to fiscal year ended June 30, 2014	(234,644)
Less refunds and adjustments	(56,833)
Current year property tax revenue	\$ 29,439,343

# 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.

### Contents

### Page

#### Financial Trends

*These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.*

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#### Revenue Capacity

*These schedules contain information to help the reader assess the government's most significant local revenue source - property taxes.*

135 - 140

#### Debt Capacity

*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.*

141 - 147

#### Demographic and Economic Information

*These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.*

148 - 151

#### Operation Information

*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.*

152 - 158

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)

	2015	2014*	2013	2012	2011	2010	2009	2008	2007	2006
<b>Governmental activities:</b>										
Net investment in capital assets	\$56,173,440	\$54,964,941	\$52,675,553	\$ 52,510,063	\$ 50,468,604	\$ 48,797,754	\$ 45,691,128	\$ 42,950,757	\$ 33,748,145	\$ 16,449,422
Restricted	1,404,629	1,768,261	1,641,822	1,623,115	1,659,612	509,616	509,946	110,529	106,568	7,419,103
Unrestricted (deficit)	(11,297,255)	(14,114,701)	8,492,520	7,453,449	4,843,114	5,152,480	677,412	(2,385,712)	6,766,810	10,348,540
<b>Total governmental activities</b>	<b>\$46,280,814</b>	<b>\$42,618,501</b>	<b>\$62,809,895</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>Business-type activities:</b>										
Net investment in capital assets	\$22,428,899	\$22,536,587	\$22,863,296	\$ 23,327,395	\$ 23,845,022	\$ 23,960,980	\$ 23,772,455	\$ 14,854,961	\$ 22,032,969	\$ 19,869,433
Unrestricted	4,182,924	4,026,441	3,791,591	3,696,390	3,464,694	3,481,926	3,479,732	12,546,693	2,536,364	1,732,818
<b>Total business-type activities</b>	<b>\$26,611,823</b>	<b>\$26,563,028</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>Primary government:</b>										
Net investment in capital assets	\$78,602,339	\$77,501,528	\$75,538,849	\$ 75,837,458	\$ 74,313,626	\$ 72,758,734	\$ 69,463,583	\$ 57,805,718	\$ 55,781,114	\$ 36,318,855
Restricted	1,404,629	5,794,702	1,641,822	1,623,115	1,659,612	509,616	509,946	110,529	106,568	7,419,103
Unrestricted	(7,114,331)	(14,114,701)	12,284,111	11,149,839	8,307,808	8,634,406	4,157,144	10,160,981	9,303,174	12,081,358
<b>Total primary government</b>	<b>\$72,892,637</b>	<b>\$69,181,529</b>	<b>\$89,464,782</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>

\* The Town adopted GASB Statement No. 68, Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No. 27 at July 1, 2014. Amounts for 2014 have been restated to reflect the implementation of GASB Statement No. 68.

TABLE 2

TABLE 2

TOWN OF BURRILLVILLE

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

	2015	2014*	2013	2012	2011	2010	2009	2008	2007	2006
<b>EXPENSES:</b>										
<b>Governmental activities:</b>										
General government	\$ 4,367,763	\$ 3,778,621	\$ 4,396,511	\$ 3,733,679	\$ 3,458,261	\$ 1,854,412	\$ 3,576,715	\$ 4,028,881	\$ 3,179,437	\$ 3,434,626
Public safety	3,553,642	3,197,182	3,389,940	3,415,060	3,333,909	3,276,694	3,447,071	3,305,109	2,450,317	2,285,274
Public works	3,373,957	3,177,033	3,707,455	2,668,744	2,801,890	2,390,143	2,540,063	6,521,874	1,857,393	1,363,199
Education	32,988,419	32,505,310	33,028,589	32,541,038	32,052,165	31,766,101	31,299,601	30,258,377	29,403,540	28,569,871
Recreation and social services	694,829	646,322	620,427	677,186	704,553	651,196	679,872	672,229	454,032	425,447
Public libraries	841,952	788,010	758,161	719,188	687,442	663,940	655,149	486,987	406,832	383,873
Community development	145,521	40,820	95,097	138,389	302,475	1,036,258	583,196	83,463	128,780	57,261
Other								1,553,844	3,223,662	2,951,902
Interest on long-term debt	569,569	671,216	769,299	897,440	986,957	1,057,533	1,166,159	1,297,028	1,172,555	929,208
<b>Total governmental activities</b>	<b>46,535,652</b>	<b>44,804,514</b>	<b>46,765,479</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>Business-type activities:</b>										
Sewer	2,043,668	2,012,314	2,063,559	1,975,858	1,879,819	1,897,454	1,867,278	1,742,335	1,682,383	1,868,573
School Cafeteria Fund	911,469	905,450	905,739	881,015	831,026	848,061	896,122	935,438	877,141	863,317
Levy Rink	364,075	433,492	419,984	426,675	490,935	433,847	434,991	369,511	292,428	339,196
Extended Day Care	460,702	417,882	421,174	423,541	403,444	426,606	436,463	426,023	416,946	395,503
<b>Total business-type activities</b>	<b>3,779,914</b>	<b>3,769,138</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>Total primary government expenses</b>	<b>50,315,566</b>	<b>48,573,652</b>	<b>50,575,935</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>

TABLE 2

TABLE 2

TOWN OF BURRILLVILLE

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

	2015	2014*	2013	2012	2011	2010	2009	2008	2007	2006
<b>PROGRAM REVENUES:</b>										
<b>Governmental activities:</b>										
Charges for services:										
General government	497,571	629,112	489,127	462,930	827,003	570,359	625,451	516,877	805,370	748,762
Public safety	159,912	214,081	161,791	179,835	143,367	58,135	127,741	176,930	147,432	52,632
Public works	17,173	19,770	18,117	10,814	24,927	8,546	8,657			
Education	430,036	404,479	398,626	409,517	392,133	295,303	203,044	384,706	267,781	280,777
Other activities	191,693	113,136	185,552	217,741	205,500	217,365	176,241	389,269	235,734	46,490
Operating grants and contributions	16,732,895	16,848,991	16,621,443	16,843,576	16,056,834	17,310,421	16,606,635	16,803,743	18,268,107	17,659,717
Capital grants and contributions	2,032,741	1,690,931	1,827,122	2,172,752	2,748,116	2,298,349	2,949,280	2,842,227	1,153,972	698,531
<b>Total governmental activities program revenues</b>	<b>20,062,021</b>	<b>19,920,500</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>Business-type activities:</b>										
Charges for services:										
Sewer	2,132,056	2,088,176	1,956,817	1,899,351	1,865,345	1,705,029	1,718,947	2,437,515	1,667,150	1,304,774
School Cafeteria Fund	464,629	449,302	434,741	439,470	456,569	451,403	497,268	578,461	621,452	613,046
Levy Rink	434,457	422,243	403,232	381,426	395,110	395,430	384,349	274,656	236,172	289,665
Extended Day Care	525,624	442,265	398,701	442,168	439,046	417,873	436,301	453,228	429,714	412,502
Operating grants and contributions	471,072	490,419	495,734	456,526	420,967	418,814	354,303	333,980	277,226	232,081
Capital grants and contributions				30,000						500,000
<b>Total business-type activities revenues</b>	<b>4,027,838</b>	<b>3,892,405</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>Total primary government revenues</b>	<b>24,089,859</b>	<b>23,812,905</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>Net (expenses) revenues:</b>										
Governmental activities	(26,473,631)	(24,884,014)	(27,063,701)	(24,493,559)	(23,929,772)	(21,937,799)	(23,250,777)	(27,094,040)	(21,398,152)	(20,913,752)
Business-type activities	247,924	123,267	(121,231)	(58,148)	(28,187)	(217,419)	(243,686)	604,533	(37,184)	(114,521)
<b>Total primary government net expense</b>	<b>(26,225,707)</b>	<b>(24,760,747)</b>	<b>(27,184,932)</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>

TABLE 2

TABLE 2

TOWN OF BURRILLVILLE

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

	2015	2014*	2013	2012	2011	2010	2009	2008	2007	2006
<b>GENERAL REVENUES AND OTHER</b>										
<b>CHANGES IN NET POSITION:</b>										
<b>Governmental activities:</b>										
Property taxes and other	29,901,085	29,209,979	28,285,449	28,336,337	28,287,435	29,870,756	28,656,516	27,883,350	26,766,380	26,123,185
State revenue sharing							778,175	936,763	966,898	762,535
Unrestricted investment earnings	35,212	37,360	39,498	35,729	49,337	50,545	182,379	480,206	886,814	395,289
Grants and contributions not restricted to specific programs		337,500		51,700			31,940			229,399
Gain (loss) on transfer of capital asset				453,114			(122,075)			
Transfers	199,647	218,162	251,434	231,976	110,324	(402,138)	(73,246)	(2,152,228)	(2,934,425)	(2,427,679)
<b>Total governmental activities</b>	<b>30,135,944</b>	<b>29,803,001</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>Business-type activities:</b>										
Unrestricted investment earnings	518	3,036	3,767	4,193	5,321	6,000	20,973	75,560	69,841	22,010
Transfers	(199,647)	(218,162)	(251,434)	(231,976)	(110,324)	402,138	73,246	2,152,228	2,934,425	2,427,679
<b>Total business-type activities</b>	<b>(199,129)</b>	<b>(215,126)</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>Total primary government</b>	<b>29,936,815</b>	<b>29,587,875</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>CHANGE IN NET POSITION:</b>										
Governmental activities	3,662,313	4,918,987	1,512,680	4,615,297	4,517,324	7,581,364	6,202,912	54,051	4,287,515	4,168,977
Business-type activities	48,795	(91,859)	(368,898)	(285,931)	(133,190)	190,719	(149,467)	2,832,321	2,967,082	2,335,168
<b>Total primary government</b>	<b>\$ 3,711,108</b>	<b>\$ 4,827,128</b>	<b>\$ 1,143,782</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>

\* The Town adopted GASB Statement No. 68, Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No. 27 at July 1, 2014. Amounts for 2014 have been restated to reflect the implementation of GASB Statement No. 68.



TABLE 3

TABLE 3

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

	2015	2014	2013	2012	2011
<b>Revenues:</b>					
Property taxes	\$ 29,649,702	\$ 28,781,560	\$ 28,047,069	\$ 27,781,892	\$ 27,222,631
Intergovernmental revenue	18,262,115	18,029,596	18,056,493	18,696,279	19,578,833
Licenses and permits	420,352	539,406	428,758	413,651	379,920
Investment income	35,212	37,360	39,498	35,729	49,337
Departmental	137,281	188,163	113,051	151,826	117,621
Other revenues	370,340	306,398	367,236	406,915	354,473
Total revenues	48,875,002	47,882,483	47,052,105	47,486,292	47,702,815
<b>Expenditures:</b>					
General government	3,049,023	2,920,852	2,897,796	2,757,020	2,859,297
Public safety	2,565,593	2,394,951	2,364,000	2,457,175	2,322,265
Public works	1,469,966	1,411,939	1,346,786	1,207,801	1,322,058
Education	31,183,132	31,036,624	30,765,355	30,119,535	29,742,567
Recreation and social services	364,759	342,536	309,566	362,877	347,489
Libraries	840,322	784,327	754,757	718,842	681,998
Community development	145,521	40,820	95,097	138,389	302,475
Employee benefits and other	2,095,884	1,937,812	2,005,009	1,880,728	1,784,316
Debt service:					
Principal	2,618,000	2,768,000	2,792,000	3,171,771	2,694,000
Interest and other costs	616,070	705,032	807,231	907,226	989,124
Bond issuance costs					
Capital outlay	4,173,862	3,561,671	2,588,797	3,281,412	2,904,027
Total expenditures	49,122,132	47,904,564	46,726,394	47,002,776	45,949,616
<b>Excess of revenue over (under) expenditures</b>	<b>(247,130)</b>	<b>(22,081)</b>	<b>325,711</b>	<b>483,516</b>	<b>1,753,199</b>
<b>Other financing sources (uses):</b>					
Proceeds from bond issuance	680,000				139,229
Bond premium					
Refunding bond proceeds					
Proceeds from loan					
Proceeds from sale of capital asset				913,124	
Transfers in	19,359,510	19,701,764	17,555,550	15,759,870	17,471,074
Repayment of debt to escrow agent					
Transfers out	(19,159,863)	(19,483,602)	(17,304,116)	(15,527,894)	(17,360,750)
Bond issuance costs					
<b>Net other financing sources (uses)</b>	<b>879,647</b>	<b>218,162</b>	<b>251,434</b>	<b>1,145,100</b>	<b>249,553</b>
<b>Net change in fund balances</b>	<b>\$ 632,517</b>	<b>\$ 196,081</b>	<b>\$ 577,145</b>	<b>\$ 1,628,616</b>	<b>\$ 2,002,752</b>
<b>Debt service as a percentage of noncapital expenditures</b>	<b>7.2%</b>	<b>7.8%</b>	<b>8.2%</b>	<b>9.3%</b>	<b>8.6%</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)**

	2010	2009	2008	2007	2006
<b>Revenues:</b>					
Property taxes	\$ 26,895,875	\$ 25,779,882	\$ 25,130,561	\$ 24,081,205	\$ 23,729,036
Intergovernmental revenue	21,547,412	21,949,668	21,924,878	22,183,385	20,305,437
Licenses and permits	424,534	396,096	447,898	518,998	636,186
Investment income	50,545	182,379	480,206	886,814	395,289
Departmental	41,059	98,813	156,244	128,674	33,303
Other revenues	666,539	756,099	1,169,525	798,780	1,670,019
Total revenues	49,625,964	49,162,937	49,309,312	48,597,856	46,769,270
<b>Expenditures:</b>					
General government	3,050,803	3,005,485	2,990,265	3,013,611	3,140,147
Public safety	2,349,704	2,472,563	2,429,767	2,305,526	2,193,993
Public works	1,056,622	1,245,485	1,287,046	1,105,007	1,057,396
Education	29,409,513	28,974,064	29,154,947	28,392,459	27,753,517
Recreation and social services	323,508	358,915	367,361	347,061	322,624
Libraries	654,072	655,149	486,987	406,832	383,873
Community development	1,036,258	578,650	83,463	128,780	57,261
Employee benefits and other	1,889,863	2,174,298	2,388,966	2,206,948	2,951,902
Debt service:					
Principal	4,630,000	3,636,000	3,695,000	2,893,512	3,167,500
Interest and other costs	1,070,078	1,190,662	1,269,412	1,220,080	882,198
Bond issuance costs	33,924			77,754	116,224
Capital outlay	6,164,637	3,294,558	9,073,084	15,457,888	4,141,208
Total expenditures	51,668,982	47,585,829	53,226,298	57,555,458	46,167,843
<b>Excess of revenue over (under) expenditures</b>	<b>(2,043,018)</b>	<b>1,577,108</b>	<b>(3,916,986)</b>	<b>(8,957,602)</b>	<b>601,427</b>
<b>Other financing sources (uses)</b>					
Proceeds from bond issuance	2,796,818	319,597	2,108,229	7,937,425	9,883,679
Bond premium				81,578	154,350
Refunding bond proceeds				2,090,000	
Proceeds from loan	1,820,000	610,000	268,000		
Proceeds from sale of capital asset			150,000		
Transfers in	22,429,122	17,972,665	22,223,532	16,619,424	15,101,443
Repayment of debt to escrow agent				(2,079,525)	
Transfers out	(22,831,260)	(18,045,911)	(24,375,760)	(19,553,849)	(17,529,122)
Bond issuance costs					
<b>Net other financing sources (uses)</b>	<b>4,214,680</b>	<b>856,351</b>	<b>374,001</b>	<b>5,095,053</b>	<b>7,610,350</b>
<b>Net change in fund balances</b>	<b>\$ 2,171,662</b>	<b>\$ 2,433,459</b>	<b>\$ (3,542,985)</b>	<b>\$ (3,862,549)</b>	<b>\$ 8,211,777</b>
<b>Debt service as a percentage of noncapital expenditures</b>	<b>12.5%</b>	<b>10.9%</b>	<b>11.2%</b>	<b>10.0%</b>	<b>9.9%</b>

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

TABLE 4

TABLE 4

<b>TOWN OF BURRILLVILLE</b> <b>FUND BALANCES, GOVERNMENTAL FUNDS</b> <b>LAST TEN FISCAL YEARS</b> <b>Unaudited</b> <b>(Modified Accrual Basis of Accounting)</b>										
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011*</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
<b>General Fund:</b>										
Reserved						\$ 632,855	\$ 478,502	\$ 747,546	\$ 521,381	\$ 1,824,547
Unreserved						9,598,929	8,040,541	6,649,026	8,854,207	7,221,720
Nonspendable	\$ 526,987	\$ 669,994	\$ 688,484	\$ 668,840	\$ 667,189					
Restricted										
Committed	9,708,597	7,460,527	7,189,902	8,617,069	6,642,277					
Assigned	91,081	94,288	91,306	138,082	98,182					
Unassigned	6,427,798	7,652,458	7,143,229	6,376,298	6,493,100					
<b>Total general fund</b>	<b>16,754,463</b>	<b>15,877,267</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>All Other Governmental Funds:</b>										
Reserved						870,121	3,285,124	746,019	6,157,429	5,594,556
Unreserved										
Unreserved, reported in:										
Special revenue funds						3,586,493	6,034,762	4,228,352	4,181,880	3,669,236
Capital project funds						1,731,576	(3,590,617)	(556,090)	(4,357,059)	1,431,848
Nonspendable	107,910	108,351	108,786	109,150	109,216					
Restricted	769,732	813,916	844,552	845,125	883,207					
Committed	3,441,748	3,599,175	4,018,859	2,863,741	2,986,057					
Assigned	391,166	426,419	543,369							
Unassigned	(7,934)	(560)		433,037	543,498					
<b>Total all other governmental funds</b>	<b>4,702,622</b>	<b>4,947,301</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>Total governmental funds</b>	<b>\$21,457,085</b>	<b>\$20,824,568</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>

\* The Town adopted GASB Statement No. 54 fund balance definitions at June 30, 2011. Nonspendable and restricted fund balances are compared to Reserved fund balance, and Committed, Assigned, and Unassigned fund balance are compared to Unreserved fund balance for purposes of the table.

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
2006	\$19,162,222	\$18,783,376	98.02%	\$341,536	\$19,124,912	99.81%
2007	\$19,481,713	\$19,049,497	97.78%	\$386,435	\$19,435,932	99.77%
2008	\$20,379,384	\$20,007,667	98.18%	\$320,917	\$20,328,584	99.75%
2009	\$21,011,173	\$20,598,406	98.04%	\$358,190	\$20,956,594	99.74%
2010	\$21,867,633	\$21,394,794	97.84%	\$421,994	\$21,816,788	99.77%
2011	\$23,547,101	\$22,939,416	97.42%	\$517,712	\$23,457,128	99.62%
2012	\$26,687,010	\$26,069,800	97.69%	\$516,472	\$26,586,272	99.62%
2013	\$27,830,582	\$27,224,031	97.82%	\$501,778	\$27,725,809	99.62%
2014	\$28,840,267	\$28,222,480	97.86%	\$473,619	\$28,696,099	99.50%
2015	\$29,545,293	\$28,865,415	97.70%	N/A	\$28,894,234	97.80%

(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 *
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	\$1,480,685,591	101.09%
2013	\$1,429,210,758	\$198,123,000	\$ 37,662,786	\$ 28,941,433	\$ 1,560,729,539	\$1,573,157,483	99.21%
2014	\$1,275,662,778	\$211,604,650	\$ 32,810,185	\$ 29,471,710	\$ 1,424,985,533	\$1,569,540,184	90.79%
2015	\$1,284,097,878	\$217,459,703	\$ 32,687,299	\$ 27,944,145	\$ 1,440,926,137	\$1,588,322,461	90.72%

**NOTE:** 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.  
 Full Property Revaluation as of December 31, 2012, effective for the Town's fiscal year ending June 30, 2014.

\* 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
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	[1]	-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	[2]	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
2014	Motor Vehicle	\$40.00		0.00%	\$16.19	\$23.81
	RE/Tangible	\$18.58	[3]	14.90%	\$7.52	\$11.06
2015	Motor Vehicle	\$40.00		0.00%	\$15.96	\$24.04
	RE/Tangible	\$18.88		1.61%	\$7.54	\$11.34

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

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

[3] Full Property Revaluation as of December 31, 2012, effective for the Town's fiscal year ending June 30, 2014.

\* 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			August 31			October 31		
	Debt			Debt			Debt			Debt		
	Tax Rate	Outstanding		Tax Rate	Outstanding		Tax Rate	Outstanding		Tax Rate	Debt	Outstanding
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	
2014	\$ 2.90	\$ 638,074		\$ 1.77	\$ -		\$ 1.60	\$ 562,241		\$ 2.10	\$ 1,257,894	
2015	\$ 2.90	\$ 553,297		\$ 1.94	\$ -		\$ 1.78	\$ 539,710		\$ 2.10	\$ 1,197,707	

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

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

Full Property Revaluation as of December 31, 2012, effective for the Town's fiscal year ending June 30, 2014.

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	2015 Rank	Percentage of Total Assessed Valuation	Tax Levy	Percentage of Tax Levy	Assessed Valuation	2006 Rank	Percentage of Total Assessed Valuation	Tax Levy	Percentage of Tax Levy																																				
Fiscal Year Ending June 30, 2015							Fiscal Year Ending June 30, 2006																																								
Power/TransCanada	Utility	\$ 184,787,293	1	12.82%	\$ 3,488,784	11.81%	Formerly under a PILOT agreement																																								
Algonquin Gas	Utility	\$ 28,402,997	2	1.97%	\$ 536,249	1.82%	\$ 13,295,150	1	0.92%	\$ 184,712	0.96%																																				
Narragansett Electric	Utility	\$ 13,460,496	3	0.93%	\$ 254,150	0.86%	\$ 13,563,910	2	0.94%	\$ 175,338	0.92%																																				
Laginestra Realty Llc	Realty	\$ 8,973,500	4	0.62%	\$ 169,420	0.57%	\$ -		0.00%	\$ -	0.00%																																				
Tennessee Gas Pipeline Co.	Utility	\$ 6,553,063	5	0.45%	\$ 123,722	0.42%	\$ 12,378,920	3	0.86%	\$ 161,545	0.84%																																				
Cox Cable RI, Inc.	Utility	\$ 4,614,503	6	0.32%	\$ 87,122	0.29%	\$ 5,941,700	4	0.41%	\$ 77,539	0.40%																																				
Wright's Farm Inc.	Restaurant	\$ 4,388,651	7	0.30%	\$ 82,858	0.28%	\$ 4,720,190	6	0.33%	\$ 59,315	0.31%																																				
Bliss Golf Investors	Golf Course	\$ 4,371,403	8	0.30%	\$ 82,532	0.28%	\$ 3,724,930	11	0.26%	\$ 48,284	0.25%																																				
Burrillville Health Center	Nursing Home	\$ 4,158,500	9	0.29%	\$ 78,512	0.27%	\$ 4,160,996	9	0.29%	\$ 54,301	0.28%																																				
Daniele International Inc.	Producer/Meat	\$ 4,058,400	10	0.28%	\$ 76,623	0.26%	\$ 5,655,800	5	0.39%	\$ 73,808	0.39%																																				
Harken Inc	Nursing Home	\$ 3,909,783	11	0.27%	\$ 73,817	0.25%	\$ 4,397,430	7	0.31%	\$ 57,305	0.30%																																				
Maplehill Mobile Home	Park	\$ 3,882,000	12	0.27%	\$ 73,292	0.25%	\$ 4,179,174	8	0.29%	\$ 54,538	0.28%																																				
Bradford Court Association	Elderly Housing	\$ 3,518,600	13	0.24%	\$ 66,431	0.22%	\$ 3,783,780	10	0.26%	\$ 48,600	0.25%																																				
Stillwater Heights Inc.	Complex	\$ 2,695,600	14	0.19%	\$ 50,893	0.17%	\$ -		0.00%	\$ -	0.00%																																				
Bronco Realty	Realty	\$ 2,574,300	15	0.18%	\$ 48,603	0.16%	\$ 1,445,800	15	0.10%	\$ 18,868	0.10%																																				
Clocktower Associates Lp	Realty	\$ 2,121,600	16	0.15%	\$ 40,056	0.14%	\$ -		0.00%	\$ -	0.00%																																				
Burrillville Nursing Home Inc.	Nursing Home	\$ 3,293,500	17	0.23%	\$ 39,441	0.13%	\$ 2,983,210	12	0.21%	\$ 38,931	0.20%																																				
Laurelle Realty Trust	Golf Course	\$ 1,769,300	18	0.12%	\$ 33,404	0.11%	\$ 2,103,900	13	0.15%	\$ 27,456	0.14%																																				
Lockheed Window Inc.	Manufacturing	\$ 1,678,600	19	0.12%	\$ 31,692	0.11%	\$ 2,251,130	14	0.16%	\$ 19,371	0.10%																																				
Moroney Helen F Trustee	Camp Ground	\$ 1,157,800	20	0.08%	\$ 21,534	0.07%	\$ 1,268,500	16	0.09%	\$ 16,681	0.09%																																				
	Total	\$ 290,369,889		20.15%	\$ 5,511,108	18.65%	\$ 85,854,520		5.96%	\$ 1,116,592	5.83%																																				
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="6" style="text-align: center;"><b>2015</b></td><td colspan="6" style="text-align: center;"><b>2006</b></td></tr> <tr> <td colspan="5">Total Assessed Values (Net) =</td><td>\$ 1,440,926,137</td><td colspan="5">Total Assessed Values (Net) =</td><td>\$ 1,440,963,803</td></tr> <tr> <td colspan="5">Total Tax Levied =</td><td>\$ 29,545,293</td><td colspan="5">Total Tax Levied =</td><td>\$ 19,162,222</td></tr> </table>												<b>2015</b>						<b>2006</b>						Total Assessed Values (Net) =					\$ 1,440,926,137	Total Assessed Values (Net) =					\$ 1,440,963,803	Total Tax Levied =					\$ 29,545,293	Total Tax Levied =					\$ 19,162,222
<b>2015</b>						<b>2006</b>																																									
Total Assessed Values (Net) =					\$ 1,440,926,137	Total Assessed Values (Net) =					\$ 1,440,963,803																																				
Total Tax Levied =					\$ 29,545,293	Total Tax Levied =					\$ 19,162,222																																				

Source: Burrillville Tax Assessor's Office



TABLE 9

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

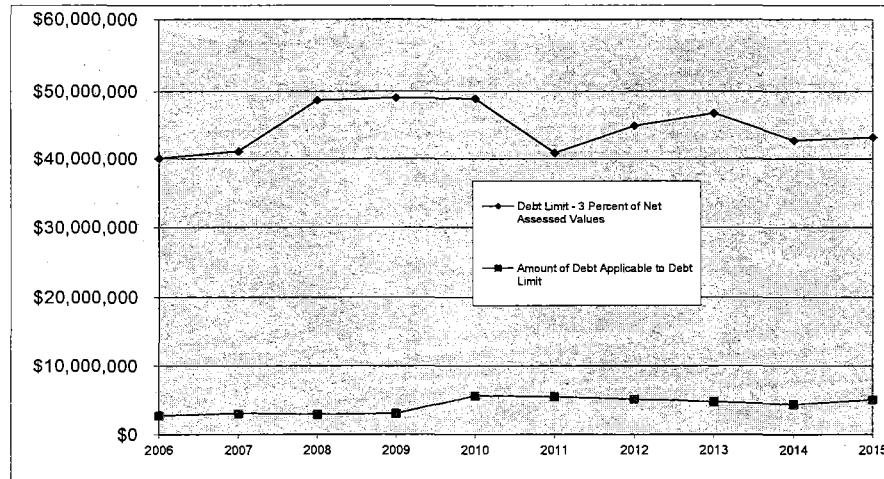
TABLE 9

Fiscal Year	Contract Number(s)	Special Assessment Billings	Special Assessments Collected	RESIDENTIAL USER CHARGE	Contract Number	Description of Wastewater Treatment Contracts
1980	2, 3	\$632,866	---	---	1	Wastewater Treatment Facility (Non-assessment)
1981	5, 6	281,154	\$99,336	\$65.00	2	Pascoag/Harrisville Interceptor
1982	7, 8	228,106	135,306	65.00	3	Pascoag/Bridgeton
1983	9, 10, 80	72,288	122,945	65.00	4	Pascoag
1984	4	361,430	97,229	100.00	5	Harrisville
1985	11	193,230	154,895	100.00	6	Pascoag
1986	---	---	169,710	100.00	7	Pascoag
1987	14, 81	138,840	110,500	100.00	8	Harrisville
1988	82	75,000	135,224	150.00	9	Pascoag/Harrisville
1989	13, 15	295,597	95,363	150.00	10	Pascoag (Industrial Drive)
1990	---	---	208,253	150.00	11	Pascoag/Harrisville
1991	---	---	75,818	162.00	12	WWT Plant Improvements (Non-assessment)
1992	17	110,050	67,344	174.00	13	Harrisville/Glendale (Spring Lake)
1993	16A, 16B	238,990	120,091	174.00	14	Harrisville
1994	---	54,532	157,801	186.00	14A	Harrisville Village
1995	---	---	76,454	198.00	15	Oakland/Mapleville
1996	84	20,970	87,204	204.00	15A	Adler-Clear River Park
1997	85	7,810	87,017	222.00	16A	Oakland
1998	---	---	76,090	222.00	16B	Mapleville
1999	84 (Phase II)	13,950	75,409	222.00	16B - Add On	Maplehill Mobile
2000	---	---	55,561	228.00	17	Harrisville
2001	---	---	33,638	228.00	18	Oakland
2002	86	17,232	38,663	240.00	19A-1	Glendale
2003	15A	10,304	37,341	249.00	19A-2	Glendale
2004	16B Add On	93,378	16,011	270.00	19BT	Mohegan
2005	---	5,073	13,110	285.00	19BC	Mohegan/Spring Lake Road/Joslin Road
2006	87	45,515	45,515	303.00		
2007	14A	151,800	74,125	321.00		
2008	19A-1	49,817	5,432	351.00		
	19A-2	263,723	8,955	---	80	Colonial Road/Paula Drive
	19BT	59,880	---	---	81	Hemlock Farm Estates
	19BC	332,820	---	---	82	Sanwood Estates
	11A	63,429	19,848	---	83	Lynmar Estates
	11B	27,120	8,040	---	84	Whitney Estates
2009	---	---	173,878	354.00	85	Fox Meadow Estates
2010	---	---	112,096	354.00	86	Rolling Meadows Estate
2011	20	77419	93,709	354.00	87	Mill Pond
2012	---	---	107,984	369.00	11A	Smith Estates
2013	---	---	83,846	381.00	11B	Granite River
2014	---	---	107,391	393.00	11B	Granite River
2015	---	---	65,192	417.00	20	Oakland Village

Source: Wastewater Treatment Facility

TABLE 10

TOWN OF BURRILLVILLE  
COMPUTATION OF LEGAL DEBT MARGIN  
LAST TEN YEARS



Net Assessed Values \$ 1,440,926,137

Debt Limit - 3 Percent of  
Net Assessed Values \$43,227,784

Amount of Debt Applicable  
to Debt Limit:

Total Bonded Debt \$16,623,000

Outstanding Bond

Anticipation Notes 0

Bonds Authorized but

Unissued 500,000

Less: Bonds & Notes

Authorized By Special Act (12,140,000)

Amount of Debt Applicable to  
Debt Limit 4,983,000

Legal Debt Margin \$38,244,784

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Net Assessed Valuations (in 000s)	\$ 1,335,127	\$ 1,370,126	\$ 1,622,903	\$ 1,635,021	\$ 1,631,118	\$ 1,362,813	\$ 1,496,825	\$ 1,560,730	\$ 1,424,986	\$ 1,440,926
Debt Limit - 3 Percent of  Net Assessed Values (in 000s)	40,054	41,104	48,687	49,051	48,934	40,884	44,905	46,822	42,750	43,228
Amount of Debt Applicable to Debt Limit (in 000s)	2,681	2,974	2,901	2,999	5,552	5,448	5,066	4,685	4,303	4,983
Legal Debt Margin	\$ 37,373	\$ 38,130	\$ 45,786	\$ 46,052	\$ 43,382	\$ 35,437	\$ 39,839	\$ 42,137	\$ 38,447	\$ 38,245
Legal Debt Margin as a Percentage of Debt Limit	7.17%	7.80%	6.34%	6.51%	12.80%	15.37%	12.72%	11.12%	11.19%	13.03%

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
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	18.98%
2014	\$ 1,424,985,532	\$3,299,632	\$1,642,526	\$1,657,106	0.12%	\$206.81	\$103.86	21.40%
2015	\$ 1,440,926,137	\$3,220,370	\$1,740,419	\$1,479,951	0.10%	\$201.84	\$92.76	NA

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.

Full Property Revaluation as of December 31, 2012, effective for the Town's fiscal year ending June 30, 2014.

\* 2010 Population Per Census 15,955

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

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
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	\$683,072	3.20%
2014	\$1,569,540,183	\$18,561,000	1.18%	\$1,163	\$706,172	3.80%
2015	\$1,588,322,461	\$16,623,000	1.05%	\$1,042	NA	NA

Statistical Revaluation as of December 31, 2006, effective for fiscal year 2008.  
 Statistical Revaluation as of December 31, 2009, effective for fiscal year 2011.  
 Full Property Revaluation as of December 31, 2012, effective for fiscal year 2014.  
 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
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%
2014	\$2,768,000	\$704,033	\$3,472,033	\$44,804,514	7.75%
2015	\$2,618,000	\$601,171	\$3,219,171	\$46,535,652	6.92%

COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT  
GENERAL OBLIGATION BONDS  
June 30, 2015  
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 *	\$16,623,000	100.00%	\$16,623,000
<b>II. Overlapping Debt **:</b>			
Harrisville Fire District	\$553,297	100.00%	\$553,297
Nasonville Fire District	\$0	100.00%	\$0
Oakland-Mapleville Fire District	\$539,710	100.00%	\$539,710
Pascoag Fire District	\$1,197,707	100.00%	\$1,197,707
<b>Total</b>	<b>\$2,290,714</b>	<b>100.00%</b>	<b>\$2,290,714</b>
<b>Total Direct and Overlapping Debt</b>			<b>\$18,913,714</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, 2015  
Unaudited

Chapter	Year	Purpose	Original Total Authority	Issued Bonds	Bond Anticipation Notes Outstanding	Unissued Debt
3	1964	School Construction/Equipment (PGS, Levy, & Jr/Sr High School)	\$ 2,500,000	\$ 2,500,000	\$ -	\$ -
89	1973	School Construction/Equipment (Callahan & Jr/Sr High School)	\$ 1,500,000	\$ 1,500,000	\$ -	\$ -
25	1974	Plan/Construct/Maintain Sewage Disposal System	\$ 7,000,000	\$ 7,000,000	\$ -	\$ -
106	1979	Construction of a New Police Station	\$ 150,000	\$ 150,000	\$ -	\$ -
48	1982	Sewage Disposal System - Construction Improvements	\$ 3,500,000	\$ 3,500,000	\$ -	\$ -
164	1985	Sewage Disposal System - Construction Improvements	\$ 5,800,000	\$ 5,584,600	\$ -	\$ - *
23	1986	School Construction/Equipment - New Middle School & Levy Addition	\$ 14,000,000	\$ 14,000,000	\$ -	\$ -
616	1987	Open Space - Recreation	\$ 750,000	\$ 500,000	\$ -	\$ 250,000
127	1988	Sewage Disposal System - Construction Improvements	\$ 350,000	\$ 350,000	\$ -	\$ -
8 & 19	1989	Sewage Disposal System - Construction Improvements	\$ 6,500,000	\$ 6,475,000	\$ -	\$ - *
20	1989	School - Roof Repairs	\$ 500,000	\$ 500,000	\$ -	\$ -
21	1989	Open Space - Recreation	\$ 250,000	\$ -	\$ -	\$ 250,000
22	1989	School Construction/Equipment - New Middle School	\$ 400,000	\$ 400,000	\$ -	\$ -
45-12-2	1995	School Construction/Equipment - New Elementary School Renovation	\$ 4,500,000	\$ 4,500,000	\$ -	\$ -
6	1998	School Construction/Equipment - High School Construction/Renovation	\$ 12,500,000	\$ 12,500,000	\$ -	\$ -
45-12-2	1999	School Construction/Equipment - High School Construction/Renovation	\$ 1,000,000	\$ 1,000,000	\$ -	\$ -
37	2002	Sewage Disposal System - Construction Improvements	\$ 6,000,000	\$ 6,000,000	\$ -	\$ -
104	2002	Library- Construction/Equip/Furnishings	\$ 5,000,000	\$ 5,000,000	\$ -	\$ -
36 S2919	2004	Callahan School	\$ 7,500,000	\$ 7,500,000	\$ -	\$ -
568		Elementary Construction/Renovation				
S3136						
45-12-2	2006	Sewage Disposal System - Construction Improvements	\$ 3,500,000	\$ 3,500,000	\$ -	\$ -
45-12-2	2010	Whipple Landfill Closure	\$ 2,160,000	\$ 2,160,000	\$ -	\$ -
45-12-2	2015	North-Road Bridge	\$ 680,000	\$ 680,000	\$ -	\$ -
TOTAL			\$ 86,040,000	\$ 85,299,600	\$ -	\$ 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
2006	16,507	539,789	\$ 34,173	-	-	-	-	2,559	4.40%	4.90%	4.60%
2007	16,505	567,388	\$ 35,920	-	-	-	-	2,554	4.20%	5.00%	4.60%
2008	16,480	589,350	\$ 37,274	-	-	-	-	2,518	6.50%	7.50%	5.60%
2009	16,480	605,148	\$ 37,928	-	-	-	-	2,556	10.70%	11.30%	9.50%
2010 (1)	15,955	614,613	\$ 38,425	\$68,904	42.4	82.9%	21.6%	2,468	11.20%	11.20%	9.40%
2011	15,955	651,676	\$ 40,743	-	-	-	-	2,474	10.70%	11.10%	9.10%
2012	15,955	667,804	\$ 41,751	-	-	-	-	2,487	9.70%	10.40%	8.20%
2013	15,955	683,072	\$ 42,705	-	-	-	-	2,423	8.60%	9.20%	7.50%
2014	15,955	706,172	\$ 44,150	-	-	-	-	2,387	7.10%	7.70%	6.10%
2015	15,955	NA	NA	-	-	-	-	2,396	5.40%	5.90%	5.30%

**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	****		Deaths	Natural Increase	New Housing Units **	Median Selling
			Estimated Population	Births				Price*** (Single Family)
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	18	\$221,000
2014	11,628	73%	15,955	116	190	-74	21	\$220,000
2015	10,297	65%	15,955	93	205	-112	17	\$225,000

\*\* 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

TOWN OF BURRILLVILLE  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO  
June 30, 2015  
Unaudited

TABLE 17

Name	Type of Business	2015			2006		
		Number Employed	Percent of Town Employment	Rank	Number Employed	Percent of Town Employment	Rank
Danielle Prosciutto	Producer/Meats	427	17.30%	1	160	6.97%	3
Zambarano Hospital	State Facility	280	11.35%	2	374	16.30%	2
Burrillville School Department *	Public School System	352	14.26%	3	387	16.87%	1
Wright's Farm	Restaurant	178	7.21%	4	40	1.74%	10
Overlook Nursing Home	Nursing Home	150	6.08%	5	86	3.75%	7
Bayberry Commons Nursing Home	Nursing Home	110	4.46%	6	110	4.80%	6
Pine Grove Health Center	Nursing Home	100	4.05%	7	85	3.71%	8
Lockheed Aluminum	Manufacturer	109	4.42%	8	75	3.27%	9
Town of Burrillville *	Municipal Government	99	4.01%	9	117	0.00%	4
Wellone Primary Care	Medical Care	64	2.59%	10	NR		
Crystal Lake	Golf Course	60	2.43%	11	112	4.88%	5
Total		1,929			1,546		
Total employees Town-wide		2,468	78.16%		2,294	62.29%	

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									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Animal Control	2.5	2.5	2.0	2.0	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	0.0	1.0	1.0	1.0	1.0
Building Official	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Civil Defense	1.5	1.5	1.0	1.0	1.0	0.5	0.5	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	12.0	12.0	13.0	13.0	12.5	13.5
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	32.5	32.5	30.5	30.5	29.0	28.5	26.0	27.0	28.0
Public Works	17.0	17.0	16.0	14.0	15.5	16.5	16.5	16.5	16.5	20.0
Recreation	2.0	2.0	2.5	2.5	2.0	2.0	2.0	2.0	2.0	2.0
Tax Assessor	4.0	4.0	3.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Tax Collector	3.0	3.0	3.0	2.0	2.0	2.0	2.0	2.0	2.0	2.5
Town Clerk	4.0	4.0	4.0	4.0	4.0	3.5	3.0	4.0	4.0	4.0
Transportation	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Treasurer	4.0	4.0	4.0	4.0	4.0	4.0	4.0	5.0	5.0	4.5
Waste Water Treatment	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0
Total	<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>	<u>93.5</u>	<u>99.0</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, 2015  
Unaudited

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

(CONTINUED)

TABLE 20

TABLE 20

TOWN OF BURRILLVILLE  
MISCELLANEOUS STATISTICS  
JUNE 30, 2015  
Unaudited

Road System:	
Total Miles	161.5
State Miles	46.0
Town Miles	115.5
Bridges - Town	8
Sewerage System:	
Miles of Sewer Lines	51
Number of:	
- Treatment Plants	1
- Pump Stations	11
- Residential Users	3,591
- Metered Users	38
Maximum Average Daily Capacity of Treatment Plant	1.5 million gallons
Industrial Park:	
Burrillville Industrial Park	53 Acres
Route 102 Commerce Park	254 Acres
Clear River Drive Industrial Park	24 Acres
Fiscal Year Begins	July 1
Taxes Payable	July 15
Taxes Due & Penalties Commence	August 1
Interest Penalty	12%
Quarterly Payments (Due Dates) -	
First quarter	August 1
Second quarter	November 1
Third quarter	February 1
Fourth quarter	May 1
Regular Monthly Meetings -	
Council	2nd & 4th Wednesday
Juvenile Hearing Board	2nd & 4th Thursday
Municipal Court	1st & 3rd Tuesday
Planning Board	1st Monday
Probate Court	Last Wednesday
Redevelopment Agency	4th Tuesday
School Committee	2nd Tuesday
Sewer Commission	2nd Tuesday
Zoning Board	2nd Tuesday

(CONCLUDED)

TABLE 21

TABLE 21

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

Fiscal Year		School Operations	School Debt	Municipal Operations	Municipal Debt	Sewer Debt	Capital Improvements	Total Tax
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
2014	MV	\$22.80	\$1.01	\$10.81	\$0.41	\$1.02	\$3.95	\$40.00
	RE/TANG	\$10.59	\$0.47	\$5.02	\$0.19	\$0.48	\$1.83	\$18.58
2015	MV	\$22.88	\$1.16	\$10.90	\$0.80	\$0.56	\$3.70	\$40.00
	RE/TANG	\$10.80	\$0.55	\$5.14	\$0.38	\$0.26	\$1.75	\$18.88



TABLE 22

TABLE 22

TOWN OF BURRILLVILLE  
ALLOCATION OF TAX BASE  
Unaudited

Class of Property	<u>Town Average</u>						State Average
	1980	1990	2000	2010	2014	2015	2014
Residential	61.54%	68.45%	74.92%	82.23%	68.38%	68.07%	73.53%
Commercial/ Industrial	17.21%	13.99%	12.44%	6.63%	17.39%	17.45%	17.02%
Motor Vehicle	19.19%	16.55%	12.35%	8.14%	9.40%	9.24%	5.53%
Tangible	2.06%	1.01%	0.29%	3.00%	4.83%	5.24%	3.92%
Total	100.00%	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 23

TOWN OF BURRILLVILLE  
WASTEWATER TREATMENT FACILITY  
DISPOSAL ACTIVITY  
Unaudited

TABLE 23

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
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	2.321	916.9
2014	3,569	38	0.8191	1.699	323.5	7,481	2955	2.184	862.6
2015	3,569	38	0.8042	1.463	317.7	7,619	3010	2.117	836.2

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)
2006	97.50%	96.40%	86.70%	53	79.3 (Aug)	27.8 (Dec)	4.64	13.4 (Oct)	.4 (Mar)
2007	98.20%	97.50%	87.70%	50	78.0 (Jul)	20.9 (Feb)	3.82	8.8 (Apr)	.7 (Feb)
2008	98.30%	97.50%	86.80%	49	71.3 (Jun)	26.6 (Jan)	3.18	6.9 (Feb)	.9 (Aug)
2009	98.30%	97.50%	86.80%	48	74.1 (Jul)	17.9 (Jan)	3.64	6.5 (Dec)	1.9 (Feb)
2010	97.00%	97.50%	88.00%	50	73.1 (Aug)	23.8 (Jan)	3.68	9.36 (Sept)	1.8 (Aug)
2011	98.20%	97.90%	89.80%	49	78.3 (Jul)	19.4 (Jan)	3.25	4.8 (Apr)	1.1 (Jan)
2012	98.50%	98.60%	92.00%	52	77.0 (Jul)	29.5 (Jan)	3.63	8.3 (Aug)	0.7 (Mar)
2013	98.40%	98.40%	91.50%	50	75.4 (Jul)	25.8 (Jan)	3.45	9.1 (Jun)	.80 (Nov)
2014	98.40%	98.40%	91.50%	47	76.4 (Jul)	19.5 (Feb)	2.62	5.8 (Apr)	1.3 (May)
2015	98.60%	98.90%	91.00%	47	71 (Jul)	12 (Feb)	2.5	4.3 (Dec)	.2 (Feb)

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

Source: Burrillville Wastewater Treatment Facility

TOWN OF BURRILLVILLE  
 PERSONNEL CONTRACTS  
 JUNE 30, 2015  
 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, 2017
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, 2017
Non-Certified	RI Council 94 AFSCME, AFL-CIO, Local 2231 1 Year Contract expires June 30, 2018

***TOWN OF BURRILLVILLE***

**REPORT IN ACCORDANCE WITH  
GOVERNMENT AUDITING  
STANDARDS**

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**Gerard R. Cayer**  
CPA, MST

**Mark V. Caccia**  
CPA, MST

**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, 2015, 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 23, 2015.

**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 deficiency described in the accompanying schedule of findings and responses to be a material weakness. (2015-1).

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 deficiency described in the accompany schedule of findings and responses to be a significant deficiency. (2015-1).

## 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.

*Cayen Caccia, LLP*

December 23, 2015

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**SCHEDULE OF FINDINGS AND RESPONSES  
YEAR ENDED JUNE 30, 2015**

---

**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:

One significant deficiency disclosed during the audit of the financial statements is summarized below in finding 2015-1. This deficiency is reported as a material weakness.
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**

2015-1 Accurate Posting of Financial Activity

Required general ledger maintenance procedures related to the Town's larger and more complex side funds (special revenue and component unit funds) are not being completed 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.

Corrective Action Plan – Posting of financial data is 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 2014-1 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 2014, 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, 2014 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.

(CONTINUED)

**TOWN OF BURRILLVILLE, RHODE ISLAND**

**SCHEDULE OF FINDINGS AND RESPONSES  
YEAR ENDED JUNE 30, 2015**

---

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

Finding 2014-1 Oversight of the Town's Financial Reporting Process (Continued)

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 2014-2 Accurate Posting of Side Fund Financial Activity

Condition: Required general ledger maintenance procedures related to the Town's larger and more complex side funds (special revenue and component unit funds) are not being completed 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.

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

(CONCLUDED)

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